

Financial
Report

2021 - 2022



Child & Family Services Ballarat Inc.

ABN 83 786 843 940

Financial Statements for the year ended 30 June 2022

CHILD & FAMILY SERVICES BALLARAT INC.

ABN 83 786 843 940

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CHILD & FAMILY SERVICES BALLARAT INC.

ABN 83 786 843 940

Board of Governance Report For the year ended 30 June 2022

The Board of Governance present their report, together with the financial statements of Child & Family Services Ballarat Inc. ("Cafs") for the year ended 30 June 2022.

Names and information on Board Members

The names of each person who has been a board member during the financial year are outlined below. Board members have been in office for the entire financial year unless otherwise stated.

Gayle Boschert	
Role	President/Chair
Qualification	BSc, Grad Diploma of Nutrition and Diet, MBA
Charles Kemp	
Role	Vice President/Deputy Chair (resigned 29 April 2022)
Qualification	BCom, Med, GAICD, M.A.C.E.
Roslyn Fahey	
Role	Board member (resigned 23 June 2022) Deputy Chair (appointed 29 April 2022 and resigned 23 June 2022)
Qualification	Bachelor in Human Services Administration, Post Graduate Catholic Leadership
Craig Roberts	
Role	Treasurer (resigned 16 December 2021)
Qualification	BCom., CPA
John White	
Role	Board member, Treasurer (appointed 16 December 2021)
Qualification	MAICD, MRICS, FFin, AAPI, BBus (Land Economy), Grad Dip. (App Fin Inv)
Jayne Ferguson	
Role	Board member
Qualification	BA Psychology & Sociology, Grad Dip (Counselling & Human Services), Certificate of Business Excellence
Karen Heap	
Role	Board member
Qualification	Chief Executive Officer – Ballarat and District Aboriginal Cooperative (BADAC)
Peter Ludbrook	
Role	Board member
Qualification	Licensed Real Estate Agent
David Matthey	
Role	Board member (resigned 16 January 2022)
Qualification	BBus, FCPA, AGIA
Jen Pollard	
Role	Board member
Qualification	BEd
Michael Tilbury	
Role	Board member (resigned 25 October 2021)
Qualification	LLB (University of London), BCL (Oxford University)

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Board of Governance Report For the year ended 30 June 2022

Tammy Fitzgerald	
Role	Board member (appointed 1 January 2022)
Qualification	Master of Enterprise, Faculty of Business & Economics
Sharelle Knight	
Role	Board member (appointed 1 January 2022)
Qualification	Bachelor of Arts, Bachelor of Social Work, Graduate Diploma Human Services Administration (Monash)
Ross Waddington	
Role	Board member (appointed 1 January 2022)
Qualification	Bachelor of Business, Graduate Diploma Quality Management in Health Care, Master of Health Administration
Gary Hevey RFD	
Role	Board member (appointed 1 January 2022)
Qualification	LL.B. (Hons), LL.M.
Michelle Wilson	
Role	Board member (appointed 1 January 2022)
Qualification	Master of Educational Leadership, Graduate Diploma Special Education, Diploma Teaching
Gabby Howlett	
Role	Board member (appointed 1 January 2022)
Qualification	Bachelor of Business (Accountancy)

Principal activities

During the year ended 30 June 2022, the principal activities of Cafs were to provide early intervention and prevention support services to children, young people, families and individuals.

These services include:

- out-of-home care for children and young people;
- family support programs;
- family violence services;
- housing and homelessness services;
- family counselling; and
- financial counselling and problem gambling support.

Cafs services the Central Highlands and Grampians regions of Victoria.

No significant changes in the nature of Cafs' principal activities occurred during the financial year.

Operating results

The operating (deficit)/surplus for the year of Cafs amounted to a deficit of \$(191) (2021: surplus of \$2,958,399).

CHILD & FAMILY SERVICES BALLARAT INC.

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Board of Governance Report For the year ended 30 June 2022

Meetings of Board Members

Attendances by each Board Member were as follows:

	Board meetings						
	Board of Governance		Audit & Risk Committee	Finance & Resources Committee	Quality, Safety, People & Culture Committee	Community Advisory Committee*	Remuneration Committee
	Eligible	Attended	Attended/ Eligible	Attended/ Eligible	Attended/ Eligible	Attended/ Eligible	Attended/ Eligible
Gayle Boschert	7	7	4/4	5/6	5/6	-	2/2
Charles Kemp	6	6	2/2	1/3	1/5	2/2	1/1
Roslyn Fahey	6	4	3/4	4/6	4/6	-	1/1
Craig Roberts	3	3	1/1	2/2	-	-	-
John White	7	5	4/4	5/6	-	-	-
Jayne Ferguson	7	6	3/3	1/1	5/5	4/4	-
Karen Heap	7	5	1/2	-	-	1/2	-
Peter Ludbrook	7	7	1/2	6/6	-	-	-
David Matthey	4	4	1/1	2/2	-	-	-
Jen Pollard	7	6	2/2	3/3	5/6	-	1/1
Michael Tilbury	2	2	-	2/2	2/2	-	-
Tammy Fitzgerald	3	3	-	-	2/2	-	1/1
Sharelle Knight	3	3	-	-	1/2	-	-
Ross Waddington	3	3	2/2	-	-	-	-
Gary Hevey	3	3	2/2	-	-	-	-
Michelle Wilson	3	3	-	-	1/2	1/1	-
Gabby Howlett	3	2	-	2/2	-	-	-

*This meeting is also attended by a number of community representatives.

After balance date events

Refer note 8.5 for further information.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found immediately after this Board of Governance report.

Signed in accordance with a resolution of the Board of Governance.

Board Member: 
Gayle Boschert (Chair)

Board Member: 
John White (Treasurer)

Dated this 20th day of September 2022



AUDITOR'S INDEPENDENCE DECLARATION

RSM Australia Partners

12 Anderson Street West, Ballarat VIC 3350
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As lead auditor for the audit of the financial report of Child & Family Services Ballarat Inc. for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

JOHN FINDLAY
Partner

Ballarat, Victoria

Dated this 20th day of September 2022

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AUDIT | TAX | CONSULTING

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CHILD & FAMILY SERVICES BALLARAT INC.

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Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue			
Government revenue	2.1	30,447,063	34,413,556
Other income	2.2	875,668	707,753
Total revenue		31,322,731	35,121,309
Expenses			
Employee benefits expense	3.1	23,041,081	23,520,846
Other expenses	3.4	7,166,798	7,906,838
Depreciation and amortisation	4.3	1,012,865	652,807
Finance costs		102,178	82,419
Total expenses		31,322,922	32,162,910
Operating (deficit)/surplus for the year		(191)	2,958,399
Net gain on disposal of property, plant and equipment		942,240	57,297
Surplus for the year		942,049	3,015,696
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
(Loss)/gain on the revaluation of equity instruments at fair value through other comprehensive income		(725,990)	1,376,811
Other comprehensive income for the year		(725,990)	1,376,811
Total comprehensive income for the year		216,059	4,392,507

The accompanying notes form part of these financial statements

CHILD & FAMILY SERVICES BALLARAT INC.

ABN 83 786 843 940

Statement of Financial Position

As at 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6.1	3,551,095	1,820,423
Trade and other receivables	5.1	245,504	61,282
Investments and other financial assets	4.5	1,560,807	1,306,906
Other assets	5.2	308,577	590,411
Total Current Assets		5,665,983	3,779,022
Non-Current Assets			
Property, plant and equipment	4.1	12,775,296	14,898,396
Right-of-use assets	4.2	1,947,179	760,031
Intangible assets	4.4	661,562	31,455
Investments and other financial assets	4.5	9,004,458	8,629,510
Total Non-Current Assets		24,388,495	24,319,392
TOTAL ASSETS		30,054,478	28,098,414
LIABILITIES			
Current Liabilities			
Trade and other payables	5.3	2,199,738	2,592,553
Contract liabilities	5.4	1,146,800	409,212
Lease liabilities	6.2	198,448	96,483
Employee benefit provisions	3.2	1,977,792	1,778,397
Provisions	3.3	1,567,900	1,721,320
Other financial liabilities	6.3	901,979	509,174
Total Current Liabilities		7,992,657	7,107,139
Non-Current Liabilities			
Lease liabilities	6.2	1,876,682	715,749
Employee benefit provisions	3.2	230,554	537,000
Total Non-Current Liabilities		2,107,236	1,252,749
TOTAL LIABILITIES		10,099,893	8,359,888
NET ASSETS		19,954,585	19,738,526
EQUITY			
Reserves	8.4	916,689	1,702,679
Retained surpluses		19,037,896	18,035,847
TOTAL EQUITY		19,954,585	19,738,526

The accompanying notes form part of these financial statements

CHILD & FAMILY SERVICES BALLARAT INC.

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Statement of Changes in Equity For the year ended 30 June 2022

	Retained surpluses \$	Investment revaluation reserve \$	Specific purpose funds \$	Total \$
2022				
Balance at 1 July 2021	18,035,847	1,694,306	8,373	19,738,526
Surplus for the year	942,049	-	-	942,049
Other comprehensive income	-	(725,990)	-	(725,990)
Disposal of shares held at FVOCI	60,000	(60,000)	-	-
Balance at 30 June 2022	19,037,896	908,316	8,373	19,954,585
2021				
Balance at 1 July 2020	15,020,151	317,495	8,373	15,346,019
Surplus for the year	3,015,696	-	-	3,015,696
Other comprehensive income	-	1,376,811	-	1,376,811
Balance at 30 June 2021	18,035,847	1,694,306	8,373	19,738,526

The accompanying notes form part of these financial statements

CHILD & FAMILY SERVICES BALLARAT INC.

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Statement of Cash Flows

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from government and community (including GST)		35,341,092	39,374,954
Payments to suppliers and employees (including GST)		(34,048,909)	(34,872,450)
Dividends received		409,392	219,592
Interest received		16,692	54,298
Interest paid		(102,178)	(82,419)
Net cash provided by operating activities		1,616,089	4,693,975
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		2,154,876	213,666
Proceeds from sale of intangible assets		31,455	-
Purchase of property, plant and equipment		(598,138)	(3,731,849)
Proceeds from sale of shares		1,088,202	-
Purchase of shares		(2,189,140)	(2,419,538)
(Purchase of)/proceeds from term deposits		(253,901)	1,995,074
Net cash provided by/(used in) investing activities		233,354	(3,942,647)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for lease liabilities		(118,771)	(88,322)
Net cash used in financing activities		(118,771)	(88,322)
Net increase in cash and cash equivalents held		1,730,672	663,006
Cash and cash equivalents at end of financial year		1,820,423	1,157,417
Cash and cash equivalents at end of financial year	6.1	3,551,095	1,820,423

The accompanying notes form part of these financial statements

CHILD & FAMILY SERVICES BALLARAT INC.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Summary of Significant Accounting Policies

The financial statements cover Child & Family Services Ballarat Inc. ("Cafs") as an individual entity. Cafs is an incorporated association incorporated in Victoria under the *Associations Incorporation Reform Act 2012*.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

New or amended Accounting Standards and Interpretations adopted

Cafs has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of Cafs.

The following Accounting Standards and Interpretations are most relevant to Cafs:

Conceptual Framework for Financial Reporting (Conceptual Framework)

Cafs has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on Cafs financial statements.

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

Cafs has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is some increased disclosure in these financial statements.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – *Simplified Disclosures* of the Australian Accounting Standards Board (AASB), the *Associations Incorporation Reform Act 2012*, the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and associated regulations. Cafs is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The financial statements are prepared on a going concern basis.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Cafs' accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the relevant notes.

a) Association details

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

Child & Family Services Ballarat Inc.
115 Lydiard Street North
Ballarat VIC 3350

Notes to the Financial Statements

For the year ended 30 June 2022

Note 1 Summary of Significant Accounting Policies (cont.)

b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

c) Income tax

No provision for income tax has been raised as Cafs is exempt from income tax pursuant to Division 50, section 50-10 of the *Income Tax Assessment Act 1997*.

d) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in Cafs' normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in Cafs' normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

e) Comparative information

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

CHILD & FAMILY SERVICES BALLARAT INC.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 2 Funding Delivery of Our Services

Cafs' overall objective is to provide early intervention and prevention support services to children, young people, families and individuals in the Central Highlands and Grampians regions of Victoria. To enable Cafs to fulfil its objectives it receives income mainly based on government funding. Cafs also receives income from the sale of goods and supply of services as outlined in the statement of profit or loss and other comprehensive income.

2.1: Government revenue

2.2: Other income

	2022 \$	2021 \$
Note 2.1: Government revenue		
Provisions of community services via grant funding	30,447,063	30,284,856
Other federal government revenue	-	4,128,700
Total government revenue	30,447,063	34,413,556
All of the above revenue is recognised from contracts within the geographical region of Australia.		
Note 2.2: Other income		
Business undertakings	90,729	60,489
Fundraising income	228,376	184,175
Other income	134,507	197,150
Interest	12,664	46,347
Dividends	409,392	219,592
Total other income	875,668	707,753
Total revenue and other income	31,322,731	35,121,309

Revenue recognition

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

Grant funding

When Cafs obtains control of a government grant, it recognises the associated asset in accordance with the applicable Australian Accounting Standard. In addition, Cafs recognises the following 'related amounts', when applicable:

- any related contributions by owners, customer contract liabilities, financial liabilities and other liabilities and revenue, measured in accordance with the applicable Australian Accounting Standards;
- any liabilities for obligations arising from transfers to enable Cafs to acquire or construct non-financial assets to be controlled by Cafs; and
- donation income, representing the residual amount of the resources received.

As per AASB 1058, a related amount is accounted for as a customer contract liability in line with AASB 15 when, and only when, the associated agreement with the grantor:

- creates enforceable rights and obligations between the parties; and
- includes a promise by Cafs to transfer a good or service that is sufficiently specific for Cafs to determine when the obligation is satisfied.

If an agreement is classified as a contract with a customer, it is accounted for consistent with AASB 15, which requires Cafs to:

- identify the performance obligation(s) under the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligation(s) under the contract; and
- recognise revenue when (or as) Cafs satisfies the performance obligation(s).

Notes to the Financial Statements

For the year ended 30 June 2022

Note 2 Funding Delivery of Our Services (cont.)

For contracts with customers that comprise a donation component, Cafs treats such components as part of the performance obligation(s) unless Cafs can demonstrate that component is not related to the promised goods or services.

Some revenue from government grants meets the necessary criteria to be accounted for as revenue from contracts with customers under AASB 15. Performance obligations arising from contracts for government grants are generally satisfied over time, as Cafs meets the relevant criteria to retain the associated funding. The methods used to measure Cafs' progress towards achieving its performance obligations arising from its contracts for government grants are either inputs or outputs based.

Where there is not an enforceable agreement or specific performance obligations, income is recognised under AASB 1058.

Other federal government revenue

Other federal government revenue relates to stimulus funding provided from the Australian Government in relation to the JobKeeper scheme. This scheme ended during the prior financial year. This amount was recognised in accordance with AASB 1058.

Business undertakings

Cafs receives income from room hire. Income is recognised when performance obligations are met, that is when the rooms which have been hired are utilised.

Interest

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Dividends

Dividend revenue is recognised when the right to receive payment is established. Dividends represent the revenue arising from Cafs' investment in financial assets.

Fundraising revenue

Donations and bequests are recognised as revenue when received.

Volunteer services

Cafs has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

CHILD & FAMILY SERVICES BALLARAT INC.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 3 The Cost of Delivering Services

This section provides an account of the expenses incurred by Cafs in delivering services and outputs. In Note 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

- 3.1: Breakdown of employee benefits expenses
- 3.2: Provisions for employee benefits in the statement of financial position
- 3.3: Provisions
- 3.4: Breakdown of operating expenses

	2022	2021
	\$	\$
Note 3.1: Breakdown of employee benefits expenses		
Salaries and wages	20,211,408	20,846,778
Superannuation	1,769,218	1,658,276
Workcover	1,060,455	1,015,792
Total employee benefits expenses	23,041,081	23,520,846

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, and WorkCover premiums. Contributions are made by Cafs to an employee superannuation fund and are charged as expenses when incurred.

Note 3.2: Provision for employee benefits in the statement of financial position

Current

Provision for annual leave	1,493,516	1,325,052
Provision for time-in-lieu	12,901	2,192
Provision for long service leave	471,375	451,153
Total current employee benefits provisions	1,977,792	1,778,397

Non-current

Provision for long service leave	230,554	537,000
Total non-current employee benefits provisions	230,554	537,000
Total employee benefits provisions	2,208,346	2,315,397

Provision is made for the Cafs' liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Cafs' employees are entitled to take 13 weeks long service leave after 10 years of continuous service. The portion of the provision relating to employees with 7 or more years of service is shown as a current liability.

Time-in-lieu is provided for based on additional hours worked.

Staff are entitled to leave loading at the rate of 17.5% in relation to their annual leave.

Critical accounting estimates and judgments: Employee benefits

As discussed above, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

CHILD & FAMILY SERVICES BALLARAT INC.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 3 The Cost of Delivering Services (cont.)

	2022 \$	2021 \$
Note 3.3: Provisions		
<i>Current</i>		
Civil claims and redress scheme provision	1,567,900	1,721,320
Total provisions	1,567,900	1,721,320

Civil claims and redress scheme provision recognition

Cafs has historically adopted the approach of providing for uninsured open civil claims at the end of the financial year.

The National Redress Scheme commenced operation on 1 July 2018 and will run for a period of 10 years. Cafs signed up to the National Redress Scheme in April 2019 which has resulted in a requirement to include a provision for future claims.

The provision for civil claims and national redress scheme is based on:

- the number of uninsured open civil claims; plus
- the estimated number of claims from the National Redress Scheme based on recorded incidents that meet the eligibility criteria.

Note 3.4: Breakdown of operating expenses

Advertising and promotion	94,295	179,427
Audit fees	34,550	34,867
Capital and equipment below capitalisation threshold	269,631	157,013
Civil claims and redress scheme expenses	984,604	464,483
Client costs	2,287,196	1,796,802
Engagement, management and retention costs	173,564	375,905
Motor vehicle expenses	163,835	181,625
Occupancy costs	229,648	231,204
Office costs	993,457	918,399
Organisation expenses	447,919	1,316,860
Other expenses	76,653	486,812
Professional development	137,797	456,077
Repairs and maintenance	647,039	663,886
Subcontractor expenses	626,610	643,478
Total operating expenses	7,166,798	7,906,838

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. Other operating expenses are recognised as an expense in the reporting period in which they are incurred.

CHILD & FAMILY SERVICES BALLARAT INC.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 4 Key Assets to Support Service Delivery

Cafs controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources to be utilised for delivery of those outputs.

- 4.1: Property, plant and equipment
- 4.2: Right-of-use assets
- 4.3: Depreciation
- 4.4: Intangible assets
- 4.5: Investments and other financial assets

	2022 \$	2021 \$
Note 4.1: Property, plant and equipment		
<i>Non-current</i>		
<i>Land</i>		
Land at valuation (2020)	4,017,000	4,367,000
Total land	4,017,000	4,367,000
<i>Buildings</i>		
Buildings at valuation (2020)	7,237,811	8,029,375
Less accumulated depreciation	(248,373)	(119,690)
Total buildings	6,989,438	7,909,685
Leasehold improvements at cost	338,772	350,918
Less accumulated depreciation	(149,728)	(302,103)
Total leasehold improvements	189,044	48,815
Capital work in progress	29,139	887,939
<i>Plant and equipment</i>		
Furniture, fittings and equipment at cost	829,098	799,209
Less accumulated depreciation	(525,570)	(477,178)
Total plant and equipment	303,528	322,031
Computer equipment at cost	2,103,138	1,968,231
Less accumulated depreciation	(1,634,060)	(1,406,922)
Total computer equipment	469,078	561,309
Motor vehicles at cost	1,211,715	1,148,629
Less accumulated depreciation	(433,646)	(347,012)
Total motor vehicles	778,069	801,617
Total property, plant and equipment	12,775,296	14,898,396

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Notes to the Financial Statements
For the year ended 30 June 2022

Note 4 Key Assets to Support Service Delivery (cont.)

Note 4.1: Property, plant and equipment (cont.)

i) Reconciliations of the carrying amounts of each class of asset

	Land (at valuation) \$	Buildings (at valuation) \$	Leasehold improvements \$	Capital works in progress \$	Furniture, fittings and equipment \$	Computer equipment \$	Motor vehicles \$	Total \$
2022								
Balance at 1 July 2021	4,367,000	7,909,685	48,815	887,939	322,031	561,309	801,617	14,898,396
Additions	-	8,436	145,001	9,165	76,958	142,827	215,751	598,138
Disposals	(350,000)	(770,667)	-	-	(24,542)	-	(61,334)	(1,206,543)
Transfers to intangibles	-	-	-	(808,761)	-	-	-	(808,761)
Transfers	-	-	8,430	(24,415)	15,985	-	-	-
Expensed	-	-	-	(34,789)	-	-	-	(34,789)
Depreciation expense	-	(158,016)	(13,202)	-	(86,904)	(235,058)	(177,965)	(671,145)
Balance at 30 June 2022	4,017,000	6,989,438	189,044	29,139	303,528	469,078	778,069	12,775,296

Note 4 Key Assets to Support Service Delivery (cont.)

Note 4.1: Property, plant and equipment (cont.)

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least every five years, valuations by external independent valuers, less subsequent depreciation for buildings. Valuations may occur more frequently if fair value assessments indicate material changes in values. An independent valuation of Cafs' land and buildings was performed by Leader Property Practice with the effective date of 30 June 2020. Valuations are based on a direct comparison which is a level 2 input. The directors do not believe that there has been a material movement in fair value since the revaluation date.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in the statement of profit or loss and other comprehensive income and accumulated in the property asset revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of asset shall be recognised in the statement of profit or loss and other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the statement of profit or loss and other comprehensive income. As the revalued buildings are depreciated the difference between depreciation recognised in the statement of profit and loss and other comprehensive income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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

Plant and equipment

Plant and equipment including leasehold improvements is measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount, and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

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

Items of property, plant and equipment are recorded as capital work in progress until such a time that the asset is ready for use. Once the asset is deemed ready for use, the capital work in progress will be transferred to property, plant and equipment and depreciation will commence at that time.

Impairment of assets

At the end of each reporting period, Cafs reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income. Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when Cafs would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset. Where it is not possible to estimate the recoverable amount of an assets class, Cafs estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 4 Key Assets to Support Service Delivery (cont.)

Note 4.1: Property, plant and equipment (cont.)

Critical accounting estimates and judgments: Impairment of non-financial assets

Cafs assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to Cafs and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

	2022 \$	2021 \$
Note 4.2: Right-of-use assets		
<i>Non-Current</i>		
Buildings	2,182,668	800,999
Less accumulated depreciation	(293,573)	(144,552)
Total buildings right-of-use assets	1,889,095	656,447
Office equipment	187,518	187,518
Less accumulated depreciation	(129,434)	(83,934)
Total office equipment right-of-use assets	58,084	103,584
Total right-of-use assets	1,947,179	760,031

Reconciliations of the carrying amounts of each class of asset

	Buildings \$	Office equipment \$	Total \$
Year ended 30 June 2022			
Balance at the beginning of year	656,447	103,584	760,031
Remeasurement of right-of-use assets	195	-	195
Additions	1,381,474	-	1,381,474
Depreciation	(149,021)	(45,500)	(194,521)
Balance at the end of the year	1,889,095	58,084	1,947,179

Right-of-use asset recognition

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where Cafs expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Cafs has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 4 Key Assets to Support Service Delivery (cont.)

	2022 \$	2021 \$
Note 4.3: Depreciation and amortisation		
Buildings	158,016	119,690
Leasehold improvements	13,202	3,697
Furniture, fittings and equipment	86,904	77,063
Motor vehicles	177,965	214,397
Computer equipment	235,058	119,596
Buildings right-of-use assets	149,021	75,502
Office equipment right-of-use assets	45,500	42,862
Software	147,199	-
Total depreciation	1,012,865	652,807

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to Cafs commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation rates are consistent with the prior year.

All intangible assets other than goodwill have a finite useful life. Intangible assets with finite lives are amortised over the useful life. The amortisation period and estimated useful lives are reviewed at the end of each annual reporting period.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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

Class of fixed asset	Method	Depreciation rate
Buildings	Straight-line	2%
Leasehold improvements	Straight-line	4.70% – 23.30%
Furniture, fittings and equipment	Straight-line	15%
Motor vehicles	Diminishing value	18.75%
Computer equipment	Straight-line	30%
Buildings right-of-use assets	Straight-line	6% – 25%
Office equipment right-of-use assets	Straight-line	25%
Software	Straight-line	20%

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 4 Key Assets to Support Service Delivery (cont.)

	2022 \$	2021 \$
Note 4.4: Intangible assets		
<i>Non-current</i>		
Software at cost	808,761	-
Less accumulated depreciation	(147,199)	-
Total software	661,562	-
Water rights at cost	-	31,455
Total water rights	-	31,455
Total intangible assets	661,562	31,455

Reconciliations of the carrying amounts of each class of asset

	Software \$	Water rights \$	Total \$
Year ended 30 June 2022			
Balance at the beginning of year	-	31,455	31,455
Additions	808,761	-	808,761
Disposals	-	(31,455)	(31,455)
Depreciation	(147,199)	-	(147,199)
Balance at the end of the year	661,562	-	661,562

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

	2022 \$	2021 \$
Note 4.5: Investments and other financial assets		
<i>Current</i>		
<i>At amortised cost</i>		
Term deposits	1,560,807	1,306,906
<i>Non-Current</i>		
<i>At fair value through other comprehensive income</i>		
Listed shares and equities	9,004,458	8,629,510
Total investments and other financial assets	10,565,265	9,936,416

Findex currently manages the portfolio of investments on behalf of Cafs. Refer note 7 for further information of the investments and other financial assets recognition policies.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 5 Other Assets and Liabilities

This section sets out those assets and liabilities that arose from Cafs' operations.

- 5.1: Trade and other receivables
- 5.2: Other assets
- 5.3: Trade and other payables
- 5.4: Contract liabilities

	2022 \$	2021 \$
Note 5.1: Trade and other receivables		
<i>Current</i>		
Trade receivables	244,551	56,301
Accrued income	953	4,981
Total trade and other receivables	245,504	61,282

Receivables consist of debtors in relation to goods and services and accrued income.

Receivables are classified as financial instruments and categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. Cafs holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Due to the short-term nature of current trade and other receivables, their carrying value is assumed to approximate their fair value. Details about the Cafs' impairment policies and its exposure to credit risk is set out in note 7.

Note 5.2: Other assets

Current

Prepayments	292,135	582,086
Bonds held on rental property	16,442	8,325
Total other assets	308,577	590,411

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Bonds held on rental properties are also recorded as an asset until the point in which the lease expires and bonds are returned.

Note 5.3: Trade and other payables

Current

Trade payables	610,880	1,781,589
ATO liabilities	848,430	162,500
Accrued expenses	507,103	405,991
Other payables	233,325	242,473
Total trade and other payables	2,199,738	2,592,553

Payables are classified as financial instruments and measured at amortised cost. Trade payables represent liabilities for goods and services provided to the Cafs prior to the end of the financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 5.4: Contract liabilities

Income received in advance	1,146,800	409,212
Total contract liabilities	1,146,800	409,212

Contract liabilities represent the Cafs' obligation to transfer services to a customer and are recognised when a customer pays consideration, or when Cafs recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before Cafs has transferred the services to the customer.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 6 How We Finance Our Operations

This section provides information on the sources of finance utilised by Cafs during its operations, along with other information related to financing activities of Cafs.

This section includes disclosures of balances that are financial instruments.

- 6.1: Cash and cash equivalents
- 6.2: Lease liabilities
- 6.3: Other financial liabilities
- 6.4: Commitments for expenditure

	2022	2021
	\$	\$
Note 6.1: Cash and cash equivalents		
<i>Current</i>		
Cash at bank	3,476,804	1,757,212
Cash on hand	74,291	63,211
Total cash and cash equivalents	3,551,095	1,820,423

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

Note 6.2: Lease liabilities*Current*

Lease liability	198,448	96,483
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Non-Current

Lease liability	1,876,682	715,749
Total lease liabilities	2,075,130	812,232

Lease liabilities recognition

Cafs currently hold leases in relation to buildings and IT equipment.

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Cafs' incremental borrowing rate.

Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following:

- future lease payments arising from a change in an index or a rate used;
- residual guarantee;
- lease term; and
- certainty of a purchase option and termination penalties.

When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Critical accounting estimates and judgments: incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what Cafs estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 6 How We Finance Our Operations (cont.)

	2022 \$	2021 \$
Note 6.3: Other financial liabilities		
<i>Current</i>		
Funds held in trust	901,979	509,174
Total other financial liabilities	901,979	509,174

Funds held in trust recognition

Where Cafs receive grant funding on behalf of other organisations through auspice arrangements, the funding is recorded as funds held in trust at balance date where funds have not been expended in accordance with agreements.

Note 6.4: Commitments for expenditure

Lease liability commitments

Maturity analysis of lease liabilities based on contractual undiscounted cash flows:

- not later than one year	284,225	157,206
- greater than 1 year but less than 5 years	963,627	473,344
- greater than 5 years	1,378,772	510,819
Total undiscounted lease liabilities	2,626,624	1,141,369
- impact of discounting of lease liability	(551,494)	(329,137)
Total lease liability	2,075,130	812,232

Capital commitments

Capital commitments committed at the reporting date but not recognised as liabilities, payable:

- not later than one year	-	16,836
	-	16,836

Capital commitments in the prior year related to a purchase of a motor vehicle.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 7 Risks, Contingencies and Valuation Uncertainties

Cafs is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for Cafs is related mainly to fair value determination.

- 7.1: Financial instruments
- 7.2: Contingent assets and contingent liabilities
- 7.3: Fair value measurement

Note 7.1: Financial instruments

Financial instruments arise out of agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Cafs applies AASB 9 and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the group to collect the contractual cash flows; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

Cafs recognises the following assets in this category:

- cash and cash equivalents;
- receivables; and
- term deposits.

Financial assets at fair value through other comprehensive income

Cafs holds shares and equity in listed companies which is managed by Findex. Equity investments are measured at fair value through other comprehensive income if the assets are not held for trading and Cafs has irrevocably elected at initial recognition to recognise in this category, which is the case. These assets are initially recognised at fair value with subsequent change in fair value in other comprehensive income.

Upon disposal of these equity instruments, any related balance in fair value reserve is reclassified to retained earnings.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Cafs recognises the following liabilities in this category:

- payables;
- other financial liabilities; and
- lease liabilities.

Note 7 Risks, Contingencies and Valuation Uncertainties (cont.)

Note 7.1: Financial instruments (cont.)

Derecognition of financial assets and financial liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- Cafs retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Cafs has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset; or
 - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where Cafs has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Cafs' continuing involvement in the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Reclassification of financial instruments

Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through profit or loss, fair value through other comprehensive income and amortised cost when and only when the Cafs' business model for managing its financial assets has changes such that its previous model would no longer apply.

Financial risk management objectives and policies

Cafs' activities do expose itself to some financial risks which need to be actively managed.

Market risk

Cafs' exposure to market risk is primarily through interest rate risk and equity price risk.

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cafs has some exposure to cash flow interest rate risks through cash and deposits that are at floating rates. Cafs manages this risk by mainly undertaking fixed rate or non-interest-bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate.

Cafs is exposed to equity price risk through its investments in listed shares. Cafs works closely with Findex to assist with the management of its investment portfolio in accordance with the Investment and Liquidity Policy approved by the Board of Governance. Findex on behalf of the Cafs closely monitors performance and manages the equity price risk through diversification of its investment portfolio and provides updates to the Board of Governance on a timely basis.

Interest rate risk

Changes in interest rates effects the ability for Cafs to earn returns on investment. Management negotiates with banking institutions to get the best available rates for these deposit accounts and also uses the services of Findex to manage its investment portfolio. On this basis, Cafs is exposed to interest rate risk although this risk is mitigated where possible.

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 7 Risks, Contingencies and Valuation Uncertainties (cont.)

Note 7.1: Financial instruments (cont.)

Liquidity risk

Vigilant liquidity risk management requires Cafs to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable. Cafs manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Credit risk

Cafs is not exposed to any significant credit risk.

Foreign currency risk

Cafs is not exposed to any significant foreign currency risk.

Price risk

Cafs is not exposed to any significant price risk.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2022 \$	2021 \$
Financial Assets			
<i>At amortised cost</i>			
Cash and cash equivalents	6.1	3,551,095	1,820,423
Receivables	5.1	245,504	61,282
Term deposits	4.5	1,560,807	1,306,906
<i>Fair value through other comprehensive income (FVOCI)</i>			
Listed shares and equities	4.5	9,004,458	8,629,510
Total financial assets		14,361,864	11,818,121
Financial Liabilities			
<i>At amortised cost</i>			
Trade and other payables	5.3	2,199,738	2,592,553
Lease liabilities	6.2	2,075,130	812,232
Other financial liabilities	6.3	901,979	509,174
Total financial liabilities		5,176,847	3,913,959

Note 7.2: Contingent assets and contingent liabilities

There are no known contingent assets or contingent liabilities for Cafs as at 30 June 2022 (2021: NIL).

Notes to the Financial Statements

For the year ended 30 June 2022

Note 7 Risks, Contingencies and Valuation Uncertainties (cont.)

Note 7.3: Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that Cafs can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Cafs measures the following assets at fair value on a recurring basis:

- Land and buildings; and
- Listed shares and equities – FVOCI.

Fair value hierarchy

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2022				
Property, plant and equipment				
Land and buildings	-	11,006,438	-	11,006,438
Investments and other financial assets				
Listed shares and equities – FVOCI	9,004,458	-	-	9,004,458
Total assets	9,004,458	11,006,438	-	20,010,896
2021				
Property, plant and equipment				
Land and buildings	-	12,276,685	-	12,276,685
Investments and other financial assets				
Listed shares and equities – FVOCI	8,629,510	-	-	8,629,510
Total assets	8,629,510	12,276,685	-	20,906,195

Cafs engages external, independent and qualified valuers to determine the fair value of Cafs' Land and buildings at least every five years. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Board of Governance at each reporting date.

There were no transfers between levels during the financial year.

The carrying amounts of receivables and payables are assumed to approximate their fair values due to their short-term nature.

Notes to the Financial Statements

For the year ended 30 June 2022

Note 8 Other Disclosures

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

- 8.1: Related parties
- 8.2: Key management personnel
- 8.3: Remuneration of the auditors
- 8.4: Reserves
- 8.5: Events occurring after balance sheet date

Note 8.1: Related parties*Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of Cafs, directly or indirectly, including any board member (whether executive or otherwise) of Cafs is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 8.2: Key management personnel.

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Board member Gabby Howlett is an associate partner of Findex. On behalf of Cafs, Findex manages the share investment portfolio. Further information surrounding the portfolio held is disclosed in Note 4.5.

There were no other material transactions with related parties during the current financial year (2021: Nil).

Receivable from and payable to related parties

There were no material receivables from or payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 8.2: Key management personnel

The total remuneration paid to key management personnel of Cafs is \$751,805 (2021: \$817,180).

Note 8.3: Remuneration of the external auditors

During the financial year the following fees were paid or payable for external audit services provided by RSM Australia, the auditor of the company:

	2022 \$	2021 \$
Audit of the financial statements	22,000	22,500
Other accounting services	5,000	3,500
Total remuneration of the external auditors	27,000	26,000

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Notes to the Financial Statements

For the year ended 30 June 2022

Note 8 Other Disclosures (cont.)

	2022 \$	2021 \$
Note 8.4: Reserves		
a) Investment revaluation reserve (FVOCI)		
Opening balance	1,694,306	317,495
Revaluation of listed shares	(725,990)	1,376,811
Derecognition of assets held at FVOCI and transfer to retained surpluses	(60,000)	-
Closing balance	908,316	1,694,306

Cafs holds investments in listed shares and equity, all of which are classified as being held at FVOCI. At each reporting date, these assets are revalued to their market value, and in accordance with AASB 9, the movement is allocated to the investment revaluation reserve.

Movements in this reserve are disclosed in the statement of changes in equity.

b) Specific purpose funds		
Opening balance	8,373	8,373
Closing balance	8,373	8,373

The specific purpose funds reserve is made up of amounts received from donors that request their funds be used for specific purposes. Cafs keeps these funds in separate equity accounts in order to honour the donors' requests. Movements in this reserve are disclosed in the statement of changes in equity.

Total reserves	916,689	1,702,679
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Note 8.5: Events occurring after balance sheet date

The impact of the Coronavirus (COVID-19) pandemic is ongoing for Cafs up to 30 June 2022. At the date of this report, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is developing and is dependent on measures imposed by the Australian and Victorian Governments, such as maintaining social distancing requirements, quarantine, vaccine requirements, travel restrictions and any economic stimulus that may be provided.

Subsequent to balance date the settlement of 1 Patanga Court, Mitchell Park occurred on 10 August 2022.

No other matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations of Cafs, or the results of those operations.

CHILD & FAMILY SERVICES BALLARAT INC.

ABN 83 786 843 940

Statement by Members of the Board of Governance For the year ended 30 June 2022

In the opinion of the Board of Governance:

- a. The financial report as set out on pages 5 to 29 presents a true and fair view of the financial position of Child & Family Services Ballarat Inc. as at 30 June 2022 and its performance for the year ended on that date in accordance with Australian Accounting Standards – *Simplified Disclosures*, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Associations Incorporation Reform Act 2012* and associated regulations and other mandatory professional reporting requirements; and
- b. At the date of this statement, there are reasonable grounds to believe that Child & Family Services Ballarat Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013* and a resolution of the Board of Governance.



Board Member:
Gayle Boschert (Chair)



Board Member:
John White (Treasurer)

Dated this 20th day of September 2022



INDEPENDENT AUDITOR'S REPORT

To the Members of Child & Family Services Ballarat Inc.

RSM Australia Partners

12 Anderson Street West, Ballarat VIC 3350
PO Box 685 Ballarat VIC 3353

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Opinion

We have audited the financial report of Child & Family Services Ballarat Inc. (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Australian Charities And Not-For-Profits Commission Regulation 2013*.

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 auditor independence requirements of the *ACNC Act* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *ACNC Act*, 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

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RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the ACNC Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

RSM

RSM AUSTRALIA PARTNERS

A handwritten signature in cursive script that reads 'John Findlay'.

JOHN FINDLAY

Partner

Ballarat, Victoria

Dated this 20th day of September 2022

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Cafs Ballarat

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Cafs Bacchus Marsh

52 Grant St, Bacchus Marsh, 3340

Cafs Ararat

4 Banfield St, Ararat, 3377

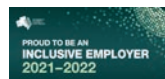
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