Financial Report

SHINE for Kids
ABN 60 662 072 775
For the year ended 30 June 2022

Contents

Directors' Report

SHINE for Kids
For the year ended 30 June 2022

The board of directors submit the financial report of the SHINE for Kids (the Company) for the financial year ended 30 June 2022.

Directors

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

Committee Member	**Position**	**Date Started**	**Experience**	**Qualification**
Shane Hamilton	Director/Chair of the Board	26 September 2018	Director since 26 September 2018 Chair of the Board from 24 February 2021	Chair of the Board from 24 February 2021, Graduate Certificate Indigenous Sector Management Certificate III Corrections
Leisl Baumgartner	Director	18 October 2017	Director since 18 October 2017	BA (Communications), B. Ec, M International Studies
Susan Helyar	Director	17 May 2017	Director since 17 May 2017	BA Social Work and Social Policy, GAICD
Martin Irwin	Director/ Secretary	22 August 2018	Director since 22 August 2018	BA/LLB (Hons)
Simon McSweeney	Director	22 August 2018	Director since 22 August 2018	B. Com / LLB, LLM
Peter Ricketts	Director/Treasurer	19 October 2016	Director since 19 October 2016	Chair of the Board from 1 July 2020 until 24 February 2021, Treasurer FAICD, FGIA, FCGCCS, CGP, CAANZ, ACTA (Snr), MBA, B. Com Director since 19 October 2016
Sue Woodward	Director	16 April 2013	Director since 16 April 2013	Chair of the Board from 15 November 2017 to 30 June 2020, previously Deputy Chair of the Board, BA Communications, MA Marketing, GAICD

During the financial year, six meetings of directors were held. Attendances by each director were as follows:

Committee Members Name	Number Eligible to Attend	Number Attended
Susan Helyar	6	6
Peter Ricketts	6	6
Sue Woodward	6	4
Leisl Baumgartner	6	4
Martin Irwin	6	6
Simon McSweeney	6	6
Shane Hamilton	6	6

Principal Activities

The principal activities of the company during the financial year were to provide a range of tailored programs across NSW, VIC, ACT, QLD and WA to support the unique needs of children with parents impacted by the criminal justice system.

Significant Changes

The COVID-19 pandemic continued to have a significant impact on SHINE for Kids and its ability to undertake its regular service delivery during periods of lockdown. SHINE for Kids adapted its programs to enable it to deliver alternate services during this time to ensure it delivered essential services in ways that were safe for the staff, volunteers, children, young people and community.

Mr Andrew Kew resigned from his position as Chief Executive Officer at SHINE for Kids effective 3 December 2021. Ms Julie Hourigan Ruse was appointed Chief Executive Officer effective 31 January 2022. An internal interim arrangement saw April Long appointed by the Board as Acting CEO for the intervening period.

Operating Result

The net operating result for the year amounted to a deficit of $7,595: (2021: Surplus of $825,024).

Events subsequent to balance date

N/A

Likely developments

SHINE for Kids will continue its objective of providing a range of tailored programs across NSW, VIC, ACT, QLD and WA to support the unique needs of children with parents impacted by the criminal justice system.

Tax concession

The Company is endorsed as a Public Benevolent Institution and continues to receive Australian Taxation Office exemption from income tax. Gifts of $2 and over are allowable income tax deductions for donors to the Company.

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts, or the fixed salary of a full-time employee of the Company by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with an entity in which the director has a substantial financial interest).

Legal proceedings

No person has applied for leave of court to bring proceedings on behalf of the Company, or intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all, or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Lead Auditor's Independence Declaration

A copy of the lead auditor's independence declaration as required under subdivision 60-C section 60- 40 of Australian Charities and Not-for-profits Commission Act 2012 is set out on page 6. Signed in accordance with a resolution of the board of directors.

Director: ____________________

Shane Hamilton

Date: 16 November 2022

Director: _

Peter Ricketts

Date: 16 November 2022

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Australia

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16 November 2022

The Board of Directors
SHINE for Kids
128/130 O'Connell Street
North Parramatta, NSW, 2151

Dear Board Members

Auditor's Independence Declaration to SHINE for Kids

In accordance with subdivision 60-C section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of SHINE for Kids.

As lead audit partner for the audit of the financial report of SHINE for Kids for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Delarey Nell
Partner
Chartered Accountants

Statement of Profit or Loss & Other Comprehensive Income

SHINE for Kids

For the year ended 30 June 2022

	NOTES	2022	2021
Income			
Revenue	2	4,680,713	4,642,729
Total Income		4,680,713	4,642,729
Gross Surplus		4,680,713	4,642,729
Expenditure			
Depreciation and amortisation		(15,515)	(10,161)
Employee benefits expenses		(3,743,335)	(2,945,619)
Rental Expenses		(26,819)	(24,407)
Staff Training Expenses		(26,159)	(17,512)
Fundraising Expenses		(188,902)	(173,223)
Program Expenses		(143,468)	(78,439)
Travel Expenses		(48,884)	(31,909)
Consultancy Expenses		(77,602)	(60,000)
Investment Gains & Losses		(64,129)	-
Other Expenses		(353,344)	(476,354)
Total Expenditure		(4,688,157)	(3,817,624)
Current Year Surplus/(Deficit) Before Income Tax		(7,444)	825,105
Other Comprehensive income/Loss:			
Net Change in Fair Value of Financial assets through other comprehensive income		(152)	(81)
Total Other Comprehensive income/Loss:		(152)	(81)
Total Comprehensive income attributable to members of the entity		(7,595)	825,024

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement Of Financial Position

SHINE for Kids
As at 30 June 2022

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Cash and Cash Equivalents	4	1,570,566	2,600,036
Trade and Other Receivables	5	140,858	405,049
Financial Assets	6	1,460,721	980
Total Current Assets		3,172,145	3,006,066
Non-Current Assets			
Motor Vehicles, Equipment and Fixtures	7	106,341	61,594
Total Non-Current Assets		106,341	61,594
Total Assets		3,278,486	3,067,660
Liabilities			
Current Liabilities			
Trade and Other Payables	8	1,157,824	952,771
Employee Entitlements	9	240,168	238,057
Total Current Liabilities		1,397,992	1,190,828
Non-Current Liabilities			
Employee Provisions	9	62,473	51,063
Total Non-Current Liabilities		62,473	51,063
Total Liabilities		1,460,465	1,241,891
Net Assets		1,818,021	1,825,768
Equity			
Retained Earnings	11	1,817,538	1,825,133
Reserves	10	483	635
Total Equity		1,818,021	1,825,768

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement Of Changes In Equity

SHINE for Kids

For the year ended 30 June 2022

	2022	2021
Equity		
Opening Balance	1,825,768	1,000,825
Total Comprehensive Income (loss)		
Surplus for the year attributable to members	(7,595)	825,024
Fair value reserve		
Asset Revaluation Reserve	(152)	(80)
Total Fair value reserve	(152)	(80)
Total Comprehensive Income (loss)	(7,747)	824,944
Ending Balance	1,818,021	1,825,768

Statement of Cash Flows

SHINE for Kids
For the year ended 30 June 2022

	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts - Donations	385,771	410,955
Receipts - Grants - Govt & Private	4,574,780	4,088,334
Receipts - Interest Received	-	655
Receipts - Other	25,117	13
Less Payments		
Payments - Employees	(3,729,814)	(2,925,734)
Payments - Suppliers	(701,041)	(909,929)
Total Less Payments	(4,430,854)	(3,835,663)
Net Cash from Operating Activities	554,813	664,294
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(60,262)	(41,300)
Proceeds from sale of assets	(64,129)	15,767
Payments of Investments	(1,459,893)	-
Net cash used in Investing Activities	(1,584,283)	(25,533)
Net Cash Flows	(1,029,470)	638,762
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	2,600,036	1,961,275
Cash and cash equivalents at end of period	1,570,566	2,600,036
Net change in cash for period	(1,029,470)	638,762

Notes to the Financial Statements

SHINE for Kids
For the year ended 30 June 2022

1. Summary of Significant Accounting Policies

Reporting entity

SHINE for Kids is an individual not-for-profit entity incorporated under the Corporations ACT 2001 and is a company limited by guarantee. These financial statements are individual financial statements of the Company and are as at and for the year ended 30 June 2022.

In the prior year, SHINE reported these financial statements under the general purpose financial statements reduced disclosure requirements. In the current period, this framework no longer exists and therefore SHINE for Kids is reporting under the general purpose financial statements simplified disclosures.

Basis of accounting

(a) Statement of compliance

In the opinion of the directors, the Company is not publicly accountable (as defined in AASB 1053) which requires not-for-profit private sector entities to prepare Tier 2 reporting. Public accountability under AASB 1053 is different from the notion of public accountability in the general sense and includes entities such as those with debt or equity securities traded in a public market. The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 General Purpose Financial Statements - Simplified Disclosures For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards - Simplified Disclosures.

(b) Basis of measurement

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates 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 any future periods affected.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

(e) Fair value measurements

Some of the SHINE for Kids' assets and liabilities are measured at fair value for financial reporting purposes. All assets held by the company are classified as Level 1 (as defined in AASB 13). Level 1 inputs used for the valuation of Level 1 assets, are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available.

Accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, by the Company.

The entity previously prepared general purpose financial statements-reduced disclosure requirements.

These notes should be read in conjunction with the attached compilation report.

Income tax

The Company is operated as a non-profit organisation with income and any surplus being applied solely toward the promotion of the objectives of the Company.

The income of the Company is exempt from Australian Income Tax under Subdivision 50-5 of the Income Tax Assessment Act 1997 item 1.1 charitable institution

Motor vehicles, equipment and fixtures

Recognition and measurement

The carrying amounts of motor vehicles, equipment and fixtures are reviewed annually by the Company to ensure the carrying amounts are not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation
Motor vehicles, equipment and fixtures are depreciated on a diminishing value basis at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

The assets' carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. An asset's carrying value is written down immediately to its recoverable value if the asset's carrying value is greater than its estimated recoverable amount.

Profit and loss on disposal are determined by comparing proceeds with the carrying amount. These amounts are included in the income statement.

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

Class of fixed asset	Depreciation rate
Equipment and fixtures	11.25% - 75%
Motor vehicles	25%

Impairment of assets
At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

If the recoverable amount of a cash generating unit is estimated to be less than its carrying amount, the carrying amount of the cash generating unit is reduced to its recoverable amount.

An impairment loss is recognised immediately in the income statement. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset. The reversal of an impairment loss is recognised immediately in income.

Revenue Recognition

The Company recognises income from its main revenue/income streams, as listed below:

- Government grants
- Donations and bequests
- Other Organisational Income

1. Statement of significant accounting policies (continued)

Government grants, donations and bequests

When the Company receives government grants, donations and bequests that are in the scope of AASB 1058 being a transaction where the consideration paid to acquire an asset is significantly less than fair value principally to enable the Company to further its objectives, it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied.

In all other cases (where the contract is not 'enforceable' or the performance obligations are not 'sufficiently specific'), the transaction is accounted for under AASB 1058 where the Company:

• Recognises the asset in accordance with the requirements of other relevant applicable Australian Accounting Standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)

• Considers whether any other financial statement elements should be recognised ('related amounts') in accordance with the relevant applicable Australian Accounting Standard including:

– a lease liability (AASB 16)

– revenue, or a contract liability arising from a contract with a customer (AASB 15)

– a financial instrument (AASB 9)

– a provision (AASB 137)

• Recognises income immediately in profit or loss for the excess of the initial carrying amount of the asset over any related amounts recognised.

The company has conducted an analysis of the government grant contracts and analysed the terms of each contract to determine whether the arrangement meets the enforceability and the 'sufficiently specific' criteria under AASB 15. For those grant contracts that are not enforceable or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058. Income will be deferred under AASB 15 otherwise and recognised when (or as) the performance obligations are satisfied.

Volunteer services

The Company regularly receives volunteer services as part of its operations. Under AASB 1058, private sector not-for-profit entities have a policy option to account for donated services at fair value if the fair value can be reliably measured.

While the Company has assessed that the fair value of its volunteer services can be reliably measured, it has decided to adopt the policy option not to recognise volunteer services. Accordingly, no amounts are recognised in the financial statements for volunteer services.

1. Statement of significant accounting policies (continued)

Donated inventories

As part of its operations, the company receives donations of goods which may then be used in its activities. AASB 102 requires the donated inventories to be measured at current replacement cost and any related amounts to be accounted for under AASB 1058.

The company has decided to make use of the practical expedient under AASB 102 and apply the materiality assessment at the individual item level (instead of the portfolio level) when recognising donated inventories. Based on an assessment, the company has noted that it only receives individually immaterial donations of inventory and accordingly will not be required to recognise such donated inventories. Accordingly, no amounts are recognised in the financial statements for donated inventories.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the timeframe established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

These notes should be read in conjunction with the attached compilation report.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at Fair Value through Other Comprehensive Income (FVTOCI). For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, SHINE for Kids recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "investment income" line item.

(ii) Financial assets at Fair Value through Profit or Loss

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at Fair Value through Profit or Loss (FVTPL). Specifically:

- Investments in equity instruments are classified as at FVTPL, unless SHINE for Kids designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called ‘accounting mismatch’) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. SHINE for Kids has not designated any debt instruments as at FVTPL.

- Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the ‘other gains and losses’ line item. Fair value is determined through quoted market price in an active market.

In the current period, SHINE for Kids undertook a new investment with Providence Wealth Advisory Group. They have elected to record this as FVTPL.

Employee Benefits

Provision is made for the liability due to employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within 12 months have been measured at their nominal amount. Other employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as a personnel expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated or government bonds that have maturity dates approximating the terms of the Company's obligations.

(iii) Short-term benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employee's services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

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.

Revenue and Other Income

(i) Interest income

Interest income is recognised as it accrues in profit or loss using the effective interest rate method.

(ii) Dividend income

Dividend income is recognised when the right to receive a dividend has been established.

(iii) Grant revenue

Certain funding comprises grants for ongoing funding and specific purposes. The Company's programs are supported by grants received from the federal, state and local governments, and philanthropany.

Non-reciprocal grant revenue is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, including the return of unspent funds, this is considered a reciprocal transaction and the grant revenue is initially recognised in the statement of financial position as a

These notes should be read in conjunction with the attached compilation report.

liability. The liability is then released to the statement of profit or loss and other comprehensive income as revenue on a systematic basis in the same periods in which expenses are recognised.

(iv) Donation income

Donations and bequests are recognised as revenue when received or, where special terms and conditions are attached to these, in accordance with those terms and conditions. Funds received in advance of obligations being met are deferred and taken to income as the related expenses are incurred and obligations are met.

(v) In-kind donations

In-kind donations received by the Company relate to goods provided by third parties and are measured, when provided, at their fair values during the financial year through profit or loss. In-kind donations are recognised when the Company obtains control of the contribution, or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the entity and the amount of the contribution can be measured reliably.

Where services are donated to the Company, no assessment of the value of those services is included in the financial statements as it has been determined that the fair value of these services received would not have a significant impact on the Financial Statements.

(vi) Fundraising activities

Revenue from fundraising is recognised when received. A licence to fundraise is currently held for New South Wales. A summary of revenue and expenses associated with fundraising is disclosed on page 21.

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 balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows

Economic dependency

The company is largely dependent on the continued financial support of the Federal Government, State Governments, charitable trusts and foundations and private philanthropists in order to fund its operations. The company is also largely dependent on the continued provision of donated items, including access to office facilities and premises, supplier services provided on a pro bono or discounted basis and volunteer labour.

These notes should be read in conjunction with the attached compilation report.

	2022	2021

2. Revenue and other income

Revenue		
Revenue from government grants and other grants:		
Federal government grants	804,295	726,916
State government grants	1,850,943	2,136,574
Other organisations	1,606,016	1,367,931
Total Revenue from government grants and other grants:	4,261,253	4,231,421
Other Revenue		
Dividend Income	25,117	13
Interest Income	-	665
Total Other Revenue	25,117	678
Other income		
Donations & Fundraising	385,771	410,955
Other	8,571	(325)
Total Other income	394,343	410,629
Total Revenue	4,680,713	4,642,729
Total Revenue and other income	4,680,713	4,642,729

3. Contributions to defined contributions plans

Profit from continuing operations included the following specific expenses:		
Employee benefits	310,608	238,302
Total Profit from continuing operations included the following specific expenses:	310,608	238,302
Total Contributions to defined contributions plans	310,608	238,302

	2022	2021

4. Cash and cash equivalents

Reconciliations of cash		
Cash at the end of the Finance Year as shown in the statement of cash flows Is reconciled to the related items in the balance sheet	1,570,566	2,600,036
Total Reconciliations of cash	1,570,566	2,600,036
Total Cash and cash equivalents	1,570,566	2,600,036

	2022	2021

5. Trade and other receivables

Grants & Donations Receivable	97,720	390,721
Rental bond	138	392
Prepayments	42,999	13,936
Total Trade and other receivables	140,858	405,049

These notes should be read in conjunction with the attached compilation report.

	2022	2021

6. Financial Assets

	2022	2021
Shares in public companies at fair value	1,460,721	980
Total Financial Assets	1,460,721	980

7. Motor vehicles, equipment and fixtures

	Office Equipment at cost	Motor Vehicle at cost	Total
Balance at 1 July 2021	159,635	317,146	476,781
Additions	-	97,973	97,973
Disposals	-	-	-
Opening Accumulated Depreciation	(152,685)	(300,213)	(452,898)
Depreciation for the year	(2,638)	(12,877)	(15,515)
Balance at 30 June 2022	4,312	102,029	106,341

8. Trade and Other Payables

	2022	2021
Creditors and accruals	378,963	210,555
Deferred Income	679,670	667,716
Goods and services tax liability	99,190	74,501
Total Trade and Other Payables	1,157,824	952,771

9. Employee provisions

	2022	2021
Current		
Long Service Leave Provision	32,146	16,106
Annual Leave Provision	208,022	221,951
Total Current	240,168	238,057
Non-current		
Long Service Leave Provision	62,473	51,063
Total Non-current	62,473	51,063
Total Employee provisions	302,641	289,120

10. Reserves

	2022	2021
Fair value reserve		
Shares in public companies	483	635
Total Fair value reserve	483	635
Total Reserves	483	635

These notes should be read in conjunction with the attached compilation report.

11. Retained Earnings

	2022	2021
Retained surplus at the beginning of the financial year	1,825,133	1,000,109
Surplus/(Deficit) attributable to members of the company	(7,595)	825,024
Total	**1,817,538**	**1,825,133**

12. Related Party Transactions

(a) Key management personnel remuneration

All directors of the Company act in the honorary capacity and therefore receive no compensation benefits.

Key management personnel compensation is set out below. In addition to their salaries, the Company also contributes to post-employment defined contribution superannuation funds on their behalf.

	Total **$**
2021	
Total remuneration	202,575
2022	
Total remuneration	235,695

(b) Other related parties

	2022 **$**	**2021** **$**
There were no related party transactions	-	-

13. Company details

The registered office of the Company is:

SHINE for Kids
128-130 O'Connell Street
North Parramatta NSW 2151

The principal place of business is:
128-130 O'Connell Street
North Parramatta NSW 2151

14. Funding

During the year, the Company received funding from the following Federal and State Government Departments:

Department of Social Security	178,862.52
Department of Prime Minister and Cabinet	550,000.00
Corrective Services (ACT)	147,219.47
Department of Corrective Services (NSW)	809,017.34
Department of Justice (VIC)	150,220.00
Department of Juvenile Justice	178,157.00
FACS (NSW)	161,403.10
Department of Child Safety (QLD)	161,832.00
Corrective Services (QLD)	243,094.00
Department of Industry, Science, Energy	75,432.13

15. Subsequent Events

No subsequent events to report.

16. Summary of fundraising appeals conducted during the year

The Company holds an authority to fundraise under the NSW Charitable Fundraising Act of 1991.

During the year, the Company engaged in fundraising activities as defined by the NSW Charitable Fundraising Act. The total income from these activities amounted to $385,771. Of this amount, $88,032 was derived from fundraising appeals, gifts from individuals and businesses, and $297,739 raised from third party fundraising and chocolate drives.

Fundraising conducted jointly with third party traders				
	2022 **$**		**2021** **$**	
Revenue	78,870		87,655	
Less payments to trader	(58,421)		(64,181)	
Gross contribution	**20,449**		**23,474**	

Specific appeal comparisons

	Gross income	**Expenditure**	**2022 Surplus**	**2021 Surplus**
	$	**$**	**$**	**$**
Chocolate Drives	218,869	111,583	107,286	116,410

Directors Declaration

SHINE for Kids
For the year ended 30 June 2022

In the opinion of the directors of SHINE for Kids Company Limited (the Company):

(a) the Company is not publicly accountable (as defined in AASB 1053);

(b) the financial statements and notes that are set out on pages 7 to 24 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards – AASB 1060 Simplified Disclosures; and

(c) 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 statement is made in accordance with a resolution of the board of directors and is signed for and on behalf of the directors by:

Director:
Shane Hamilton

Director:
Peter Ricketts

Dated: 16 November 2022

Declaration in Respect of Fundraising Appeals

SHINE for Kids
For the year ended 30 June 2022

Declaration of the board in respect of fundraising appeals pursuant to Authority Condition 7(4) of the Charitable Fundraising Act (NSW) 1991 and Regulations.

I, Shane Hamilton, and I, Peter Ricketts, directors of SHINE For Kids ("the Company") declare that in our opinion:

(a) the statement of profit and loss and other comprehensive income is drawn up so as to give a true and fair view of income and expenditure of SHINE For Kids for the year ended 30 June 2022 with respect to fundraising appeals;

(b) the statement of financial position and cash flow statement are drawn up so as to give a true and fair view of the state of affairs of the Company and cash flows as at 30 June 2022 with respect to fundraising appeals;

(c) the provisions of the Charitable Fundraising Act 1991 and the regulations under the Act and conditions attached to the authority holder have been complied with for the year ended 30 June 2022; and

(d) the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of the fundraising appeals.

Director: ______________________
Shane Hamilton

Director: ______________________
Peter Ricketts

Dated: 16 November 2022

Deloitte.

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Independent Auditor's Report to the Members of SHINE for Kids Limited

Opinion

We have audited the financial report of SHINE for Kids Limited (the "Entity"), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the declaration by the directors.

In our opinion, the accompanying financial report of the Entity is 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 Entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards- Simplified Disclosures 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 Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 30 June 2022, 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 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 Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards- Simplified Disclosures and the ACNC Act and for such internal control as 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 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 Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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 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 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 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Delarey Nell
Partner
Chartered Accountants
Sydney, 16 November 2022