




CAREACTIVITIES
Before & After School Care

2022-2023

ANNUAL REPORT

www.careactivities.org.au

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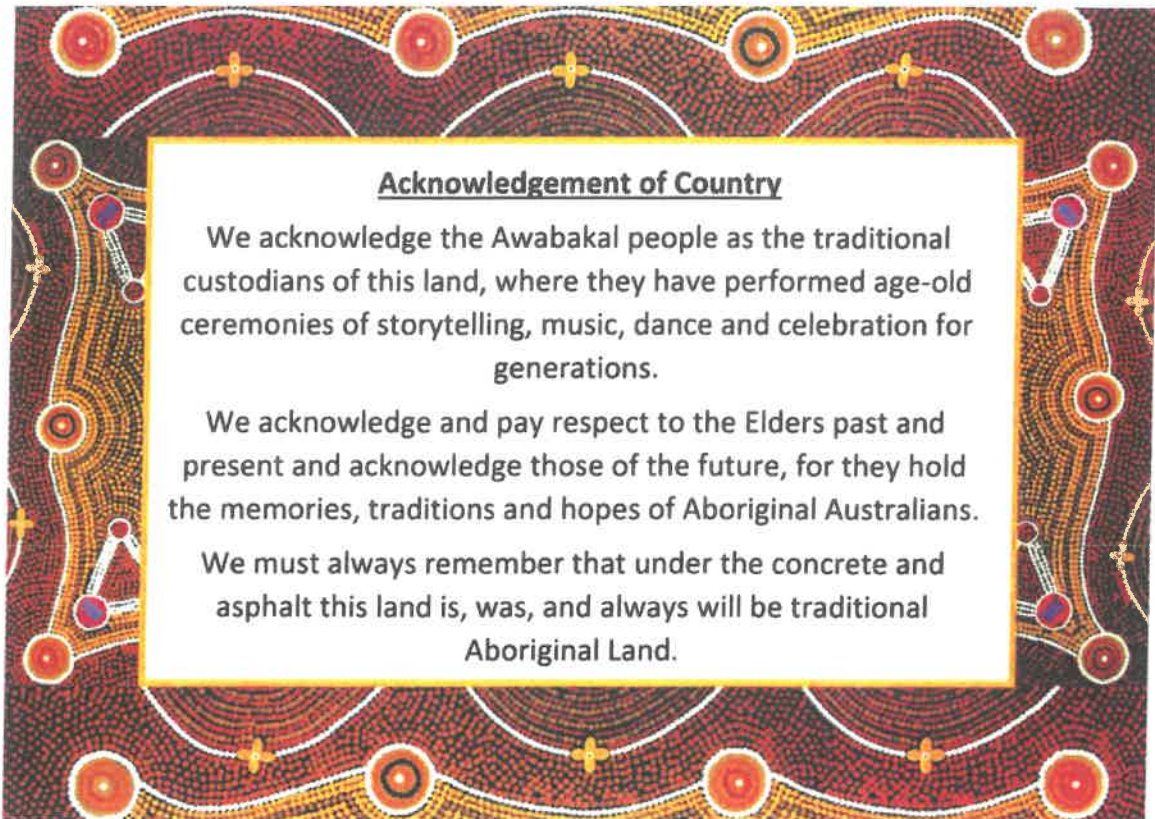
Proud to be

RATED

MEETING

NATIONAL QUALITY STANDARD





2023 AGM Agenda

AGM ran in conjunction with CALM Inc.

1. Welcome and Apologies- Garry Collins
2. Acceptance of Minutes 2021/22- Garry
3. Presentation of Presidents Report (CALM & Care)- Garry
4. Presentation of CEO Report (CALM & Care)- Sheena via video
5. Presentation of Treasurers Report- Gemma Morgan
6. Introduction of Returning Officer- Ben McEwan
7. Nomination of Board Members (CALM & Care)- Ben
8. Appointment of Auditor 2023/4 (CALM & Care)- Chair
9. General Business- any items received before 24/10/23
10. Closing Remarks- Laura Wattam/ Prue Hughes



Combined Boards of CALM and CARE Activities

Annual General Meeting

Wednesday 26 October, 2022

MINUTES

Acknowledgement of Country: Garry Collins

1. **Welcome:** Meeting commenced 5.12 pm by Garry Collins
- Present:** Garry Collins, Sheena Harvey, Gwenda Brownell, Gemma Morgan, Terry Hardman, Prue Hughes, Emma Cook; Dayle Fogarty; Susan Shing; Allison Hillery; Luke Hughes; Sue Cook; Rochelle Mellows
By video link - Ben McEwan; Jacque McEwan; Kath Webb; Irene White; Amy Lamotte

Apologies: Nic Snellgrove; Amanda Morrison; Sinead Coakley

Presentation given by School Wellbeing Team following introduction by Prue; Sue in person and Meleaha by video recording.

Sheena makes presentation to Sue Cook on her retirement from CALM

2. Business arising from previous minutes:

CALM: Nothing raised. No comments or discussion on previous minutes.

MINUTES AGM 27.10.2021 ACCEPTED

Moved: Emma Cook

Seconded: Gwenda Brownell

CARRIED

CARE: Nothing raised. No comments or discussion on previous minutes.

MINUTES AGM 27.10.2021 ACCEPTED

Moved: Sheena Harvey

Seconded: Gwenda Brownell

CARRIED

3. Presentation of reports:

PRESIDENT (Garry):

With our new office established this year was to be one of consolidation. New projects kept coming and the team kept developing new programs and projects to help our community.

We were again impacted by COVID but more subtly than previously. Many staff succumbed at various stages and it is to skill and determination of our staff that services didn't cease. Reduction in numbers at our OOSH services impacted us financially but there was some recognition in compensation from the Government to alleviate the worst of those impacts. The Board has maintained its numbers and I'm grateful for the support shown by the Board members being available to assist staff when called on. This was especially so

when we elected to have a sub committee to oversee the financial issues affecting CARE activities. In conclusion my thanks to all the staff for their efforts this year and for making CALM and CARE very special organisations. I can't emphasise enough the Board's pleasure in the work that's done by all staff. We are absolutely gobsmacked and we continue to serve you to hopefully give you the best services that you can provide to the community

C.E.O. (Sheena) CALM- Opens with quote from Vince Lombardi "*The achievements of an organisation are the results of the combined efforts of each individual* " Nothing could be truer than that statement in the last year. To our individual staff and Board members, every single one of you through your level of commitment, passion and dedication has allowed us to achieve really significant milestones once again in our history and I'm extremely grateful. Each year in our Strategic Plan we try and choose a focus area and for this year we chose core focus so we consciously and strategically made every decision with children families and young people at the core and sometimes that actually meant saying thanks but no thanks to opportunities. We have continued to absolutely exceed our contract numbers. In the last year CALM staff have supported 1,337 children, young persons & families in the Lake Macquarie area. In addition we supported a whopping 17 additional small grant programs. We continued our commitment to staff in being able to provide a workplace which is supportive and progressive. It's hard to measure those goals, but here are my measures: I congratulate Kath on 10 years with CALM, Emma almost 10, and of course Sue with 13 years. I also look at our happiness ratings on Employment Hero and look at the comments: "*I feel like I have a work family*"; "*I miss the work environment and our people (during lock-down)*" and "*I love and enjoy what I do*". When I take the time to read those comments my heart is truly full. I'd like to thank the Board and Prue, our Manager People and Purpose, because you guys actually support that commitment to our staff and also to myself. So thank you sincerely, and the Board for supporting me for taking not once but twice unexpected & quite extensive leave. I knew when I made that phone call, particularly the last one that I didn't have to worry about a thing because you had it in hand. Whilst I wouldn't normally single out one person, this year I am. We began 2021/22 year in lock-down when we all packed up our personal belongings and left the Boulevard. Then on 15/9/21 staff began to return to our beautiful new and modern office facilities here at Leo Lewis Close. While the warehouse fit-out and the move to get here may have seemed seamless there was a lot of hard work that made that happen and it would not have run so

smoothly without Amanda, our Admin. Officer. I am really grateful for her “can do” attitude and for rolling up the sleeves to get the dirty work and heavy lifting done.

We continued to build and strengthen our external partnerships and one of my favourite moments this year was receiving this e-mail from Sinead at DCJ *“It’s fantastic to see you and your team are kicking the ball out of the park with your service delivery. It’s been a very challenging year for the community and I feel proud of CALM and the integrity in which you deliver your services”*

I extend that to each and everyone of you and again draw upon the Vince Lombardi quote. You guys are amazing and I thank you all. I believe we’ve set a really solid foundation for moving forward and I can’t wait to see what opportunities we have for the 2022/23 year.

CARE :

Gives a definition of persistence - to continue doing something even though it’s difficult - and attributes the staff and Board of CARE of definitely demonstrating persistence. Reflects on the year with lock-down and staff continuing to show up even when there were days with no children or perhaps 2 children; Amy had no canteen whatsoever at North for much of the year and at Salt Ash we were kicked out of half of our space; a massive turnover of staff including Meg our Manager and added to that the uncertain financial situation- it was exhausting. Staff showed signs of burnout and anxiety, but not once was there a drop in service standards.

After warmly welcoming children back after lock-down we had to close one of the services just two days later because a student tested positive - and so the pattern of uncertainty continued. To say we were heavily impacted by COVID is an understatement. Post recovery was, and continues to be an extremely difficult time to operate OOSH services and maintain quality employment;

We invested in our profile with a brand new philosophy; brand new web site, improved our I.T. so the team could share files and actually collaborate as a team even though they worked at very different centres. Our FaceBook became brand aligned to show consistency of the organisation but also to celebrate the individuality of services and it improved its following by 53% and extended our reach;

Again, need to call out individuals - Amy, supervisor extraordinaire at North Cardiff OOSH. Called on her expertise and guiding light throughout the year. We recognise Amy’s ongoing commitment to the organisation, accepting the newly created role of WH&S officer, providing mentorship to new supervisors, not just once but on several occasions. Your commitment is exceptional and I sincerely thank you.

Carolyn - she has been the absolute rock at Morisset service, stepping up at every turn, every twist that the year threw up; Her commitment to the children, to the service, and the organisation are absolutely outstanding and we're eternally grateful. Thank you.

Luke, Gemma, Jacqui and Meg, thank you for your honest and at times very difficult discussions in forming our critical viability sub committee. With a significant focus on improving our viability by increasing income, trying to get more children through the door we established some utilisation targets and we were able to track those targets against actuals. You had robust and honest discussions in exploring alternative delivery & income streams. Together we're a true demonstration that many heads create better thinking and I'm very thankful for you coming together to help on that.

As we reflect on the final year of our Strategic Plan we have really achieved so much in the face of not ever being able to expect what was coming - we expanded our footprint with two new services, welcoming Morisset and Salt Ash; established systems across the organisation for consistency; restructured, left CALM, introduced a Manager role, implemented online rostering and time sheets, developed staff specialist roles for WH&S; aligned programming with my time our place, developed organisationally consistent position descriptions, improved brand awareness; re-built the web site and we jumped onto social media.

As we head into 2022/23 we do so knowing all our licences are renewed for 2 years; with 4 OOSH services and 3 V.C. services; with a stable supervisor team in Amy, Laura, Elouise and Tara and I look forward to working with them to develop a new Strategic Plan that will take us on whatever journey/era is next.

I'm exhausted. It's been a very challenging year but we've still been able to kick some pretty major goals across both organisations, so I'm truly grateful

TREASURER (Gemma):

CALM : Highlight of the year in July coming out of COVID., Budget was conservative but planned a road to recovery. August/September was a place of uncertainty - definitely financially. In 2022 we didn't actually receive the amount of Government support received in previous years (through job-keeper subsidies and cash flow boost). The financial position, with a profit of \$95k was a tremendous result - absolute recognition to Sheena and rest of the team for your commitment. A very strong balance sheet, with a lot of cash in the bank and going forward a great position to keep growing the brand and doing what we do. A very successful year for CALM.

CARE : Faced big hardship and the bounce back not as positive as what we saw with CALM. A loss of about \$65K not where we wanted to be but the community response to COVID meant loss of income and uncertainty for parents to get kids back. From my perspective, as a new Treasurer, I didn't really understand the way CARE worked. Jacqui & Sheena really put time and effort into bring about realistic reports and financial report each month and give me confidence to move forward. Grateful for Sheena's ability to work with the Department and get us some funding to keep us on our feet. The Board's perspective is very committed to keeping CARE growing. On behalf of myself and the Board I thank the teams of both organisations for a tremendous year. We wouldn't have had this result without the support of everyone.

4. **Election of Office Bearers and Board:**

Ben McEwan Returning Officer

5 nominations for each Board - one from Garry to meet requirement of Board members being elected every four years; one from Luke as ordinary member and three for the executive positions on the respective Boards of CALM & CARE

No opposition and as such those people will be elected. The executive positions for both

Boards are declared as:

Garry Collins	President
Terry Hardman	Secretary
Gemma Morgan	Treasurer

The position of Vice President remains vacant and will be reviewed during the year with a view to filling it.

5. **Appointment of Public Officer:**

Agreed that Terry Hardman continue in the role of Public Officer for both entities

6. **Selection of Auditor for 2022/2023:**

Agreed that McEwan and Partners remain auditors for 2022/2023 for both entities

7. **General Business:**

Nothing raised.

8. **Auditors Reports (Ben)**

Gemma's summary of both entities is quite well done and accurate.

CALM - profit \$95k down about 118k on last year but government subsidiary about 200k less. Balance sheet cash decline \$138k generally unusual when you have profit but mainly due to moving costs and some grants received last year recognised this year; saw receivables increase about 61k, largely due to CARE fees and Dept regional NSW, also rent

abatement due to water damage to new premises and also the security deposit for the new premises; With property plant & equipment - did increase 92k, primarily due to leasehold improvements in new premises. Also see that plant & equipment declined about 130k in cost and accumulated depreciation due to disposal of some assets no longer in use and no longer on premises;

An unqualified audit opinion issued.

Thanks to Sheena and the Board - once again myself and staff come to a very well organised and friendly environment. New premises are first class.

CARE - Loss similar to last year \$65k. Difficulties in relation to COVID & lockdown, sickness to children and staff. Balance sheet in reasonably good position. With hard work, quality of dedicated staff and assistance CARE has available to it, no reason strategies being put in place won't come to fruition in the near future. Once again, well done to all.

Congratulations.

Meeting closed: 6.10 pm

Minute Secretary: Terry Hardman

ACCEPTANCE OF MINUTES

These minutes are a true and accurate record of this meeting.

Chairman

Witness

Presidents Report 2023



On behalf of the Board, I would like to make special mention of the efforts that have been made by all our staff. The Board want to ensure CALM and CARE make a difference to our community and all our staff have made this a reality. Across all our endeavours, you have gone above and beyond our contracted requirements to make our organisations respected and sought after. Thank you.

Again, our management team has exceeded in ensuring the long-term stability of our organisations. When I look back at where we have come from, it gives me great pleasure to know the difference we are making.

We still have challenges ahead and we plan to keep on expanding our operations to better serve our community. With our committed staff and a supportive Board, we can make this happen.

Garry Collins
President
CALM Inc and Care Activities





- Strategic Drivers:**
 - Sustainability
 - Service Quality
- Vision:**
 - Care Activities is the first choice provider of OOSH services
- Mission:**
 - Provide quality OOSH & VC
 - Strong school relationships
 - Support charitable activities
- Core Values:**
 - Child Safety
 - Care and Respect
 - Educator Integrity

Feedback:

- Top Values: child safety, care, respect
- What Families Value: safety, supervisors, educators
- What's Working: child and opportunities, relationships with schools
- What Can Be Improved: environment, online, educator training

2023-2026 Strategic Plan

Strategic Priorities:



Stable Leadership:

Consistent team drives quality | Strong school relationships
Support for supervisors | Quality Educator recruitment

Growth:

Child Focused | Enrolment growth | Engaging programs
Innovative marketing | Business development

Ethical Approach:

Child well-being | Financial sustainability
Support charitable activities | Advocate for Educators

Safety & Environment:

Family Support Worker | Child Safe Standards
Educator wellbeing & safety

Service Quality:

- Focus on safety and well-being
- Ethical practices
- Transparency and communication
- Behavior management is clear

Ensuring Sustainability:

- Increase enrolments
- Budget management
- Retain committed staff
- Strengthen original relationships



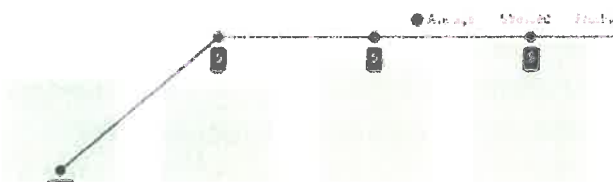
CEO Report



This year's profit of \$63,018 is a welcome relief after 2 years of financial losses totaling \$- \$109,000. The 2022/23 year has been a year of focused effort, hard decisions and even harder work. The consolidated committed to turning around our finances and therefore organizational sustainability has resulted in a financially profitable 2022/23-year, retention of all 4 services (although 1 was a close call) and six consecutive months making a monthly profit.

Let's celebrate our 2022/23 highlights-

Our people! We have responded to staff requests for uniforms and term-based rostering and been rewarded with an average staff satisfaction of 4.96/5 across the year



o Salt Ash service retained! At the start of 2023 we were blown away with new enrolments which saw enrolments increase from as low as 2% to 93% capacity! We welcomed Wirreanda children by offering a transport service, and even had a visit from Santa in a hot car. Salt Ash is currently Care Activities highest utilized service, and in the words of service Supervisor, Elouise 'it's exciting to see how far we've come from when we first started'.

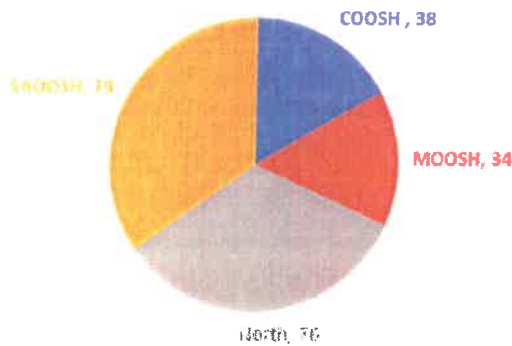
o Child-led programs- we celebrated the Women's World cup, found incredible young artists at our version of paint and sip'd, bought back 'old-time' games of marble run and Mr potato head, and made sure hot chocolate was on the winter breakfast menu!

o Financial stability- Six months consecutive months profit from Jan- July 2023 is reward for the clear, consolidated effort by the Critical Viability subcommittee meeting monthly and exploring every possible avenue for streaming expenses, accessing income, and driving increased enrolments.

o BASC vouchers- have been a huge relief for parents. The vouchers supported 369 of our families to pay \$500 per child towards their OOSH fees.



SERVICE UTILISATION



o Leadership – we end the year with four extremely dedicated Supervisors– Elly, Amy, Laura, and Sheridan, leading their unique services with their team.

There were certainly some 2022/23 challenges, or ‘learning moments-

- o Financial strain- on the back of two years of loss and some hard decisions on whether we could retain all licenses and all staff, the strain was real.
- o Organisational Structure- my dual role, taking on the Manager role has personally been a strain, but also confusing for staff, supervisors, and families. Still a work in progress, we continue to seek ways to improve our leadership structure within our financial means, currently trialing an Educator & Quality role, held by Laura (as well as her Cardiff Supervisor role).
- o SAOOSH Licensed Space- the school reduced space available for the service which required a new license and a decrease in our licensing to 30 children/ session.
- o Balancing fees and parent debt- an increase in parent difficulty to pay fees and creating large debts whilst at the same time our business need to increase our fees to cover basic costs of service provision was a challenging balance.
- o Significant staff shortages across the sector- the sector has had many great staff leave Early Childhood Education and recruitment of quality, trained staff is extremely difficult. For us we head into term 4, 2023 with 52 vacant shifts and limited ability for staff to take leave outside of their university placements and the Christmas closure period.
- o Child and parent behaviors have escalated- we have focused on staff training to better understanding behaviors and trauma informed care for children, upskilling our staff in following policy and dealing with conflict, and clearly articulately safe boundaries for care in the OOSH setting, including a Parent Code of Conduct.

What next?

The resolution and significant work on our challenges allows Care Activities to start the 2023/24 FY fresh, profitable, and inspired by our 2023-2026 Strategic plan. Our plan, a process which defines our vision for the future and how we plan to get there, has been developed with feedback from children, parents, the school community, Board, Supervisors and staff and in the words of basketballer Shaquille O'Neal, it is about helping us move from a 'Good, better, best' OOSH provider.

Sheena Harvey (CEO)



Care Activities Incorporated
ABN 49 640 551 361

Financial Report

30 June 2023

Care Activities Incorporated
Financial Report – 30 June 2023

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Care Activities Incorporated

Committee's report

Your committee members submit the financial report of Care Activities Incorporated for the financial year ended 30 June 2023.

Committee Members

The names of committee members throughout the year and at the date of this report are:

G Collins
T Hardman
G Brownwell
L Hughes
G Morgan
I White Resigned on 26 October 2022

Principal activities

The objectives include:

- (a) To conduct childcare services in the Lake Macquarie areas;
- (b) To conduct such other charitable activities in the Lake Macquarie district as the Board from time to time determines;
- (c) To support directly or indirectly charitable activities of any other charities whose activities are carried out in the Lake Macquarie district; and
- (d) To make donations to any other charity which conducts its activities in the Lake Macquarie district.
- (e) At all times to carry out its activities in accordance with the Mission Statement.

Significant Changes

No significant change in the nature of these activities occurred during the year


Review of operations

	2023	2022
	\$	\$
Net Profit/(loss)	<u>63,018</u>	<u>(63,610)</u>

Signed in accordance with a resolution of the members of the committee.



Gary Collins
Chairman



Terrence Hardman
Secretary/Public Officer

Toronto
8 September 2023

Income and Expenditure Statement

For the year ended 30 June 2023

	2023	2022
	\$	\$
Income		
Before and after school vouchers	95,328	72,549
Childcare benefits	691,337	512,066
Childcare fees	327,052	152,625
Grant – Children’s services program	1,863	1,840
Grant – Department of Education	3,794	108,964
Lake Macquarie City Council – Naidoc week	350	695
Policy refunds	80	-
Total Income	1,119,804	848,739
Expenses		
Accounting Fees	23,800	21,350
Advertising and promotion	127	69
Agency Temp Staff	10,849	2,630
Allowances	2,958	3,908
Audit fees	4,450	4,240
Bank Charges	38	97
Badges	141	161
Business Planning Costs	3,958	8
Cleaning and pest control	1,083	809
Computer expenses	3,830	3,267
Consultancy Fees	-	145
Depreciation	11,257	13,777
Employment Support & Super	-	136
Fees and permits	3,390	128
Flowers and gifts	170	182
Health and safety	1,844	1,621
Insurance	25,511	13,056
Internet	142	114
Management and administration fees	144,018	144,018
Meeting Expenses	225	-
Membership and subscriptions	10,029	8,841
Motor vehicle expenses	6,983	4,157
Petty Cash	2,521	2,078
Printing and stationery and Postage, Freight and Couriers	4,137	3,492
Project support services	41,297	25,854
Recruitment	9,409	-
Refund – fees	1,281	4,455
Rent	45,186	3,091
Salaries and wages	691,563	643,701
Security	-	32
Staff amenities	45	63
Sundry Expenses	42	184
Telephone and fax charges	5,167	5,133
Training and development	1,335	1,552
Total Expenses	1,056,786	912,349
Net Profit/(loss) before income tax	63,018	(63,610)
Income tax expense	-	-
Net Profit/(loss)	63,018	(63,610)

The above income and expenditure statement should be read in conjunction with the accompanying notes.

Balance Sheet

As at 30 June 2023

	Notes	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	2	307,608	302,213
Trade and other receivables	3	26,307	8,233
Other	4	6,676	1,431
Total current assets		340,591	311,877
Non-current assets			
Property, plant and equipment	5	8,560	14,462
Total non-current assets		8,560	14,462
Total assets		349,151	326,339
Current liabilities			
Trade and other payables	6	65,519	76,000
Provisions	7	17,410	16,165
Other	8	33,585	65,889
Total current liabilities		116,514	158,054
Non-current liabilities			
Provisions	9	8,694	7,360
Total non-current liabilities		8,694	7,360
Total liabilities		125,208	165,414
Net assets		223,943	160,925
Members' Funds			
Retained profits	10	223,943	160,925
Total Members' funds		223,943	160,925

The above balance sheet should be read in conjunction with the accompanying notes.

Care Activities Incorporated

Statement of Changes in Equity

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Total members' funds at the beginning of the financial year		160,925	224,535
Total recognised income and expense for the year	10	63,018	(63,610)
Total members' funds at the end of the financial year	10	<u>223,943</u>	<u>160,925</u>

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

Cash Flow Statement

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		1,102,340	866,702
Payments to suppliers and employees (inclusive of goods and services tax)		(1,091,590)	(845,510)
Net cash inflow (outflow) from operating activities	11	<u>10,750</u>	<u>21,192</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(5,355)	-
Net cash inflow (outflow) from investing activities		<u>(5,355)</u>	<u>-</u>
Net increase (decrease) in cash held		5,395	21,192
Cash at the beginning of the financial year		302,213	281,021
Cash at the end of the financial year	2	<u>307,608</u>	<u>302,213</u>

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

Notes to the Financial Statements

30 June 2023

Note 1. Summary of significant accounting policies

This financial report is for Care Activities Incorporated (the Association) and is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *NSW Associations Incorporation Act 2009 and the Australian Charities and Not-for-profits Commission Act 2012*. The association is a not-for-profit entity. The committee has determined that the association is not a reporting entity as the users of the financial statements are able to obtain additional information to meet their needs.

Statement of Compliance

The financial report has been prepared in accordance with the *NSW Associations Incorporation Act 2009 and the Australian Charities and Not-for-profits Commission Act 2012*, and the basis of recognition and measurement specified by all relevant Australian Accounting Standards and Interpretations.

Basis of Preparation

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

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

(a) Income tax

The association is exempt from income tax under Australian taxation laws in accordance with section 50-70 of the *Income Tax Assessment Act 1997*. The association is not liable for income tax therefore no provision is made.

(b) Property, Plant and Equipment

Motor vehicles and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all plant and equipment is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Any assets purchased for projects will be expensed to the specific project immediately.

(c) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values 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 to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the income and expenditure statement.

(d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(e) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(f) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of 3 months or less.

(g) Trade and other receivables

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(h) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

Notes to the Financial Statements

30 June 2023 (continued)

Note 1. Summary of significant accounting policies (continued)**(h) Revenue and other income (continued)**

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

(i) 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 (ATO). 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 ATO is included with other receivables or payables in the balance sheet.

(j) Trade and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Note 2. Current assets – Cash and cash equivalents

	2023 \$	2022 \$
Cash at bank and on hand	<u>307,608</u>	<u>302,213</u>
The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statement as follows:		
Balances as above	307,608	302,213
Less: Bank overdrafts	-	-
Balances per cash flow statement	<u>307,608</u>	<u>302,213</u>

Note 3. Current assets – Trade and other receivables

	2023 \$	2022 \$
Trade debtors	22,686	4,612
Security Deposit	3,621	3,621
	<u>26,307</u>	<u>8,233</u>

Note 4. Current assets – Other

	2023 \$	2022 \$
Prepayments	<u>6,676</u>	<u>1,431</u>

Note 5. Non-current assets – Property, plant and equipment

	2023 \$	2022 \$
Plant and equipment		
At cost	70,712	65,357
Less: Accumulated depreciation	<u>(62,152)</u>	<u>(50,895)</u>
Total plant and equipment	<u>8,560</u>	<u>14,462</u>

Notes to the Financial Statements

30 June 2023 (continued)

Note 6. Current liabilities – Trade and other payables

	2023	2022
	\$	\$
Trade creditors	27,296	30,370
Accruals	31,857	25,937
Net BAS payable	4,168	14,488
Loan – CALM	2,198	5,205
	<u>65,519</u>	<u>76,000</u>

Note 7. Current liabilities - Provisions

	2023	2022
	\$	\$
Employee entitlements	<u>17,410</u>	<u>16,165</u>

Note 8. Current liabilities - Other

	2023	2022
	\$	\$
Before and after school vouchers	15,623	48,951
Income in advance – Childcare fees	17,962	16,938
	<u>33,585</u>	<u>65,889</u>

Note 9. Non-current liabilities - Provisions

	2023	2022
	\$	\$
Employee entitlements	<u>8,694</u>	<u>7,360</u>

Note 10. Members' Funds

	2023	2022
	\$	\$
Retained profits		
Retained profits at the beginning of the financial year	160,925	224,535
Net Profit/(loss)	63,018	(63,610)
Retained profits at the end of the financial year	<u>223,943</u>	<u>160,925</u>

Note 11. Reconciliation of net profit/(loss) to net cash inflow (outflow) from operating activities

	2023	2022
	\$	\$
Net profit/(loss)	63,018	(63,610)
Depreciation and amortisation	11,257	13,777
Change in operating assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(18,074)	6,773
(Increase)/Decrease in prepayments	(5,245)	1,451
Increase/(Decrease) in trade and other payables	(10,481)	13,516
Increase/(Decrease) in other operating liabilities	(32,304)	49,789
Increase/(Decrease) in provisions	2,579	(504)
Net cash inflow (outflow) from operating activities	<u>10,750</u>	<u>21,192</u>

Care Activities Incorporated

Statement by Members of the Committee

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


In the opinion of the committee the financial report as set out on pages 1 to 8:

1. Presents a true and fair view of the financial position of Care Activities Incorporated as at 30 June 2023 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Care Activities Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



Gary Collins
Chairman



Terrence Hardman
Secretary/Public Officer

Toronto
8 September 2023

Independent Auditor's Report to the Members of Care Activities Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report as set out on pages 1 to 9, being a special purpose financial report, of Care Activities Incorporated (the Association), which comprises the committee's report, the income and expenditure statement for the year 30 June 2023, the balance sheet as at 30 June 2023, the statement of changes in equity as at 30 June 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

In our opinion, the financial report gives a true and fair view, in all material respects, the financial position of Care Activities Incorporated as at 30 June 2023 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the *NSW Associations Incorporation Act 2009* and the *Australian Charities and Not-for-profits Commission Act 2012*.

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 association in accordance with 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the *NSW Associations Incorporation Act 2009* and 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 for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *NSW Associations Incorporation Act 2009* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has 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 the 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 this financial report.

**Independent Auditor's report to the Members
of Care Activities Incorporated (continued)**

Auditor's Responsibilities for the Audit of the Financial Report (continued)

As part of an audit in accordance with 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.
- 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's 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 association'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 association 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 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.



Ben McEwan CA
Registered Company Auditor

Newcastle
8 September 2023

McEwan and Partners Pty Ltd
Chartered Accountants

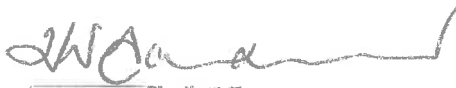
Care Activities Incorporated

Certificate by the Members of the Committee

I, Garry Collins of 12 Biddabah Avenue, Warners Bay, NSW 2282 and I, Terrence Hardman of 8 Syltone Close, Highfields, NSW 2289 and certify that:

- (a) I attended the annual general meeting of the association held on 25 October 2023.
- (b) The financial statements for the year ended 30 June 2023 were submitted to the members of the association at its annual general meeting.


Garry Collins
Chairman



Terrence Hardman
Secretary/Public Officer

Toronto
8 September 2023