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FINANCIAL STATEMENTS

For the year Ended 30 June 2021

FINANCIAL STATEMENTS

For the year Ended 30 June 2021

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Carers Australia acknowledges Aboriginal and/or Torres Strait Islander peoples and communities as the traditional custodians of the land we work on and pay our respects to elders past, present and emerging. As an inclusive organisation we also celebrate people of all backgrounds, genders, sexualities, cultures, bodies and abilities.

CARERS AUSTRALIA LIMITED

ACN: 612 590 431

**Directors' Report
30 June 2021**

The Directors present their report together with the financial report of Carers Australia Limited for the financial year ended 30 June 2021.

Directors

The Directors of the company at any time during or since the end of the financial year are:

Name and Title		Experience, special responsibilities and occupation
Sonia Rutnam Chairperson	From Nov 2019	<ul style="list-style-type: none"> Over 20 years' experience in executive positions and board advisory roles across healthcare and media industries. Chartered accountant and member of the Australian Institute of Company Directors. Founder of the charity <i>Once Upon a School Limited</i>, assisting children to build self-esteem and confidence through learning. Established the <i>Shremaya Foundation</i> promoting inter-faith and cultural understanding through arts. Independent member of the Carers Australia Board Finance, Audit, Risk and Governance Committee from 2017 to 2019. Appointed as an Independent Board Member in 2019 and elected Chairperson of the Carers Australia Board from November 2019.
Richard Bialkowski	From April 2020 to 31 October 2020	<ul style="list-style-type: none"> Over 20 years' experience as a CEO and non-executive director in a range of organisations, including those related to primary health care and aged and disability care services. Bachelor of Business and Masters of Business from University of Southern QLD and Charles Sturt University. Currently sits on the Board of Carers ACT and was its Chair from November 2012 to December 2020. Appointed to the Board of Carers Australia in April 2020 as the nominee of Carers ACT.
Jennifer Davies	From Feb 2020	<ul style="list-style-type: none"> Over 35 years' experience as an academic at the University of South Australia's School of Management. Qualifications in social work and urban and regional planning. Emeritus Fellow of the Council of Australasian Tourism and Hospitality Education, of which she was a founding member. Member of the Carers SA Board since 2014. Appointed to the Board of Carers Australia in February 2020 as the nominee of Carers South Australia.
Bruce Howle FARG Committee Chair	From Nov 2019	<ul style="list-style-type: none"> More than 25 years' experience in accounting, taxation and assurance. Registered tax agent and registered company auditor. Bachelor of Economics from Macquarie University. Member of both the Australia and New Zealand Chartered Accountants and the Australian Institute of Company Directors. Appointed to the Board of Carers Australia in November 2019 as the nominee of Carers NSW, and was elected FARG Committee Chair in November 2019.
Callum Ingram	From Nov 2019	<ul style="list-style-type: none"> Extensive experience in public administration, law, medical science, corporate services, governance, strategy and policy development across public, private and not-for-profit sectors. Strategy and transformation advisor to the Institute of Public Administration Australia (Victoria Division). Deputy Chair of the Aurora Foundation. Member of the Board of Carers VIC and its Governance Committee; currently interim Chair of Carers VIC. Appointed to the Board of Carers Australia in November 2019 as the nominee of Carers VIC.

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Cathy O'Toole	From August 2020	<ul style="list-style-type: none"> • Over 40 years' experience leading people and managing both commercial and community managed organisations in CEO roles. • Masters in Metaphysical Science, Bachelor of Education, various Diplomas in Community and Business Management, and Teaching. • Federal Member for Herbert (Qld) 2016-2019. • Various board director positions over many years, including president/ chair roles. • Lived experience as a carer. • Appointed by Carers QLD in August 2020 to the Carers Australia Board.
Marie-Louise Pearson OAM	From July 2020	<ul style="list-style-type: none"> • Extensive experience in management of complex and multi-pronged businesses. • Graduate Diploma in Business Administration and Bachelor of Science in Mathematical Sciences. • Various board director positions over many years, including leadership roles. • Fellow and Life Member of the Institute of Managers and Leaders, Graduate of the Australian Institute of Company Directors. • Lived experience as a carer. • Appointed by Carers NT in July 2020 to the Carers Australia Board.
Steve Sant	From Oct 2020	<ul style="list-style-type: none"> • More than 40 years' experience in the health industry in a range of roles including registered nurse and executive management. • Experience across public, private, not-for-profit, government sectors including CEO and board roles. • Graduate of the Australian Institute of Company Directors. • Joined the Carers Australia Board in October 2020 as the nominee of Carers ACT.
Brett Walker Deputy Chairperson	From Nov 2019	<ul style="list-style-type: none"> • Over 30 years' experience as a senior executive, lawyer and director in the public and private sectors. • Acted as lead negotiator for Australia in various United Nations organisations. • Chair of the Commonwealth Legal Network Services Board 2011 – 2014. • Honorary Visiting Lecturer in Law at Australian National University. • Sits on the boards of four organisations in the university, technology and disability sectors. • Deputy Chair of Carers Tasmania and previously served as Director of Carers Australia from 2014 – 2016. • Returned to the Carers Australia Board in November 2019 as Carers Tasmania's nominee, and was elected Deputy Chairperson in May 2020.
Linda Wayman	From April 2020	<ul style="list-style-type: none"> • More than 25 years' experience as a board member and over 40 years' experience in the communications, media and marketing industries in both the public and private sectors. • Currently a non-executive director as well as Principal of a communications and marketing consultancy. • Master of Arts (Communications) and a Graduate of the Australian Institute of Company Directors (GAICD). • Cared for both her father and her mother. • Sits on the Board of Carers WA. • Appointed to the Board of Carers Australia in April 2020 as the nominee of Carers WA.

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

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Company Secretary

The role of Company Secretary has been held by two people this financial year:

- Callum Ingram held the role from 27 May 2020 to August 2020.
- Liz Callaghan was appointed to the role by the Board at its 26 August 2020 meeting.

Liz has undertaken studies with the Australian Institute of Company Directors.

Directors meetings

The number of meetings attended by each Director during the time the Director held office during the year ended 30 June 2021 are:

	Board		FARG Committee*	
	<i>Attended</i>	<i>Eligible</i>	<i>Attended</i>	<i>Eligible</i>
Sonia Rutnam (Chairperson)	4	4		
Richard Bialkowski	1	1		
Jennifer Davies	4	4		
Bruce Howle	4	4	4	4
Callum Ingram	4	4	4	4
Cathy O'Toole	4	4		
Marie-Louise Pearson OAM	4	4		
Steve Sant	3	3	2	2
Brett Walker	4	4	4	4
Linda Wayman	4	4		

* The Finance, Audit, Risk and Governance (FARG) Committee is responsible for oversight of, and advice and recommendations to, the Carers Australia Board of Directors on: financial management, including asset management; risk management, including compliance management; external audit; issues of governance. The FARG Committee is currently the only standing committee of the Board.

Vision & Mission

Carers Australia is the national peak body representing Australia's unpaid carers, advocating on their behalf to influence policies and services at a national level.

Our vision is an Australia that values and supports the contribution that carers make both to the people they care for and to the community as a whole.

Principal activities

The principal activities during the year ended 30 June 2021 were as a national peak body:

- Advocating on behalf of unpaid family and friend carers to influence government policies on a national level, and
- Managing the delivery of a range of national carers services.

Objects

The principal objects of the company are:

- to be the national body with a national voice and focus for to advocate for and represent the interests of carers;
- to work collaboratively with our members and other organisations to:
 - o advocate for policy and service actions that support the caring role and enhance the health, wellbeing, resilience and financial security of carers;
 - o advocate for the inclusion of carers as a priority group within mainstream and specialist service programs;
 - o advocate to have caring recognised as a shared responsibility of family, community, business and government with the aim of achieving improved outcomes for carers;
 - o undertake other policy, advocacy and service actions which the Board considers to be of benefit to carers.

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Strategy for achieving objectives

The activities undertaken during the year progressed the company's mission to improve the lives of unpaid family carers, through advocating on their behalf to influence national government policies; as well as by managing the delivery of a range of national carer services. It has maintained engagement with governments, members of the opposition and cross benchers; made submissions to parliamentary and other inquiries that affect carers; and improved the quality of services the company has been funded to deliver to carers. The company also increased awareness of carers in the community through National Carers Week activities and other profile-raising initiatives via both traditional and social media.

State of affairs

The company held a General Meeting on 18 August 2021 with special resolutions to support alterations and additions to the Constitution. These were largely items of clarification and consistency, and did not alter the charitable purpose or the objects of the company. These changes were consulted on through the membership prior to consideration by the General Meeting and were endorsed unanimously by the members.

During the year, the company changed its auditor moving from RSM Australia to Bellchambers Barrett after a targeted approach to market process overseen by the Board's FARG Committee. This was at the instruction of members at the 2020 AGM who endorsed the resolution that:

Members support the Carers Australia Board making a final decision on appointment of an Auditor starting with the 2020-21 financial year for a period of 3 – 5 years.

The Board of Directors note the health, social and economic impacts of the global COVID-19 pandemic continue to be felt in Australia and internationally. As with most companies currently, the impacts of these factors on the operations of the company remain uncertain and cannot be quantified at this time. The company has taken reasonable steps to manage its response and consider appropriate methods to meet its contracted deliverables and its vision and mission, protect revenue, manage risk, and contain costs while protecting the wellbeing of its staff.

The company continues to make fiscally responsible decisions to retain an appropriate level of cash reserves as a necessary and prudent response.

In the opinion of the Directors, there was no significant change in the state of affairs of the company during the year.

Operating results

The company's operations for the year resulted in a deficit of \$311,576 (2020: \$278,672). For context, the company undertook a significant restructure in mid-2020 and the subsequent operational realignment resulted in increased staffing costs and relocation costs related to moving premises.

Carers Australia had in place a number of contracts with the Australian Government Department of Social Services to support our work with carers across the country: Young Carer Bursaries to support young carers to continue studying; National Carers Week funding to deliver national activities, in partnership with members, to raise awareness of issues facing carers; Better Start continuity of support funding to ensure existing clients of funded disability programs who are not eligible for the NDIS achieve similar outcomes. In addition, the Australian Government Department of Health supported our Mental Health Leadership COVID-19 project to support carers caring through COVID; and the response to the Aged Care Royal Commission policy work.

Environmental legislation

The company is not subject to any particular environmental regulation under Commonwealth or state or territory laws in Australia.

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Review of operations

A review of the operations of the company during the financial year and the results of those operations show that during the year the company continued to engage in its principal activities, the results of which are disclosed in the attached financial statements.

Events subsequent to balance date

Other than the Constitutional amendment outlined above, there has not been any matter or circumstance subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, of the state of affairs of the company in future years.

Members' guarantee

Carers Australia is a company limited by guarantee, incorporated under the *Corporations Act 2001* on 8 June 2016.

As at 30 June 2021, there were eight (8) members. In the event the company is wound up, each member is required to contribute \$10 towards meeting outstanding obligations of the company, to a total contribution of \$80 (2020: \$80).

Indemnification and insurance of officers

During and since the end of the financial year, the company has paid insurance premiums for officers' indemnity insurance, for former and current officers including executive officers of the company, and directors.

The insurance premiums relate to costs and expenses incurred by the officers in defending proceedings resulting from their duties on the Board of Directors.

Directors' interest and benefits

Since the end of the previous financial year, no Director of the company has received or become entitled to receive any benefit by reason of a contract made by the parent entity or a related corporation with the Director or a firm of which the Director is a member, or with a company in which the Director has substantial interest.

Related party interests

There were contracts entered into with each of the member entities represented on the Board, to deliver:

- Better Start continuity of support funding to ensure existing clients of funded disability programs who are not eligible for the NDIS achieve similar outcomes.
- Evaluate project to demonstrate how much of the burden of care is being borne privately, and will outline a savings case to present to Government.

All members received the same amount for each contracted project.

Proceedings on behalf of the company

There were no proceedings on behalf of the company during the year.

Non-audit services

There were no non-audit services provided by the auditor during the year.

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Auditor's independence declaration

The lead auditor's independence declaration in accordance with the *Australian Charities and Not for Profit Commission Act 2012*, for the year ended 30 June 2021 has been received and can be found on page 8 of the financial report.

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



Sonia Rutnam, Chairperson



Bruce Howle, FARG Committee Chair

8 November 2021



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AUDITOR'S INDEPENDENCE DECLARATION UNDER S60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE MEMBERS OF CARERS AUSTRALIA LIMITED

As lead auditor of Carers Australia Limited, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Australian Charities and Not-For-Profits Commission Act 2012* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Shane Bellchambers', written over a light blue horizontal line.

Shane Bellchambers, FCA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 8th day of November 2021

Liability limited by a scheme approved under Professional Standards Legislation

CARERS AUSTRALIA LIMITED

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue			
Government funding	4	6,097,914	13,749,103
Other revenue	4	316,322	227,149
Expenses			
State/Territories funding		(3,744,027)	(10,571,057)
Administration expenses		(186,077)	(215,923)
Amortisation and depreciation	10,11,12	(67,441)	(11,311)
Communication expenses		(389,920)	(347,539)
Computer/Website expenses		(253,927)	(298,862)
Consultants		(742,234)	(328,865)
Employee expenses		(1,320,846)	(1,806,831)
Travel & meetings expenses		(16,333)	(117,192)
(Loss)/Gain for the year		(306,569)	278,672
Other comprehensive income			
		(5,007)	-
Gains / (losses) on asset disposal		(5,007)	-
Other comprehensive income for the year			
Total comprehensive income / loss for the year		(311,576)	278,672

This statement should be read in conjunction with the notes to the financial statements.

CARERS AUSTRALIA LIMITED

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STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	6	3,754,332	1,068,919
Short term investments	7	1,850,773	3,848,842
Trade and other receivables	8	50,020	91,563
Prepayments	9	19,898	21,955
Total current assets		5,675,023	5,031,279
Non-current assets			
Property, plant and equipment	10	33,202	28,520
Right of use assets	11	293,887	-
Intangible assets	12	1,610	-
Total non-current assets		328,699	28,520
Total assets		6,003,722	5,059,799
Liabilities			
Current liabilities			
Trade and other payables	13	57,386	199,564
Provisions	14	59,911	97,745
Unexpended grants	15	1,111,968	325,381
Income received in advance	16	2,110,524	1,754,250
Lease liabilities	17	62,708	-
Total current liabilities		3,402,497	2,376,940
Non-current liabilities			
Provisions	14	34,589	46,916
Lease liabilities	17	242,269	-
Total non-current liabilities		276,858	46,916
Total liabilities		3,679,355	2,423,856
Net assets		2,324,367	2,635,943
Equity			
Retained earnings		2,635,943	2,357,271
(Loss) Profit for the year		(311,576)	278,672
Total equity		2,324,367	2,635,943

This statement should be read in conjunction with the notes to the financial statements.

CARERS AUSTRALIA LIMITED

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STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

	\$
General Funds	
Balance as 1 July 2019	2,161,462
Adjustment from adoption of AASB 15 and 1058 revenue from contracts with customers	<u>195,809</u>
	2,357,271
Surplus for the year	<u>278,672</u>
Balance at 30 June 2020	<u>2,635,943</u>
Balance as 1 July 2020	2,635,943
Loss for the year	<u>(311,576)</u>
Balance at 30 June 2021	<u>2,324,367</u>

This statement should be read in conjunction with the notes to the financial statements.

CARERS AUSTRALIA LIMITED

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STATEMENT OF CHANGES OF CASH FLOWS

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities:			
Receipts from customers		7,300,970	11,866,338
Payments to suppliers and employees		(4,553,407)	(12,049,778)
Interest received		14,697	46,193
Interest on lease payments		(9,198)	-
Net cash provided by/(used in) operating activities		<u>2,753,062</u>	<u>(137,247)</u>
Cash flows from investing activities:			
Purchase of property, plant and equipment	10(a)	(25,131)	(22,666)
Purchase of intangible asset	12(a)	(1,745)	-
Net cash used in investing activities		<u>(26,876)</u>	<u>(22,666)</u>
Cash flows from financing activities:			
Repayment of lease liability		(40,773)	-
Net cash used in financing activities		<u>(40,773)</u>	-
Net increase/(decrease) in cash and cash equivalents held		2,685,413	(159,913)
Cash and cash equivalents, beginning of year		<u>1,068,919</u>	<u>1,228,832</u>
Cash and cash equivalents, end of year	6	<u>3,754,332</u>	<u>1,068,919</u>

This statement should be read in conjunction with the notes to the financial statements.

CARERS AUSTRALIA LIMITED

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**Notes to the financial statements
For the year ended 30 June 2021**

The financial report is for Carers Australia limited by guarantee as an individual entity.

Carers Australia Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia.

1. Company Details

Registered office and principal place of business of the company is:
Unit 2, 11 McKay Lane, Turner, ACT 2612

2. Statement 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.

New or amended Accounting Standards and Interpretations adopted

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

Basis of Preparation

Carers Australia Not For Profit (ACNC RDR) Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by 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.

CARERS AUSTRALIA LIMITED

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**Notes to the financial statements
For the year ended 30 June 2021****Statement of Significant Accounting Policies (continued)**

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed at note 3.

(a) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

(b) Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a diminishing value basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Furniture, Fittings & Equipment	15% - 40%
Leasehold Improvement	15% - 40%

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

(c) Intangibles assets

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

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a diminishing value basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting period. In addition, they will be subjected to impairment testing. The following depreciation rate is applied:

Perpetual license	40%
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Notes to the financial statements

CARERS AUSTRALIA LIMITED

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For the year ended 30 June 2021

Statement of Significant Accounting Policies (continued)**(c) Intangibles assets (continued)**

Subsequent expenditures on the maintenance of computer software and brand names are expensed as incurred.

(d) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, as well as term deposits held with the bank for less than 90 days in duration.

(e) Short-term investments

Short-term investments include term deposits held with the bank for greater than 90 days in duration.

(f) Income tax

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997. The company also holds deductible gift recipient status.

(g) Leases

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

At the inception of a contract, the company assesses whether a lease exists – i.e. does the contract convey the right to control the use of the identified asset for a period of time in exchange for consideration. This involves an assessment of whether:

The contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.

The company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the use of the period.

The company has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

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**Notes to the financial statements
For the year ended 30 June 2021****Statement of Significant Accounting Policies (continued)****(g) Leases (continued)**

The company has elected not to separate non-lease components from lease components and has accounted for all leases as a single component. At the lease commencement, the organisation recognises a right of use asset and associated lease liability for the lease term. The lease term includes extension periods where the company believes it is reasonably certain that the option will be exercised. The right of use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right of use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The right of use asset is assessed for impairment indicators at each reporting date.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the company's assessment of lease term.

Where the lease liability is remeasured, the right of use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The organisation has elected to apply the exceptions to lease accounting for leases of low-value assets. For these leases, the organisation recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(h) Revenue*Revenue recognition – contracts with customers*

AASB 15 requires revenue to be recognised when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration.

The customer for these contracts is the fund provider.

Revenue is recognised by applying the five-step model as follows:

- Identify the contract with the customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price
- Recognise revenue

Generally, the timing of the payment for sale of goods and services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

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**Notes to the financial statements
For the year ended 30 June 2021****Statement of Significant Accounting Policies (continued)****(h) Revenue (continued)**

Contract assets arise when work has been performed on a particular program and services have been transferred to the customer when the invoicing milestone has not been reached and the rights of the consideration are not unconditional. If the rights to the consideration are unconditional then a receivable is recognised. No impairment losses were recognised in relation to these assets during the year.

Contract liabilities generally represent the unspent funds or other fees received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided, or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is presented as non-current. Where the monies are received for the company to acquire or construct an item of property, plant and equipment which will be controlled by the company then the funds are recognised as contract liability and amortised to revenue as when the obligation is satisfied.

Grant Income

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Assets arising from grants in the scope of AASB 1058 are recognised at their value when the asset is received. These assets are generally cash but may be property which has been donated or sold to the company at significantly below its fair value.

Once the asset is recognised, the company recognises any related liability amounts (e.g. provisions, financial liabilities). Once the assets and liabilities have been recognised then income is recognised for any difference between the recorded asset and liability.

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company, and specific criteria relating to the type of revenue, as noted below, have been satisfied.

Revenue is measured at the fair value of the consideration received or receivable.

Grant revenue is recognised in the statement of comprehensive income when the company obtains control of the grant, it is probable that the economic benefits gained will flow to the company and the amount of the grant can be measured reliably.

When grant revenue is received whereby the company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

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

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

CARERS AUSTRALIA LIMITED

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**Notes to the financial statements
For the year ended 30 June 2021****Statement of Significant Accounting Policies (continued)****(i) Trade and other receivables**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers from goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(j) Trade and other payables

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

(k) 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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

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

(l) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(m) Impairment of assets

At the end of each reporting period, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(n) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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**Notes to the financial statements
For the year ended 30 June 2020****Statement of Significant Accounting Policies (continued)****(o) Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

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

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 continually evaluates 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 expectation 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.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. There does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the pandemic.

Estimation of useful lives of assets

The company determines the estimated useful lives and relating 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 event. 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.

Employee benefits provision

As discussed in note 1, liabilities for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

CARERS AUSTRALIA LIMITED

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**Notes to the financial statements
For the year ended 30 June 2021**

	2021	2020
4. Revenue	\$	\$
Government Funding	6,097,914	13,749,103
Government Funding	6,097,914	13,749,103
Other Revenue		
Donations	93,042	3,174
Memberships	16,604	16,604
Interest	17,050	46,193
Other	189,626	161,178
Other Revenue	316,322	227,149
5. Expenses		
<i>The result for the year includes the following specific expenses:</i>		
Employee entitlements	1,320,846	1,806,831
6. Cash and cash equivalents		
Cash on Hand	-	5
Cash at Bank	3,754,332	1,068,914
Cash and cash equivalents	3,754,332	1,068,919
7. Term Deposits		
Term Deposit – NAB (Rental Bond – Turner premises)	51,006	50,899
Term Deposit - NAB (Employee Entitlements)	502,507	500,397
Term Deposit – NAB (Young Carer Bursaries)	-	2,007,844
Term Deposit – NAB (General)	1,297,260	1,289,702
Term Deposits	1,850,773	3,848,842
8. Trade and other receivables		
<i>Current</i>		
Accounts Receivables	50,020	53,841
GST receivable	-	37,722
Trade and other receivables	50,020	91,563

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**Notes to the financial statements
For the year ended 30 June 2021**

	2021	2020
9. Prepayments	\$	\$
Prepaid Insurance	16,041	15,595
Prepaid Expenses	3,857	6,360
Prepayments	19,898	21,955
10. Property, plant & equipment		
At cost	54,866	93,570
Accumulated depreciation	(21,664)	(65,049)
Property, plant & equipment	33,202	28,520
(a) Movement in carrying amounts of property, plant & equipment		
Opening Balance	28,520	17,165
Additions	25,131	22,666
Written Off/Scrapped	(5,007)	-
Depreciation expense	(15,442)	(11,311)
Closing Balance	33,202	28,520
11. Right of use assets		
At cost	345,750	-
Accumulated depreciation	(51,863)	-
Right of use assets	293,887	-
(a) Movement in carrying amounts of right of use assets		
Opening Balance	-	-
Additions	345,750	-
Written Off/Scrapped	-	-
Depreciation expense	(51,863)	-
Closing Balance	293,887	-
12. Intangible assets		
At cost	1,745	-
Accumulated depreciation	(136)	-
Intangible assets	1,610	-
(a) Movement in carrying amounts of intangible assets		
Opening Balance	-	-
Additions	1,745	-
Written Off/Scrapped	-	-
Depreciation expense	(136)	-
Closing Balance	1,610	-
13. Trade and other payables		
Account Payables	-	77,471
Other Payables	47,812	122,092
GST Payable	9,574	-
Trade and other payables	57,386	199,564

CARERS AUSTRALIA LIMITED

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**Notes to the financial statements
For the year ended 30 June 2021**

	2021	2020
	\$	\$
14. Provisions – current		
Make Good provision on leased premises	-	47,138
Annual Leave Entitlements	59,911	50,607
Provisions – current	59,911	97,745
Provisions – non current		
Long Service Leave Entitlements	34,589	46,916
Provisions – non current	34,589	46,916
15. Unexpended grants		
Aged Care Royal Commission	270,000	-
Better Start Workshops	29,921	61,992
Carers Week	2,790	-
Communications Carer Gateway	-	60,007
Education Resources	-	64,141
Mental Health Carers COVID	177,992	-
Wellbeing survey and policy forum	79,068	-
Women’s employment toolkit	350,000	-
Young Carers Bursaries	122,379	139,241
Young Carers Network	79,818	-
Unexpended grants	1,111,968	325,381
16. Income received in advance		
Contributions to secretariat	78,800	5,000
Miscellaneous	-	500
Young Carer Bursary payments	2,031,724	1,748,750
Income received in advance	2,110,524	1,754,250
17. Lease liability – current		
Lease liability	62,708	-
Lease liability – current	62,708	-
Lease liability – non current		
Lease liability	242,269	-
Lease liability – non current	242,269	-

18. Contingent liabilities

The company had no contingent liabilities as at 30 June 2021.

19. Commitments

The company had no commitments for expenditure as at 30 June 2021.

20. Related party transaction*Key management personnel*

Disclosures relating to key management personnel are set out in Note 22.

CARERS AUSTRALIA LIMITED

ACN: 612 590 431

**Notes to the financial statements
For the year ended 30 June 2021***Transactions with related parties*

There were contracts entered into with each of the member entities represented on the Board, to deliver Better Start continuity of support funding, and for the Evaluate project regarding carers' burden of care. All members received the same amount for each contracted project (2020: Nil).

21. Events after the reporting period

Other than the impact of the coronavirus (COVID-19) pandemic as outlined earlier, no other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

22. Key Management Personnel Remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any Director is considered key management personnel.

The totals of remuneration paid to the key management personnel of the company during the year are as follows:

	2021	2020
	\$	\$
Aggregate compensation	<u>629,071</u>	<u>961,423</u>

23. Remuneration of auditors*Amounts paid to RSM Australia Partners*

Audit of financial statements	-	11,941
Other Services/Audit Acquittals	-	3,000

Amounts paid to Bellchambers Barret

Audit of financial statements	11,036	-
Other Services/Audit Acquittals	-	-

Remuneration of auditors	<u>11,036</u>	<u>14,941</u>
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24. Economic dependence

Carers Australia Limited is dependent on various government departments for funding of the majority of its revenue used to operate the business. At the date of this report, the Board has no reason to believe the departments will not continue to support Carers Australia Limited.

CARERS AUSTRALIA LIMITED

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Notes to the financial statements

For the year ended 30 June 2021

25. Financial risk management

	Note	2021	2020
		\$	\$
Financial assets			
Financial assets at amortised cost:			
- cash and cash equivalents	6	3,754,332	1,068,919
- Term Deposits	7	1,850,773	3,848,842
- trade and other receivables	8	50,020	91,563
Total financial assets		5,655,125	5,009,324
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	13	57,386	199,564
- Lease liabilities	17	304,977	-
Total financial liabilities		362,363	199,564

CARERS AUSTRALIA LIMITED

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DIRECTORS' DECLARATION

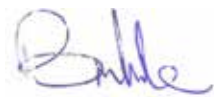
The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 10 to 25, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with the Australian Accounting Standards and the *Australian Charities and Not for Profit Commission Act 2012*; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2021 and of its 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.

This declaration is made in accordance with a resolution of the Board of Directors.



Sonia Rutnam, Chairperson



Bruce Howle, FARG Committee Chair

8 November 2021



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARERS AUSTRALIA LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Carers Australia Limited (the registered entity), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss, statement of 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 accompanying financial report of Carers Australia Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act), including:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ACNC Act and 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.

Emphasis of Matter

We draw attention to Note 3 of the financial report which notes the outbreak of COVID-19 as a global pandemic and how this has been considered by the board members in the preparation of the financial report. The impact of COVID-19 is an unprecedented event, which continues to cause a high level of uncertainty and volatility. As set out in the financial statements, no adjustments have been made to financial statements as at 30 June 2021 for the impacts of COVID-19. Our opinion is not modified in respect of this matter

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021 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.

Responsibilities of the Directors for the Financial Report

The directors of the registered 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 and the *Australian Charities and Not-for-profits Commission Act 2012* and for such

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARERS AUSTRALIA LIMITED

internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the ability of the registered entity 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 registered entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Report

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

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

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

A handwritten signature in black ink, appearing to read 'Shane Bellchambers'.

Shane Bellchambers, FCA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this day of 8th day of November 2021



Carers Australia Limited

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