



STEWART HOUSE



ANNUAL REPORT

2021

**CHANGING
CHILDREN'S
LIVES
SINCE 1931**

PROGRAM HIGHLIGHTS

In accordance with our COVIDSafe Plan, students didn't wander too far from Stewart House...



ABOUT STEWART HOUSE

Mission

Stewart House was established to fulfil a specific mission within NSW society. The Board recognises that its primary responsibility is to ensure that this mission is achieved.

Stewart House provides for children from NSW and ACT public schools a residential program of up to 12 days duration, where educational and experiential learning is embedded within a health and wellbeing framework that specifically addresses their physical, social and emotional needs.

Objects

- To provide short term care for children from NSW and ACT public schools with special needs due to ill health, emotional or other distress, family problems, financial or social disadvantage, neglect or isolation.
- To ensure such children are nurtured and feel a sense of safety while in the care of Stewart House.
- To arrange and/or provide such children with health services including optometric, dental, audiometric and medical screening and initial treatment and referral as required.
- To allow such children to participate in health and educational programs, and out-of-school activities, that boost their self-esteem and promote a healthier lifestyle.

- To develop in such children self-care skills, independence and resilience through their involvement in a structured residential program, recognising each child's particular needs.

Vision

To enable all the children who come to Stewart House to:

- have a wide range of rich and rewarding experiences
- be inspired to see beyond their present circumstances
- have real hope and positive aspirations for their future

Values

Stewart House's three core values are: *Excellence, Integrity and Compassion*. These are manifested in the organisation's leadership, independence, cooperative external relationships, responsible management of funds and the recognition, dignity and respect afforded Stewart House's clients (children from public schools), supporters, staff and volunteers.

Professional learning is provided for all staff who work with children at Stewart House, to support their knowledge and understanding of the following:

- *Understanding Trauma And Its Impact*

Understanding traumatic stress and how it impacts people and recognizing that many behaviours and responses that be seen as ineffective and unhealthy in the present, represent adaptive responses to past traumatic experiences.

- *Promoting Safety*

Establishing a safe physical and emotional environment where basic needs are met, safety measures are in place, and staff responses are consistent, predictable, and respectful.

- *Ensuring Cultural Competence*

Understanding how cultural context influences one's perception of, and response to, traumatic events and the recovery process; respecting diversity within the Stewart House Program, providing opportunities for students to engage in cultural rituals, and using interventions respectful of, and specific to, cultural backgrounds.

- *Supporting Student Control, Choice And Autonomy*

Helping students regain a sense of control over their daily lives and build competencies that will strengthen their sense of autonomy; keeping students informed about all aspects of the Stewart House Program, outlining clear expectations, providing opportunities for students to make daily decisions and participate in the creation of personal goals, and maintaining awareness and respect for basic human rights and freedoms.

- *Integrating Care*

Maintaining a holistic view of students' wellbeing and facilitating communication within and among service providers and systems across the Stewart House site.

Commitment

Stewart House is committed to providing services that are:

- well planned, accountable, evaluated, efficient and effective
- professional and of high quality
- based on the needs of children in our care and responsive to changes in those needs
- free of charge to children from NSW and ACT public schools in an inspiring setting at South Curl Curl
- unique and held in high regard inside a safe and nurturing environment where children's health needs are paramount and their social and life skills are developed
- based on a holistic, wellness and personal development model of care as opposed to an illness or disability model
- positive interventions to build the self-esteem and personal development of children

Invitation for children to attend the program

Stewart House invites only public school students from across NSW and the ACT to participate in the Program. A Student Placement Officer manages this process in consultation with two Student Wellbeing Managers (who are clinical and registered psychologists), the Residential Programs Manager and the Principal of the school on site (employed by the NSW Department of Education). Most importantly, Stewart House relies on the sound judgement of public school Principals as to whether their students will benefit from the Program.

Schools nominating students are made aware that teachers, employed by the NSW Department of Education, undertake classes on school days, whilst Supervisors, employed by Stewart House, care for students after school hours, overnight and on the weekend of their stay.

OUR ROLE AND HISTORY

Stewart House is a not-for-profit organisation based at Curl Curl on Sydney's Northern Beaches. Stewart House Preventorium commenced operations in 1931 with support from the NSW Departments of Education and Health in collaboration with the NSW Teachers Federation.

In December 2008, by Governor's Order, Stewart House Preventorium was removed as Statutory Health Corporation under the Health Services Act 1997 and made an Affiliated Health Organisation with all assets, staff, liabilities and hence ownership and control of Stewart House Preventorium site vested in a company limited by guarantee, namely Stewart House (ACN 127 072 100).

Since 2009, the organisation has been governed by a Board of independent Directors who administer the Stewart House Program across the Curl Curl site which houses health, education and residential facilities. Directors are appointed by members of the Stewart House Company. The Board appoints the Chief Executive Officer (CEO), who is accountable to the Board for the delivery of the Stewart House Program and the operation of the Affiliated Health Organisation co-ordinating services provided by but not limited to:

- Northern Sydney Local Health District of Health NSW
- University of NSW School of Optometry
- Macquarie University School of Audiology
- Teachers Health Fund
- Life Education NSW

Throughout its history, Stewart House has had one charter — to care for all children from all parts of NSW and the ACT who are in need of a break from their current circumstances.

Every year, Stewart House provides up to 1700 children from across more than 2,500 public schools with a trauma informed and evidence based residential program of up to 12 days in duration.

Stewart House provides:

- An away-from-home experience in a safe environment, with secure, clean and appropriately maintained facilities
- Comprehensive health screening and initial treatment where necessary
- A structured integrated learning program to consolidate and expand the children's repertoire of effective personal and interpersonal skills
- Recreational and experiential activities designed to practice taught skills relating to the children's social and emotional wellbeing in order to build self-esteem and resilience
- Engagement with a team of expert, enthusiastic, committed, caring staff who model adaptive social skills and emotional competence



ROLE OF THE BOARD

The Board's primary role is to oversee management of the operations of the Company on behalf of our Members and stakeholders.

Diversity and Inclusion

Creating a diverse and inclusive workplace with an effective and engaged team is key to our sustainability. We also believe that to provide the best services and outcomes for our children, we must attract, retain, develop and engage great people.

We are mindful that sustainability in this coming decade will demand fiscal responsibility. In 2021, we approached diversity and inclusion at the same time as restructuring the workforce and incorporating direct inputs from our senior managers to focus on the areas that matter.

Our strategy is to extend our existing focus on gender equality and to shape a broader approach to diversity.

Composition

As at 31 December 2021, the Board comprised 8 independent Non-Executive Directors, the CEO/Executive Director and the COO/Company Secretary.

The names of the Directors and their respective qualifications, experience and responsibilities are set out in the Directors' Report within the Financial Statements of this Annual Report.

Director Independence

All Directors are expected to bring an impartial judgement to bear on Board decisions and are subject to:

- the Board's policy regarding management of conflicts of interest
- common law and Corporations Act requirements.

Human Rights and Sustainability

We respect and support human rights as set out in the Universal Declaration of Human Rights and the Fundamental Conventions of the International Labour Organisation. We are committed to providing a fair, safe and healthy work environment for our employees that is free from unlawful discrimination, harassment and bullying and where individuals are treated with respect and courtesy.

We do not tolerate or support the use of child labour, forced or compulsory labour, or any form of slavery or slavery-like practices in our operations or our supply chain.

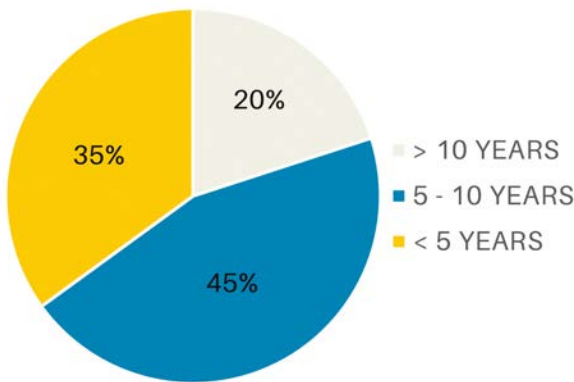
BOARD'S APPROACH TO RENEWAL AND SKILL SET

Independence

The Board considers that all of its Non-Executive Directors, including the Chairman, were independent during the year and continue to be independent.

Tenure profile

The Board balances the length of service of each of its Non-Executive Directors and Board succession and renewal planning is managed over the medium to longer term.

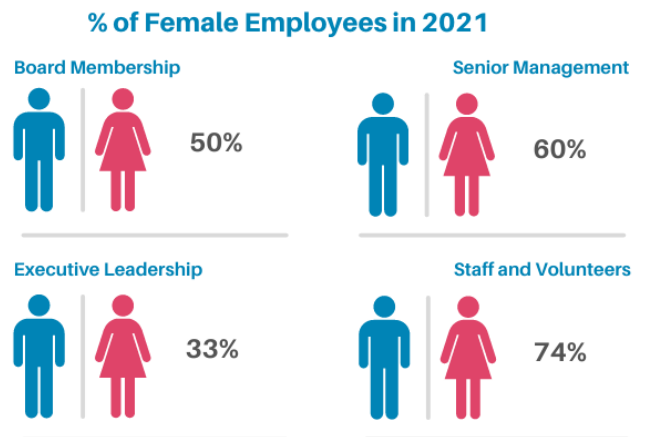


Diversity

The Board has a diversity objective that includes gender and skill diversity to effectively discharge its responsibilities.

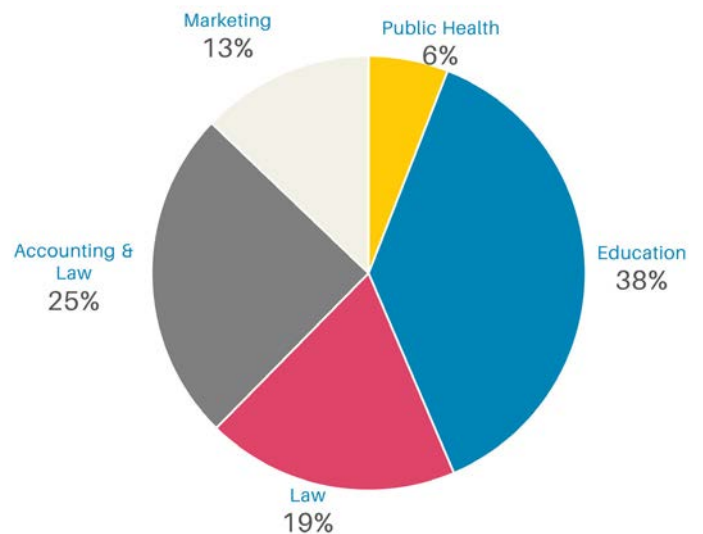
Diversity is recognised by the Board as a legal and ethical obligation. The Board is committed to promoting and achieving broader diversity across Stewart House.

The following information is provided about the proportion of women employed by the company and service providers across Stewart House as at 31 December 2020:



Expertise

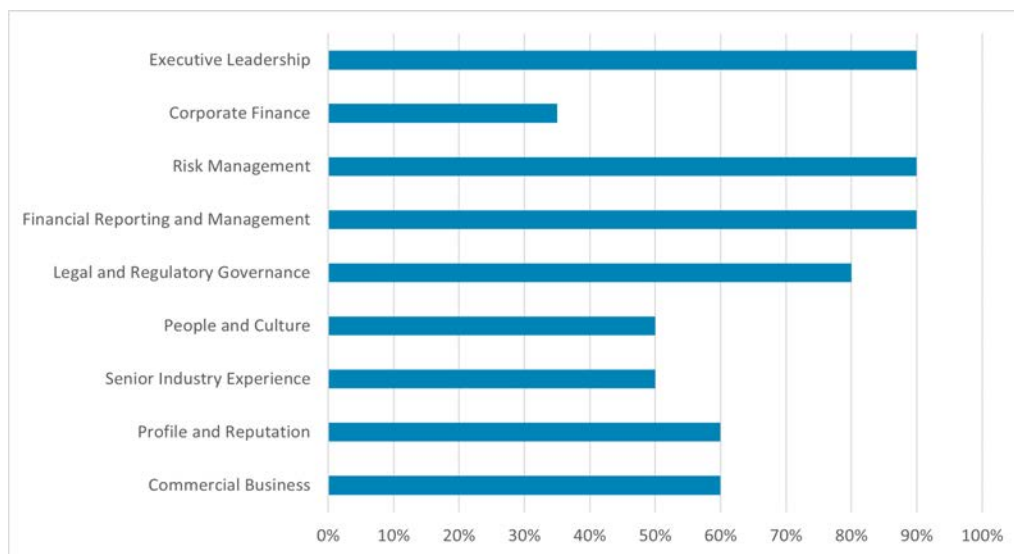
The Board ensures its expertise is acknowledged and representative of essential areas relevant to the effective performance of the organisation.



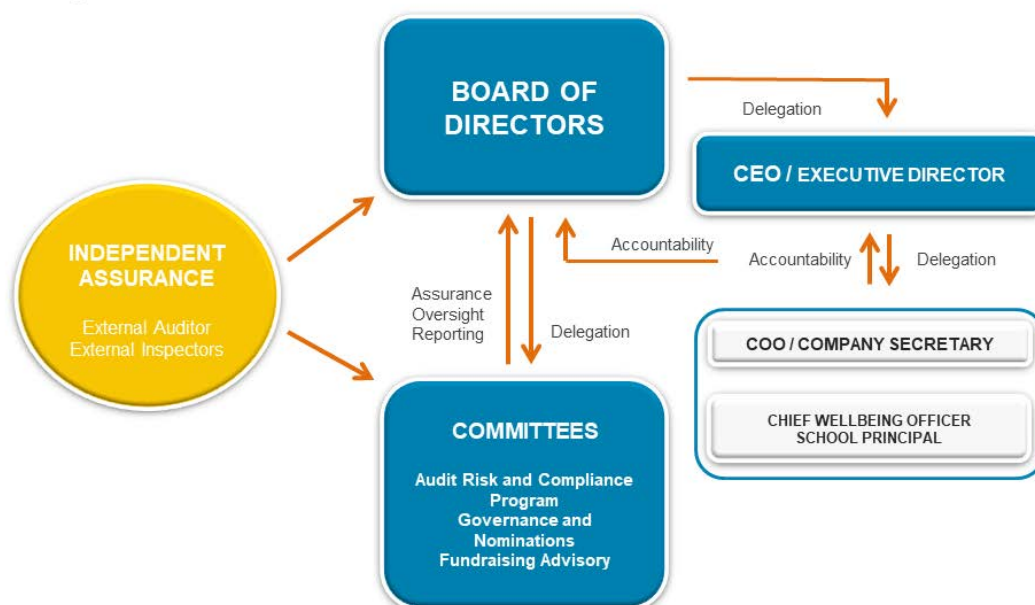
BOARD COMMITTEES IN 2021

Experience

The Board recognises the importance of experience to enable it to deal with current and emerging opportunities and issues, and to effectively review and challenge the performance of management. Board Directors' skills in areas relevant to the governance of Stewart House in 2021 are outlined below.



STEWART HOUSE Corporate Governance Framework



COMMITTEES IN 2021

Audit Risk & Compliance	Governance & Nominations	Program
Ken Dixon (Chair)	Jan McClelland (Chair)	Tom Croker (Chair)
Barry Johnson	Barry Johnson	Barry Johnson
Tom Croker	Tom Croker	Graeme Philpotts
Marilyn Walker	Marilyn Walker	Julie Kennedy
Michelle Reincastle	Graeme Philpotts	Greg Prior
Graeme Philpotts	Murray O'Donnell	Sarah Lee
Murray O'Donnell		Steve Smith
Dean Helm		

The Board has three principal Committees that assist in carrying out its responsibilities. These are the:

- [Audit Risk and Compliance Committee](#)
- [Program Committee](#)
- [Governance and Nominations Committee](#)

The composition of each Committee and the number of meetings held and attended by each member of the Committee during the year, can be found in the Directors' Report within the Financial Statements of this Annual Report.

Further sub-committees of the Board may be convened to confer on particular issues from time to time.

[The Audit Risk and Compliance Committee](#) comprises at least three independent Non-Executive Directors and is chaired by an independent Non-Executive Director.

All members of the Audit Committee are financially literate, and the committee possesses sufficient financial expertise and knowledge of Stewart House operations.

Members of Stewart House's external audit firm attend Audit Committee meetings by invitation, together with relevant senior executives. The Committee reviews and makes formal recommendations to the Board in relation to the adequacy of accounting and risk management procedures, financial reporting, systems of internal control and management of material business risks and internal and external audit functions.

The Committee is a direct link for providing the views of external auditors to the Board, when necessary, independent of management influence. The Committee is responsible for overseeing the external auditor selection process.

This process includes assessing each of the submissions received and making a formal recommendation to the Board on the appointment (or removal) of the external auditor. The Committee is also responsible for reviewing the relationship with the external auditor and evaluating the performance and overall effectiveness of external audit services annually.

The committee advises the Board on remuneration policies and practices, evaluates the performance of the CEO against pre-agreed goals, and makes recommendations to the Board on remuneration of the CEO and the executive leadership team.

The Program Committee comprises at least three independent Non-Executive Directors and is chaired by an independent Non-Executive Director.

The Committee ensures the delivery of best practice within Stewart House's health and wellbeing framework by establishing an agreed syllabus and 24/12 Program

The Committee reviews and revises values, purpose, child management strategies and common language to ensure conformity across the site.

The Committee guides the development of strategies that promote an integrated culture for addressing children's needs including the adoption of trauma informed practice by all staff.

The Committee monitors:

- the implementation of action plans agreed to within an integrated strategic planning framework that has evolved through trial and discussion with health and wellbeing, school and residential staff in shared dedicated professional learning activities
- collaborative practices in and across each aspect of the program where units of work capable of meeting the child's needs are jointly planned and implemented and data unique to each child is assessed and shared

The Governance and Nominations Committee comprises at least three independent Non-Executive Directors and is chaired by an independent Non-Executive Director:

This Committee ensures adequate governance in relation to policy development and implementation.

The Committee assists the Board as necessary in nominations, including in respect of the following functions:

- determining the appropriate size and composition of the Board
- determining the appropriate criteria (necessary and desirable skills and experience) for appointment of Directors
- recommendations for the appointment, re-election and removal of Directors
- ensuring there are appropriate induction and professional development programs for Directors
- overseeing succession plans for the CEO and other senior management

Sustainability

The Board of Directors commits Stewart House to minimising its impact on our environment through:

- Providing a safe and healthful workplace
- Having an environmentally sustainable aware culture, where responsibility is assigned and understood
- Being an environmentally responsible neighbour in our community
- Conserving natural resources by reusing and recycling
- Using, in our own operations, processes that do not adversely affect the environment
- Ensuring the responsible use of energy throughout the organisation
- Taking steps to improve environmental performance continually
- Working with suppliers who promote sound environmental practices
- Enhancing awareness among our employees, volunteers, and supporters – encouraging them to act in an environmentally responsible manner.



BARRY JOHNSON

Chairman



TOM CROKER

Deputy Chairman
Chair, Program Committee



KEN DIXON

Director
Chair, Audit Risk and Compliance Committee



MICHELLE REINCASTLE

Director



DEAN HELM

Director



ROBYN GRAY

Director



MARILYN WALKER

Director



JAN MCCLELLAND

Director
Chair, Governance and Nominations Committee



GREG PRIOR

Director



JULIE KENNEDY

Director



GRAEME PHILPOTTS

Director
Chief Executive Officer and Executive Director



MURRAY O'DONNELL

Company Secretary
Chief Operating Officer

CHAIRMAN'S REPORT

The spread of the COVID-19 virus during 2021 severely impacted our ability to continue to provide our program for students. From February to June some 360 children in 18 groups completed a 6-day stay and participated in a board-endorsed, modified COVID Safe program.

Sadly, for the second time in 90 years we closed to student enrolments and implemented a full shutdown on Friday 25 June 2021 after the state of NSW was plunged into lockdown in order to slow the spread of the SARS-CoV-2 Delta strain. Stewart House was without children for the remainder of the 2021 calendar year. These conditions were deemed necessary following the outbreak in NSW caused by the Delta variant across the period April-October 2021.

Throughout the year, the Board of Directors of Stewart House continued to work closely with other NSW Government Agencies in planning and managing the Stewart House Program in order to reduce the potential risk of COVID-19 transmission within the broader NSW community.

Consequently, even though the NSW Department of Education announced the re-opening of public schools in October 2021 and students started returning in November, it imposed a set of necessary comprehensive restrictions. Under these restrictions Stewart House still could not accept enrolments and remained closed for the rest of the school year.

While all of this overshadowed our birthday celebrations planned to highlight what Stewart House has achieved in the previous 90 years of operation, the Board remains resolute that our service will return to pre-pandemic operations across 2022. We will continue as a vital not-for-profit organisation, offering a proven 12-day residential stay for children to participate in a holistic, trauma and strengths-informed wellbeing program.

A lot has happened over 90 years

Stewart House, a purpose-built facility originally conceived in the 1920's, was built by December 1930 and the first children arrived in January 1931. The site at South Curl Curl was selected from options including properties in the Blue Mountains where students might experience restorative properties of fresh air and exercise.

Newspapers of the time reported:

"The site inspected is admirably situated for such a structure being quite close to a beautiful and safe miniature beach..."

Connection to the views of the water, Curl Curl pool, the horizon, the headland and surf break from the internal spaces has been a long-held feature of the original and more recent Stewart House buildings. As a seaside facility this connection to a water view is critical. It provides a clear connection to place and has always had strong wellbeing outcomes.

The concept of a Preventorium for Children was born from the following basic tenets:

"Children who have had a bad start in life, owing to physical infirmity or tendency to constitutional weaknesses are to be given every possible chance to be restored to physical fitness"

"They will have an abundance of fresh air, good plain food, milk, fruit, &c., with daily bathing in baths and surf. They will have dental and medical attention, and will be returned to their homes in due course built up in every way"

At the end of our first year of operation, reviews were extremely positive:

"It was a revelation to see how wonderfully these poor little ones are so skilfully treated by the staff and nurses. A spirit of love seemed to pervade the place and the and nurses and children are one big family"

Across the next decade we continued to promote the fledgling service:

"In schools there are children badly needing disease-preventative treatment. Stewart House exists solely for these."

Our reviews also got better. BC Harkness, Chief Inspector of NSW Schools 1937reported:

".....The work of Stewart House was of the highest value to the community wherein there were serious evidences of need for greatly improved health and for increased physical culture. There was a need for close investigation of the causes for the too numerous cases of physical deficiency which were discovered on medical examination of candidates for various positions. Teachers were aware of the deficiencies, but had no part in effecting redress".

"What is to become of Stewart House?" he asked. "Stewart House is an institution of the highest value. It was founded by the schools and maintained by teachers. Calls upon teachers had become much more than the giving of lessons in schools. Stewart House is one agency for the promotion of health and physical fitness with which not only teachers should be concerned,"

After three decades of operation, we were consistently receiving feedback and commendations like:

"Kerry arrived home yesterday as brown as a berry and a real chatterbox. He had a wonderful time. He is much more self-reliant and has grown up from mixing with other children." [Nymagee parent]

"The faces of the children were truly glowing as they told me their stories. The improvement in their general condition and the fact that they now have something to tell makes me very pleased. The other children listen happily and proudly to the boys." [Teacher-in-charge]

"Thank you for caring for my two boys so well. Stephen is now a more competent boy and Peter much fatter. As the tales roll out it is evident there was plenty of fun and much guidance given" [Tamworth mother]

After six decades and as a new millennium dawned, we started to quantify and qualify the services we offered:

“Children realise tangible benefits from the program, either immediately or manifested in attitudinal change on return to the home or in on reflection in later life.

Immediate outcomes relate to children’s:

- *Basic health care needs being attended to in a timely and sensitive manner*
- *Self-care skills being enhanced through appropriate personal hygiene practices*
- *Social interaction skills being improved through participation in experiential and educational experiences with a like-minded cohort”*

The NSW Department of Health continued support to the Preventorium but rationalised service provision. The question which will define the Stewart House of the 21st century was asked:

“Who has responsibility for exploring and dealing with evidences of emotional illth and social deprivation?”

Our answer was and still is:

To this day Stewart House provides children with physical health screening services for vision, hearing and dental. In addition, these physical health services are scaffolded within a mental health service.

This includes on-site psychologists working within both the school and residential components of a needs-based Wellbeing Program and teachers delivering dedicated lessons focusing on emotional wellbeing and building life skills.

The facility is unique and one of a kind. Its vital service continues to be a meaningful intervention in the lives of these children.

Stewart House is a dedicated provider of wellbeing interventions, providing disadvantaged children with the mental and physical health tools they need to thrive.

Stewart House delivers interventions, programs and practices to promote the wellbeing of students.

A 21st Century vision for Stewart House

Stewart House has found it increasingly difficult to deliver the necessary types of services at the required quality in an efficient and effective manner due to the dysfunctional and aging facilities spread over the multiple levels on site.

Stewart House buildings no longer meet the requirements of a modern facility. Many of the buildings are coming to the end of life and do not comply with building codes. They are increasingly costly to maintain. The steep site offers many challenges for accessibility and accommodation for children which is split across the site.

There is no doubt that a new facility is required to sustain our future needs of this important charity. We have developed a functional design brief as an important step towards the future of Stewart House and the continued ability for Stewart House to make a difference in the lives of children.

Our priorities include:

- Securing a long term future for Stewart House that promotes wellbeing for staff and children within an integrated residential care, specialised school and health screening facility operated by one of NSW’s oldest and most respected children’s charities
- Remaining in Curl Curl for the next 90 years and more with level and safe access to the beach
- Celebrating Stewart House’s close connection to the environment and connections with the local community;
- Consolidating Stewart House into an accessible, modern, safe and connected campus
- Maintaining and strengthening a consolidated management approach between Stewart House and our service providers – in particular, the Departments of Health and Education in NSW
- Ensuring that the new Stewart House is fully funded and economically sustainable moving forward.

It is envisaged that the creation of a low maintenance and sustainable precinct with buildings that can last in the coastal environment with lower operating and maintenance costs, and sustainable resource management will meet these priorities.

As a result of strategic planning and review of threshold issues in 2021, Stewart House has commenced high level negotiations with government and stakeholders on the best way forward to achieve these goals.

CHAIRMAN'S REPORT (continued)

Finance

The deficit in 2019 which led us to implementing a number of cost saving measures has been overridden for the second year with substantial surplus. In 2021, our reported net operating surplus increased to \$1,140,230 and the following factors impacted these operating results.

Revenue

- NSW Department of Education employee salary (workplace giving) contributions decreased by \$88K
- Corporate and other donations increased by \$552K overall, and although increased fundraising opportunities were curtailed earlier in 2021, this was offset by increased conversion rate in grant applications
- There was a \$97K increase in bequests when compared to previous year's figure
- In response to the COVID pandemic, governments created economic stimulus packages that were available to Stewart House. Payments from the Federal government JobKeeper scheme ceased in March 2021, which meant a decrease in revenue of \$750k when compared to the previous year. The Company received \$100K in 2020 from the Cashflow Boost, however this was not available in 2021
- Stewart House accessed JobSaver payments and Small Business Grants late in 2021. Total assistance received from the NSW government in 2021 was \$183K

Expenditure

- Employee benefits expense decreased \$557K, with operational staff's salaries reduced in Terms 3 & 4 when Stewart House was unable to deliver the Program
- The employment of three supervisory staff and one senior manager ended when they failed to comply with the Board's legally enforceable Covid-19 vaccination requirements and these vacant positions were not filled during the ensuing lockdown
- We continued to keep all other employees on the payroll
- Catering & Health Care, Occupancy and Building Maintenance, and Fundraising expenses all decreased due to reduced activity during the year
- Other expenses increased \$151K attributed mainly to legal advice in relation employee dispute matters, and the ongoing planned development of the Stewart House site

I am pleased to report current assets of \$5,183,937 and current liabilities of \$469,108 at year end which represents a positive working capital of \$4,714,829.

Our financial position discloses net assets of \$23,509,245 as at 31 December 2021. This compares to \$22,362,122 last year.

Fundraising

Despite the impact of COVID-19 restrictions on face-to-face fundraising events, in 2021, we received significant support from corporate and public donors responding to the pressures placed upon charities by the rapid spread of the virus. Our positive financial position was further enhanced by the receipt of two significant bequests totalling \$628,675.36 in early 2021.

Our gratitude extends to the late Enid Hokin (a strong Stewart House supporter and former employee of the NSW Teachers Federation) and John Neville Stackpool

Unfortunately, we have seen year on year decline in revenue from our salary contribution scheme specifically targeting NSW public education employees.

We are a far cry from our position in 1932:

WANTED? 1000 SHILLINGS PER WEEK!

It costs £50 per week to maintain "STEWART HOUSE" PREVENTORIUM, where mal-nourished children from our Public Schools are nursed back to HEALTH and HAPPINESS.

CAN IT BE DONE?

A Lower Fourth Class in one of our Public schools contributes 10 of the 1,000 required shillings each week. Are there 990 other classes that will consider giving ONE SHILLING per week to make up the balance?

WILL IT BE DONE?

That rests with you. IT IS YOUR PREVENTORIUM. Please help THE TEACHERS' FEDERATION HOSPITAL and RELIEF SOCIETY to maintain the HOUSE.

The material side (bricks, mortar, fittings and furnishings) cost £11,000, which has all been paid.

THE HUMAN SIDE!

Will you help to build the frail bodies to resist effectively the inroads of disease?

In the past, donations from NSW Department of Education staff and students, funded 100% of the organisation's annual operating expenses.

It has been decades since the NSW government mandated that all school fundraising benefit Stewart House in recognition of the service that Stewart House provided to children in need from public schools. The vision and purpose of Stewart House were understood and valued by the Education staff who recognised the need for comprehensive education and health services within the program.

With changing departmental structures and workforce changes, staff lost knowledge of the state-wide significance of Stewart House as an effective circuit breaker for disadvantaged, disaffected, marginalised and isolated children, and it was perceived to be a 'holiday by the sea'.

The loss of effective communication mechanisms between Stewart House, schools and Department staff resulted in an inconsistent understanding of the purpose of Stewart House across the state. Inclusivity as the Department's charity was lost, and salary contributions decreased.

Even with strategic intervention in the early part of the last decade resulting in a threefold increase in revenue within the scheme we are now experiencing the effects of retirement attrition and a new generation of teachers who are unaware that:

Stewart House provides for children from NSW and ACT public schools a residential program of up to 12 days duration, where educational and experiential learning is embedded within a health and wellbeing framework that specifically addresses their physical, social and emotional needs.

Less than 10% of the current NSW Education staff make donations to Stewart House and this now only covers 30% of annual operating expenses. There is a need to engage with all Education employees to promote Stewart House's purpose and encourage them to contribute to the health and wellbeing of children who attend.

Strategies to be implemented in 2022 will see us being able to:

- Enjoy unprecedented support from NSW government employees, including members of the NSWTF, PSA and NSW Health through the Salary Contribution Scheme or workplace giving
- Enhance the status of Stewart House as NSW public education's 'Charity of Choice'
- Promote the value of the service and work of Stewart House more broadly using dedicated representatives in each public school, supported by school principals, to disseminate Stewart House information and outcomes

- Derive revenue from the Salary Contribution Scheme to effectively meet at least 60% of annual running costs of our vital service
- Seek innovative health and wellbeing solutions for the most vulnerable of our students in mainstream classrooms within public schools

To this end we are grateful for the support received from the NSW Education Department, the NSW Department of Premier and Cabinet, the NSW Teachers Federation, the NSW Public Service Association, the NSW Primary Principals Association and the NSW Secondary Principals Council.

The Annual report provides details of the many individuals and organisations that have supported Stewart House. Their support is greatly appreciated.

The Stewart House Board

I acknowledge the resignation of Dean Helm in December of last year resulting from his relocation interstate. Although brief in tenure, I am grateful for Dean's concern for and contributions to the work of Stewart House.

I thank my fellow directors, company members and the Stewart House management team for their devotion to ensuring that our children can still have the best possible outcomes from a Stewart House experience and for staying the course across two very difficult years.

A message to all those who work at Stewart House

The Board of Directors have appreciated the patience and resolution of Board employees, School staff and our service providers, all of whom have coped with circumstances well beyond our control. Your support has allowed Stewart House to thrive and we look forward to a gradual and safe return to full operations over the course of 2022.

Barry Johnson

Financial Statements

DIRECTORS' REPORT - 31 December 2021

Stewart House ABN: 97 127 072 100

Your Directors present their report on Stewart House for the financial year ended 31 December 2021.

General Information

Directors

The names of the Directors in office at any time during, or since the end of, the year are:

Names	Position	
Mr Barry Johnson	Chairman	
Mr Tom Croker	Deputy Chairman	
Ms Michelle Reincastle	Director	
Mr Ken Dixon	Director	
Ms Marilyn Walker	Director	
Ms Jan McClelland AM	Director	
Mr Graeme Philpotts	Executive Director	
Mr Greg Prior	Director	
Ms Julie Kennedy	Director	
Ms Robyn Gray	Director	Appointed December 2021
Mr Dean Helm	Director	Appointed April 2021 Resigned December 2021

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

Company secretary

The following person held the position of Company Secretary at the end of the financial year:

Mr Murray O'Donnell is currently the Chief Operating Officer for Stewart House and was appointed Company Secretary on 12 April 2016. Prior to this Mr Graeme Philpotts held the position from 2007.

Review of operations

The surplus/(deficit) of the Company after providing for income tax amounted to \$ 1,140,230 (2020:\$816,750).

Principal activities

The principal activity of Stewart House during the financial year was giving children in need from public schools in NSW and the ACT opportunities for a healthy life and for building self-esteem by providing health screening and treatment, health education and short term respite care.

Whilst there have been no significant changes in Stewart House's principal activities during the financial year. Stewart House once again closed to student enrolments and implemented a full shutdown on Friday 25 June 2021 after the state of NSW was plunged into lockdown in order to slow the spread of the SARS- CoV-2 Delta strain. Stewart House remained closed to student enrolment for the remainder of the 2021 calendar year..

These conditions were deemed necessary following the outbreak in NSW caused by the Delta variant of the COVID-19 virus across the period April-October 2021.

In the period February to June 2021, Stewart House allowed some 360 children in 18 groups to complete a 6-day stay and to participate in a board-endorsed, modified COVIDSafe program.

The Board of Directors of Stewart House has continued to work closely with other NSW Government Agencies in planning and managing the Stewart House Program in order to reduce the potential risk of COVID-19 transmission within the broader NSW community.

From October 2021, the NSW Department of Education restricted activities for public school students using a level system (Levels 1-4) within their 2,200+ schools. These remained at Level 3+, until the end of Term 4, which required schools to cease camps and out-of-area field trips and overnight stays and to limit excursions to outdoor locations within the Local Government Area of the school where the school could demonstrate COVID Safe practices. Under these restrictions, Stewart House was unable to accept enrolments even when children started to return to mainstream schools in late November 2021.

Member's guarantee

Stewart House is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 for members, subject to the provisions of the Company's constitution.

At 31 December 2021 the collective liability of members was \$50 (2020:\$50).

Short & long term objectives

The Company's short & long term objectives are:

- To provide short term respite care for children from NSW and the ACT public schools with special needs due to ill health, emotional or other distress, family problems, financial or social disadvantage, neglect or isolation.
- To ensure such children are nurtured and feel a sense of safety while in the care of Stewart House.
- To arrange and/or provide such children with health services including optometric, dental and medical screening and initial treatment and referral as required.
- To allow such children to participate in health and educational programs and out of school activities that boost their self-esteem and promote a healthier lifestyle.
- To develop in such children self care skills, independence and resilience through their involvement in a structured residential program, recognizing each child's particular needs.

Strategy for achieving the objectives

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

1. Deliver efficient services to support programs and ensure they meet quality accreditation standards
2. Establish and implement comprehensive continuous improvement and service feedback mechanisms for all Stewart House services
3. Sustain a culture of integrity
4. Establish an organisation wide performance management system that is integrated with staff training and development
5. Develop a comprehensive staff recruitment and selection strategy to develop, attract and retain and engage highly respected and credentialed staff to the organisation
6. Ensure learning and knowledge are shared across all areas of the organisation
7. Maintain the highest standards in occupational health and safety
8. Investigate new and better ways to provide co-ordinated, well resourced and comprehensive services to satisfy the diverse and changing needs of children referred to our care
9. Develop new streams of revenue to mitigate dependence on one income source
10. Improve facilities and capital assets for the effective and efficient delivery of services
11. Explore growth opportunities through strategic partnerships and effective liaison with existing stakeholders
12. Improve stakeholder management and communication

Financial Statements

DIRECTORS' REPORT - 31 December 2021

Stewart House ABN: 97 127 072 100

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Mr Barry Johnson

Qualifications	BA
Experience	Former teacher and retired General Secretary of the NSW Teachers Federation. Former Vice President of Unions NSW. Former Executive Member of the Australian Education Union. Former board member of MacMahon and Associates, Teachers Federation Health, the Teachers Club and the Trades Hall Association
Special responsibilities	Chairman of Board of Directors, ex officio member of all committees

Mr Tom Croker

Qualifications	MA, BA, BA Ed Studies, MACE, FACEL, FAPPA
Experience	Retired Primary School Principal of 28 years. Past President of both the Australian and NSW Primary Principals Associations. President of NSWARPP, Past President & Treasurer of Rotary Club of Breakfast Point, Chairman Strata Committee Savannah Body Corporate, Member Breakfast Point Community Association Management Committee, Deputy President FOSH, Representative on NSWPPA State Council
Special responsibilities	Deputy Chairman, Chair of the Stewart House Program Assessment Committee

Ms Michelle Reincastle

Qualifications	BBus, FCPA
Experience	Member of the NSW Public Sector Committee of CPA Australia. Former Director, Schools Finance in the Department of Education. Strategic and operational experience in a range of public sector departments including NSW Police, Public Works, the Auditor General's Office and work as an auditor for schools and TAFE

Mr Ken Dixon

Qualifications	BCom, FCPA
Experience	DDirector, Bendigo Bank Ettalong Beach and Member of the Executive Board and Management Committee of NSW Office of the Director of Public Prosecutions. Former General Manager, Finance and Administration (NSW Department of Education). Extensive NSW Public Sector experience including senior positions in the NSW Treasury and Department of Public Works and as advisor to the NSW Parliamentary Public Accounts Committee and as a former member of the State Contracts Control Board. Former member of the NSW Public sector committee of CPA Australia
Special responsibilities	Chair of the Audit, Risk and Compliance Committee

Ms Marilyn Walker

Experience	Former Senior Finance Policy Officer with NSW Department of Education. Former author and SMH journalist, research fellow and consultant on taxation legislation. Previous General Manager of Marilyn Walker International producing and directing classical concerts. Life Governor of Australia China Chamber of Commerce and Industry of NSW. Former Member of NSW East Asia Business Advisory Council
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Ms Jan McClelland AM

Qualifications	BA (Hons), B Leg. S, FAICD, FAIM, FACEL
Experience	Deputy Chancellor UNE, Chair Gateway Governance Network Body Ltd, Chair HeartKids Ltd and Managing Director Jan McClelland and Associates Pty Ltd. Former Director General of Education and Training in NSW and former Managing Director of TAFE NSW. Experienced chair and non executive director in education, health, agriculture, transport, waste, business and consumer services and medical technologies industry sectors
Special responsibilities	Chair of the Governance and Nominations Committee

Mr Graeme Philpotts

Qualifications	BSc, Grad DipEd, MAICD
Experience	Chief Executive Officer of Stewart House as a public benevolent institution and affiliated health organisation. Former General Manager and company secretary Stewart House Preventorium. Extensive senior management experience in hospitality management and NSW public education. Currently Director GMGW Pty Ltd.
Special responsibilities	Executive Director, ex officio member of all committees

Mr Greg Prior

Qualifications	MEd, BEd, Dip Teach FACE, FACEL
Experience	Honorary Fellow of Western Sydney University and Deputy Chair, Board of Talent Development Project. Former senior officer with the NSW Department of Education including Deputy Secretary, School Operations and Performance, Deputy-Director-General, Schools, Regional Director, Director, School Operations, School Education Director, Chief Education Officer, School Improvement and Principal

Ms Julie Kennedy

Qualifications	MEd(Leadership), BEd
Experience	Director Educational Leadership, NSW Department of Education, The Beaches Network. Former NSW secondary school principal and Principal Education Officer with the New South Wales Education Standards Authority

Ms Robyn Gray

Qualifications	BA, LLB(Hons), GAICD
Experience	Independent Member of Executive Board of the Office of the NSW Director of Public Prosecutions and the Audit and Risk Committee of the Judicial Commission of NSW. Former solicitor in public and private sectors specialising in criminal, civil and administrative law. Consultant to government agencies and NFPs

Mr Dean Helm

Qualifications	Adv Dip MSE, BEng, MSE, GAICD
Experience	Executive leadership experience in corporate environments (including operational, asset management, supply chain and risk) across multiple transport modes. Former Australian Defence Force Officer of the Royal Australian Navy, Chartered Member of Engineers Australia

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Other Items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

In March 2020, the World Health Organisation ("WHO") declared the Coronavirus disease 2019 ("COVID- 19") a pandemic. In response to this, the Australian Government together with State and Territory Premiers announced a series of measures aimed at preventing the spread of COVID-19, which had the effect of impacting the state of the Australian economy (i.e. the impact on supply chain, customers, availability of finance, consumer confidence, etc.)

Refer to Note 1(b) in the Financial Statements for further information regarding the impacts of COVID-19.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with subdivision 60-C of the *Australian Charities and Not-for-Profit Commission Act 2012* for the year ended 31 December 2021 has been received and can be found on page 8 of the financial report.

Financial Statements

DIRECTORS' REPORT - 31 December 2021

Stewart House ABN: 97 127 072 100

Meetings of directors

During the financial year, 17 meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year were as follows:

	Board Meetings		ARC Committee		Governance Committee		Program Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr Barry Johnson	9	8	6	6	2	2	-	-
Mr Tom Croker	9	8	6	6	2	2	-	-
Ms Michelle Reincastle	9	9	6	5	-	-	-	-
Mr Ken Dixon	9	9	6	5	-	-	-	-
Ms Marilyn Walker	9	8	6	6	2	2	-	-
Ms Jan McClelland AM	9	9	-	-	2	2	-	-
Mr Graeme Philpotts	9	9	6	6	2	2	-	-
Mr Greg Prior	9	7	-	-	-	-	-	-
Ms Julie Kennedy	9	8	-	-	-	-	-	-
Ms Robyn Gray	1	1	-	-	-	-	-	-
Mr Dean Helm	8	5	4	2	-	-	-	-

Indemnification and Insurance of Officers

The Company has paid insurance premiums to insure each Director against liabilities for costs and expenses incurred by them in defending legal proceedings arising out of their conduct while acting in their capacity as a Director of the Company, other than conduct involving a wilful breach in relation to the Company. The amount of the premium is not disclosed due to the terms of the insurance contracts and to protect commercially sensitive information of the Company.

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

MR BARRY JOHNSON
DIRECTOR

MR KEN DIXON
DIRECTOR

Dated 18 February 2022

Dated 18 February 2022

Financial Statements

AUDITOR'S INDEPENDENCE DECLARATION

Stewart House ABN: 97 127 072 100

In accordance with subdivision 60-C of the *Australian Charities and Not-for-Profit Commission Act 2012*, I am pleased to provide the following declaration of independence to the Directors of Stewart House.

As the audit partner of the audit of the financial statements of Stewart House for the financial year ended 31 December 2021, I declare to the best of my knowledge and belief, there have been no contraventions of:

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

CUTCHER & NEALE ASSURANCE PTY LTD
(An authorised audit company)

M.J. O'CONNOR
DIRECTOR

NEWCASTLE
8 February 2022

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF STEWART HOUSE

Stewart House ABN: 97 127 072 100

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Stewart House (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of surplus or deficit and other comprehensive income, the statement of changes in funds 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 Directors' declaration.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report of the Company is in accordance with division 60, of the Australian Charities and Not-for-profit Commission Act 2012, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Qualified Audit Opinion Pursuant to the Charitable Fundraising Act 1991

In our opinion, except for the effects on the financial report of the matters referred to in the Basis for Qualified Opinion section, the financial report of Stewart House is in accordance with the Charitable Fundraising Act 1991, including:

- (a) the financial report and associated records have been properly kept during the period in accordance with the Charitable Fundraising Act 1991 and the regulations;

Financial Statements

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF STEWART HOUSE

Stewart House ABN: 97 127 072 100

(b) monies received as a result of fundraising appeals conducted during the period have been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991* and its regulations; and

(c) there are reasonable grounds to believe that Stewart House will be able to pay its debts as and when they fall due.

Basis for Qualified Opinion

Cash donations are a significant source of revenue for Stewart House. The Company has determined that it is impracticable to establish control over the collection of cash donations from over 700 sources across NSW and the ACT prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to donations had to be restricted to the amounts received by Stewart House and recorded within the financial records. We therefore are unable to express an opinion whether cash donations collected on behalf of Stewart House are complete.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Emphasis of Matter

We draw attention to Note 1(b) in the financial statements, which discusses the impact of COVID-19 on the Company's operations and finances. Our opinion is not modified in respect of this matter.

Other Information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, (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 on the other information obtained prior to the date of this auditor's report, 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 Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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 the financial report.

Additional Scope Pursuant to the Charitable Fundraising Act 1991

In addition, our audit report has also been prepared for the Members of the Company in accordance with Section 24(2) of the *Charitable Fundraising Act 1991*. Accordingly we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Australian Charities and Not-for-profit Commission Act 2012*. These additional procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising activities pursuant to the *Charitable Fundraising Act 1991* and Regulations.

Financial Statements

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF STEWART HOUSE

Stewart House ABN: 97 127 072 100

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year end financial statements preparation.

The performance of our statutory audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial statements. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

Our audit opinion pursuant to the *Charitable Fundraising Act 1991* has been formed on the above basis.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board Website (<http://www.auasb.gov.au/Home.aspx>) at <http://www.auasb.gov.au/auditorsresponsibilities/ar4.pdf>. This description forms part of our auditor's report.

CUTCHER & NEALE ASSURANCE PTY LTD
(An authorised audit company)

M.J. O'CONNOR
DIRECTOR

NEWCASTLE
21 February 2022

DIRECTORS' DECLARATION

Stewart House ABN: 97 127 072 100

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 15 - 40 , are in accordance with the *Australian Charities and Not-for-Profit Commission Act 2012* and:

(a) comply with Australian Accounting Standards; and

(b) give a true and fair view of the financial position as at 31 December 2021 and of the performance for the year ended on that date of the company.

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 pursuant to subdivision 60.15 of the *Australian Charities and Not-for-Profit Commission Regulations 2013* and in accordance with a resolution of the Board of Directors.

MR BARRY JOHNSON
DIRECTOR

MR KEN DIXON
DIRECTOR

Dated 18 February 2022

Dated 18 February 2022

Declared Opinion Pursuant to the Charitable Fundraising Act 1991

I, Barry Johnson, Chairman of Stewart House, declare in my opinion:

- a. the financial statements give a true and fair view of all income and expenditure of Stewart House with respect to fundraising appeals;
- b. the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals;
- c. the provision of the *Charitable Fundraising Act 1991* and the regulations under the Act and the conditions attached to the authority have been complied with for the year ended 31 December 2021; and
- d. the internal controls exercised by Stewart House are appropriate and effective in accounting for all income received.

MR BARRY JOHNSON
CHAIRMAN

Dated 18 February 2022

Financial Statements

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

Stewart House ABN: 97 127 072 100

		2021	2020
	Note	\$	\$
Revenue	2	3,834,823	3,357,371
Other income	2	664,939	1,305,552
Employee benefits expense		(2,423,057)	(2,980,008)
Depreciation expense	3	(200,605)	(197,013)
Insurance expense		(160,869)	(154,410)
Motor Vehicle expenses		(95,616)	(88,537)
Catering & Health Care expenses		(46,088)	(57,658)
Occupancy and building maintenance		(71,230)	(107,579)
Fundraising expenses		(24,805)	(74,479)
Other expenses		(337,262)	(186,489)
Operating surplus		1,140,230	816,750
Other comprehensive income			
Unrealised gains/(losses) on financial assets		6,893	-
Total comprehensive income		1,147,123	816,750

STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2021

Stewart House ABN: 97 127 072 100

2021	Accumulated Funds	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2021	4,873,289	17,488,833	22,362,122
Surplus/(deficit) for the year	1,140,230	-	1,140,230
Other comprehensive income	-	6,893	6,893
Balance at 31 December 2021	6,013,519	17,495,726	23,509,245
2020	Accumulated Funds	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2020	4,056,539	17,488,833	21,545,372
Surplus/(deficit) for the year	816,750	-	816,750
Balance at 31 December 2020	4,873,289	17,488,833	22,362,122

Financial Statements

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

Stewart House ABN: 97 127 072 100

	Note	2021	2020
ASSETS		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	6	1,244,295	791,606
Trade and other receivables	7	15,037	186,928
Financial assets	8	3,873,053	3,166,160
Other assets	9	51,552	57,277
TOTAL CURRENT ASSETS		5,183,937	4,201,971
NON CURRENT ASSETS			
Property, plant and equipment	10	18,812,068	18,919,302
TOTAL NON CURRENT ASSETS		18,812,068	18,919,302
TOTAL ASSETS		23,996,005	23,121,273
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	64,098	67,764
Trade and other payables	12	381,010	457,711
Employee benefits	13	24,000	156,448
Other liabilities		469,108	681,923
NON CURRENT LIABILITIES			
Employee benefits	12	17,652	77,228
TOTAL NON CURRENT LIABILITIES		17,652	77,228
TOTAL LIABILITIES		486,760	759,151
NET ASSETS		23,509,245	22,362,122
FUNDS			
Reserves		17,495,726	17,488,833
Accumulated Funds		6,013,519	4,873,289
TOTAL FUNDS		23,509,245	22,362,122

Financial Statements

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECMEBER 2021

Stewart House ABN: 97 127 072 100

		2021	2020
	Note	\$	\$
CASH FROM OPERATING ACTIVITIES:			
Receipts from customers		4,502,305	4,779,306
Payments to suppliers and employees		(3,285,193)	(3,685,668)
Interest received		30,007	41,302
Net cash provided by (used in) operating activities	19	1,247,119	1,134,940
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		-	26,750
Purchase of property, plant and equipment	10(b)	(94,432)	(96,321)
Net transfer of financial assets (to) / from cash and cash equivalents		(700,000)	(800,000)
Net cash used by investing activities		(794,432)	(869,571)
Net increase (decrease) in cash and cash equivalents held		452,687	265,369
Cash and cash equivalents at beginning of year		791,608	526,239
Cash and cash equivalents at end of financial year	6	1,244,295	791,608

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 Stewart House ABN: 97 127 072 100

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the *Australian Accounting Standards Board and the Australian Charities and Not for Profit Commission Act 2012*.

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 the measurement at fair value of selected non current assets.

(b) Significant changes in the current report period

Impact of COVID 19 on operations

In early 2021, Stewart House commenced recovery from the 2020 COVID-19 pandemic addressing the impact of measures implemented by the Australian Government together with State and Territory Premiers aimed at preventing the spread of COVID-19, which had the effect of impacting the state of the Australian economy (i.e. impact on supply chain, customers, availability of finance, consumer confidence, etc.). Stewart House continued to receive income support for employee related expenses across this period.

Government measures had an impact on the Company's ability to provide a normal, at capacity program of support for children in need across the period January to June 2021.

Stewart House acts upon advice and mandate by Australian Authorities and adapting our processes as appropriate. These include:

- Department of Health (including the Australian Health Protection Principal Committee (AHPPC))
- NSW Health
- NSW Department of Education
- NSW Police
- Communicable Diseases Network Australia (CDNA)

Stewart House also monitors information from broader sources including the World Health Organisation (WHO) as well as case studies of residential facilities affected by COVID-19, both within Australia and from overseas.

The suspension of the Stewart House program in June 2021 was deemed necessary following the outbreak in NSW caused by the Delta variant of the COVID-19 virus across the period April-October 2021.

Stewart House was closed to student enrolment for the remainder of 2021. In accordance with policies previously adopted by the Board in regard to the extended COVID-19 crisis, student participation in the Program was cancelled in the lead up to the July school holidays and Stewart House employees were allowed to work from home. The Department of Education had also decided to redeploy school staff.

The Board and Management implemented a range of operational and financial strategies in order to minimise the impact of the enforced closure. The Board continued its principled decision to maintain all employees on the payroll for as long as possible. Federal and State government supplementation made this an easier decision to continue to implement.

Frontline employees agreed to salary reduction and to alleviate financial hardship employees were given the option of accessing accrued long service leave to maintain current salary each fortnight. In accordance with the NSW Long Service Leave Act 1955 (temporarily amended until 31 March 2022), Stewart House granted long service leave in advance to workers in periods of less than a month and requested leave that was accrued after ten years of service to be taken.

From as early as March 2020, the Board required all employees to be vaccinated against influenza and COVID-19 (after development of appropriate vaccines). NSW Public Health Orders are currently in place that mandate vaccination of employees in public health facilities, such as Stewart House. The NSW Department of Education has implemented similar health orders for its employees. All workers on the Stewart House site are therefore required to provide evidence of full COVID-19 vaccination. This policy has resulted in 4 employees separating from the business with payment of accrued entitlements. Workforce planning will be a priority for 2022 but unnecessary in 2021.

In 2022, additional risk and health restrictions will apply to determining the suitability of children for entry into the Stewart House residential setting due to the ease with which the SARS-CoV-2 Delta and Omicron strains spread within household environments including to intensive care

The Board will continue to follow the advice provided by governments and appropriate government agencies when determining the Program that can be delivered in 2022 and beyond.

(c) Comparative figures

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

(d) Revenue and other income

Operating grants, donations and bequests

When the Company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 Revenue from Contracts with Customers.

When both these conditions are satisfied, the Company:

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

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

- Recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards;
- Recognises related amounts (being lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

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

Capital grants

When the Company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer), recognised under other Australian Accounting Standards.

The Company recognises income in profit or loss when the Company satisfies the obligations under the terms of the grant.

Sales of goods

Sale of goods includes the sale of merchandise for the purposes of fundraising.

Revenue from the sale of goods is recognised when the product is delivered to the customer, as this is when the performance obligation has been satisfied.

Interest income

Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend income

The Company recognises dividends in profit or loss only when the Company's right to receive payment of the dividend is established.

(e) Fundraising Activities

Charitable Fundraising Act 1991: this Act and supporting Charitable Fundraising Regulation prescribe the manner in which fundraising appeals are conducted, controlled and reported. The amounts shown in Note 21 are in accordance with Authority Condition 7, which is issued to the Company under section 19 of the Act.

Cost of fundraising: costs reported in Note 21 include all direct fundraising costs in accordance with the Act. The inclusion of indirect costs is discretionary. Exclusion of the indirect costs decreases the cost of fundraising and increases the ratios in Note 21.

General fundraising: costs charged to general fundraising relate to processing unsolicited donations and the planning and development of future fundraising activities. Once a decision is taken to proceed with a specific fundraising appeal, relevant costs are allocated to the specific appeal. Revenue from unsolicited donations is credited to general fundraising.

Various services are donated to the Company. No assessment of the value of those services is included in these accounts.

(f) Economic dependence

Stewart House is dependent on voluntary donations for the majority of its revenue used to operate the business. At the date of this report the Directors have no reason to believe the voluntary donations will not continue to support Stewart House.

(g) 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.

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

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

(i) Trade and other receivables

Trade receivables, which generally have 30 to 90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

(j) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company is using the measured at amortised cost method for trade and other receivables and debt investments, such as cash invested in term deposit products. Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Equity instruments – at fair value are not held for speculative or trading purposes and are disclosed in Note 8 of the financial report.

Listed equity instruments are re valued based on quoted market values. Realised and unrealised gains / (losses) on listed equity instruments are recognised within other comprehensive income. Dividends are recognised in comprehensive income on the date they are considered ex entitlement.

ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

iii) Measurement

Subsequent to initial recognition, financial assets are carried at amortised costs using the effective interest rate method less provision for impairment.

Interest income and impairment for expected credit losses are recognised in the profit or loss. Gain or loss on derecognition is recognised in profit or loss.

iv) Impairment

Impairment of financial assets is recognised on an expected credit loss – forward looking - basis for all financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company considers reasonable and supportable information that is relevant and available, including both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment, including forward looking information.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

v) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

(k) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against this reserve directly in equity; all other decreases are charged to the statement of surplus or deficit and other comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

The Company was granted title to the Stewart House site by order of the NSW Governor on 1 January 2009. This included all buildings and land and two of the adjacent residences. Stewart House is responsible for the maintenance of both residences.

The properties have all been classified as property, plant and equipment assets and accounted for at fair value. Most of the properties are subject to restrictive covenants that would need to be addressed before a sale could be initiated.

The residential properties are considered to be held for strategic purposes rather than for capital appreciation or short term sale and therefore have not been classified as investment property.

The strategic purposes for which the residential properties are held include leasing to employees and as a safeguard against unplanned events. It has been considered that the residential buildings would only be disposed of in the event of a material adverse event requiring an increase in working capital or some other strategic initiative that required some or all of the properties' value to be realised.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all assets classified as plant and equipment are depreciated on a diminishing value basis and other fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight-line basis over the asset's useful life to the Company 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. Land is not depreciated.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and Equipment	20% - 30%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of surplus or deficit and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated surpluses.

(l) Impairment of non financial assets

Assets that have an allocated impairment loss are reviewed for reversal indicators at the end of each reporting period. After recognition of an impairment loss, the amortisation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount on a systematic basis over its remaining useful life.

Impairment losses are recognised as an expense immediately, unless the relevant asset is property, plant and equipment held at fair value (other than investment property carried at a revalued amount) in which case the impairment loss is treated as a revaluation decrease as described in the accounting policy for property, plant and equipment.

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

Stewart House ABN: 97 127 072 100

(m) Trade and other payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company during the reporting period which remain unpaid at balance date. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Financial Liabilities

i) Classification

The Company is using the measured at amortised cost method for all its financial liabilities. The financial liabilities of the Company comprise trade payables.

Liabilities measured at amortised cost are financial liabilities where the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Derecognition

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(o) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. 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.

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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

(p) 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.

(q) Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(r) Leases

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

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

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

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

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(s) Critical accounting estimates and judgments

Key estimates

(i) Fair value of land and buildings

The Company carries its land and buildings at fair value with changes in the fair value recognised in revaluation reserve. Independent valuations are obtained at least triennially and at the end of each reporting period, the Directors update their assessment of the fair value of each property, taking into account the most recent valuations and movements in the market.

Key judgements

(i) Performance obligations under AASB 15

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

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

Stewart House ABN: 97 127 072 100

(ii) Lease term and option to extend under AASB 16

The lease term is defined as the non cancelable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the Company will make. The Company determines the likelihood to exercise the options on a lease by lease basis, looking at various factors such as which assets are strategic and which are key to the future operations of the Company.

(t) Authorisation of financial statements

These financial statements were approved and authorised for issue by the Board of Directors on 19th February 2021.

2 Revenue and Other Income

	2021	2020
	\$	\$
Revenue from ordinary operations		
Donations – Schools	219,295	206,066
Donations – Salary Contributions – Department of Education Employees	1,556,801	1,644,697
Donations – Corporate and other	2,058,727	1,506,608
Total revenue from ordinary activities	3,834,823	3,357,371
Other income from ordinary operations		
– Rental income	250,386	212,350
– Interest income	30,007	41,302
Total other income from ordinary activities	280,393	253,652
Other income from non-operating activities		
- Federal Government - JobKeeper	201,600	951,900
- Federal Government - Cashflow Boost	-	100,000
- NSW Government - JobSaver	172,446	-
- NSW Government - Small Business Grant	10,500	-
Total other income from non-operating activities	384,546	1,051,900
Total revenue & other income	4,499,762	4,662,923

3 Result for the Year

(a) The result for the year includes the following specific expenses

Depreciation – buildings	127,223	123,000
Depreciation – plant and machinery	73,382	71,139
	200,605	194,139
Rental expense on operating lease	68,084	73,219

4 Interests of Key Management Personnel

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

Short term employee benefits	289,196	263,204
Post-employment benefits	28,663	34,922
	317,859	298,126

5 Auditors' Remuneration

Remuneration of the auditor of the company for:		
- auditing or reviewing the financial statements	12,250	13,250

6 Cash and Cash Equivalents

Cash at bank and in hand	1,244,295	791,606
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7 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Accrued Interest receivable	13,228	19,786
Other receivables	1,809	167,142
	15,037	186,928

8 Other Financial Assets

CURRENT			
Held to maturity financial assets	(a)	3,850,000	3,150,000
Equity securities - at fair value through Other Comprehensive Income	(b)	23,053	16,160
Total current assets		3,873,053	3,166,160
(a) Investments at amortised cost comprise:			
Fixed term bank deposits		3,850,000	3,150,000
(b) Equity securities - at fair value through Other Comprehensive Income comprise:			
Shares in listed corporations		23,053	16,160

9 Other Assets

CURRENT			
Prepayments		51,552	57,277

10 Property, Plant and Equipment

(a) Property, Plant and Equipment

LAND AND BUILDINGS			
Land and buildings			
At fair value (note (18))		18,878,639	18,834,610
Accumulated depreciation		(373,223)	(246,000)
Total land and buildings		18,505,416	18,588,610
PLANT AND EQUIPMENT			
Plant and equipment			
At cost		906,043	867,421
Accumulated depreciation		(599,391)	(536,729)
Total plant and equipment		306,652	330,692
Total property, plant and equipment		18,812,068	18,919,302

(b) Movements in Carrying Amounts

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

	Land & Buildings	Plant & Equipment	Total
Balance at 1 January 2021	\$	\$	\$
Balance at the beginning of year	18,588,610	330,692	18,919,302
Additions	44,029	50,403	94,432
Disposals - written down value	-	(1,061)	(1,061)
Depreciation expense	(127,223)	(73,382)	(200,605)
Balance at 31 December 2021	18,505,416	306,652	18,812,068

	Land & Buildings	Plant & Equipment	Total
Balance at 1 January 2020			
	\$	\$	\$
Balance at the beginning of year	18,711,610	332,495	19,044,105
Additions	-	96,321	96,321
Disposals - written down value	-	(24,111)	(24,111)
Depreciation expense	(123,000)	(74,013)	(197,013)
Balance at 31 December 2020	18,588,610	330,692	18,919,302

11 Trade and Other Payables

	2021	2020
CURRENT	\$	\$
Unsecured liabilities		
Sundry payables and accrued expenses	64,098	67,764
	64,098	67,764

12 Provisions

CURRENT		
Employee entitlements	381,010	457,711
NON-CURRENT		
Employee entitlements	17,652	77,228

13 Other Liabilities

CURRENT		
Contract liabilities	24,000	156,448

14 Operating Segments

The Company operates predominately in one business and geographical segment being the provision of educational assistance in NSW.

15 Contingent Liabilities

A bank guarantee of \$100,000 (2020: \$100,000) has been provided by the Company to its external payroll provider ADP Payline in respect of security.

16 Members' Guarantee

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the Company. At 31 December 2021 the number of members was 5 (2020: 5).

17 Financial Risk Management

The main risks Stewart House is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and leases.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2021	2020
Financial Assets	\$	\$
Cash and cash equivalents	1,244,295	791,606
Fixed term bank deposits	3,850,000	3,150,000
Shares in other corporations	23,053	16,160
Trade and other receivables	15,037	186,928
Total financial assets	5,132,385	4,144,694
Financial Liabilities		
Trade and other payables	64,098	67,764

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

Stewart House ABN: 97 127 072 100

Financial risk management policies

The Board of Directors has overall responsibility for the establishment of Stewart House's financial risk management framework. This includes the development of policies covering specific areas such as liquidity risk, interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Stewart House's activities.

The day-to-day risk management is carried out by Stewart House's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Operating Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and credit risk and assessment of market forecasts for interest rate movements.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Stewart House does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Mitigation strategies for specific risks faced are described below:

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Interest rate risk

The Company is exposed to interest rate fluctuations on its cash at bank, cash on deposit and on fixed interest securities. The company actively monitors interest rates for cash at bank and on deposit to maximise interest income. The company accepts the risk in relation to fixed interest securities as they are held to generate income on surplus funds.

Interest rate risk sensitivity analysis

At 31 December 2021, the effect on the surplus and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2021	2020
Change in surplus	\$	\$
- Increase by 100 basis points	50,943	39,416
- Decrease by 50 basis points	(25,471)	(19,708)

Net fair values

There is no material difference between the carrying value of the assets and liabilities and the fair values of the assets and liabilities.

18 Fair Value Measurement

The company measures the following assets and liabilities at fair value on a recurring basis:

- Property, plant and equipment
 - Land and buildings
- Financial Assets

Fair value hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the company:

31 December 2021	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Property, plant and equipment					
Land and buildings	10	-	18,830,000	-	18,830,000
Shares in listed corporations	8	23,053	-	-	23,053
31 December 2020					
Land and buildings	10	-	18,830,000	-	18,830,000
Shares in listed corporations	8	16,160	-	-	16,160

Level 2 measurements

The fair value of land and buildings included in Level 2 of the hierarchy was determined using a market approach direct comparison method, adjusted for location, topography, size, base date adjustments and restriction on use. An independent valuation was obtained from a registered valuer as at 2 August 2018 and the valuation was adopted as at 31 December 2018.

Transfers between levels of the hierarchy

There were no transfers between levels of the fair value hierarchy.

Highest and best use

The current use of the land and buildings is considered to be its highest and best restricted use. The property would hold and reflect a far higher rate as a development site via subdivision or change of current use, should restrictions be lifted (refer to Note 1(k)).

19 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Profit for the year	1,147,123	816,750
Cash flows excluded from the surplus attributable to operating activities		
Non cash flows in surplus:	200,605	197,013
- depreciation	1,061	(2,638)
- net (gain) / loss on disposal of property, plant and equipment	(6,893)	-
- net (gain) on financial assets contributed		
Changes in assets and liabilities:	171,891	(155,213)
- (increase)/decrease in trade and other receivables	5,724	4,586
- (increase)/decrease in prepayments	(132,448)	(156,448)
- increase/(decrease) in trade and other payables	(3,666)	26,977
- increase/(decrease) in provisions	(136,278)	91,015
Cashflow from operations	1,247,119	822,042

(b) Credit standby arrangements with banks

Credit facility	9,000	9,000
Amount utilised	-	-
Total credit facilities	9,000	9,000

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2021

Stewart House ABN: 97 127 072 100

The major facilities are summarised as follows:

Credit Cards - These facilities are arranged with the general terms and conditions being set and agreed to annually.

20 Company Details

The principal place of business is:

Corner Batho Road & Wyadra Avenue
FRESHWATER NSW 2096

The registered place of business is:

45 Carrington Parade
CURL CURL NSW 2096

21 Additional Disclosures Required By the Charitable Fundraising Act 1991 and Charitable Fundraising Regulation 2003

(a) Fundraising appeals conducted during the year consisted of:

Fundraising appeals conducted during the period consisted of direct marketing of the charity to members of the public and selected corporate and government organisations.

(b) Details of Aggregate Gross Income and Total Expenses of Fundraising Appeals

	2021	2020
	\$	\$
Gross proceeds	3,834,823	3,357,371
Less : Total costs	(175,641)	(225,315)
Net surplus from fundraising activities	3,659,182	3,132,056

(c) Statement showing how funds received were applied to Charitable Purposes

	2021	2020
Net surplus from fundraising activities	3,659,182	3,132,056
Other income	664,939	1,305,552
Expenditure on direct services	(2,917,568)	(3,495,852)
Expenditure on indirect services	(266,323)	(125,006)
Surplus/(shortfall)	1,140,230	816,750

(d) Comparisons by monetary figures and percentages

2021

Total cost of fundraising/gross income from fundraising	175,641 / 3,834,823 - 5%
Net surplus from fundraising/gross income from fundraising	3,659,182 / 3,834,823 - 95%
Total costs of direct services/total expenditure	2,917,568 / 3,359,532 - 87%
Total costs of direct services/total income received	2,917,568 / 4,499,762 - 65%

2020

Total cost of fundraising/gross income from fundraising	225,315 / 3,357,371 - 7%
Net surplus from fundraising/gross income from fundraising	3,132,056 / 3,357,371 - 93%
Total costs of direct services/total expenditure	3,495,852 / 3,846,173 - 91%
Total costs of direct services/total income received	3,495,852 / 4,662,923 - 75%

School Donations of more than \$200

SCHOOL DONORS (>\$200)

PRIMARY SCHOOLS	
Albury Public School	\$333
Allambie Heights Public School	\$942
Artarmon Public School	\$416
Athelstane Public School	\$279
Avalon Public School	\$798
Balgowlah Heights Public School	\$504
Bankstown South Infants School	\$228
Bankstown West Public School	\$265
Banora Point Public School	\$765
Bardia Public School	\$374
Bathurst Public School	\$317
Baulkham Hills North Public School	\$799
Beaumont Hills Public School	\$1,202
Beaumont Road Public School	\$235
Berala Public School	\$478
Berry Public School	\$273
Bert Oldfield Public School	\$221
Birchgrove Public School	\$799
Birrong Public School	\$290
Blacktown South Public School	\$1,107
Blackwell Public School	\$261
Blakehurst Public School	\$219
Bonnells Bay Public School	\$517
Boree Creek Public School	\$250
Boronia Park Public School	\$520
Brighton-Le-Sands Public School	\$669
Brookvale Public School	\$280
Brunswick Heads Public School	\$310
Burnside Public School	\$400
Cabramatta Public School	\$224
Calare Public School	\$375
Cambridge Park Public School	\$227
Camden South Public School	\$200
Campbelltown Public School	\$242
Canley Vale Public School	\$743
Caringbah North Public School	\$391
Carlingford Public School	\$997
Castle Cove Public School	\$405
Cecil Hills Public School	\$242
Centaur Public School	\$242
Cessnock East Public School	\$381
Cherrybrook Public School	\$366
Chertsey Primary School	\$353
Clovelly Public School	\$230
Coal Point Public School	\$296
Coffs Harbour Public School	\$608
Colyton Public School	\$261
Concord Public School	\$212
Condell Park Public School	\$248
Connells Point Public School	\$207
Cootamundra Public School	\$327
Crestwood Public School	\$964
Croydon Public School	\$349
Dalmeny Public School	\$340
Dapto Public School	\$231
Dee Why Public School	\$462
Dora Creek Public School	\$390
Double Bay Public School	\$639
Dudley Public School	\$431
Dulwich Hill Public School	\$982
Duranbah Public School	\$512
Eastern Creek Public School	\$260
Eastwood Public School	\$1,142
Epping Heights Public School	\$528
Epping North Public School	\$507
Epping West Public School	\$13,182

SCHOOL DONORS (>\$200)

Erina Heights Public School	\$297
Ferncourt Public School	\$298
Figtree Heights Public School	\$324
Forestville Public School	\$210
Forster Public School	\$231
Garrongong Public School	\$239
Girraween Public School	\$1,674
Glenmore Road Public School	\$393
Glenorie Public School	\$1,260
Gordon East Public School	\$511
Gosford Public School	\$264
Goulburn South Public School	\$236
Governor Philip King Public School	\$394
Guildford West Public School	\$222
GyMEA Bay Public School	\$294
Haberfield Public School	\$241
Hallidays Point Public School	\$487
Hambledon Public School	\$720
Hamilton South Public School	\$221
Harbord Public School	\$1,061
Helensburgh Public School	\$231
Hilltop Road Public School	\$200
Hinchinbrook Public School	\$418
Hinton Public School	\$305
Holsworthy Public School	\$221
Homebush Public School	\$906
Hoxton Park Public School	\$362
Hurstville South Public School	\$587
Illaroo Road Public School	\$588
Ironbark Ridge Public School	\$738
Jasper Road Public School	\$360
Jerrabomberra Public School	\$280
John Palmer Public School	\$491
Kellyville Ridge Public School	\$3,373
Killarney Heights Public School	\$203
Killarney Vale Public School	\$553
Kincumber Public School	\$579
Kings Langley Public School	\$14,818
Kirrawee Public School	\$217
Kogarah Public School	\$867
Laguna Street Public School	\$387
Lakemba Public School	\$285
Lambton Public School	\$491
Lansvale East Public School	\$346
Lavington Public School	\$537
Liverpool Public School	\$431
Loftus Public School	\$242
Lynwood Park Public School	\$273
Manly Vale Public School	\$421
Manly Village Public School	\$766
Manly West Public School	\$694
Marsden Road Public School	\$221
Maryland Public School	\$272
Melrose Park Public School	\$231
Merimbula Public School	\$415
Merrylands Public School	\$264
Metella Road Public School	\$931
Middle Harbour Public School	\$302
Milton Public School	\$226
Mortlake Public School	\$675
Mount Ousley Public School	\$205
Mowbray Public School	\$322
Mullion Creek Public School	\$401
Narrabeen Lakes Public School	\$224
Narranga Public School	\$2,008
New Lambton South Public School	\$293
Newtown Public School	\$243
Normanhurst West Public School	\$421

SCHOOL DONORS (>\$200)

North Sydney Public School	\$499
Northbridge Public School	\$624
Northmead Public School	\$506
Nuwarra Public School	\$218
Padstow Heights Public School	\$518
Pagewood Public School	\$240
Parramatta East Public School	\$1,522
Peakhurst South Public School	\$330
Penshurst Public School	\$218
Petersham Public School	\$943
Pottsville Beach Public School	\$356
Prestons Public School	\$207
Pymble Public School	\$444
Quakers Hill East Public School	\$215
Rainbow Street Public School	\$249
Revesby Public School	\$442
Richmond Public School	\$239
Riverbank Public School	\$623
Rooty Hill Public School	\$248
Rose Bay Public School	\$1,097
Rouse Hill Public School	\$216
Russell Lea Public School	\$2,309
Ryde Public School	\$274
Sackville Street Public School	\$427
Samuel Gilbert Public School	\$3,145
Sherwood Ridge Public School	\$214
Springdale Heights Public School	\$200
St Georges Basin Public School	\$625
St Ives Public School	\$1,400
Summer Hill Public School	\$595
Sussex Inlet Public School	\$228
Tacoma Public School	\$213
Terrey Hills Public School	\$576
Terrigal Public School	\$336
Thornleigh West Public School	\$239
Truscott Street Public School	\$672
Tumbarumba Public School	\$397
Tuncurry Public School	\$210
Umina Beach Public School	\$965
Victoria Avenue Public School	\$355
Villawood East Public School	\$203
Vincentia Public School	\$558
Waitara Public School	\$1,073
Waratah West Public School	\$360
Warilla Public School	\$375
Warnervale Public School	\$3,680
Warrimoo Public School	\$322
Wattle Grove Public School	\$227
Wentworth Falls Public School	\$756
Wentworthville Public School	\$1,034
Werrington Public School	\$741
Westmead Public School	\$672
Widemere Public School	\$250
Wideview Public School	\$300
Wiley Park Public School	\$454
William Stimson Public School	\$214
Willoughby Public School	\$1,684
Windsor Park Public School	\$338
Winston Heights Public School	\$322
Winston Hills Public School	\$296
Wollongbar Public School	\$285
Wollongong Public School	\$220
Woollahra Public School	\$350
Woolooware Public School	\$230
Woonona Public School	\$470
Yagoona Public School	\$264
Yass Public School	\$359

SCHOOL DONORS (>\$200)

CENTRAL SCHOOLS	
Arranounbai School	\$5,020
Boorowa Central School	\$1,048
Bulahdelah Central School	\$227
Mary Brooksbank School	\$267
NSW School of Languages	\$552
Wairoa School	\$421
SECONDARY SCHOOLS	
Brisbane Water Secondary College Umina Campus	\$338
Cecil Hills High School	\$2,000
Denison College of Secondary Education, Kelso High Campus	\$1,616
Engadine High School	\$890
Fairvale High School	\$210
Gosford High School	\$240
James Ruse Agricultural High School	\$625
Lambton High School	\$1,465
Maclean High School	\$234
Menai High School	\$2,526
Merewether High School	\$854
Rooty Hill High School	\$4,279
Sydney Boys High School	\$1,054
Sydney Girls High School	\$4,679
West Wallsend High School	\$279
Kingsgrove High School	\$200

Donations of more than \$200

BEQUESTS	\$
Estate of the Late Enid Hokin	\$501,694.02
Estate of the late John Neville Stackpool	\$126,981.34
In Memory of Helen Buchanan	\$485.00
In Memory of David Powell	\$350.00
Estate of the Late Beryl Elizabeth Raymer	\$132.26
	\$629,642.62

REGULAR DONATIONS RECEIVED THROUGH SALARY SACRIFICE	\$
NSW Department of Education Employees	\$1,546,671.56
Teachers Mutual Bank Regular Donors	\$97,148.58
Direct Debits from Donors	\$59,675.00
NSW Police Salary Contributions	\$10,143.50
NSW Teachers Federation	\$5,899.68
State Super SAS Trustee Corp	\$8,008.00
Teachers Health Fund	\$3,856.00
ACT Education Salary Contribution Scheme	\$6,469.00
NSW Government Workplace Giving	\$5,449.50
TAFE Commission NSW	\$751.00
NSW Education Standards Authority	\$308.76
	\$1,744,380.58

FUNDS RECEIVED FROM GOVERNMENT	\$
NSW Department of Education	\$259,888.00
Federal Government - JobKeeper	\$201,600.00
NSW Government - JobSaver	\$172,446.00
NSW Department of Community and Justice	\$55,000.00
NSW Government - Small Business Grant	\$10,500.00
	\$699,434.00

DONATIONS FROM CLUBS AND SERVICE ORGANISATIONS	\$
Dee Why RSL Club	\$39,000.00
Warringah Golf Club Limited	\$3,000.00
Inner Wheel Club of Baulkham Hills	\$2,500.00
Rotary Club of Turramurra	\$2,000.00
Rotary Club of Breakfast Point	\$1,500.00
Mona Vale Garden Club Inc.	\$1,000.00
Rotary Club of Frenchs Forest	\$1,000.00
Narrabeen OOHc	\$625.90
Beach 2 Beach Fun Run Donations	\$540.81
Uniting Church Berowra Womens Fellowship	\$280.00
Inner Wheel Club of Northern Beaches	\$200.00
	\$51,646.71

NSW PUBLIC EDUCATION FUNDRAISERS	\$
Principals Associations	
NSW Primary Principals Association	\$7,500.00
Mount Druitt / Minchinbury	\$2,800.00
Sutherland District	\$650.00
Fairfield District	\$530.00
Port Macquarie / Taree	\$410.00
Blacktown Area	\$389.00
Central Coast	\$260.00
Granville District	\$165.00
Albury District	\$135.95
Wollongong District	\$105.00
Hornsby	\$90.00
Ryde District	\$50.00
	\$13,084.95

Retired Associations	
Institute of Retired Senior Education Administrators	\$3,623.50
NSW Retired Teachers Association	\$2,400.00
Association of Retired Primary Principals	\$380.00
Sports Associations	
Sydney South West School Sports Association	\$1,668.17
Teachers Associations	
Maitland Teachers Association	\$5,000.00
Newcastle Teachers Association	\$1,000.00
Wagga Wagga Teachers Association	\$1,000.00
Manly Warringah Teachers Association	\$500.00
Illawarra Teachers Association	\$100.00
	\$15,671.67

DONATIONS FROM COMPANIES, TRUSTS AND ASSOCIATIONS	\$
Bank of America	\$89,103.87
Teachers Mutual Bank Limited	\$86,952.00
Perpetual Impact Philanthropy Program - Lionel and Yvonne Spencer	\$78,000.00
Wellington Management Foundation	\$65,330.51
Stranfield Pty Ltd "The Vernon Foundation"	\$50,000.00
Jones Lang LaSalle	\$33,990.00
Mazda Foundation	\$30,240.00
Dick & Pip Smith Foundation	\$20,000.00
ASCA Education Foundation Co Ltd	\$15,000.00
The James N Kirby Foundation Ltd	\$15,000.00
Allied Express	\$11,000.00
Bimonu Pty Ltd	\$10,000.00
Count Charitable Foundation	\$10,000.00
Glen Rocky Foundation	\$10,000.00
Harold Mitchell Foundation	\$9,720.00
Smartgroup Foundation	\$8,000.00
Public Service Association of NSW	\$5,500.00
JEPS Foundation	\$5,000.00
Pittwater House	\$2,375.95
Flexischools	\$2,000.00
Surface Design	\$2,000.00
Paypal Giving Fund	\$1,142.20
Australian Philanthropic Services Foundation	\$1,000.00
Australian Communities Foundation	\$1,000.00
Peoples Choice Community Lottery	\$810.00
Grill'd Pty Ltd	\$800.00
Aura Tree Services	\$440.00
Archos Pty Ltd	\$418.00
The Calvary Mater	\$306.00
	\$565,128.53

Donations in Kind

Berowra Uniting Church
C. Bennett
Clarks Australia
Dee Why Gardens Knitting Group
Dee Why Salvation Army
Dougherty Centre Ladies Knitting Group
Frank and Wilma Cleland
Hanes Brands Inc
iD Collective
Inner Wheel Club of Baulkham Hills
Joan Tully

Julie & Chris Ortlepp
Knit' N' Natter Ladies of Albion Park Church Craft Group
Libby Teiffel
Living Choice Charity Craft Group
Manly Sea Eagles
Margaret Webster
Mimosa Public School
Narrabeen North Public School
National Rugby League
Pennant Hills Women's Bowling Club

"Pins & Needles Group" Anglican Parish of St John the Baptist
Spin Master Australia
St John's Uniting Church Wahroonga
St Kieran's Ladies Craft Group
Sydney Kings
Teachers Mutual Bank
"The Garrison Knit Wits" Uniting The Garrison Mosman
Tony Korsac

Donor Recognition: Schools



Gwabegar Public School
Kings Langley Public School
Neville Public School
Tunttable Creek Public School



Bendemeer Public School
Humula Public School
Kulnorra Public School
Mary Brooksbank School
Nimmitabel Public School
Railway Town Public School
Tirranra Public School
White Cliffs Public School



Belltrees Public School
Boorowa Central School
Congewai Public School
Epping West Public School
Hérons Creek Public School
Jiliby Public School
Mulbring Public School
Scarborough Public School
Ungarie Central School
Waratah West Public School



Barham High School
Boree Creek Public School
Central Sydney Intensive English High School
Chalmers Road School
Collector Public School
Dora Creek Public School
Duranbah Public School
Glenvale School
Hay Public School
Hinton Public School
Islington Public School
Newcastle Junior School
Petersham Public School
Pleasant Heights Public School
Russell Lea Public School
Springdale Heights Public School
Warnervale Public School



Alma Public School
Bellbird Public School
Beresfield Public School
Bidwill Public School
Billabong High School
Blackalls Park Public School
Blandford Public School
Blighty Public School
Bomaderry High School
Bombala High School
Bonnells Bay Public School
Boolaroo Public School
Callala Public School
Candelo Public School
Cessnock East Public School
Chertsey Primary School
Coal Point Public School
Colo Vale Public School
Dorrigo High School
Eastlakes Public School
Ellerston Public School
Erina Heights Public School



Gordon East Public School
Goulburn Public School
Hilltop Road Public School
Iford Public School
Kandos Public School
Kellyville Ridge Public School
Kincumber Public School
Kirkton Public School
Lake Cargelligo Central School
Lansvale East Public School
Maroota Public School
Martindale Public School
Martins Creek Public School
Milton Public School
Mullion Creek Public School
Mulyan Public School
Narrandera East Infants School
Narranga Public School
Palmers Island Public School
Rainbow Street Public School
Raleigh Public School
Regents Park Public School



Revesby Public School
Rooty Hill High School
Rossmore Public School
Samuel Gilbert Public School
Sandy Hollow Public School
Singleton Public School
Speers Point Public School
Sydney Girls High School
Tacoma Public School
Tomaree Public School
Tumbarumba Public School
Vacy Public School
Vincentia Public School
Wairoa School
Wentworth Falls Public School
Wentworth Public School
Wingham Public School
Winmalee Public School
Wiripaang Public School
Wyoming Public School
Wyong Public School
Yoogali Public School

Key

DIAMOND

PLATINUM

GOLD

SILVER

BRONZE

SCHOOLS	> \$25 per student	> \$15 per student	> \$10 per student	> \$7.50 per student	> \$5.00 per student
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Donor Recognition: Corporate



More than \$80,000

Bank of America
NSW Department of Education
Teachers Mutual Bank Limited



More than \$40,000

NSW Department of Community and Justice
Perpetual Impact Philanthropy Program - Lionel and Yvonne Spencer
The Vernon Foundation
Wellington Management Foundation



More than \$20,000

Dee Why RSL Club
Dick & Pip Smith Foundation
Jones Lang LaSalle
Mazda Foundation
NSW Health Northern Sydney Local Health District
Teachers Health Fund



More than \$10,000

Allied Express
ASCA Education Foundation Co Ltd
Bimonu Pty Ltd
Count Charitable Foundation
Glen Rocky Foundation
NSW Primary Principals Association
The James N Kirby Foundation Ltd



More than \$5,000

Arranounbai School
Harold Mitchell Foundation
JEPS Foundation
Maitland Teachers Association
Public Service Association of NSW
Smartgroup Foundation

How You Can Support Us



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[BECOME A CORPORATE PARTNER](#)



[LEAVE A GIFT IN YOUR WILL](#)

Connect With Us



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[WEBSITE: STEWARTHOUSE.ORG.AU](http://STEWARTHOUSE.ORG.AU)





STEWART HOUSE ANNUAL REPORT 2021

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