

ALARA QLD LIMITED
A.B.N. 94 628 523 943

**FINANCIAL REPORT FOR THE
YEAR ENDED 30 JUNE 2022**

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DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2022

The Directors present their report together with the financial report of ALARA QLD Limited ("the Company"), for the year ended 30 June 2022 and the Auditor's Report thereon.

The Directors holding Office during the financial year were:

Joanne Witt , <i>Cert IV Mental Health Recovery</i>	Chairperson
Catherine Wheeler , <i>Grad Dip in Computer Education, Dip Teach, Ass Dip Com Rec, Cert IV in Training & Assessment, JP (Qual)</i>	Company Secretary and Director
Robyn Hartfiel , <i>Llb (Hons)</i>	Director
Noelene Schultz	Director
Antonietta Harrison , <i>Dip. Bus.; Adv. Dip. Acc.</i>	Acting Treasurer and Director
Margaret Byrne , <i>B. Sp. Thy. (Hons), Cert IV Training and Assessment</i>	Director
Phillip Bell <i>CPA, FAIM</i>	Treasurer and Director
Louise Horneman-Wren <i>BDSoc, FICD, FADI, MAICD</i>	Director
Diane Quinn <i>BA LLB(Hons) grad Dip Leg Prac LLM(Adv) MBA</i>	Director

DIRECTOR'S MEETINGS

The number of Board Meetings attended by each Board Director of ALARA QLD Limited during the financial year is as follows:

Name	No. Board Meetings held during the period of time the Director held office	Meetings Attended	No. of Workshops	Workshops Attended
Jo' Witt	12	11	1	1
Cathy Wheeler	12	11	1	1
Robyn Hartfiel	8 meetings until retirement in March 2022	8	1	1
Noelene Schultz	12	12	1	1
Toni Harrison	12	10	1	1
Marg Byrne	12	12	1	1
Phillip Bell	12	10	1	1
Louise Horneman-Wren	12	10	1	1
Diane Quinn	4 since becoming a Director in April 2022	4	Not applicable	Not applicable

COMPANY SECRETARY

The Company Secretary of ALARA QLD Limited during and since the end of the financial year was Catherine Wheeler.

BOARD PROCESSES

Two Board workshops were held during the financial year.

The first Board Workshop was conducted on the 9th and 10th October 2021 where the Board participated in a governance and Board responsibility session facilitated by Brad Bulow, reviewed the Strategic Plan and Chief Financial Officer role and planned the Board Calendar 2022.

A second Board Planning Workshop was scheduled for February 2022 however was cancelled because of the risks associated with meeting during a period of high community transmission of COVID and Director availability.

During the financial year 2021/2022, Board members again conducted internal audits around key strategic areas identified in the Strategic Plan and the Executive Review.

Board Directors responsible for those audits were:

- Financial Outcomes: Phillip Bell and Noelene Schultz
- Workforce Development: Cathy Wheeler and Marg Byrne
- Client and Community: Cathy Wheeler, Robyn Hartfiel and Toni Harrison
- CEO Review: Jo' Witt, Noelene Schultz, Louise Horneman-Wren
- CFO Review: Toni Harrison and Phillip Bell

Board Directors participated at the Staff Awards evening held on 27th May 2022 at Luke's Place Salisbury Rd and in various functions and social events throughout the year.

PRINCIPAL ACTIVITY AND OBJECTIVES

The principal activity and objects of ALARA QLD Limited during the year was the provision of support and services for people with a disability and older Australians their carers and families in south east Queensland. In the opinion of the Directors no significant changes have occurred in the nature of these activities or objects during the financial year.

PREPARATION OF FINANCIAL STATEMENTS

RESULTS

The Company recorded an operating surplus for the current financial year of \$86,409 compared to an operating surplus of \$3.0 million in the previous year. This decrease in the operating result was due primarily to the following factors:

Revenue – decreased by \$2.0 million (-11.9%)

- Cessation of Financial Assistance Measures with \$3.4 million less revenue for 2022
- Increase in Hours sold to external clients of \$0.9 million (including additional funds provided for costs of COVID 19); a net increase of \$116,288 primarily for group and centre-based activities to ALARA clients, notwithstanding the impact of the COVID-19 pandemic and new revenue from supported independent living

Expenditure – increased by \$892,630 (+6.5%)

- Increase in employment Costs of \$771,299 in line with the additional hours sold revenue and the continued costs as a result of COVID 19
- External services purchased and equipment hire combined were higher by \$122,974 which is largely due to extra services purchased from other providers through the choice now available under self-directed packages

Operating surpluses are necessary to fund capital expenditure, which is typically not funded from recurrent grant subsidies and to build a buffer for future unexpected business outlays.

The year's operating surplus of \$86,409 inclusive of unspent grants, was a more challenging year with continued COVID 19 and natural disasters impacting service provision. The operating surplus represents 0.6% of operating revenue (2021:18%).

Capital Expenditure – increased by \$358,581 (2021: \$97,375)

- ALARA has implemented a new managed-fleet service in 2020, which continues optimise the Commuters and service vehicles in its fleet in the 2021-22 financial year. Replacement cost of service vehicles this year was \$288,711
- A Building Condition assessment was conducted in 2020, which identified the level of capital renewals required to maintain ALARA properties over the next 10 years
- A 5-year strategic plan to upgrade ALARA computer systems and IT infrastructure was developed in 2020, to place the organisation in a positive position through the challenges and potential future uncertainties of the COVID-19 pandemic and beyond. Replacement Computer equipment this year, inclusive of replacement telephony system and a new Fleet Telematics system totalled \$125,459

Total Equity has grown to \$ 8,146,566

DIVIDENDS

The Company is prohibited by its Constitution from paying dividends.

STATE OF AFFAIRS

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial period under review not otherwise disclosed in this report or the financial statements.

EVENTS SUBSEQUENT TO BALANCE DATE

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial period under review not otherwise disclosed in this report or the financial statements.

LIKELY DEVELOPMENTS

The term of ALARA's current service agreements with key government funding bodies are as follows:

ALARA provides In - home and Community Connection Supports through the Queensland Community Support Scheme service in Ipswich, Lockyer and Somerset areas. The current service agreement with the Department of Communities, Disability Services and Seniors runs to 30 June 2023.

The current agreement with the Federal Department of Health pertaining to the Commonwealth Home Support Programme was extended to 30th June 2023. The transition to the new Support at Home program will now occur from 1 July 2023.

The Continuity of Support Programme (CoS) Funding Agreement with the Federal Department of Health was extended to 30 June 2021. This was extended for 3 months under an interim offer for the Disability Support for Older Australians (DSOA) Program to 30th September 2021 and then subsequently to 31st December 2022.

In relation to the National Disability Insurance Scheme the ALARA Board continue to carefully monitor proposed developments regarding pricing in relation to group and centre based services. ALARA continues to undertake modelling and considers the implications of the level of unbillable costs for the viability of specific product lines.

REVIEW OF OPERATIONS

Operations of the Company during the year are reviewed in the Chair's and CEO's report in the Annual Report.

DIRECTORS' BENEFITS

No Directors' fees are payable.

DIRECTORS' INTERESTS IN CONTRACTS

Since the end of the previous year no director of the company has received or become entitled to receive any benefit by reason of a contract made by the company or a related body corporate with the director, a firm of which the director is a member, or a company in which the director has a substantial financial interest.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The ALARA QLD Limited Constitution enables ALARA to the extent permitted by the Law to indemnify any person who is or has been a Director or Officer of the Company or related Body Corporate against any liability incurred by them in their capacity as a Director or officer, to a person other than the Company or Related Body Corporate, except where the liability relates to a wilful breach of duty or a contravention of Section 181-184 of the Law. Directors and officers are also indemnified against any liability for legal costs or expenses incurred by them in defending any proceedings in which judgement is given in their favour; or if they are acquitted or granted relief.

Director's liability insurance premiums have been paid by the entity and is included in the total insurance product/liability insurance amount of \$ 120,936.

AUDITOR'S INDEPENDENCE DECLARATION

Refer the attached Auditor's Independence Declaration which forms part of and should be read in conjunction with this report.

Dated at IPSWICH this 22 August 2022

Signed in accordance with a resolution of the Directors:



Director



Director

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2022

	Note	2022	2021
REVENUE FROM CONTINUING OPERATIONS		\$	\$
User Pay Fees		75,886	78,302
Donations		19,997	7,884
Membership Fees		290	220
ATO Financial Assistance		-	3,355,500
Gain on Sale of Fixed Assets		51,942	
Other Revenue		41,965	34,079
Hours Sold		13,127,673	12,008,684
Interest Received		12,104	37,940
Community Care - Recurrent		686,863	676,783
MyAgedCare - Recurrent		244,385	311,964
Other Grants		243,142	144,803
Transferred from/(to) Unspent Grants		239,701	75,540
TOTAL INCOME		14,743,948	16,731,699

STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2022

		2022	2021
EXPENSES	Note	\$	\$
Advertising		14,227	4,576
Audit Fees		15,031	21,790
Bank Charges		10,914	6,994
Cleaning		28,458	23,107
Computer Software / Support		257,530	243,800
Consultancy Fees		2,260	8,678
Depreciation		193,214	176,360
Donations		979	662
Electricity		20,315	17,811
Equipment & Hire		114,981	39,723
Fees & Subscriptions		36,957	21,020
First Aid		34,200	24,591
Functions & Fundraising		24,247	17,981
General Expenses		16,255	12,140
Hours Purchased Other Services		274,299	226,583
Insurance		30,854	103,843
Interest Paid		-	1,056
Legal Costs		8,976	29,334
Loss on Disposal of Fixed Assets		-	14,913
Motor Vehicle Expenses		131,872	122,766
Out of Pocket Expenses		37,357	17,276
Postage & Stationery		114,126	105,667
Qleave Levy		147,941	70,659
Rates		11,354	12,196
Rent		15,877	11,370
Repairs & Maintenance		92,923	55,777
Staff / Client Amenities		21,729	17,858
Staff Training		41,456	43,255
Superannuation		1,096,426	957,862
Telephone		113,895	122,568
Travelling / Mileage		281,977	256,948
Wages & Tsfr to Employee Entitlements		11,245,776	10,615,882
Workers Comp Insurance		157,616	154,775
Recovery of Unspent Grant Funds		63,519	205,087
TOTAL EXPENSES		14,657,539	13,764,908
PROFIT (LOSS) FOR THE PERIOD		86,409	2,966,791

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
OTHER COMPREHENSIVE INCOME			
Transfers to Reserves	11		22,837
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	22,837
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD		86,409	2,943,954

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STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2022

Retained Earnings (Accumulated Deficit)	Note	2022 \$	2021 \$
Beginning Balance 1 July		8,060,157	5,093,366
Transfer to Reserves - Motor Vehicles	11		22,837
Net income		86,409	2,943,954
Ending Balance 30 June		<u>8,146,566</u>	<u>8,060,157</u>

BALANCE SHEET

YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	4	5,668,872	6,357,672
Trade and other receivables	5	1,481,529	1,025,815
TOTAL CURRENT ASSETS		<u>7,150,401</u>	<u>7,383,487</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	3,340,995	3,118,947
TOTAL NON-CURRENT ASSETS		<u>3,340,995</u>	<u>3,118,947</u>
			-
TOTAL ASSETS		<u>10,491,396</u>	<u>10,502,434</u>
CURRENT LIABILITIES			
Sundry creditors and provisions	8	177,034	127,649
Unexpended grants carried forward			239,701
Employee provisions	10	639,743	746,956
TOTAL CURRENT LIABILITIES		<u>816,777</u>	<u>1,114,306</u>
NON-CURRENT LIABILITIES			
Loans payable	9	1,229,079	1,229,079
Employee provisions	10	298,974	94,699
Lease Liabilities	8		4,193
TOTAL NON-CURRENT LIABILITIES		<u>1,528,053</u>	<u>1,327,971</u>
TOTAL LIABILITIES		<u>2,344,830</u>	<u>2,442,277</u>
NET ASSETS		<u>8,146,566</u>	<u>8,060,157</u>
EQUITY			
Retained Earnings	11	7,486,886	7,400,477
Equity Reserves	11	659,680	659,680
TOTAL EQUITY		<u>8,146,566</u>	<u>8,060,157</u>
TOTAL EQUITY		<u>8,146,566</u>	<u>8,060,157</u>

See Auditor's Report and accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2022

	2022		2021	
	\$	\$	\$	\$
Cash flows from operating activities				
Cash receipts in the course of operations	14,036,429		16,788,274	
Interest received	12,104	14,048,533	37,940	16,826,214
Less:				
Cash payments in the course of operations	14,374,110		13,658,449	
Borrowing costs - interest paid	0	14,374,110	1,056	13,657,393
Cash flows from operating activities		(325,578)		3,168,821
Cash flows from investment activities				
Proceeds from sale of assets	92,636		33,600	
Payment for property, plant & equipment	(455,956)	(363,320)	(97,375)	(63,775)
		(688,898)		3,105,046
Cash flows from financing activities				
Loan raised/(repaid)	-	-	-	-
Net increase/(decrease) in cash		(688,898)		3,105,046
Cash at beginning of year		6,357,672		3,252,628
Cash at end of year				
Cash on hand	7,850		9,850	
Cash at bank	5,661,022	5,668,872	6,347,822	6,357,672
Net Movement in Bank Balances		(688,800)		3,105,046

Notes to Statement of Cash Flows

1.Reconciliation of net operating cash flow to net operating profit:

Net operating profit/(loss)		86,409		2,966,791
Depreciation	193,214		176,360	
(Gain)/Loss on disposal of assets	(51,942)		14,913	
Movement in Equity				
(Increase)/decrease in sundry debtors	257,390		(94,209)	
(Increase)/decrease in other debtors	(702,839)		848,841	
Increase/(decrease) in trade creditors	26,216		(35,811)	
Increase/(decrease) in unexpended grants	(239,701)		(75,540)	
Increase/(decrease) in accruals	35,438		33,612	
Increase/(decrease) in Revenue Received in Advance	(0)		(581,998)	
Increase/(decrease) in doubtful debts	(10,265)		(2,579)	
Increase/(decrease) in Lease Payable	(16,461)		(15,975)	
Increase/(decrease) in employee provisions	96,964		(65,584)	
Increase/(decrease) in provision for vehicle replacements		(411,987)	0	202,030
Cash flows from operating activities		(325,578)		3,168,821

2. Reconciliation of cash

For the purposes of the Cash Flow statement, cash includes cash on hand and at bank and cash equivalents

See Auditor's Report and accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

Note 1 CORPORATE INFORMATION AND NATURE OF OPERATIONS

ALARA Qld is a company limited by Guarantee and is registered with the ACNC. Its principal activity and objects during the year was the provision of support and services for people with a disability, their carers and families in the West Moreton catchment of south east Queensland. The financial statements of the company, for the year ended 30 June 2022 were authorised for issue in accordance with a resolution of the directors on 5 September 2022.

Note 2 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

These general purpose financial statements have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission (ACNC) Act 2012, Australian Accounting Standards – Reduced Disclosure Requirements, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

A statement of compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) cannot be made due to the entity applying not-for-profit specific requirements contained in the Australian Accounting Standards.

Note 3 NEW AND/OR CHANGES IN ACCOUNTING POLICIES

There was no changes in accounting policies for the financial year ending 30 June 2022.

Note 4 SUMMARY OF ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards – Reduced Disclosure Requirements, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

(b) SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The company has entered into leases of premises and office equipment. Management has determined that all of the risks and rewards of ownership of the equipment remain with the lessor and has therefore not classified the Equipment Leases as a finance lease.

One property remains classified as a rental agreement as the lessor can take control or possession of the premises at any time.

(c) REVENUE RECOGNITION

Revenue comprises proceeds from the sale of goods and services, government grants, and fundraising activities. Revenue from major services is shown in the Statement of Comprehensive Income.

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

Revenue from care

Fees from services to clients

Fees charged for care provided to clients are recognised when the service is provided.

Sales of goods

Revenue from sales of goods comprises revenue earned (net of returns, discounts and allowances) from the sale of goods purchased for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

Government funding

The company's care activity is supported by grants received from the federal, state and local governments. Grants received on the condition that specified services are delivered in accordance with specific performance obligations, or when the conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants is recognised when the company obtains control of the funds.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

Grants received

The company has received a number of government grants during the year. Once the company has been notified of the successful outcome of a grant application, the terms and conditions of each grant are reviewed to determine whether the funds relate to a reciprocal grant (i.e. payment for services rendered), or a non-reciprocal grant, and accounted for under AASB 1058 - Income of Not-for-Profit Entities in conjunction with AASB 15 Revenue from Contracts with Customers.

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Investment income

Investment income comprises interest. Interest income is recognised as it accrues, using the effective interest method.

Asset sales

The gain or loss on disposal of all non-current assets and available-for-sale financial investments is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

(d) EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

Where the company is a lessee, payment of equipment leases and rental agreements are recognised as an expense as incurred.

Fundraising costs are those incurred in seeking voluntary contributions by donation and do not include costs of disseminating information relating to the activities carried on by the company.

Hours purchased - other services costs comprise amounts paid to external organisations to assist in the provision of care to clients.

Make good provisions

Any provisions for future costs to return certain leased premises to their original condition are based on the company's past experience, with similar premises and estimates of likely restoration costs determined by the company's property manager. These estimates may vary from the actual costs incurred as a result of conditions existing at the date the premises are vacated.

Provisions for employee benefits

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures and periods of service, as discussed in Note 2(j). The amount of these provisions would change should any of these factors change in the next 12 months.

(e) CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of nine months or less where the investment is convertible to known amounts of cash and is subject to insignificant risk of changes in value. For the purposes of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

(f) TRADE AND OTHER RECEIVABLES

Trade receivables, which comprise amounts due from sales of merchandise and from services provided to clients are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement vary from seven to 90 days. The carrying amount of the receivable is deemed to reflect fair value.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

(g) PROPERTY, PLANT AND EQUIPMENT

Bases of measurement of carrying amount

Land and buildings are currently generally shown at cost but will be revalued and the revaluation will be measured at fair value less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation. Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Any property, plant and equipment donated to the company or acquired for nominal cost are recognised at fair value at the date the company obtains control of the assets.

Intangible assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

Revaluation of land and buildings

Following initial recognition at cost, land and buildings will be carried at a revalued amount which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and any subsequent accumulated impairment losses.

Fair value is the amount that 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'. Fair values are confirmed by independent valuations which are obtained with sufficient regularity to ensure that the carrying amounts do not differ materially from the assets' fair values at the reporting date. Director valuations are used if an independent valuation does not take place during an annual reporting period.

Land and buildings are treated as a class of assets. When the carrying amount of this class of assets is increased as a result of a revaluation, the increase is credited directly to the revaluation reserve, except where it reverses a revaluation decrement previously recognised in the statement of comprehensive income, in which case it is credited to that statement.

When the carrying amount of land and buildings is decreased as a result of a revaluation, the decrease is recognised in the statement of profit or loss and other comprehensive income, except where a credit balance exists in the revaluation reserve, in which case it is debited to that reserve.

Depreciation

Items of property, plant and equipment (other than land and certain buildings) are depreciated over their useful lives to the company commencing from the time the asset is held ready for use. Depreciation is calculated on a diminishing value basis over the expected useful economic lives of the assets using varying rates as follows:

	2022	2021
Freehold buildings & improvements	0 to 20	0 to 20
Plant & equipment	20 to 30	20 to 30
Furniture & fittings	10 to 20	10 to 20
Computer equipment	25 to 30	25 to 30
Motor vehicles	22.5	22.5
Equipment held under finance leases	Lease Life	Lease Life

Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of property, plant and equipment is the higher of fair value less costs of disposal and value in use. Depreciated replacement cost is used to determine value in use where the assets are not held principally for cash generating purpose and would be replaced if the company was deprived of it. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

An impairment loss exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of profit or loss and other comprehensive income. However, where land and buildings are measured at revalued amounts, impairment losses on land and buildings are treated as a revaluation decrement.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the company or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Any part of the asset revaluation reserve attributable to the asset disposed of or derecognised is transferred to general funds at the date of disposal.

(h) TRADE CREDITORS AND OTHER PAYABLES

Trade payables and other payables represent liabilities for goods and services provided to the company before the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

(i) DEFERRED INCOME

Liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

(j) EMPLOYEE BENEFITS

Employee benefits comprise wages and salaries, annual, sick and long service leave, and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date that are expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave have been calculated at 20% of the total available sick leave, which is considered to be a conservative estimate of the amount that will be actually utilised notwithstanding a potential risk of wider spread of COVID-19 into the community.

The liability for long service leave is recognised in the provision for employee benefits and measured at the payrates applicable at reporting date. The directors do not currently believe it is practicable to calculate the provision by measuring the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Under that method consideration is given to anticipated future wage and salary levels, experience of employee departures and periods of service and expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

The Queensland State Parliament passed legislation extending Portable Long Service Leave (PLSL) to the community services sector. The effect of this legislation will result in hybrid reporting of leave liabilities with estimated value of Q-Leave Claim inflows, in future reporting periods.

The company pays contributions to certain defined contribution superannuation plans. Contributions are recognised in the statement of profit or loss and other comprehensive income when they are due. The company has no obligation to pay further contributions to these plans if the plans do not hold sufficient assets to pay all employee benefits relating to employee service in current and prior periods.

(m) LEASED ASSETS AND LIABILITIES

Finance leases

Finance leases, which transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the statement of profit or loss and other comprehensive income. The fair value of the leases is estimated as the present value of future cash flow, discounted at market interest rates. The carrying value of the leases is considered a reasonable reflection of fair value.

Capitalised leased assets are depreciated over the estimated useful life of the asset or lease term, if shorter.

(k) TAXATION

Income tax

The company is a Public Benevolent Institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

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, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

Note 4	CASH AND CASH EQUIVALENTS	2022	2021
		\$	\$
	Cash at Bank	3,088,860	3,592,681
	Cash at Bank - Donations Account	140,722	120,701
	Cash at Bank - Maximiser Account	2,431,440	2,634,440
	Cash on Hand	7,850	9,850
		5,668,872	6,357,672

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made for varying periods of between three months and nine months, depending on the company's cash requirements. These deposits earn interest at market rates.

The monies held at Bank are retained at balance date and are intended to be expended in future financial years for the following purposes:

Grant funds for:

- Capital purchases
- Client support
- Emergency relief
- Employee entitlements
- Replacement for vehicles

Note 5	TRADE AND OTHER RECEIVABLES	2022	2021
		\$	\$
	Sundry Debtors	712,816	970,206
	Less: Provision for doubtful debts	(1,625)	(11,890)
	Other debtors and accrued revenue	770,338	67,499
		1,481,529	1,025,815

Note 6 PROVISION FOR DOUBTFUL DEBTS

Past experience indicates that no impairment allowance is necessary in respect of trade debtors 'not past due' and 'past due 0-30 days'.

	2022	2021
	\$	\$
Balance at 1 July	11,890	14,469
Impairment losses recognised	(10,265)	(2,579)
Balance at 30 June	1,625	11,890

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

Note 7 PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings	Furniture & Fittings	Plant & Equipment	IT Equipment	Motor Vehicles	Leases	Total
COST OR FAIR VALUE							
At 30 June 2021	2,941,199	132,130	256,838	300,506	958,652	52,231	4,641,556
Additions	18,412	11,775	11,599	125,459	288,711	-	455,956
Disposals	-	(998)	(9,822)	(15,710)	(177,151)	-	(203,681)
At 30 June 2022	2,959,611	142,907	258,615	410,255	1,070,212	52,231	4,893,831
ACCUMULATED DEPRECIATION							
At 30 June 2021	(319,094)	(119,645)	(208,662)	(162,123)	(680,898)	(32,187)	(1,522,609)
Charge for year	(18,666)	(3,744)	(13,098)	(44,900)	(97,187)	(16,071)	(193,666)
Disposals	-	985	9,473	12,404	140,578	-	163,440
At 30 June 2022	(337,760)	(122,404)	(212,287)	(194,619)	(637,507)	(48,258)	(1,552,836)
NET CARRYING AMOUNT							
At 30 June 2022	2,621,851	20,503	46,328	215,636	432,705	3,973	3,340,995

Revaluation of land and buildings

The company undertook a building condition assessment for the purpose of implementing a rolling capital renewal and maintenance plan, and intends to engage independent accredited valuer in three years to determine the fair value of its land and buildings. Fair value is amount that 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'. The highest and best use of the land and buildings are considered in determining the valuation.

Note 8 TRADE CREDITORS AND OTHER PAYABLES

	2022	2021
CURRENT	\$	\$
Trade creditors	39,718	13,502
Lease payable	4,193	16,461
Accrued wages	133,123	97,686
	<u>177,034</u>	<u>127,649</u>
NON-CURRENT		
Lease payable	-	4,193
	<u>-</u>	<u>4,193</u>

Note 9 SECURED LOANS PAYABLE

	2022	2021
Non-current		
Luke's Place Salisbury Road - Mortgage Dept of Communities	1,229,079	1,229,079
	<u>1,229,079</u>	<u>1,229,079</u>

A first mortgage of \$600,000 was given to the Department of Communities in 2010 as security for the property purchased at 33 Salisbury Road. The Company received further capital project funding during 2011/12 and 2012/13 of \$629,079 to refurbish the property. This has increased the total mortgage to \$1,229,079 which is due for release in 2030. There are no other mortgages, charges or other securities affecting the assets of the Company.

Note 10 EMPLOYEE PROVISIONS

	2022	2021
(A) CURRENT	\$	\$
Long service leave	405,755	352,935
Annual leave	389,462	400,278
Sick leave	63,126	64,402
Q-Leave Levy Claim	(218,600)	(70,659)
Total current provisions	639,743	746,956
(B) NON-CURRENT		
Long service leave	298,974	94,797
Total non-current provisions	298,974	94,797

A portion of long service leave and the entire annual leave balance have been classified as a current liability since the company does not have an unconditional right to defer settlement of these liabilities for at least 12 months after the end of the reporting period. The company expects that 23% of the long service liability will be paid after 12 months following the end of the reporting period.

Note 11 TOTAL FUNDS**(A) MOVEMENTS IN EQUITY**

Details of the movement in each reserve and fund are provided in the following notes to the Statement of changes in Equity.

	Retained earnings	WorkCover reserve	Vehicle replacement reserve	Future growth reserve	Total
Beginning balance 1 July	7,400,477	99,791	459,889	100,000	8,060,157
Current year surplus	86,409	-	-	-	86,409
Transfers to reserves	-	-	-	-	-
	7,486,886	99,791	459,889	100,000	8,146,566

(B) MEMBERS' GUARANTEE

The company is limited by guarantee. In the event of the company being wound up, the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the company.

Note 12 RELATED PARTIES AND RELATED PARTY TRANSACTIONS**DIRECTORS' COMPENSATION**

The directors act in an honorary capacity and receive no compensation for their services.

Note 13 ECONOMIC DEPENDENCY

The company is dependent upon the ongoing receipt of grants from the Queensland Department of Seniors, Disability Services and Aboriginal and Torres Strait Islander Partnerships, to ensure the continuance of its services to clients.

Note 14 ADDITIONAL COMPANY INFORMATION

The registered office of the company and its principal place of business is:
8 Warwick Road, IPSWICH QLD 4305

RESPONSIBLE PERSONS' DECLARATION

ALARA QLD Limited

A.B.N. 94 628 523 943

Responsible persons' declaration

per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013

The responsible persons declare that in the responsible persons' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy] the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director

CATHERINE JANE WHEELER - Secretary

Director

LOUISE MARY HORNEMAN - WREN
- director.

Dated this 22th day of August 2022

See Auditor's Report and accompanying notes to the financial statements.

AUDITOR'S INDEPENDENCE DECLARATION



Ramsey & Associates

Auditors & Accountants

A.B.N. 64 882 623 520

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*Liability limited by a scheme approved under
Professional Standards Legislation*

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Alara Qld Limited

This declaration is made in connection with our audit of the financial report of the company for the year ended 30 June 2022 and in accordance with the provisions of the Australian Charities and Not-for-Profits Commission Act 2012.

I declare that, to the best of my knowledge, there have been:

- No contraventions of the auditor independence requirements of the Australian Charities and Not-for-Profits Commission Act 2012 in relation to this audit; and
- No contraventions of the Code of Professional Conduct in relation to this audit.

Ramsey & Associates
Auditors & Accountants
Ipswich & Boonah Qld



Neil Morris
Chartered Accountant
Registered Company Auditor

Date: 22 August 2022

INDEPENDENT AUDITOR'S REPORT

**Ramsey & Associates**

Auditors & Accountants

A.B.N. 64 882 623 520

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INDEPENDENT AUDITOR'S REPORT**To the Members of Alara Qld Limited****Opinion**

We have audited the financial report of Alara Qld Limited (the Company), which comprises the Balance Sheet as at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Responsible Persons' Declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance and cash flows for the year then ended; and
- Complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of 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 Company 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 confirm that the independence declaration required by the Australian Charities and Not-for-Profits Commission Act 2012, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with its financial reporting requirements and for such internal control as management 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, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 those charged with governance 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.

Ramsey & Associates
Auditors & Accountants
Ipswich & Boonah Qld



Neil Morris
Chartered Accountant
Registered Company Auditor

Date: 31 August 2022

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