



KARINYA

An Aboriginal word meaning 'peaceful home'

Karinya House is committed to reconciliation. We acknowledge the traditional custodians of the land and pay respects to Elders past, present and future.

Sovereignty has never been ceded. We acknowledge that it always was and always will be, Aboriginal land.

Contact

Karinya House Home for Mothers & Babies Inc.

PO Box 7239

Kaleen ACT 2617

Telephone: 02 6259 8998

Email: info@karinyahouse.asn.au

Web: www.karinyahouse.asn.au

Objects of Association are reproduced on our website and available upon request.

Australian Capital Territory Associations Incorporation Act 1991

INCORPORATED ASSOC. REG. NUMBER

A02875

PUBLIC OFFICER

Margaret O'Donovan

ACT REGISTERED CHARITY

Licence Number 19000250

ABN 19 764 870 539

Public Benevolent Institution (Australian Taxation Office)

Since 08/05/1997 (endorsed as at 01/07/2000)

Gifts of \$2 and over are tax deductible.

REFERENCE NUMBER

DGR 900 432 569



Karinya House Home for Mothers & Babies Incorporated

Financial Report

For the year ended 30 June 2023

Karinya House Home for Mothers & Babies Incorporated
Committee Report
For the year ended 30 June 2023

For the year ended 30 June 2023

COMMITTEE MEMBERS

The names of the Committee Members throughout the year and at the date of this report are:

Sarah Kelly	Marie-Louise Corkhill
Esther Bogaart	Kate Harkins
John Lewis	Tony Greenwell
Margaret O'Donovan	Nicoll Parton (Appointed 31/3/2023)
	Dave Burnet (Resigned 20/6/2023)

The principal activities of the Committee during the financial year were the operation of a supported accommodation and outreach service for pregnant and parenting women and their babies.

SIGNIFICANT CHANGES

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

OPERATING RESULT

The surplus for the financial year amounted to \$183,404 (2022: \$316,683).

Signed in accordance with a resolution of the Members of the Committee.



Sarah Kelly



John Lewis

Dated this 17 October 2023

Karinya House Home for Mothers & Babies Incorporated
Statement by Members of the Committee
For the year ended 30 June 2023

For the year ended 30 June 2023

a) comply with Australian Accounting Standards - Simplified Disclosure Requirements applicable to Karinya House Home for Mothers and Babies Incorporated and

b) presents a true and fair view of the financial position of Karinya House Home for Mothers and Babies Incorporated as at 30 June 2023 and its performance for the year ended on that date.

At the date of this statement, there are reasonable grounds to believe that Karinya House Home for Mothers and Babies Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*. On resolution of the Committee this statement is signed for and on behalf of the Committee by:



Sarah Kelly



John Lewis

Dated this 17 October 2023



RSM Australia Pty Ltd

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Karinya House Home for Mothers and Babies Incorporated for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of 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 AUSTRALIA PTY LTD

GM STENHOUSE
Director

Canberra, Australian Capital Territory
Dated: 18 October 2023

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RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation



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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

KARINYA HOUSE HOME FOR MOTHERS AND BABIES INCORPORATED

Opinion

We have audited the financial report of Karinya House Home for Mothers and Babies Incorporated ("the Association"), which comprises the statement of financial position as at 30 June 2023, the statement of 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 declaration by those charged with governance.

In our opinion, the accompanying financial report of Karinya House Home for Mothers and Babies Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered Association's financial position as at 30 June 2023 and of its financial performance and cash flows for the year ended on that date; and
- (b) 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 Division 60 of 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 Karinya House Home for Mothers and Babies Incorporated 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-Profit 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 qualified opinion.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Karinya House Home for Mothers and Babies Incorporated's annual report for the year ended 30 June 2023 but does not include the financial report and the auditor's report thereon.

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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.

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

Management is 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 *Australian Charities and Not-for-profit Commission Act 2012*, and for such internal control as management determines 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, management is responsible for assessing Karinya House Home for Mothers and Babies Incorporated's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Karinya House Home for Mothers and Babies Incorporated or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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.

A handwritten signature in black ink that reads 'RSM'.

RSM Australia Pty Ltd

A handwritten signature in black ink that reads 'GM Stenhouse'.

GM STENHOUSE
Director

Canberra, Australian Capital Territory
Dated: 18 October 2023

Karinya House Home for Mothers & Babies Incorporated
Statement of Profit and Loss and Other Comprehensive Income
For the year ended 30 June 2023

For the year ended 30 June 2023	Note	2023	2022
		\$	\$
Revenue and other income	2	2,507,812	2,404,187
Employee expenses	3	(1,788,032)	(1,674,735)
Depreciation	4	(83,974)	(97,184)
Other expenses	5	<u>(452,402)</u>	<u>(315,585)</u>
Net surplus for the year		<u>183,404</u>	<u>316,683</u>
Total comprehensive income for the year		<u>183,404</u>	<u>316,683</u>

The accompanying notes form part of these financial statements.

Karinya House Home for Mothers & Babies Incorporated
Statement of Financial Position
As at 30 June 2023

For the year ended 30 June 2023	Note	2023	2022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	6	2,002,869	1,628,190
Other	7	<u>107,280</u>	<u>28,374</u>
TOTAL CURRENT ASSETS		<u>2,110,149</u>	<u>1,656,564</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	8	<u>24,720</u>	<u>102,698</u>
TOTAL NON-CURRENT ASSETS		<u>24,720</u>	<u>102,698</u>
TOTAL ASSETS		<u>2,134,869</u>	<u>1,759,262</u>
CURRENT LIABILITIES			
Payables	9	159,171	128,702
Provisions	10	145,950	111,554
Unearned Revenue	12	250,350	49,439
Lease liabilities	13	<u>-</u>	<u>73,573</u>
TOTAL CURRENT LIABILITIES		<u>555,471</u>	<u>363,268</u>
TOTAL LIABILITIES		<u>555,471</u>	<u>363,268</u>
NET ASSETS		<u>1,579,398</u>	<u>1,395,994</u>
EQUITY			
Retained surplus		1,471,675	1,292,334
Endowment Fund Reserve		<u>107,723</u>	<u>103,660</u>
TOTAL EQUITY		<u>1,579,398</u>	<u>1,395,994</u>

The accompanying notes form part of these financial statements.

Karinya House Home for Mothers & Babies Incorporated
Statement of Changes in Equity
For the year ended 30 June 2023

For the year ended 30 June 2023	Note	Retained Earnings \$	Endowment Fund Reserve	Total Equity \$
Balance as at 1 July 2022		1,292,334	103,660	1,395,994
Surplus attributable to members		183,404	-	183,404
Transfer to/(from) reserve		<u>(4,063)</u>	<u>4,063</u>	<u>-</u>
Balance as at 30 June 2023		<u>1,471,675</u>	<u>107,723</u>	<u>1,579,398</u>

The accompanying notes form part of these financial statements.

Karinya House Home for Mothers & Babies Incorporated
Statement of Cash Flows
For the year ended 30 June 2023

For the year ended 30 June 2023	Note	2023	2022
		\$	\$
Cash flows from operating activities			
Operating Receipts		913,677	818,214
Grant Receipts		1,679,445	1,604,490
Operating Payments		(2,171,998)	(2,007,657)
Interest expense on Lease Liabilities		(1,827)	(5,638)
Interest Received		<u>34,951</u>	<u>6,362</u>
Net cash provided by/(used) in operating activities		<u>454,248</u>	<u>415,771</u>
Cash flows from investing activities			
Payment for property, plant & equipment		<u>(5,996)</u>	<u>(4,677)</u>
Net cash (used) in investing activities		<u>(5,996)</u>	<u>(4,677)</u>
Cash Flows from financing activities			
Repayment of Lease Liability		<u>(73,573)</u>	<u>(82,470)</u>
Net cash (used) in financing activities		<u>(73,573)</u>	<u>(82,470)</u>
Net increase/(decrease) in cash held		374,679	328,624
Cash at the beginning of the financial year		<u>1,628,190</u>	<u>1,299,566</u>
Cash at the end of the financial year	6	<u><u>2,002,869</u></u>	<u><u>1,628,190</u></u>

The accompanying notes form part of these financial statements.

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements
For the year ended 30 June 2023

Karinya House Home for Mothers & Babies Incorporated ("the Association") is an incorporated entity under the Associations Incorporation Act 1991 of the Australian Capital Territory and applies Australian Accounting Standards - Simplified Disclosure Requirements.

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Simplified Disclosure Requirements, of the Australian Accounting Standards Board and the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporations Act 1991 of the Australian Capital Territory*. The Association is a not-for-profit entity for financial reporting purposes.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial report of the Association was authorised for issue on the date of signing of the attached Declaration by the Committee.

New or amended Accounting Standards and Interpretations adopted

The Incorporated Association 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.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012.

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements (Continued)
For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies (continued)

(a) Income Tax

Karinya House Home for Mothers and Babies Incorporated is exempt from income tax in terms of Section 50-5 of the Income Tax Assessment Act 1997.

(b) Property, Plant & Equipment

Each class of property, plant and equipment is carried at costs less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the remaining service potential of these assets.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable asset are:

	<i>Depreciation Rate</i>
Furniture & Equipment	20.0%
Office Equipment	20% - 40%
Motor Vehicle	20.0%
Artworks	0%
Right of Use Asset	33.33% - 54.17%

(c) Impairment of Assets

At the end of each reporting period, the Association reviews the carrying value of its 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. As a not-for-profit entity value in use for the Association, according to AASB 136 *Impairment of Assets*, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Comprehensive Income.

(d) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand, at banks and on deposit that can be converted into known amounts of cash within three months of 30 June 2023.

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements (Continued)
For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies (continued)

(e) Employee benefits

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Association classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Association's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligations is recognised in profit or loss classified under employee benefits expense.

The Association's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Retirement benefit obligations

All employees of the Association receive defined contribution superannuation entitlements, for which the Association pays the fixed superannuation guarantee contribution (**10.5% of the employee's average ordinary salary in 2022-2023**) to the employee's superannuation fund of choice. All contributions in respect of employee's defined contributions entitlements are recognised as an expense when they become payable. The Association's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Association's statement of financial position.

(f) Economic Dependency

Karinya House Home for Mothers and Babies Incorporated receives a significant portion of their operating income from grants and donations. The ability of Karinya House Home for Mothers and Babies Incorporated to maintain its current level of operations is dependant upon the continued financial support of Government and non-government funding. The Association also receives non financial support in the form of concessional leasing arrangement with the ACT Government. During the 2022-23 financial year the leasing arrangement included discount of 66.6% of the estimated market rate for the leased housing (July 2022 to June 2023). The value of in-kind support provided by the ACT Government in the form of concessional leasing is \$151,910.

The Housing ACT funding contract with the ACT Government has been extended to 30 June 2024, with conditional extension through to 30 June 2033. The Child and Family Services contract is current through to 30 June 2025, with conditional extension through to 30 June 2032).

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements (Continued)
For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies (continued)

(g) Revenue Recognition

Operating grants, donations and bequests - in the current period

When the Association receives operating grant revenue, donations or bequest, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Association:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises a revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If the contract liability is recognised as a related amount above, the Association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Other revenue

Revenue from the rendering of services is recognised upon the delivery of the service to the customer.

Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All other sources of income are recognised as income when the related goods or services have been provided and the income earned.

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

(h) Goods and Services Tax

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 these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are also shown inclusive of GST.

(i) Comparative Figures

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

(j) Going Concern

The financial report has been prepared on a going concern basis that assumes continuity of normal trading activities and the realisation of assets and settlement of liabilities in the normal course of business.

The COVID-19 outbreak impacted the way of life in Australia however these impacts have been insignificant across 2022-23. The impacts of rising inflation, interest rates and the cost of living have been assessed. Karinya is investing strategically in growing non-government funding streams accordingly. Karinya House is operating with a blend of remote and onsite working arrangements and detailed operational plans to continue to provide our critical services in response to government requirements and to ensure the wellbeing and safety of all clients, employees and visitors.

Karinya House has determined that there are no going concern risks arising from the impact of the COVID-19 outbreak.

Government stimulus has provided funding in the year where we have not been able to run a number of fundraising events. Major funding contracts have been extended to 30 June 2024 and 30 June 2025 with conditional extensions through to 2032 and 2033 respectively. The Committee have determined that Karinya House remains in a healthy financial position.

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements (Continued)
For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies (continued)

(k) Leases - Karinya House as a lessee

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease. The lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives
- variable lease payments rate, initially measured using the index or rate at the commencement date
- the amount expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options, if lessee is reasonably certain to exercise the options
- lease payments under extension options if lessee is reasonably certain to exercise the options
- payments for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(l) Critical Accounting Estimates & Judgements

The Committee evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key estimates - Impairment

The Association assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Should an impairment indicator exist, the determination of the recoverable amount of the asset may require incorporation of a number of key estimates. No impairment indicators were present at 30 June 2023.

Key judgement - Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the agreement must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the agreement is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services agreed.

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements (Continued)
For the year ended 30 June 2023

Note 2: Revenue and other income	2023	2022
	\$	\$
Community and Corporate Partnership Donations	494,765	546,873
Corporate Contractual Income	120,000	95,000
Donations - KHEF	-	100,000
Fundraising Income	123,336	18
Interest Received	34,951	6,362
Membership Fees	974	949
ACT Government Funding	1,679,445	1,602,699
Commonwealth Government Funding	-	1,791
Fee for Service	-	2,722
Service User Contributions	50,965	44,332
Staff Contributions	3,376	3,441
Total Revenue from ordinary activities	\$ 2,507,812	\$ 2,404,187
Note 3: Employee expenses		
Gross Wages	1,487,696	1,476,879
Accrued Leave Expense	34,395	(23,434)
Travel Allowance	50	44
First Aid Allowance	10,076	8,245
On Call Allowance	10,009	-
Long Service Leave Scheme	22,853	22,930
Superannuation	151,182	144,202
Workers Compensation Insurance	32,033	24,159
Staff Training	29,460	13,312
Staff Welfare	10,278	8,398
	\$ 1,788,032	\$ 1,674,735
Note 4: Depreciation		
Furniture & Equipment	357	358
Office Equipment	11,546	9,429
Motor Vehicle	243	4,928
Right of Use Assets	71,828	82,469
	\$ 83,974	\$ 97,184
Note 5: Other expenses		
Administrative expenses	87,364	70,187
Insurances	10,573	13,589
Fundraising expenses	87,831	18,453
Motor vehicle expenses	21,681	18,562
Service user expenses	54,380	44,350
Property and equipment expenses	183,526	140,809
Right of Use Lease Interest	1,827	5,638
Volunteer costs	5,220	3,997
	\$ 452,402	\$ 315,585

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements (Continued)
For the year ended 30 June 2023

	2023	2022
	\$	\$
Note 6: Cash and Cash Equivalents		
Cash on Hand	800	800
Cash at Bank	1,002,069	627,390
Cash on Investment	1,000,000	1,000,000
	\$ 2,002,869	\$ 1,628,190
Note 7: Other Assets		
Accrued Income	13,356	842
Prepayments	93,924	27,532
	\$ 107,280	\$ 28,374
Note 8: Property, Plant and Equipment		
Furniture & Equipment	13,535	13,535
Less: Accumulated Depreciation	(13,401)	(13,044)
	\$ 134	\$ 491
Office Equipment	51,068	51,886
Less: Accumulated Depreciation	(40,382)	(35,650)
	\$ 10,686	\$ 16,236
Motor Vehicle	104,025	104,025
Less: Accumulated Depreciation	(104,025)	(103,782)
	\$ -	\$ 243
Artworks at Fair Value	13,900	13,900
	\$ 13,900	\$ 13,900
Right Of Use Assets	145,038	175,370
Less: Accumulated Depreciation	(145,038)	(103,542)
	\$ -	\$ 71,828
Total Property, Plant and Equipment	\$ 24,720	\$ 102,698

(a) Movements in carrying amounts

Movement in the carrying amounts of furniture, plant and equipment between the beginning and the end of the current financial year

	Furniture & Equipment	Office Equipment	Motor Vehicle	Artworks	Right of Use Assets	Total
Opening written down value at 1 July 2022	491	16,236	243	13,900	71,828	102,698
Additions	-	5,996	-	-	-	5,996
Depreciation expense	(357)	(11,546)	(243)	-	(71,828)	(83,974)
Depreciation written back on disposal	-	6,814	-	-	30,332	37,146
Disposals	-	(6,814)	-	-	(30,332)	(37,146)
Gross value as at 30 June 2023	\$ 134	\$ 10,686	\$ -	\$ 13,900	\$ -	\$ 24,720

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements (Continued)
For the year ended 30 June 2023

	2023	2022
	\$	\$
Note 9: Payables		
CURRENT		
Creditors	9,676	4,221
Accrued Expenses	25,600	13,560
GST Payable	29,183	30,441
PAYG Payable	19,836	16,420
Superannuation Payable	-	5,134
Accrued wages and oncosts	69,014	54,043
Long Service Leave Authority Levy	5,862	4,883
	\$ 159,171	\$ 128,702

Note 10: Provisions		
CURRENT		
Annual Leave	140,302	106,252
Long Service Leave	5,648	5,302
TOTAL CURRENT	\$ 145,950	\$ 111,554

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service up to 30 June 2010. Based on past experience, the Association does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their entitlement.

Following the implementation of the ACT Leave Authority for Long Service Leave, Karinya House provides a levy rated amount based on earnings for all employees to the ACT Leave Authority each quarter, covering LSL entitlements for all employees. Employees claim their LSL directly from the Authority, and are able to either claim their entitlement upon resignation from Karinya House or choose to retain their entitlement when moving to another similarly eligible employer within the ACT.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave vesting is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(e).

Note 11: Employee Benefits		
CURRENT		
Annual Leave (note 10)	140,302	106,252
Long Service Leave (note 10)	5,648	5,302
Employee Payables (note 9)	94,712	80,480
	\$ 240,662	\$ 192,034
Number of employees at year end	26	26
Aggregate employee benefits liability	\$ 240,662	\$ 192,034

Karinya House Home for Mothers & Babies Incorporated
Notes to and forming part of the Financial Statements (Continued)
For the year ended 30 June 2023

	2023	2022
	\$	\$
Note 12: Unearned Revenue		
Contract Liabilities	250,350	49,439
	<u>\$ 250,350</u>	<u>\$ 49,439</u>

Note 13: Lease Liabilities		
Current ROU Lease Liability	-	73,573
	<u>\$ -</u>	<u>\$ 73,573</u>

Note 14: Key Management Personnel		
Short-term employee benefits	108,358	138,553
Post-employment benefits	11,378	11,142
Other long term employee benefits	11,784	(13,286)
Total Compensation - Short-term benefits	<u>\$ 131,520</u>	<u>\$ 136,409</u>

Note 15: Related Parties

No Committee member received any remuneration from the Association during the year other than reimbursement for expenses incurred and as disclosed in Note 14. Any services provided by or to Committee members or parties related to them were under normal commercial terms and conditions.

Income in advance - Calleo Grant	30,000	-
Income - Donations	21,340	11,661
Other Expenses	(33,207)	(3,843)
Total - Related Parties Transactions	<u>\$ 18,133</u>	<u>\$ 7,818</u>

Note 16: Association Details

The Association provides supported accommodation, transitional housing and outreach services for pregnant and parenting women and their children in the ACT and surrounding region.

Note 17: Subsequent Events

The Association signed new leases for the Karinya property on 3 July 2023, for two years to 30 June 2025.



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AUDITOR'S DISCLAIMER

The additional financial data presented in the following page is in accordance with the books and records of the Karinya House Home for Mothers and Babies Incorporated which have been subjected to the auditing procedures applied in our audit of the Karinya House Home for Mothers and Babies Incorporated for the year ended 30 June 2023. It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person, (other than to the Karinya House Home for Mothers and Babies Incorporated), in respect of such data, including any errors or omissions therein however caused.

RSM AUSTRALIA PTY LTD

GM STENHOUSE

Director

Canberra, Australian Capital Territory

Dated: 18 October 2023

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RSM Australia Pty Ltd ACN 009 321377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

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Karinya House Home for Mothers & Babies Incorporated
Income and Expenditure Statement
For the year ended 30 June 2023

For the year ended 30 June 2023	2023	2022
	\$	\$
Income		
Community and Corporate Partnership Donations	494,765	546,873
Corporate Contractual Income	120,000	95,000
Donations - KHEF	-	100,000
Fundraising Income	123,336	18
Interest Received	34,951	6,362
Membership Fees	974	949
ACT Government Funding	1,679,445	1,602,699
Commonwealth Government Funding	-	1,791
Fee for Service	-	2,722
Net Gain/(Loss) from Sale of Assets	-	-
Service User Contributions	50,965	44,332
Staff Contributions	3,376	3,441
Total Income	\$ 2,507,812	\$ 2,404,187
Expenses		
Administrative Expenses		
Administrative Expenses	9,352	9,003
Audit Fees	19,533	14,901
Accounting Services	39,709	29,359
Bank & eCommerce Fees	5,643	5,162
Legal Fees	-	175
Memberships/Subscriptions	7,619	6,243
Miscellaneous Expenses	-	102
Postage & Freight	745	711
Printing & Stationery	4,764	4,532
Total Administrative Expenses	\$ 87,365	\$ 70,188
Insurances		
Directors Liability	2,637	3,369
Public Liability	3,707	4,826
Professional Indemnity	2,551	3,307
Composite Risks Property	1,179	1,392
Statutory Liability Insurance	499	695
Total Insurances	\$ 10,573	\$ 13,589
Fundraising and Marketing Expenses		
Fundraising Event Expenses	72,712	1,505
Marketing & eMedia	15,119	16,948
Total Fundraising Expenses	\$ 87,831	\$ 18,453
Motor Vehicle Expenses		
Petrol	7,457	5,031
Repairs & Maintenance	5,691	4,372
Insurance	3,221	4,095
Parking	204	46
Registration	5,108	5,018
Total Motor Vehicle Expenses	\$ 21,681	\$ 18,562
Service User Expenses		
Service User Support	25,326	19,420
Service User Programs	4,780	1,571
Service User Food & Household	23,384	19,651
Covid 19	890	3,708
Total Service User Expenses	\$ 54,380	\$ 44,350

Property and Equipment Expenses		
IT Comms Infrastructure Expenses	85,669	38,373
Depreciation	12,146	14,715
Electricity & Gas	19,775	21,800
Equipment Replacement	21,523	6,351
Rent ACT Housing	-	5,947
Project Development & Maintenance	29,749	48,030
Repairs & Maintenance	6,826	1,528
Telephone	11,329	11,606
Waste Management	8,655	7,174
Leases		
Equipment Lease Depreciation	-	9,259
Equipment Lease Interest	-	252
Property Lease Depreciation	71,828	73,209
Property Lease Interest	1,827	5,386
Total Property and Equipment Expenses	\$ 269,326	\$ 243,630
Volunteer Costs		
Volunteer Expenses	4,390	2,960
Voluntary Workers Insurance	830	1,037
Total Volunteer Costs	\$ 5,220	\$ 3,997
Staffing Costs		
Gross Wages	1,487,696	1,476,879
Accrued Leave Expense	34,395	(23,434)
Travel Allowance	50	44
First Aid Allowance	10,076	8,245
On Call Allowance	10,009	
Long Service Leave Scheme	22,853	22,930
Superannuation GC	151,182	144,202
Workers Compensation Ins	32,033	24,159
Staff Training and Recruitment	29,460	13,312
Staff Welfare	10,278	8,398
Total Staffing Costs	\$ 1,788,032	\$ 1,674,735
Total Expenses	\$ 2,324,408	\$ 2,087,504
Net Surplus / (Deficit)	\$ 183,404	\$ 316,683

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