

Central Coast Alternative Care Group Ltd

Trading as Coastlink Respite Care

ABN 96 002 951 868

**Financial Report
For The Year Ended
30 June 2023**

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
TRADING AS COASTLINK RESPITE CARE
ABN 96 002 951 868**

**Financial Report
For The Year Ended 30 June 2023**

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**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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DIRECTORS' REPORT

Central Coast Alternative Care Group Ltd director(s) presents this report on the company for the financial year ended 30 June 2023.

Directors

The name(s) of the director(s) in office at any time during or since the end of the year are:

- John Moulard (Chair)
- Stephen Glen (Deputy Chair)
- Associate Professor; Dr Lisa Barnes (Treasurer)
- Ainslie Whitburn (Director)
- Anthony Tuxworth (Director)
- Dr Brok Glenn (Director)
- Helen Roberts (Director – Retired 30 October 2022)
- Steven Paul (Director – Resigned 21 September 2023)
- Rebekah McLachlan (Director - Appointed 21 October 2022)
- Nicole Redmond (Director – Appointed 21 October 2022)

The Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating result

The deficit of the company for the financial year amounted to \$257,675 (2022 surplus: \$408,641).

Review of Operations

A review of the company's operations during the financial year, and the results of those operations, shows that the Company continues to meet all Disability comply with the *Disability Practice Standards* and *Aged Care Quality Standards*, including quality and safeguarding arrangements that provide assurance to Coastlink disability and aged care clients.

The company's operations during the year performed as expected in the opinion of the director(s).

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the company during the financial year were supports delivered in the following programs:

- National Disability Insurance Scheme;
- Commonwealth Home Support Programme; and
- Continuity of Support Programme.

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

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$1 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is \$8, based on 8 current ordinary members.

Environmental Issues

The Responsible persons believe the company has complied with all significant environmental regulations under a law of the Commonwealth or of a state or territory.

Dividends

The Corporations Law prohibits a company limited by guarantee from paying dividends.

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DIRECTORS' REPORT

Events Subsequent to the End of the Reporting Period

After year end, but before the signing of the financial statements, the Directors were negotiated a deed of release with respect to the employment of the company's Chief Executive Officer. At the date of the financial statements the deed of release was finalised and contains confidentiality clauses, hence no further details can be disclosed with respect to this matter. In the meantime Sharon Mansfield has been appointed as Acting Chief Executive Officer of the Company.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or state of affairs of the company in future financial years.


Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 60 of the *Australian Charities and Not-for-profit Commission Act 2012* is set out on page 5.

This director's report is signed in accordance with a resolution of the directors



Director
Date: 2 October 2023



Director
Date: 2 October 2023

**Auditor's Independence Declaration
To the Members of Central Coast Alternative Care Group Limited
Trading as Coastlink Respite Care**

As lead auditor for the audit of Central Coast Alternative Care Group Ltd for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Non-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

FORTUNITY ASSURANCE



Adrian Thompson
Partner

155 The Entrance Road
Erina NSW 2250

Dated: 20 October 2023

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Revenue			
Revenues	4a	14,194,870	11,209,041
Other revenues	4a	112,095	1,326,665
Total Revenue		<u>14,306,965</u>	<u>12,535,706</u>
Expenses			
Service promotion and development expense		(83,988)	(54,380)
Strata fees and rates expense		(22,448)	(20,652)
Advertising expenses		(83,367)	(59,009)
Auditor's remuneration		(31,045)	(15,812)
Employee benefits expense		(12,074,340)	(10,458,303)
Bad and doubtful debts		(343,337)	-
Depreciation and amortisation expense	4b	(365,546)	(366,023)
Finance costs	4c	(85,623)	(5,352)
Vehicle expense		(204,495)	(161,357)
Equipment expenses		(7,548)	(10,056)
Client expenses		(267,206)	(106,030)
Legal & consultancy expenses		(76,577)	(103,169)
Subscription expenses		(159,184)	(71,728)
Insurance expense		(75,208)	(59,007)
Occupancy expenses		(57,069)	(34,426)
Office supplies expense		(67,773)	(51,830)
Repairs and maintenance expense		(54,117)	(46,581)
Loss on disposal of assets		-	(27,247)
Other expenses		(148,863)	(282,780)
Group home expenses		(356,906)	(193,323)
(Deficit) / surplus before income tax		<u>(257,675)</u>	<u>408,641</u>
Income tax expense		-	-
(Deficit) / surplus after income tax		<u>(257,675)</u>	<u>408,641</u>
Other comprehensive Income			
Gain / (Loss) on the revaluation of financial assets		13,951	(7,551)
Gain on valuation of freehold land and buildings		-	1,111,726
Total comprehensive (deficit) / surplus for the year		<u>(243,724)</u>	<u>1,512,816</u>

The accompanying notes form part of these financial statements.

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
TRADING AS COASTLINK RESPITE CARE
ABN 96 002 951 868**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
Assets			
Current Assets			
Cash and cash equivalents	5	2,950,094	3,185,402
Trade and other receivables	6	681,211	1,693,041
Financial assets	7	297,174	280,101
Other current assets	8	192,197	87,525
Total Current Assets		4,120,676	5,246,069
Non-Current Assets			
Property, plant and equipment	9	8,176,288	6,607,145
Intangible assets	10	111,139	102,345
Total Non-current Assets		8,287,427	6,709,490
Total Assets		12,408,103	11,955,559
Liabilities			
Current Liabilities			
Trade and other payables	11	638,505	535,860
Borrowings	12	93,963	101,790
Employee benefits	13	720,346	955,371
Other liabilities	14	3,291	45,312
Total Current Liabilities		1,456,105	1,638,333
Non-Current Liabilities			
Borrowings	12	2,353,269	1,500,198
Employee Benefits	13	194,290	168,865
Total Non-Current Liabilities		2,547,559	1,669,063
Total Liabilities		4,003,664	3,307,396
Net Assets		8,404,439	8,648,163
Equity			
Reserves	15	1,991,117	1,977,166
Retained Surpluses		6,413,322	6,670,997
Total Equity		8,404,439	8,648,163

The accompanying notes form part of these financial statements.

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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**STATEMENT OF CHANGES IN MEMBERS FUNDS
FOR THE YEAR ENDED 30 JUNE 2023**

	Financial asset reserve \$	Asset revaluation reserve \$	Retained surpluses \$	Total Equity \$
Balance as at 30 June 2021	51,169	821,822	6,262,356	7,135,347
Surplus after income tax expense for the year	-	-	408,641	408,641
Loss on of fair value financial assets	(7,551)	-	-	(7,551)
Gain on the of fair value financial assets	-	1,111,726	-	1,111,726
Balance as at 30 June 2022	43,618	1,933,548	6,670,997	8,648,163
Balance as at 1 July 2022	43,618	1,933,548	6,670,997	8,648,163
Deficit after income tax expense for the year	-	-	(257,675)	(257,675)
Gain on of fair value financial assets	13,951	-	-	13,951
Balance as at 30 June 2023	57,569	1,933,548	6,413,322	8,404,439

The accompanying notes form part of the financial statements.

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
TRADING AS COASTLINK RESPITE CARE
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers and government		16,274,286	11,387,647
Payments to suppliers and employees		(15,358,877)	(11,396,668)
Interest received		21,486	2,073
Interest paid		(85,623)	(5,352)
Net cash provided by / (used in) operating activities	16	851,272	(12,300)
Cash flows from investing activities			
Payments for investments		(3,122)	-
Proceeds from investments		-	683,043
Payments for property, plant and equipment		(2,029,991)	(3,120,505)
Proceeds from disposal of assets		122,322	32,987
Payments for intangible assets		(21,033)	-
Net cash used in investing activities		(1,931,824)	(2,404,475)
Cash flows from financing activities			
Repayments of borrowings		(910,000)	(59,603)
Proceeds from borrowings		1,755,244	1,609,500
Net cash provided by financing activities		845,244	1,549,897
Net decrease in cash held		(235,308)	(866,878)
Cash and cash equivalents at beginning of year		3,185,402	4,052,280
Cash and cash equivalents at the end of the financial year	5	2,950,094	3,185,402

The accompanying notes form part of these financial statements.

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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ABN 96 002 951 868**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 1. General Information

The financial statements cover Central Coast Alternative Care Group Limited (Company) as an individual entity which is incorporated and domiciled in Australia. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Central Coast Alternative Care Group Limited is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of a responsible persons, on October 2023.

Note 2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the presentation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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 *Australian Accounting Standards – Simplified Disclosure Requirements* and interpretations issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Non-for-profits Act 2012* and associated regulations and the *Australian Charities and Not-for-profit Commission Act 2012*, as appropriate for non-for-profit oriented entities.

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.

Revenue

The Company grant funding, NDIS revenue, donations, fundraising, client contributions, interest and investment income and the Company assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with *AASB15*.

Where both these condition are satisfied the Company;

- Identifies each performance obligation relating to the grant, NDIS revenue, donations, fundraising, client contribution and other income;
- Recognises a contract liability for its obligations under the contract or agreement;
- Recognises revenue as it satisfies its performance obligations are delivered (Coastlinks accommodation, community and other services are provided)

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Company;

- Recognise the asset received in accordance with the recognition requirements of other applicable accounting standards (AASB9, AASB16 and AASB138);
- Recognises related amounts (being contributions by families and government as a deferred revenue liability);
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 2. Summary of Significant Accounting Policies (continued)

Revenue (continued)

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Income Tax

As the company is a charitable institution in terms of subsection 50-5 of the *Income Tax Assessment Act 1997*, as amended it is exempt from paying income tax.

The company is endorsed as a Public Benevolent Institution and has been granted FBT exemption and GST concession. These will remain in force until there is a change in the objective of the organisation or a change in relevant legislation.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivable

Trade receivables are initially recognised at fair value and subsequently measured at amortised costs using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivables may be impaired.

Trade and other receivable (continued)

The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, Plant and Equipment

Freehold land and Buildings

Freehold land and buildings are shown at fair value, based on periodic, at least every 3 years valuations by external independent valuers, less subsequent depreciation and impairment of the buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 2. Summary of Significant Accounting Policies (continued)

Property, Plant and Equipment (continued)

Freehold land and Buildings (continued)

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. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit and loss.

Operation buildings, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

Property, Plant and Equipment (continued)

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	40 years
Office furniture, fittings and equipment	3-10 years
Plant and equipment	5-13 years
Motor Vehicles	3-8 years
Leasehold improvements	4-40 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit and loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 2. Summary of Significant Accounting Policies (continued)

Intangible assets

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Leases

At the inception of a contract the Company assesses if the contract contains a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term (lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expenses on a straight-line basis of the term of the lease.

Initially 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. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

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

- Fixed lease payments less and lease incentives;
- Variable lease payments that depend on an index rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under the residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- The Company does not act as a lessor in relation to the assets. Lease payments under extension options if the lessee is reasonable certain to exercise the option; and
- Payments of penalties 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 transfer's ownership of the underlying asset or the cost of the right-of-use assets reflects that the Company anticipate to exercise a purchase option, the specific asset is depreciation over the useful life of the underlying

Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying amount. Any excess of the assets carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 2. Summary of Significant Accounting Policies (continued)

Financial Instruments

Recognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at cost which includes transaction costs when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets

Financial assets that are within the scope of the accounting standards are required to be subsequent measured at amortised or fair value on the basis of the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The company holds investment classified as financial asset at fair value through other comprehensive income. In adopting AASB9 Financial Instruments, the company has made an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. No further impairment of the financial assets at fair value through other comprehensive income will be recognised.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans and borrowings are classified as non-current.

Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other financial costs are expensed in the period in which they are incurred.

Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised costs and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within the 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date is recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of the expected future payments to be made in respect of services provided by employee up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 2. Summary of Significant Accounting Policies (continued)

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligations as a result of a past event, it is probable the company will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligations. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

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 Tax Office (ATO). 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 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 receivable 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.

Commitments and contingencies are disclosed net of the amount of GST recoverable from or payable to the tax authority.

Comparative Figures

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

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management evaluate its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Economic dependence

Central Coast Alternative Care Group Limited receives a substantial contribution of revenue from the Government departments and agencies to operate the company. As the date of this report, the directors have no reason to believe the Government will not continue to support clients of Central Coast Alternative Care Group Limited.

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 3. Critical accounting judgements, estimates and assumptions

Fair value measurement hierarchy

The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices in active markets for identical assets or liabilities as the entity 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; and Level 3: Unobservable inputs for the asset or liability. Considerable judgements is required to determine what is significant to fair value and therefore which is

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs. At year end the company only holds Level 1 hierarchy financial assets on balance sheet.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other events. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment triggers 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.

Employee benefits provision

As discussed in Note 2, the liability for employee benefits expects 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.

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
TRADING AS COASTLINK RESPITE CARE
ABN 96 002 951 868**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
Note 4a. Revenue and Other Income		
Revenue:		
Government and grant revenue	895,539	782,376
Brokerage income	405,026	393,248
Contributions received	524,695	270,182
NDIS Income	12,105,785	9,763,235
Home care packages	263,825	-
	<u>14,194,870</u>	<u>11,209,041</u>
Other Revenue:		
Other revenue	55,828	46,781
Interest received	21,486	2,073
Profit on sale of assets	14,781	18,531
Government subsidies	20,000	1,249,371
Gain on termination of lease liabilities	-	9,909
	<u>112,095</u>	<u>1,326,665</u>
Total Other Revenue	<u>112,095</u>	<u>1,326,665</u>
Total Revenue	<u>14,306,965</u>	<u>12,535,706</u>
Note 4b – Depreciation and amortisation		
Depreciation	353,307	318,355
Amortisation – Intangible assets	12,239	9,667
Amortisation – Right to Use Assets	-	38,001
	<u>365,546</u>	<u>366,023</u>
Total depreciation and amortisation	<u>365,546</u>	<u>366,023</u>
Note 4c – Finance costs		
Finance costs of bank loans	85,623	2,305
Finance costs of lease liability	-	3,047
	<u>85,623</u>	<u>5,352</u>
Total finance costs	<u>85,623</u>	<u>5,352</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
Note 5. Cash and Cash Equivalents		
Cash at bank	2,905,017	3,184,797
Cash on hand	77	605
Total receivables	<u>2,905,094</u>	<u>3,185,402</u>
Note 6. Trade and Other Receivables		
Trade receivables	438,079	1,108,709
Less: provision for impairment	(158,815)	(4,260)
	<u>279,264</u>	<u>1,104,449</u>
Other receivables	245,411	541,347
BAS receivable	88,845	47,245
Grants receivable	67,691	-
	<u>401,947</u>	<u>588,592</u>
Total receivables	<u>681,211</u>	<u>1,693,041</u>
Note 7. Financial Assets		
Investments held at amortised cost	189,836	186,130
Investment held at fair value	107,538	93,971
Total financial assets	<u>297,174</u>	<u>280,101</u>
Unlisted securities	1,636	1,251
Managed funds	107,538	93,971
Term deposits	188,000	184,879
Total financial assets	<u>297,174</u>	<u>280,101</u>
<p>The company hold financial assets such as managed investments that can be traded on the market, The Company do this in order to manage its financial risk and produce returns that can be used to service the Company's clients.</p>		
Note 8. Other current assets		
Prepayments	192,157	87,485
Other Deposits	40	40
	<u>192,197</u>	<u>87,525</u>

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Note 9. Property Plant and Equipment		
Freehold land – at independent valuation (note a)	4,201,225	2,956,031
	<u>4,201,225</u>	<u>2,956,031</u>
Administration buildings – at independent valuation	440,000	440,000
Less accumulated depreciation	(11,000)	-
	<u>429,000</u>	<u>440,000</u>
Plant and equipment – at cost	619,205	537,371
Less accumulated depreciation	(461,596)	(386,546)
	<u>157,609</u>	<u>150,825</u>
Motor Vehicles – at cost	2,484,304	2,099,196
Less accumulated depreciation	(1,528,477)	(1,393,977)
	<u>955,827</u>	<u>705,219</u>
Operational Buildings – at independent valuation (note a)	2,495,000	2,355,070
Less accumulated depreciation	(62,373)	-
	<u>2,432,627</u>	<u>2,355,070</u>
Total Property Plant & Equipment	<u>8,176,288</u>	<u>6,607,145</u>

Note 1- During the year, the Company purchased Main Road, Toukley on the 10 November 2022 and acquired the Berkley and Alison Road, Wyong in the prior financial year and are presently arranging for these properties to be valued by registered valuer in accordance with Accounting policy set out at Note 2. At year end, these properties were measured at cost and the allocation between freehold land and operational buildings was at the Directors judgement and estimation.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 9. Property Plant and Equipment (continued)

(a) Movements In Carry Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Freehold Land at Independent Valuation	Admin. Buildings at Independent Valuation	Plant & Equipment	Motor Vehicles	Operational Buildings	Total
Balance at beginning of year	2,956,031	440,000	150,825	705,219	2,355,070	6,607,145
Additions at cost	1,245,194	-	85,789	476,008	223,000	2,029,991
Disposals	-	-	(1,712)	(22,759)	(83,070)	(107,541)
Depreciation expense	-	(11,000)	(77,293)	(202,641)	(62,373)	(353,307)
Carrying amount at end of year	4,201,225	429,000	157,609	955,827	2,432,627	8,176,288

	2023 \$	2022 \$
Note 10. Intangible Assets		
Software - at cost	131,033	110,000
Less: accumulated depreciation	(19,894)	(7,655)
Total Intangible Assets	111,139	102,345

(a) Movements in Carry Amounts

Movement in the carrying amounts of intangible assets between the beginning and the end of the current financial year.

	Software	Total
Balance at beginning of year	102,345	102,345
Additions at cost	21,033	21,033
Disposals	-	-
Amortisation expense	(12,239)	(12,239)
Carrying amount at end of year	111,139	111,139

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
Note 11. Trade and Other Payables		
Trade payables	47,111	51,719
PAYG withholding payable	134,767	199,318
Superannuation payable	86,037	107,625
Accrued expenses	128,084	144,410
Other payables	12,272	32,788
Accrued worker's compensation	230,234	-
	638,505	535,880
Note 12. Borrowings		
<i>Current</i>		
Credit cards	13,084	14,977
Bank loan	80,879	86,813
Total current borrowings	93,963	101,790
<i>Non-current</i>		
Bank loan	2,353,269	1,500,198
Total non-current borrowings	2,353,269	1,500,198
Total borrowings	2,447,232	1,601,988
Note 13. Employee Benefits		
<i>Current</i>		
Annual leave	463,337	522,583
Long service leave	231,483	222,930
Sick leave	25,526	209,858
Total current employee benefits	720,346	955,371
<i>Non-current</i>		
Long Service Leave	194,290	168,865
Total non-current employee benefits	194,290	168,865
Total employee benefits	914,636	1,124,236

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Note 14. Other Liabilities		
Revenue received in advance	3,291	4,545
Grants received in advance	-	40,767
Total Other Liabilities	3,291	45,312
 Note 15. Equity – reserves		
Revaluation surplus reserve	1,933,548	1,933,548
Financial assets reserve	57,569	43,618
	1,991,117	1,977,166

The revaluation surplus reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

The financial assets reserve is used to recognise increments and decrements in the fair value of financial assets.

Movements in reserves in each class during the current and previous financial year are set out below.

	Revaluation surplus reserve \$	Financial assets reserve \$	Total Reserves
Balance at 1 July 2022	43,618	1,933,548	1,977,166
Valuation of financial assets	13,951	-	13,951
Valuation of land and buildings	-	-	-
 Balance at 30 June 2023	57,569	1,933,548	1,991,117

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Note 16. Cash Flow Information		
<i>(a) Reconciliation of Cash Flow from Operations With Surplus from Ordinary Activities</i>		
(Deficit) / Surplus from ordinary activities	(257,675)	408,641
Non-cash flows in deficit from ordinary activities		
Depreciation and amortisation	365,546	366,023
Gain on disposal of plant & equipment	(14,781)	(18,531)
Loss on disposal of Intangible assets	-	27,247
Gain on termination of lease liabilities	-	(9,909)
Changes in assets and liabilities		
(Increase)/decrease in trade & other receivables	1,011,830	(1,000,806)
(Increase)/decrease in other assets	(104,672)	(28,078)
(Increase)/decrease in financial assets	-	-
Increase/(decrease) in trade & other payables	102,645	47,457
Increase/(decrease) in provisions	(209,600)	169,876
Increase/(decrease) in other liabilities	(42,021)	25,780
Cash flow from operations	851,272	(12,300)

Note 17. Key Management Personnel Disclosures

Compensation

The aggregate compensation made to responsible persons and other members of key management personnel is set out below;

	815,635	782,474
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- Sharon Mansfield, Acting Chief Executive Office of Central Coast Alternative Care Group Limited
- John Davis, former Chief Executive Office of Central Coast Alternative Care Group Limited
- Stephen Spalding, Manager Accommodation of Central Coast Alternative Care Group Limited
- Irene Simatos, HR and Risk Manager of Central Coast Alternative Care Group Limited

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
Note 18. Related Party Transactions		
<i>Compensation</i>		
The aggregate compensation made to the Directors of the Company are set out below;		
	187,644	147,214
	<hr/>	<hr/>
Mr John Mouland, Mr Stephen Glen, Associate Professor Lisa Barnes, Mr Steven Paul, Mr Anthony Tuxworth, Ms Helen Roberts, Ms Ainslie Whitburn and Dr Brok Glenn		
<i>The following transactions occurred with related parties:</i>		
<i>Payment for goods and services:</i>		
Funds paid to Regional Development in relation to the;		
-Holding minutes and preparation of grant applications	2,850	2,725
John Mouland, a director of Central Coast Alternative Care Group Limited, is CEO of Regional Development Australia, Central Coast.		
<i>Other Transactions:</i>		
-Expenses for conferences attended by the board	42,952	42,567
-Subscription and training events of AICD	29,981	12,819
<i>Receivables from and payables to related parties</i>		
There were no trade receivable from or trade payables to related parties at the current and previous reporting date.		
<i>Loans to/from related parties</i>		
There were no loans to or from related parties at the current and previous reporting date.		
<i>Terms and conditions</i>		
All transactions were made on normal commercial terms and conditions and at market rates.		

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

Note 19. Events after the reporting period

After year end, but before the signing of the financial statements, the Directors completed negotiations for a deed of release with respect to the employment of the company's Chief Executive Officer. At the date of the financial statements the deed of release was finalised and contains confidentiality clauses, hence no further details can be disclosed with respect to this matter.

Other than above, the interval between the end of the financial year and the date of this report, no transactions or event of material and unusual nature has arisen to significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in the future financial years.

Note 20. Company Details

The registered office, and principal place of business, of the company is:

7/10 William Street
Gosford NSW 2250

**CENTRAL COAST ALTERNATIVE CARE GROUP LTD
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**DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2023**

In accordance with a resolution of the directors of Central Coast Alternative Care Group Limited, made pursuant to Section 60.15 of the *Australian Charities and Non-for-profits Regulations 2013*, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 25 are in accordance with the *Australian Charities and Non-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position of the company as at 30 June 2023 and of the performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.


Director
Dated: 20/10/2023


Director
Dated: 20/10/23

Independent Auditor's Report to the Members of Central Coast Alternative Care Group Limited

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Central Coast Alternative Care Group Limited, which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss & other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Central Coast Alternative Care Group Limited has been prepared in accordance with Division 60 of the *Australian Charities and Non-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and Division 60 of the *Australian Charity and Non-for-profits Commission Regulations 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 *Australian Charities and Not-for-profits Commission Act 2012* (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Those 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 2023, but does not include the financial report and our 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.

Independent Auditor's Report to the Members of Central Coast Alternative Care Group Limited

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosure Requirements and the *Australian Charities and Non-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company'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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from Fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions or conditions may cause the entity to cease to continue as a going concern.

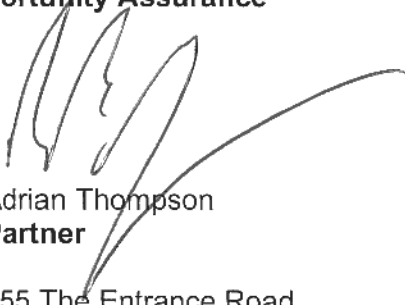
**Independent Auditor's Report to the Members
of Central Coast Alternative Care Group Limited**

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any deficiencies in internal control that we identify during our audit.

Fortunity Assurance



Adrian Thompson
Partner

155 The Entrance Road
Erina NSW 2250

Date: 20 October 2023