

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

**FINANCIAL REPORT FOR THE YEAR
ENDED 30 JUNE 2023**

CONTENTS

Directors' Report	F-3
Statement of Comprehensive Income	F-7
Statement of Changes in Equity	F-10
Balance Sheet	F-11
Statement of Cash Flows	F-12
Notes to the Financial Statements	F-13
Responsible Persons' Declaration	F-21
Auditor's Independence Declaration	F-22
Independent Auditor's Report	F-23

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2023

The Directors present their report together with the financial report of ALARA QLD Limited ("the Company"), for the year ended 30 June 2023 and the Auditor's Report thereon.

The Directors holding Office during the financial year were:

Joanne Witt , Cert IV Mental Health Recovery	Chairperson
Catherine Wheeler , GradDip CompEd, Dip Teach, AssocDip Com Rec, Cert IV in Training & Assessment, JP (Qual)	Company Secretary and Director
Toni Harrison , Dip Bus; AdvDip Acc	Director
Noelene Schultz , RN	Director
Carolyn Ehrlich , B HlthSc (Nursing), GradDip Primary Health Care, MAdPrac (Community and Primary Health Care) Hons 1, PhD	Director
Margaret Byrne , B Sp Thy (Hons), Cert IV Training & Assessment	Director
Phillip Bell , CPA, FAIM	Treasurer and Director
Louise Horneman-Wren , BDSc, FICD, FADI, MAICD	Director
Diane Quinn , BA LLB (Hons), GradDip Leg Prac LLM (Adv), MBA	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
Joanne Witt	11	10	2	2
Catherine Wheeler	11	11	2	2
Toni Harrison	1	1 until retirement in August	0	0
Noelene Schultz	11	9	2	2
Carolyn Ehrlich	4 since becoming a Director in February 2023	3	0	0
Margaret Byrne	11	10	2	2
Phillip Bell	11	9	2	2
Louise Horneman-Wren	11	9	2	2
Diane Quinn	11	10	2	2

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 Saturday, 12th November 2022. The meeting focused on

strategic planning, clinical governance, the Director skills matrix and the C Suite structure for the Executive leadership team.

The second Board Workshop was held on the weekend of the 4th and 5th February 2023. The meeting included a presentation by M. Munt (Biztopia) on ALARA's IT strategic plan and the recently conducted Essential Eight Maturity Model Assessment (cybersecurity and our systems). In addition, the Board considered financial sustainability trends and recent clinical and corporate governance reforms.

During the financial year 2022/2023, 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, Noelene Schultz and Louise Horneman-Wren
- Workforce Development: Cathy Wheeler, Noelene Schultz and Carolyn Ehrlich
- Client and Community: Cathy Wheeler, Margaret Byrne and Diane Quinn
- CEO Review: Jo' Witt, Noelene Schultz and Louise Horneman-Wren
- CFO Review: Phillip Bell and Jo Witt
- CSO Review: Diane Quinn and Louise Horneman-Wren

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 deficit for the current financial year of \$310,636 compared

to an operating surplus of \$86,409 in the previous year. This decrease in the operating result was due primarily to the following factors:

Revenue – Increased by \$1.1 million (7.6%)

- Increase of hours sold to external clients \$0.9 million with the increase in rates provided by NDIS, which would have been an increase \$1.3 million if we take into account the end of year additional contribution (\$0.4 million) in 2022 for COVID-19 related expenses.
- Increase of Home Care Aged Services by \$0.5 million, increasing client numbers to 41 at the end of the financial year with client numbers expected to grow in the coming financial year.
- Decreased use of other grants and previous grants being fully utilised compared to the financial year end 2022.

Expenditure – Increased by \$1.5 million (+10.3%)

- Increase in employment costs of \$1.0 million in line with the additional hours sold revenue and the increase in Home Care Aged Services provided.

The remaining increase of \$0.5 million was spread across the range of expenses with notable additions of increased Travel Costs \$122K, Insurance \$92K, Home Care Services Costs \$88K and Repairs & Maintenance \$57K.

The year's operating deficit of \$310,636 inclusive of unspent grants, was a challenging year with significant inflationary factors and challenges of the labour market. The operating deficit represents 2.6% of operating revenue (2022: 0.6% surplus).

Capital Expenditure – Decreased by \$233,592 (2022: \$455,956)

- ALARA has implemented a new managed-fleet service in 2020, which continues to optimise the commuters and service vehicles in its fleet in the 2022-23 financial year. Replacement cost of service vehicles this year was \$125,139.
- 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 totalled \$76,389.

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.

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 Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts 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 2024. The transition to the new Support at Home program will now occur 1 July 2024.

The current funding agreement for the Disability Support for Older Australians Program (previously Continuity of Support) with the Federal Department of Health and Aged Care covers the provision of service until 31 December 2023.

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 consider 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 \$122,945.

AUDITOR'S INDEPENDENCE DECLARATION

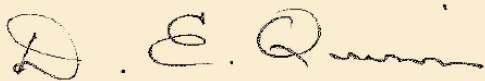
Refer the attached Auditor's Independence Declaration which forms part of and should be read in conjunction with this report.

Dated at IPSWICH this 28 August 2023.

Signed in accordance with a resolution of the Directors:



Director



Director

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2023

	Note	2023	2022
REVENUE FROM CONTINUING OPERATIONS		\$	\$
User Pay Fees		68,793	75,886
Donations		41,938	19,997
Membership Fees		240	290
ATO Financial Assistance		-	-
Gain on Sale of Fixed Assets		28,583	51,942
Other Revenue		28,077	41,965
Hours Sold		14,023,036	13,127,673
Interest Received		44,903	12,104
Disability Services- Recurrent			
Community Care- Recurrent		721,684	686,863
MyAgedCare- Recurrent		757,573	244,385
Other Grants		145,423	243,142
Transferred from/(to) Unspent Grants		(1,068)	239,701
TOTAL INCOME		15,859,183	14,743,948

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

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		\$	\$
EXPENSES			
Advertising		34,279	14,227
Audit Fees		23,234	15,031
Bank Charges		10,207	10,914
Bad & Doubtful Debts		34,284	-
Cleaning		27,319	28,458
Computer Software / Support		332,165	257,530
Consultancy Fees		17,867	2,260
Depreciation		229,812	193,214
Donations		4,128	979
Electricity		18,309	20,315
Equipment & Hire		94,541	114,981
Fees & Subscriptions		24,722	36,957
First Aid		17,112	34,200
Functions & Fundraising		15,777	24,247
General Expenses		13,821	16,255
Hours Purchased Other Services		362,310	274,299
Insurance		122,945	30,854
Legal Costs		17,817	8,976
Motor Vehicle Expenses		141,193	131,872
Out of Pocket Expenses		19,410	37,357
Postage & Stationery		121,691	114,126
Qleave Levy		158,204	147,941
Rates		11,025	11,354
Rent		25,477	15,877
Repairs & Maintenance		150,067	92,923
Staff / Client Amenities		22,232	21,729
Staff Training		62,617	41,456
Superannuation		1,233,798	1,096,426
Telephone		111,950	113,895
Travelling / Mileage		404,227	281,977
Wages & Tsfr to Employee Entitlements		12,092,029	11,245,776
Workers Comp Insurance		178,980	157,616
Recovery of Unspent Grant Funds		36,269	63,519
TOTAL EXPENSES		16,169,818	14,657,539
PROFIT (LOSS) FOR THE PERIOD		(310,636)	86,409

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

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
OTHER COMPREHENSIVE INCOME			
Transfers to Reserves	11		
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD		-310,636	86,409

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

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2023

Retained Earnings (Accumulated Deficit)	Note	2023 \$	2022 \$
Beginning Balance 1 July		8,146,566	8,060,157
Transfer to Reserves- Motor Vehicles	11		
Net income		(310,636)	86,409
Ending Balance 30 June		<u>7,835,930</u>	<u>8,146,566</u>

BALANCE SHEET

YEAR ENDED 30 JUNE 2023

		2023	2022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	4	5,816,032	5,668,872
Trade and other receivables	5	1,325,717	1,481,529
TOTAL CURRENT ASSETS		<u>7,141,749</u>	<u>7,150,401</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	3,373,247	3,340,995
TOTAL NON-CURRENT ASSETS		<u>3,373,247</u>	<u>3,340,995</u>
TOTAL ASSETS		<u>10,514,996</u>	<u>10,491,396</u>
CURRENT LIABILITIES			
Sundry creditors and provisions	8	258,588	177,034
Employee provisions	10	940,331	639,743
TOTAL CURRENT LIABILITIES		<u>1,198,919</u>	<u>816,777</u>
NON-CURRENT LIABILITIES			
Loans payable	9	1,229,079	1,229,079
Employee provisions	10	226,092	298,974
Lease Liabilities	8	24,976	-
TOTAL NON-CURRENT LIABILITIES		<u>1,480,147</u>	<u>1,528,053</u>
TOTAL LIABILITIES		<u>2,679,066</u>	<u>2,344,830</u>
NET ASSETS		<u>7,835,930</u>	<u>8,146,566</u>
EQUITY			
Retained Earnings	11	7,176,250	7,486,886
Equity Reserves	11	659,680	659,680
TOTAL EQUITY		<u>7,835,930</u>	<u>8,146,566</u>
TOTAL EQUITY		<u>7,835,930</u>	<u>8,146,566</u>

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

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2023

	2023		2022	
	\$	\$	\$	\$
Cash flows from operating activities				
Cash receipts in the course of operations	15,951,882		14,036,429	
Interest received	44,903	15,996,785	12,104	14,048,533
Less:				
Cash payments in the course of operations	15,672,409		14,374,110	
Borrowing costs- interest paid	-	15,672,409	-	14,374,110
Cash flows from operating activities		324,375		(325,578)
Cash flows from investment activities				
Proceeds from sale of assets	45,149		92,636	
Payment for property, plant & equipment	(222,364)	(177,215)	(455,956)	(363,320)
		147,160		(688,898)
Cash flows from financing activities				
Loan raised/(repaid)	-	-	-	-
Net increase/(decrease) in cash		147,160		(688,898)
Cash at beginning of year		5,668,872		6,357,672
Cash at end of year				
Cash on hand	7,850		7,850	
Cash at bank	5,808,182	5,816,032	5,661,022	5,668,872
Net Movement in Bank Balances		147,160		(688,800)

Notes to Statement of Cash Flows

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

Net operating profit/(loss)		(310,636)		86,409
Depreciation	229,812		193,214	
(Gain)/Loss on disposal of assets	(28,583)		(51,942)	
Movement in Equity				
(Increase)/decrease in sundry debtors	(158,036)		257,390	
(Increase)/decrease in other debtors	305,473			
Increase/(decrease) in trade creditors	6,199		26,216	
Increase/(decrease) in unexpended grants	27,123			
Increase/(decrease) in accruals	33,693		35,438	
Increase/(decrease) in doubtful debts	(8,375)		(10,265)	
Increase/(decrease) in Lease Payable	-		(16,461)	
Increase/(decrease) in employee provisions	227,705		96,964	
		635,011	-	(411,987)
Cash flows from operating activities		324,375		(325,578)

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 2023

Note 1 CORPORATE INFORMATION AND NATURE OF OPERATIONS

ALARA Qld is a company limited by Guarantee and is registered with the ACNC. It's 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 2023 were authorised for issue in accordance with a resolution of the directors on 28 August 2023.

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 2023.

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

grants is recognised when the company obtains control of the funds.

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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

Intangible assets

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

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:

	2023	2022
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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

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.

(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 2023

Note 4 CASH AND CASH EQUIVALENTS

	2023	2022
	\$	\$
Cash at Bank	2,624,717	3,088,860
Cash at Bank- Donations Account	180,859	140,722
Cash at Bank- Maximiser Account	3,002,606	2,431,440
Cash on Hand	7,850	7,850
	<u>5,816,032</u>	<u>5,668,872</u>

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

	2023	2022
	\$	\$
Sundry Debtors	870,852	712,816
Less: Provision for doubtful debts	(10,000)	(1,625)
Other debtors and accrued revenue	464,865	770,338
	<u>1,325,717</u>	<u>1,481,529</u>

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'.

	2023	2022
	\$	\$
Balance at 1 July	1,625	11,890
Impairment losses recognised	8,375	(10,265)
Balance at 30 June	<u>10,000</u>	<u>1,625</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

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 2022	2,959,611	142,907	258,615	410,255	1,070,212	52,231	4,893,831
Additions	-	338	23,335	73,552	125,139	56,196	278,560
Disposals	-	-	(1,634)	(9,036)	(102,899)	(52,231)	(165,800)
At 30 June 2023	2,959,611	143,245	280,316	474,771	1,092,452	56,196	5,006,591
ACCUMULATED DEPRECIATION							
At 30 June 2022	(337,760)	(122,404)	(212,287)	(194,619)	(637,507)	(48,258)	(1,552,836)
Charge for year	(17,115)	(4,716)	(14,894)	(62,817)	(113,808)	(16,461)	(229,811)
Disposals	-	-	1,583	7,007	88,482	52,231	149,303
At 30 June 2023	(354,875)	(127,120)	(225,598)	(250,429)	(662,833)	(12,488)	(1,633,344)
NET CARRYING AMOUNT							
At 30 June 2023	2,604,736	16,125	54,718	224,342	429,619	43,708	3,373,247

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

	2023	2022
CURRENT		
Trade creditors	\$ 45,917	\$ 39,718
Lease payable	18,732	4,193
Accrued wages	166,816	133,123
Grant Payable	27,123	0
	<u>258,588</u>	<u>177,034</u>
NON-CURRENT		
Lease payable	24,976	-
	<u>24,976</u>	-

Note 9 SECURED LOANS PAYABLE

	2023	2022
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

	2023	2022
(A) CURRENT	\$	\$
Long service leave	449,836	405,755
Annual leave	579,916	389,462
Sick leave	72,175	63,126
Q-Leave Levy Claim	(161,596)	(218,600)
Total current provisions	<u>940,331</u>	<u>639,743</u>
(B) NON-CURRENT		
Long service leave	226,092	298,974
Total non-current provisions	<u>226,092</u>	<u>298,974</u>

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	7,486,886	99,791	459,889	100,000	8,146,566
Current year surplus	(310,636)				(310,636)
Transfers to reserves					-
	<u>7,176,250</u>	<u>99,791</u>	<u>459,889</u>	<u>100,000</u>	<u>7,835,930</u>

(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

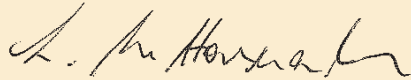
per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013

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-profits Commission Regulation 2013*.

Director



Director



Dated this 28th day of August 2023

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

Head Office:
70 East Street
Ipswich Qld 4305

PO Box 148 Ipswich

Phone: (07) 3281 1755
Fax: (07) 3281 4017

Boonah:
Lankowski Building
2 / 43 High Street
Boonah Qld 4310

PO Box 139 Boonah

Phone: ((07) 5463 2199
Fax: (07) 5463 2068

*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 2023 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: 25 August 2023

INDEPENDENT AUDITOR'S REPORT



Ramsey & Associates

Auditors & Accountants

A.B.N. 64 882 623 520

Head Office:
70 East Street
Ipswich Qld 4305

PO Box 148 Ipswich

Phone: (07) 3281 1755

Fax: (07) 3281 4017

Boonah:
Lankowski Building
2 / 43 High Street
Boonah Qld 4310

PO Box 139 Boonah

Phone: ((07) 5463 2199

Fax: (07) 5463 2068

Liability limited by a scheme approved under
Professional Standards Legislation

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 2023, 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 2023 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: 29/08/2023

THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK