

**The Infants' Home, Ashfield**

**ABN: 71 174 918 661**

**Financial Statements**

**for the year ended**

**31 December 2015**

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## **THE INFANTS' HOME, ASHFIELD**

**ABN 71 174 918 661**

### **DIRECTORS' REPORT**

The Directors of The Infants' Home, Ashfield (the entity) present their Report together with the financial statements of the entity for the financial year ended 31 December 2015 and the Independent Audit Report thereon.

The names of the Directors in office at any time during the year are:

Denise Taylor M.Ed, Dip Tch, Cert Tch, Grad Dip Sch Lib, FAICD, FAIM, President, member since 2010  
Mary Verschuer MBA, MScSoc, BAppSc, GAICD, Past Treasurer, member since 2008 (resigned 28 January 2015)  
Debbie Niulala BBS (Accountancy), CA, IIA member, GAICD, Vice President, member since 2008 (resigned 15 July 2015)  
Anthony Kutra BEd (Hons), MBA, FAICD, FAIM, member since 2008  
Chris Grundy BCom, FCA, FCIS, GAICD, Treasurer, member since 2009  
Leah Fricke MBA, LLB(HONS), BA, FCIS, MAICD, member since 2012  
Carolyn Swindell M.A, MAICD, member since 2012  
Hugh Humphrey MBA, BCOMM(Economics&Marketing), member since 2015  
Sandra Cheeseman PG Cert Research (EC), B.Ed, Dip Tch, member since 2015

#### **Principal Activities**

The Infants' Home, Ashfield is a charity incorporated by an Act of Parliament, 1924. The entity's principal activity during the financial year was to provide Children and Family Services for the community. There has been no significant change in the nature of those activities during the year.

#### **Short-term objectives**

The entity's short-term objectives are to:

- Provide programs that are contemporary and influential, so that changing community needs, views and research findings are reflected in service delivery models;
- Provide leadership and advocacy on particular issues that are central to our work to improve outcomes for children and families; and
- Extend services to support the vulnerable families and communities to protect children at risk, and strengthen families, so they can break the cycle of hardship, fear or hopelessness.

#### **Long-term objectives**

The entity's long term objectives are to:

- Play our role in building a society in which each child is given the opportunity in early childhood to develop the abilities to meet life's challenges, reach their unique potential, and contribute to their community; and
- Provide leadership and guidance in delivery of integrated services; and
- Remain sustainable through building prudent reserves for future service delivery.

**THE INFANTS' HOME, ASHFIELD**  
**ABN 71 174 918 661**

**DIRECTORS' REPORT (CONTINUED)**

**Strategy for achieving short and long-term objectives**

To achieve these objectives, the entity has adopted the following strategies:

- The entity strives to work in partnership to deliver program with strong outcome, and this is evidenced by results in accreditation and program evaluations.
- The entity is expanding services for children and families experiencing vulnerable circumstances, by increasing the number of supported places specialised in our allied health clinic and expansion of GP services to the community.
- The entity is redeveloping the facilities to support quality and efficient evidence based services. The stage one of the new facilities had been completed and has doubled our capacity on site.
- The entity strives to ensure our organisation is sustainable and progressive, by diversifying income streams and working in partnerships.

**Performance Measures**

The underlying operating result for the year 2015 was a surplus of \$188,621 (2014: surplus \$190,426). In addition we also received \$508,331 bequest and \$176,860 donations for the building projects, we also incurred a \$210, 520 investment loss.

The capital grants, realised loss and the underlying operating result provided a statutory surplus of \$663,292 (2014: surplus \$2,554,037).

The underlying total revenue was \$9,391,007, an increase of 6.38% over 2014 (\$8,828,171), mainly due the additional Family day care services in Canada Bay, Hurstville council areas and St george area previously provided by the local councils.

In the same period, the operational expenditure for the year was \$9,202,386, an increase of 6.53% over the previous year of \$8,637,745.

**Directors' Meetings**

Directors Name	Board of Directors		Audit and Finance Committee		Governance Committee		Property Redevelopment Committee		Capital Campaign & Fundraising Committee	
	A	B	A	B	A	B	A	B	A	B
Denise Taylor	6	6	5	5	4	4	3	2	3	2
Mary Verschuer	1	1	#	#	#	#	#	#	#	#
Debbie Niulala	4	4	#	#	3	3	#	#	#	#
Anthony Kutra	6	6	#	#	#	#	3	3	#	#
Chris Grundy	6	6	5	5	#	#	#	#	4	3
Leah Fricke	6	6	5	5	4	4	#	#	#	#
Carolyn Swindell	6	6	#	#	1	1	#	#	4	4
Hugh Humphrey	5	3	#	#	#	#	#	#	2	2
Sandra Cheeseman	1	1	#	#	#	#	#	#	#	#

A =Number of meetings held during the time the director held office or was a member of the committee during the year

B = Number of meetings attended

# =Not a member of the relevant committee

\* = Leave on approval

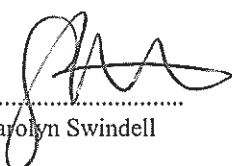
THE INFANTS' HOME, ASHFIELD  
ABN 71 174 918 661

DIRECTORS' REPORT (CONTINUED)

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is included in page 4 of this financial report and forms part of the Directors' report.

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



.....  
Carolyn Swindell

Director

23 March 2016



.....  
Leah Fricke

Director

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### **Auditor's Independence Declaration To the Responsible Entities of The Infants' Home Ashfield**

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of The Infants Home Ashfield for the year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



James Winter  
Partner - Audit & Assurance

Sydney, 23 March 2016

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**The Infants' Home, Ashfield**  
**ABN: 71 174 918 661**

**Statement of Profit or Loss and Other Comprehensive Income**  
**for the year ended 31 December 2015**

	Note	2015	2014
<b>Revenue from operations excluding other income</b>		\$	\$
Government grants for operating purposes	2	933,042	1,031,264
Charges & fees	3	7,728,709	6,887,411
Interest on investment	4	38,228	41,032
Dividends - other parties		108,903	109,302
Donations & fundraising		434,175	605,622
Sundry operating income	5	147,950	153,540
<b>Total</b>		<u>9,391,007</u>	<u>8,828,171</u>
<b>Expenditure from operating activities</b>			
Employee costs	6	7,532,810	6,932,035
Materials & services	7	1,147,230	1,062,996
Depreciation		347,515	338,167
Finance costs	8	132,775	211,315
Other expenses	9	42,056	93,232
<b>Total expenditure from operating activities</b>		<u>9,202,386</u>	<u>8,637,745</u>
<b>Net Surplus for the year before other revenue and realised loss</b>		<u>188,621</u>	<u>190,426</u>
<b>Other Revenue &amp; realised loss</b>			
Government grants for capital use purposes	2	-	223,206
Bequests		508,331	1,519,522
Donations for capital use purposes		176,860	620,883
Realised loss		(210,520)	-
		<u>474,671</u>	<u>2,363,611</u>
<b>Net Surplus for the year</b>		<u>663,292</u>	<u>2,554,037</u>
<b>Other comprehensive income</b>			
Net change in fair value of available-for-sale financial asset		201,249	58,337
Total other comprehensive income for the year		<u>201,249</u>	<u>58,337</u>
<b>Total comprehensive income for the year</b>		<u>864,541</u>	<u>2,612,374</u>

The accompanying notes form part of the financial statements.

**The Infants' Home, Ashfield**  
**ABN: 71 174 918 661**

**Statement of Financial Position**  
**for the year ended 31 December 2015**

	Note	2015 \$	2014 \$
<b>Current Assets</b>			
Cash and cash equivalents	10	1,460,164	1,430,089
Trade and other receivables	11	244,787	213,424
Prepayments		86,040	63,978
<b>Total Current Assets</b>		<u>1,790,991</u>	<u>1,707,491</u>
<b>Non-Current Assets</b>			
Financial assets	12	3,652,380	3,570,466
Property, plant & equipment	13	9,417,096	9,744,136
<b>Total Non-Current Assets</b>		<u>13,069,476</u>	<u>13,314,602</u>
<b>Total Assets</b>		<u>14,860,467</u>	<u>15,022,093</u>
<b>Current Liabilities</b>			
Trade and other payables	14	1,102,150	1,218,163
Provisions	15	544,815	467,183
<b>Total Current Liabilities</b>		<u>1,646,965</u>	<u>1,685,346</u>
<b>Non-Current Liabilities</b>			
Provisions	15	210,104	197,890
Interest bearing loans and borrowings	16	1,000,000	2,000,000
<b>Total Non-Current Liabilities</b>		<u>1,210,104</u>	<u>2,197,890</u>
<b>Total Liabilities</b>		<u>2,857,069</u>	<u>3,883,236</u>
<b>Net Assets</b>		<u>12,003,398</u>	<u>11,138,857</u>
<b>Funds</b>			
Available-for-sale reserve	21	427,276	226,027
Accumulated funds		11,576,122	10,912,830
<b>Total Funds</b>		<u>12,003,398</u>	<u>11,138,857</u>

The accompanying notes form part of the financial statements.

**The Infants' Home, Ashfield**  
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**Statement of Changes In Equity**  
**for the year ended 31 December 2015**

	<b>Accumulated Funds</b>	<b>Available-for-sale reserve</b>	<b>Total Funds</b>
	\$	\$	\$
At 1 January 2014	8,358,793	167,690	8,526,483
Surplus for the year	2,554,037	-	2,554,037
Other comprehensive income - revaluation decrement	-	58,337	58,337
At 31 December 2014	<u>10,912,830</u>	<u>226,027</u>	<u>11,138,857</u>
Surplus for the year	663,292	-	663,292
Other comprehensive income - revaluation increment	-	201,249	201,249
<b>At 31 December 2015</b>	<u>11,576,122</u>	<u>427,276</u>	<u>12,003,398</u>



**The Infants' Home, Ashfield**  
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**Statement of Cash Flows**  
**for the year ended 31 December 2015**

	Note	2015 \$	2014 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from fees & charges and grants, fundraising & other income		10,643,771	9,608,561
Receipts from government capital grants		-	245,527
Payments to suppliers and employees		(10,672,887)	(9,604,446)
Interest expense paid		<u>(100,853)</u>	<u>(182,106)</u>
Operating Cashflows before donations, bequests and fundraising and capital grants		(129,969)	67,536
Donations, bequests & fundraising		<u>1,119,367</u>	<u>2,746,027</u>
Net cash from operating activities	19	<u>989,398</u>	<u>2,813,563</u>
<b>Cash Flows from Investing Activities</b>			
Proceeds from disposals of investments		807,843	438,799
Purchase of investments		(893,915)	(1,326,572)
Interest received		38,318	40,152
Dividend received		108,903	109,302
Payment for plant & equipment		<u>(20,472)</u>	<u>(721,888)</u>
Net cash used in investing activities		<u>40,677</u>	<u>(1,460,207)</u>
<b>Cash Flows from Financing Activities</b>			
Repayment of loans		<u>(1,000,000)</u>	<u>(1,500,000)</u>
Net cash used in financing activities		<u>(1,000,000)</u>	<u>(1,500,000)</u>
Net increase/(decrease) in cash and cash equivalents		<u>30,075</u>	<u>(146,644)</u>
Cash and cash equivalents at the beginning of the financial year		<u>1,430,089</u>	<u>1,576,733</u>
<b>Cash and Cash Equivalents at the end of the Financial Year</b>		<u>1,460,164</u>	<u>1,430,089</u>

The accompanying notes form part of the financial statements.

**The Infants' Home, Ashfield**  
**ABN: 71 174 918 661**

**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**Note 1 - Summary of Accounting Policies**

**Basis of Preparation**

The Infants' Home is a non-profit entity incorporated by NSW Act of Parliament – The Infants' Home Ashfield, Act 1924 and is domiciled in Australia. The entity is registered with the Australian Charities and Not-for-profits Commission (ACNC), the Commonwealth's independent regulator of Charities since December 2012.

Its registered office and principal place of business is:

The Infants' Home, Ashfield  
17 Henry Street  
Ashfield NSW 2131

This financial report of the entity are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB - RDRs) (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB), and other authoritative pronouncements of the Australian Accounting Standards Board and complies with other requirements of Australian Charities and Not-for-profits Commission Act 2012.

The financial statements were authorised for issue by the Board of Directors on 23 March 2016.

**Adoption of New and Revised Accounting Standards**

The entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

**Reporting Basis and Conventions**

The financial statements have been prepared on an accruals basis and are based on historical cost and except where stated, do not take into account changing money values and current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

**Presentation currency**

These financial statements are presented in Australian dollars (\$).

The following is a summary of the material accounting policies adopted by The Infants' Home Ashfield in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

**Significant accounting policies**

**a) Cash and cash equivalents**

For purposes of the Statement of Cash Flows, cash includes short-term money market securities, deposits at call and deposits in bank accounts with an original maturity of 3 months or less, which are readily convertible to cash on hand and subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

**b) Trade receivables**

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms of 28 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that the entity will not be able to collect all amounts due according to the original terms.

**c) Inventories**

Inventories held for sale or distribution are valued at the lower of cost and net realisable value.

**Notes to the Financial Statements  
for the year ended 31 December 2015**

**Note 1 - Summary of accounting policies (continued)**

**d) Property, Furniture, Plant and Equipment**

Assets acquired are carried at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition, less any accumulated depreciation and impairment losses. Where an item of property, plant or equipment is disposed of, the gain or loss recognised in profit or loss is calculated as the difference between the net sales price and the carrying amount of the asset. Capital works in progress include expenditure in relation to construction of an asset that is still in its construction phase and is not yet ready for use. When the construction is complete and the asset is commissioned, it is transferred to the relevant asset classification.

**e) Depreciation**

Depreciation is provided on property, furniture, plant and equipment, including improvements to the buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life.

The following estimated useful lives are used in the calculation of depreciation:

- Buildings and improvements 10 - 40 years
- Furniture, plant and equipment 3 - 10 years

**f) Impairment of Assets**

At each reporting date the entity reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement. For the purpose of assessing value in use, this represents depreciated current replacement costs as the entity is a not-for-profit entity.

**g) Financial instruments**

Financial instruments are recognised initially at fair value plus transaction costs, financial instruments not at fair value are recognised through profit or loss. Subsequent to initial recognition these instruments are measured as set out below.

A financial instrument is recognised if the entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the entity's contractual rights to the cash flows from the financial assets expire or if the entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular purchases and sales of financial assets are recognised on trade-date, i.e. the date that the entity commits itself to purchase or sell the asset.

**Loans and receivables**

Loans and Receivables consist of term deposits which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

**Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Available-for-sale financial assets are reflected at fair market value. Unrealised gains and losses arising from changes in fair value are taken directly to equity. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the statement of comprehensive income as gains and losses from investments.

**Notes to the Financial Statements  
for the year ended 31 December 2015**

**Note 1 - Summary of accounting policies (continued)**

**Financial liabilities**

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

**Fair value**

Fair value is determined based on current bid prices for all quoted investments.

**Impairment**

At each reporting date the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in the statement of comprehensive income on financial instruments classified as available-for-sale are not reversed through the statement of comprehensive income.

**h) Payables**

Trade payables and other accounts payables are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services. These amounts are unsecured and have repayment terms between 14-30 days.

**i) Employee Benefits**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employees benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Expected future payments are discounted using national government bond rates at reporting date with terms to maturity and currency that match, as closely as possible, the estimated future cash

Contributions required by law are made by the entity to statutory superannuation funds and are charged as expenses when incurred.

**j) Operating Leases**

Operating lease payments are charged to the statement of profit or loss and other comprehensive income in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets. The entity has no finance lease obligations.

**k) Revenue**

Interest revenue is recognised as it accrues, using the effective interest method.

Dividend revenue is recognised on a receivable basis.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Government funding received for specific services is considered reciprocal and brought to account in accordance with AASB 1008.

Other non-recurrent grants to The Infants' Home, Ashfield are recognised as income when control of the contribution or right to receive the contribution is obtained and it is probable that the economic benefits will flow to the entity.

Donations and bequests are recognised as income as and only when received or deposited to the Home's bank account. As specified in the Charitable Fundraising Act 1991, donations from Clubs, members' donations and bequests are not treated as fundraising income when determining information required under the Act.

Donated Services: various services are donated to the Home. Donations in kind are not brought to accounts unless the amount is material and reliably measurable.

**The Infants' Home, Ashfield**  
**ABN: 71 174 918 661**

**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

**Note 1 - Summary of accounting policies (continued)**

**l) Taxes**

Goods and Services Tax: Revenues, costs and assets are recognised net of the amount of GST except:

- Where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO), it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

**Income Tax:** The Infant's Home, Ashfield was endorsed on 1 July 2000 by the ATO as an income tax exempt charity.

**m) Comparatives**

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosure.

**n) Accounting standards issued but not yet effective**

There are no Australian Accounting Standards or Interpretations that have been issued since the reporting date, which are not yet effective that could have a significant impact on the financial statements of the The Infants' Home, Ashfield.

**o) Critical accounting estimates and judgements**

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as

Notes to the Financial Statements  
 for the year ended 31 December 2015

	2015	2014
	\$	\$
<b>Note 2 - Government grants for operating purposes</b>		
Australian Government		
Operating assistance	172,560	362,069
Inclusion support subsidy	114,654	149,793
Professional development program	143,838	4,083
	<u>431,052</u>	<u>515,945</u>
NSW Government		
DEC ECEC funding	337,588	337,427
FaCS CGSP funding	123,406	121,932
DEC grant for Young children with disabilities	38,096	49,177
NSW DoP&C Domestic violence & women policy subsidies grants		1,843
	<u>499,090</u>	<u>510,379</u>
Local Government		
Local councils	2,900	4,940
	<u>2,900</u>	<u>4,940</u>
	<u>933,042</u>	<u>1,031,264</u>
<b>Government grants for capital purposes</b>		
Australian Government		
DoH - Primary Care Infrastructure	-	220,000
NSW Government		
DET Capital grant	-	3,206
		<u>223,206</u>
<b>Note 3 - Charges &amp; fees</b>		
Early Education and Care Centres		
Fees collected from families	4,138,831	4,004,982
Child care benefits and Rebates	2,579,976	2,141,513
	<u>6,718,807</u>	<u>6,146,495</u>
Family Day Care		
Administration fees	958,665	608,284
Enrolment fees	19,675	14,059
	<u>978,340</u>	<u>622,343</u>
Health Services		
Fees from customers and Health funds	31,562	118,573
	<u>31,562</u>	<u>118,573</u>
	<u>7,728,709</u>	<u>6,887,411</u>

**The Infants' Home, Ashfield**  
**ABN: 71 174 918 661**

**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4 - Interest on investment</b>		
Interest income	38,228	41,032
	<u>38,228</u>	<u>41,032</u>
<b>Note 5 - Sundry operating income</b>		
Net Gain on non current financial assets	5,112	6,413
Sundry income	142,838	147,127
	<u>147,950</u>	<u>153,540</u>
<b>Note 6 - Employees cost</b>		
Wages and salaries	6,078,931	5,443,566
Employees' entitlements	508,928	477,846
Superannuation	566,706	498,308
Workers compensation	133,470	139,346
Staff training	36,139	42,897
Staff recruitment	38,003	68,218
Contract staff	145,285	237,035
Others	25,348	24,819
	<u>7,532,810</u>	<u>6,932,035</u>
<b>Note 7 - Materials &amp; services</b>		
Audit fee	16,806	15,207
Consumables	169,440	154,697
Food & drink	283,969	261,986
Insurance	60,191	73,940
Light, gas & fuel	65,514	73,543
Repairs & maintenance	99,576	119,688
Others	451,734	363,935
	<u>1,147,230</u>	<u>1,062,996</u>

**The Infants' Home, Ashfield**  
**ABN: 71 174 918 661**

**Notes to the Financial Statements**  
**for the year ended 31 December 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Note 8 - Finance costs</b>		
Interest expenses and loan account fees	100,853	182,106
Finance expenses	31,922	29,209
	<u>132,775</u>	<u>211,315</u>
<b>Note 9 - Other expenses</b>		
Fundraising expenses	42,056	93,232
	<u>42,056</u>	<u>93,232</u>
<b>Note 10 - Cash and cash equivalents</b>		
Cash on hand	1,960	1,960
Cash at bank	1,458,204	1,428,129
	<u>1,460,164</u>	<u>1,430,089</u>
<b>Note 11 - Trade and other receivables - Current</b>		
Trade receivables	187,239	190,016
	<u>187,239</u>	<u>190,016</u>
Goods and services tax (GST) receivable	13,545	15,434
Other debtors-Accrued income	44,003	7,974
<b>Total trade and other receivables (net)</b>	<u>244,787</u>	<u>213,424</u>
<b>Note 12 - Non current financial assets</b>		
Available for Sale financial assets - managed funds, fixed interest securities and listed equity investments at fair value	3,652,380	3,570,466
	<u>3,652,380</u>	<u>3,570,466</u>

**Fair value**

The fair values of available for sale assets have been valued at the quoted market bid price at balance date.



The Infants' Home, Ashfield  
 ABN: 71 174 918 661

Notes to the Financial Statements  
 for the year ended 31 December 2015

	2015	2014
	\$	\$
<b>Note 13 - Property, plant and equipment</b>		
Freehold land & buildings		
At cost	379,800	379,800
Improvement at cost	9,936,916	9,931,378
(Less Accumulated depreciation)	<u>(1,069,844)</u>	<u>(809,248)</u>
	<u>9,246,872</u>	<u>9,501,930</u>
Furniture & plant		
At cost	165,996	165,996
(Less Accumulated depreciation)	<u>(101,970)</u>	<u>(76,244)</u>
	<u>64,026</u>	<u>89,752</u>
Computer equipment at cost	218,862	210,422
(Less Accumulated depreciation)	<u>(185,704)</u>	<u>(152,510)</u>
	<u>33,158</u>	<u>57,912</u>
Equipment at cost	191,396	187,061
(Less Accumulated depreciation)	<u>(141,684)</u>	<u>(124,521)</u>
	<u>49,712</u>	<u>62,540</u>
Motor vehicles at cost	76,275	76,275
(Less Accumulated depreciation)	<u>(59,396)</u>	<u>(53,451)</u>
	<u>16,879</u>	<u>22,824</u>
Program area equipment at cost	42,797	42,797
(Less Accumulated depreciation)	<u>(36,348)</u>	<u>(33,619)</u>
	<u>6,449</u>	<u>9,178</u>
Total Property, Plant & Equipment	<u>9,417,096</u>	<u>9,744,136</u>

Notes to the Financial Statements  
 for the year ended 31 December 2015

	2015	2014
	\$	\$
<b>Note 13 - Property, plant and equipment (continued)</b>		
<b>Reconciliation 2015</b>		
Reconciliation of the carrying amounts for each class of property, plant and equipment are set out below:		
Freehold land & buildings		
Carrying amount at beginning		
at cost	379,800	379,800
Improvements at cost	9,122,130	8,652,742
Additions	5,538	49,097
Transfer from Capital works in progress	-	668,368
Depreciation expense	(260,596)	(248,077)
	<u>9,246,872</u>	<u>9,501,930</u>
Furniture & plant		
Carrying amount at beginning		
at cost	89,752	115,751
Depreciation expense	(25,726)	(25,999)
	<u>64,026</u>	<u>89,752</u>
Computer equipment		
Carrying amount at beginning	57,912	78,883
Additions	8,440	10,940
Disposal		
cost	-	(35,309)
accumulated depreciation	-	35,309
Depreciation expense	(33,194)	(31,911)
	<u>33,158</u>	<u>57,912</u>
Equipment		
Carrying amount at beginning	62,540	67,855
Additions	6,495	11,098
Disposal		
cost	(2,160)	
accumulated depreciation	2,160	
Depreciation expense	(19,323)	(16,413)
	<u>49,712</u>	<u>62,540</u>
Motor vehicles at cost		
Carrying amount at beginning	22,824	28,769
Additions	-	-
Depreciation expense	(5,945)	(5,945)
	<u>16,879</u>	<u>22,824</u>
Program area equipment at cost		
Carrying amount at beginning	9,178	15,792
Additions	-	3,208
Depreciation expense	(2,729)	(9,822)
	<u>6,449</u>	<u>9,178</u>
Capital works in progress		
Carrying amount at beginning	-	20,823
Additions	-	647,545
transfer to buildings	-	(668,368)
	<u>-</u>	<u>-</u>
<b>Total Property, Plant &amp; Equipment</b>	<u><u>9,417,096</u></u>	<u><u>9,744,136</u></u>

Notes to the Financial Statements  
 for the year ended 31 December 2015

	2015	2014
	\$	\$
<b>Note 14 - Trade and Other Payables - Current</b>		
Fees in advance	174,886	124,238
Deferred grants	88,168	190,600
GST payable	9,091	23,592
Creditors & accruals	470,714	556,175
Enrolment deposits	359,291	323,558
<b>Total trade and other payables</b>	<u>1,102,150</u>	<u>1,218,163</u>
<b>Note 15 - Provisions</b>		
Annual leave	435,860	373,638
Long service leave	319,059	291,435
	<u>754,919</u>	<u>665,073</u>
Provision for employee benefits are represented by:		
Current	544,815	467,183
Non-current	210,104	197,890
	<u>754,919</u>	<u>665,073</u>
<b>Note 16 - Interest bearing loans and borrowings</b>		
Bank Loans-secured	<u>1,000,000</u>	<u>2,000,000</u>
	<u>1,000,000</u>	<u>2,000,000</u>
Total Borrowing facility is \$3.5 million. Unused facility at year end was \$2.5 million. The facilities are secured by a fixed and floating charge in favour of National Bank Australia over the property at 17 Henry Street Ashfield NSW 2131.		
<b>Note 17 - Leases</b>		
<b>Operating leases</b>		
Leasing Arrangements		
Operating leases relate to the Home's photocopy machine and telephone equipment with lease terms of up to 5 years.		
Non-cancellable operating leases		
Not longer than 1 year	6,476	7,079
Longer than 1 year and not longer than 5 years	14,739	13,735
	<u>21,215</u>	<u>20,814</u>
<b>Note 18 - Economic dependency</b>		
The entity is significantly dependent on the Australian Government and NSW State Government for funding for the purpose of providing child and family services.		

Notes to the Financial Statements  
 for the year ended 31 December 2015

	2015	2014
	\$	\$
<b>Note 19 - Reconciliation of cash flow</b>		
For the purposes of this Statement of Cash Flow		
Cash includes		
a) Cash on hand, net bank overdrafts; and		
b) Investments in money market instruments with less than three months to maturity		
Cash and cash equivalents at the end of the year is shown as:		
Cash at bank and on hand	<u>1,460,164</u>	<u>1,430,089</u>
<b>Reconciliation of Cash Flow from Operating Activities with Operating result from continuing operations after income tax</b>	663,292	2,554,037
Non-cash flows in operating surplus/(deficit):		
Depreciation	347,515	338,167
(Gain)/Loss on sale of investments	205,408	(6,413)
Adjustment to operating result from investing activities	(147,225)	(150,334)
Changes in assets & liabilities		
(Increase)/Decrease in receivables	(31,363)	(12,696)
(Increase)/Decrease in prepayments	(22,062)	30,860
(Increase)/Decrease in inventories	-	7,303
Increase/(Decrease) in trade creditors & accruals	(116,013)	(20,532)
Increase/(Decrease) in provisions	<u>89,846</u>	<u>73,171</u>
<b>Net cash flows from operating activities</b>	<u><b>989,398</b></u>	<u><b>2,813,563</b></u>

**Note 20 Key management personnel compensation**

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity.

Key Management Persons (KMP) have been taken to comprise the Directors and the Chief executive Officer who is responsible for the day to day financial and operational management of the entity. Directors who acted for the entity during the financial year are listed in the Directors' report.

Directors receive no compensation for their services.

The aggregate compensation of Key Management Persons during the year comprising amounts paid or payable or provided for was as follows:

Total compensation	<u>198,188</u>	<u>194,769</u>
	<u>198,188</u>	<u>194,769</u>

**The Infants' Home, Ashfield**

ABN: 71 174 918 661

**Notes to the Financial Statements  
for the year ended 31 December 2015**

	<b>2015</b>	<b>2014</b>
	\$	\$
<b>Note 21 Available-for-sale financial assets revaluation reserve</b>		
Balance at start of year	226,027	167,690
Revaluation of financial assets (including reduction in reserve on disposal of investments)	201,249	58,337
Balance at end of year	<u>427,276</u>	<u>226,027</u>

**Note 22 Contingent liabilities**

A minor capital upgrade grant for the sum of \$114,686 was received in June 2009 from NSW Department of Education and Training, which may be repayable should the entity cease operations prior to June 2029.

**Note 23 Fundraising income and expenses**

For the purposes of the Charitable Fundraising Act, fundraising excludes bequests, donations from clubs, and donations from existing members.

**Details of aggregate gross income and total expenses in fundraising appeals**

Gross proceeds from fundraising appeals		
Fete	46,292	68,294
Appeal for capacity building	-	243,000
Appeal for capital projects	176,860	620,883
Appeal for early intervention	343,795	247,390
	<u>566,947</u>	<u>1,179,567</u>
Fete	9,292	28,189
Appeal for capacity building	2,578	3,124
Appeal for capital projects	44,658	75,833
Appeal for early intervention	107,592	86,494
Less Total costs of fundraising	<u>164,121</u>	<u>193,640</u>
Net surplus from fundraising	<u>402,826</u>	<u>985,927</u>

**Application of funds for charitable purpose**

Opening balance	-	-
Net proceeds from fundraising for the year	402,826	985,927
Capital project	(132,202)	(545,050)
Capacity building	-	(243,000)
Early Intervention, centres improvement and equipments	<u>(270,625)</u>	<u>(197,877)</u>
Closing balance	<u>-</u>	<u>-</u>

**Details of Gross Income and Aggregate Expenses of Appeals conducted Jointly with Traders**

No appeals were conducted jointly with traders in year ended 31 December 2015.

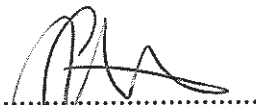
**THE INFANTS' HOME, ASHFIELD**  
ABN 71 174 918 661

**RESPONSIBLE ENTITIES' DECLARATION**

In the opinion of the Responsible Entities' of The Infants' Home, Ashfield:

- a) The attached financial statements and notes of The Infants' Home, Ashfield are in accordance with the Australian Charities and Not-for-profit Commission Act 2012, including;
- i. Giving a true and fair view of its financial position as at 31 December 2015 and of its performance for the financial year ended on that date; and
- ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*, and
- b) There are reasonable grounds to believe that The Infants' Home, Ashfield will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Responsible Entities:

  
.....  
Carolyn Swindell  
Director

  
.....  
Leah Fricke  
Director

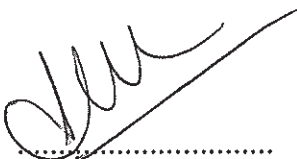
23 March 2016

**THE INFANTS' HOME, ASHFIELD**  
ABN 71 174 918 661

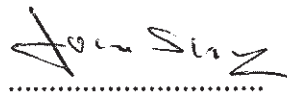
**Declaration by Principal Officers in respect of fundraising appeals**

We, Anita Kumar, Chief Executive Officer and John Shen, Finance Manager of The Infants' Home, Ashfield declare that in our opinion:

- a) The Statement of Profit or Loss and Other comprehensive income gives a true and fair view of all income and expenditure of The Infants' Home with respect to fundraising appeals;
- b) The Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeals;
- c) The provision of the Charitable Fundraising Act 1991 and the Regulations under that Act and the conditions attached to the authority have been complied with by the organisation;
- d) The internal controls exercised by The Infants' Home are appropriate and effective in accounting for all income received and applied by the Organisation from any of its fundraising appeals.



.....  
Anita Kumar  
Chief Executive Officer



.....  
John Shen  
Finance Manager

23 March 2016

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Sydney NSW 2000

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W [www.grantthornton.com.au](http://www.grantthornton.com.au)

## **Independent Auditor's Report To the Members of The Infants' Home Ashfield**

We have audited the accompanying financial report of The Infants' Home Ashfield (the "Entity"), which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and 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 Responsible Entities' declaration of the Entity.

### **Responsibility for the financial report**

The Responsible Entities of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012, and the Charitable Fundraising Act 1991 and Regulations. The Responsible Entities' responsibility also includes such internal control as the Responsible Entities determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Responsible Entities, as well as evaluating the overall presentation of the financial report.

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

### **Independence**

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.

### **Auditor's opinion**

In our opinion:

1. the financial report of The Infants' Home Ashfield is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - a. giving a true and fair view of the entity's financial position as at 31 December 2015 and of its performance for the year ended on that date;
  - b. complying with Australian Accounting Standards- Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013;
2. the financial report agrees to the underlying records of The Infants' Home Ashfield, that have been maintained, in all material aspects, in accordance with the Charitable Fundraising Act 1991 and its Regulations, for the year ended 31 December 2015; and
3. monies received by The Infants' Home Ashfield, as a result of fundraising appeals conducted during the year ended 31 December 2015, have been accounted for and applied, in all material aspects, in accordance with the Charitable Fundraising Act 1991 and its Regulations.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



James Winter  
Partner - Audit & Assurance  
Sydney, 23 March 2016