Financial Statements
30 June 2023

SYC Ltd
ABN 27 167 737 144

so you can

SYC Ltd
Contents
30 June 2023

SYC Ltd
Company information
30 June 2023

Board of Directors	D. Hallett (Chairperson) A. Branson P. Di Iulio P. Tapper C. Schultz L. Apthorpe M. Hoffman-Davis
Ongoing Board Committees	
- Finance, Audit and Risk Committee	C. Schultz (Chairperson)
- Governance Committee	A. Branson (Chairperson)
- Infrastructure Committee	C. Schultz (Chairperson)
Ad hoc Board Committees	
- ICT Committee	P. Tapper (Chairperson)
Registered office	39-41 Dequetteville Terrace, KENT TOWN SA 5067
Principal place of business	39-41 Dequetteville Terrace, KENT TOWN SA 5067
Auditor	William Buck (SA) Level 6, 211 Victoria Square, ADELAIDE SA 5000
Bankers	Commonwealth Bank of Australia Ltd 96 King William Street, ADELAIDE SA 5000

SYC Ltd
Directors' report
30 June 2023

The Directors present their report, together with the financial statements, on the Company for the year ended 30 June 2023.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr David Hallett
Ms Arabella Branson
Mr Paul Di Iulio
Mr Patrick Tapper
Ms Catherine Schultz
Ms Lisa Apthorpe
Mr Mark Hoffman-Davis

Principal activities

SYC has a vision of wellbeing, independence and opportunity for everyone. The organisation exists so everyone can succeed.

This vision is delivered through six portfolios:

- **Employment**
  Helping people to gain and sustain meaningful work.

- **Education & Training**
  Enable people to acquire knowledge, new skills and experience.

- **Housing & Homelessness Support**
  Supporting people to have a stable, safe and secure home.

- **Disability Support**
  Empowering people to live the life they choose.

- **Justice Programs**
  Enabling people to reintegrate within the community and make positive choices.

- **Social Enterprise**
  Giving people opportunity to grow, through a diverse range of direct employment opportunities.

There are no significant changes in the nature of the Company’s activity that occurred during the financial year.

Short and long term objectives and strategies

The objects of the Company are to promote and foster the welfare and advancement of young people and the community generally. SYC provides a range of professional services relevant to the needs of young people and the community in the fields of information, counselling and therapy, accommodation, vocational services including employment placement and training and/or education.

Performance measures

The Company monitors its performance against budget and a rolling forecast. The budget is approved by the Board annually. Monthly results are presented to the Board by the Executive management of SYC Ltd. The Board applies this information for future planning, tracking progress over time and determining whether agreed objectives or strategies have been met. The Board reviews performance based on divisional segments.

Members' guarantee

In accordance with the Company's constitution, each member is liable to contribute $20 in the event that the Company is wound up. The total amount that members of the Company are liable to contribute if the Company is wound up is $140.

SYC Ltd
Directors' report
30 June 2023

Operating results and review of operations for the year
The surplus of the Company amounted to $4,804,610 (2022: $1,276,302).

Information on Directors

Mr David Hallett	
Qualifications	B Bus (Marketing), FAICD, FAMI, CPM, CMgr, FIML
Term as Director	January 2006 to present
Ms Arabella Branson	
Qualifications	LLB, Bcomm, FAICD
Term as Director	May 2007 to present
Mr Paul Di Iulio	
Qualifications	BE Civ (Hons), Grad Dip Mun Eng, Dip Mgmt, MAICD
Term as Director	March 2011 to present
Mr Patrick Tapper	
Qualifications	FAICD
Term as Director	January 2011 to present
Ms Catherine Schultz	
Qualifications	BA Accounting, FCAANZ, MBA, FAICD
Term as Director	March 2012 to present
Ms Lisa Apthorpe	
Qualifications	Masters in Business Coaching, Grad. Cert. Management, Adv.Dip.Business Management
Term as Director	November 2019 to present
Mr Mark Hoffman-Davis	
Qualifications	GAICD
Term as Director	November 2021 to present

	Board Meetings		**Governance**		**Finance, Audit and Risk**		**Infrastructure**		**Information and Comm Tech**	
	No. attended	**No. eligible to attend**	**No. attended**	**No. eligible to attend**	**No. attended**	**No. eligible to attend**	**No. attended**	**No. eligible to attend**	**No. attended**	**No. eligible to attend**
D. Hallett	10	11	4	4	4	4	2	2	-	-
A. Branson	11	11	4	4	3	4	-	-	-	-
P. Di Iulio	9	11	4	4	-	-	2	2	1	3
P. Tapper	8	11	-	-	2	4	1	2	3	3
C. Schultz	11	11	-	-	4	4	2	2	3	3
L. Apthorpe	9	11	1	4	-	-	-	-	-	-
M. Hoffman-Davis	11	11	4	4	4	4	2	2	3	3

Meetings are for the full year, unless indicated otherwise

On behalf of the Directors

Mr David Hallett
Director

Ms Catherine Schultz
Director

31 October 2023

[This page has intentionally been left blank for the insertion of the auditor's independence declaration]

SYC Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue			
Sales revenue	4	71,272,333	81,600,452
Other income	5	881,926	25,349
Total revenue		72,154,259	81,625,801
Expenses			
Employee benefits expense	6	(43,065,773)	(46,877,733)
Lease expenses	7	(350,509)	(474,859)
Other expenses	8	(4,798,605)	(4,186,940)
Depreciation and amortisation expense	9	(4,769,007)	(6,308,345)
Finance costs	10	(389,444)	(173,582)
Client related services		(9,279,325)	(18,365,954)
IT support and equipment costs		(3,208,626)	(2,959,543)
Office expenses		(1,488,360)	(1,002,543)
Total expenses		(67,349,649)	(80,349,499)
Surplus for the year		4,804,610	1,276,302
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of land and buildings		3,728,481	-
Other comprehensive income for the year		3,728,481	-
Total comprehensive income for the year		8,533,091	1,276,302

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

SYC Ltd
Statement of financial position
As at 30 June 2023

	Note	2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	11	7,922,626	11,260,943
Trade and other receivables	12	2,029,281	1,904,380
Investments	13	12,274,387	8,514,238
Other assets	15	637,108	648,596
Total current assets		22,863,402	22,328,157
Non-current assets			
Investments	13	363,400	470,000
Property, plant and equipment	16	32,224,098	24,277,771
Right-of-use assets	14	6,495,192	7,031,731
Total non-current assets		39,082,690	31,779,502
Total assets		61,946,092	54,107,659
Liabilities			
Current liabilities			
Trade and other payables	17	3,667,246	3,554,679
Financial liabilities	18	3,358,308	2,828,304
Provisions	19	3,233,081	2,994,032
Grants received in advance	20	212,770	884,036
Total current liabilities		10,471,405	10,261,051
Non-current liabilities			
Financial liabilities	18	2,901,694	4,102,823
Provisions	19	2,212,002	1,915,885
Total non-current liabilities		5,113,696	6,018,708
Total liabilities		15,585,101	16,279,759
Net assets		46,360,991	37,827,900
Equity			
Reserves		3,749,151	20,670
Retained earnings		42,611,840	37,807,230
Total equity		46,360,991	37,827,900

The above statement of financial position should be read in conjunction with the accompanying notes

SYC Ltd
Statement of changes in equity
For the year ended 30 June 2023

	Reserves $	Retained earnings $	Total equity $
Balance at 1 July 2021	20,670	36,530,928	36,551,598
Surplus for the year	-	1,276,302	1,276,302
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	1,276,302	1,276,302
Balance at 30 June 2022	20,670	37,807,230	37,827,900

	Reserves $	Retained earnings $	Total equity $
Balance at 1 July 2022	20,670	37,807,230	37,827,900
Surplus for the year	-	4,804,610	4,804,610
Other comprehensive income for the year	3,728,481	-	3,728,481
Total comprehensive income for the year	3,728,481	4,804,610	8,533,091
Balance at 30 June 2023	3,749,151	42,611,840	46,360,991

The above statement of changes in equity should be read in conjunction with the accompanying notes

SYC Ltd
Statement of cash flows
For the year ended 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Receipts from customers		65,830,780	81,590,748
Receipts from grants		12,651,434	9,173,848
Payments to suppliers and employees		(69,676,634)	(81,235,656)
Interest received		105,308	14,597
Finance costs		(13,474)	(24,820)
Donations received		138,609	192,812
Dividends received		116,469	10,752
Net cash from operating activities	27	9,152,492	9,722,281
Cash flows from investing activities			
Purchase of property, plant and equipment		(5,681,274)	(5,209,694)
Payments for investments		(3,100,000)	(1,210,000)
Proceeds from disposal of investments		106,600	7,857,500
Net cash from/(used in) investing activities		(8,674,674)	1,437,806
Cash flows from financing activities			
Repayment of borrowings		(109,809)	(71,756)
Repayment of lease liabilities		(3,706,326)	(4,679,000)
Net cash used in financing activities		(3,816,135)	(4,750,756)
Net increase/(decrease) in cash and cash equivalents		(3,338,317)	6,409,331
Cash and cash equivalents at the beginning of the financial year		11,260,943	4,851,612
Cash and cash equivalents at the end of the financial year	11	7,922,626	11,260,943

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover SYC Ltd as an individual entity. The financial statements are presented in Australian dollars, which is SYC Ltd's functional and presentation currency.

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

The financial statements were authorised for issue, in accordance with a resolution of Board of Directors, on 31 October 2023. The Board of Directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

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

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs.

Basis of preparation
These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Commission Act 2012.

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

Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Note 2. Significant accounting policies (continued)

Rendering of services
The company provides professional services to communities and recognises the associated fees over time as the services are rendered

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

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

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

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

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Investments
Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Note 2. Significant accounting policies (continued)

Impairment of financial assets
The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Property, plant and equipment
Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Freehold Land	Held at fair value
Buildings	Held at fair value
Plant and equipment	1.5-10 years
Motor Vehicles	6 years
Capital Works in Progress	Nil

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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

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

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Note 2. Significant accounting policies (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

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

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

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

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Note 2. Significant accounting policies (continued)

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

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

Note 3. Critical accounting judgements, estimates and assumptions

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

Impairment of property, plant and equipment
The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Revenue recognition
To identify a performance obligation under AASB 15, 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/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Provisions
As described in the accounting policies, provisions are measured at management’s best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Receivables
The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. A provision for expected credit losses is included for any receivable where the entire balance is not considered collectible. The provision for expected credit losses is based on the best information at the reporting date.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Lease term and option to extend under AASB 16
The lease term is defined as the non-cancellable 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 entity will make. The Company determines the likeliness 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 future strategy of the Company.

Note 4. Sales revenue

	2023 $	2022 $
Revenue from funded activities	62,528,060	64,474,697
Employment funds	8,323,787	16,742,250
Rent	281,877	190,693
Donations	138,609	192,812
	71,272,333	81,600,452

Note 5. Other income

	2023 $	2022 $
Interest	105,308	14,597
Dividends	116,469	10,752
Gain on revaluation of equity investments	660,149	-
	881,926	25,349

Note 6. Employee benefits expense

	2023 $	2022 $
Salaries and wages	38,745,562	42,439,765
Workers compensation	514,191	496,703
Superannuation contributions	3,806,020	3,941,265
	43,065,773	46,877,733

Note 7. Lease expenses

	2023 $	2022 $
Plant and equipment	1,394	1,358
Property outgoings	349,115	473,501
	350,509	474,859

Note 8. Other expenses

	2023 $	2022 $
Printing and stationery	437,225	500,688
Motor vehicle running costs	471,575	364,784
Professional fees (including audit fees)	395,827	326,042
Travel and accommodation	294,682	84,755
Electricity and gas	343,701	329,274
Insurance	215,514	204,314
Marketing	120,506	157,489
IT licence fees & telephone costs	1,236,437	1,174,216
Make good expense/ (write-back) on property leases	500,948	(311,222)
Loss on revaluation of equity investments	-	699,191
Other operating expenses	782,190	657,409
	4,798,605	4,186,940

Note 9. Depreciation and amortisation expense

	2023 $	2022 $
Depreciation expense on property, plant and equipment	1,463,428	1,932,724
Depreciation expense on right of use assets	3,305,579	4,375,621
	4,769,007	6,308,345

Note 10. Finance costs

	2023 $	2022 $
Bank fees and charges	12,204	15,071
Interest on bank loans	1,270	9,749
Interest on AASB 16 leases	375,970	148,762
	389,444	173,582

Note 11. Cash and cash equivalents

	2023 $	2022 $
Current assets		
Cash at bank and in hand	7,922,626	11,260,943

Note 12. Trade and other receivables

	2023 $	2022 $
Current assets		
Trade receivables	805,117	1,251,323
Less: Provision for expected credit losses	(50,000)	(50,000)
	755,117	1,201,323
Accrued income	1,274,164	502,753
Other receivables	-	200,304
	1,274,164	703,057
	2,029,281	1,904,380

Note 13. Investments

	2023 $	2022 $
Current assets		
Term deposits at amortised cost	2,942,500	2,142,500
Equity investments at fair value through profit or loss	9,331,887	6,371,738
	12,274,387	8,514,238
Non-current assets		
Social impact bond at amortised cost	363,400	470,000
	12,637,787	8,984,238

Note 14. Right-of-use assets

	2023 $	2022 $
Non-current assets		
Leased Buildings - at cost	15,675,857	13,515,459
Less: Accumulated depreciation	(9,672,247)	(6,832,239)
	6,003,610	6,683,220
Leased Motor Vehicles - at cost	1,157,804	853,212
Less: Accumulated depreciation	(666,222)	(504,701)
	491,582	348,511
	6,495,192	7,031,731

Note 14. Right-of-use assets (continued)

Reconciliations
Movement in the carrying amounts for each class of leased asset between the beginning and the end of the current financial year:

	Buildings $	Motor Vehicles $	Total $
Balance at 1 July 2022	6,683,220	348,511	7,031,731
Additions	2,163,901	524,759	2,688,660
Revaluation increments / (decrements)	107,496	(27,116)	80,380
Depreciation expense	(2,951,007)	(354,572)	(3,305,579)
Balance at 30 June 2023	6,003,610	491,582	6,495,192

Note 15. Other assets

	2023 $	**2022 $**
Current assets		
Prepayments	593,337	604,620
Minor floats	43,771	43,976
	637,108	648,596

Note 16. Property, plant and equipment

	2023 $	**2022 $**
Land and Building		
Land and Building at fair value	24,369,000	9,411,000
Land and Building at cost	2,531,837	11,229,518
Total freehold land	26,900,837	20,640,518
Capital works in progress - at cost	885,711	1,093,822
Motor vehicles - at cost	395,300	320,028
Less: Accumulated depreciation	(155,966)	(113,658)
	239,334	206,370
Plant and Equipment - at cost	15,824,055	12,541,780
Less: Accumulated depreciation	(11,625,839)	(10,204,719)
	4,198,216	2,337,061
	32,224,098	24,277,771

Note 16. Property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and Building $	Capital Works in Progress $	Motor Vehicles $	Plant and Equipment $	Total $
Balance at 1 July 2022	20,640,518	1,093,822	206,370	2,337,061	24,277,771
Additions	-	5,256,855	75,272	349,147	5,681,274
Revaluation increments	3,728,481	-	-	-	3,728,481
Transfers in/(out)	2,531,838	(5,464,966)	-	2,933,128	-
Depreciation expense	-	-	(42,308)	(1,421,120)	(1,463,428)
Balance at 30 June 2023	26,900,837	885,711	239,334	4,198,216	32,224,098

Valuations of land and buildings
The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued in May 2023 based on independent assessments by Knight Frank Valuation and Advisory having recent experience in the location and category of land and buildings being valued. The Board of Directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

Note 17. Trade and other payables

	2023 **$**	**2022** **$**
Current liabilities		
Trade payables	272,881	157,408
GST Payable	329,336	348,024
Sundry payables	321,768	318,640
Accrued expenses	2,743,261	2,730,607
	3,667,246	3,554,679

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

Note 18. Financial liabilities

	2023 $	2022 $
Current liabilities		
Bank loans	-	109,809
Lease liabilities - Buildings	3,081,094	2,419,635
Lease liabilities - Motor Vehicles	277,214	298,860
	3,358,308	2,828,304
Non-current liabilities		
Lease liabilities - Buildings	2,656,627	4,028,106
Lease liabilities - Motor Vehicles	245,067	74,717
	2,901,694	4,102,823
	6,260,002	6,931,127

(a) Bank debts

The bank loan is secured by a registered first mortgage over the property located at 39-41 Dequetteville Terrace, Kent Town. There are no covenants imposed by the bank.

Note 19. Provisions

	2023 $	2022 $
Current liabilities		
Provision for annual leave	1,501,288	1,508,734
Provision for long service leave	1,728,543	1,481,341
Other employee benefits	3,250	3,957
	3,233,081	2,994,032
Non-current liabilities		
Provision for Long service leave	783,888	867,956
Make good provision on property leases	1,428,114	1,047,929
	2,212,002	1,915,885
	5,445,083	4,909,917

Note 20. Grants received in advance

	2023 $	2022 $
Current liabilities		
Grant funding for client programmes	212,770	884,036

Note 21. Key management personnel remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel. The key management personnel for the Company are:

- Board of Directors
- Chief Executive Officer
- Chief Financial Officer
- Chief Operating Officer - Employment & Education Services
- Chief Operating Officer - Community Services
- Chief People Officer
- Chief Risk & Information Officer

The aggregate compensation made to key management personnel of SYC Ltd during the year are as follows:

	2023 $	2022 $
Short-term employee benefits	1,835,736	2,041,419
Post-employment benefits	185,000	186,983
	2,020,736	2,228,402

Executive remuneration is set by the Board of Directors and is in accordance with the SYC Total Targeted Reward Rules which outline the structure and philosophy of executive remuneration and is reviewed annually. Directors' remuneration is also reviewed annually.

Note 22. Contingent liabilities

SYC Ltd has a bank guarantee with a facility limit of $2,000,000 (2022: $2,000,000) with the Commonwealth Bank of Australia. Total facility used at 30 June 2023 is $518,339 (2022: $652,541)

Note 23. Commitments

	2023 $	2022 $
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	-	111,493
Total commitment	-	111,493
Less: Future finance charges	-	(1,684)
Net commitment recognised as liabilities	-	109,809

Note 24. Auditors' Remuneration

	2023 $	2022 $
Remuneration of the auditor, William Buck, for:		
- auditing or reviewing the financial statements	28,300	26,200
- other services	3,000	5,390
	31,300	31,590

Note 25. Events after the reporting period

On 6th September 2023, the company entered into a contract to sell the property located at Elizabeth East.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 26. Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to note 21.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

There were no transactions between related parties other than those already disclosed in note 21.

Note 27. Reconciliation of result for the year to cash flows from operating activities

	2023 $	2022 $
Surplus for the year	4,804,610	1,341,370
Depreciation	4,769,007	6,308,345
Fair value movements in equity investments	(660,149)	699,191
Interest on AASB 16 leases	375,970	148,762
Decrease/(increase) in trade and other receivables	(124,901)	2,181,583
Decrease/(increase) in prepayments and other assets	11,488	39,442
Increase/(decrease) in trade and other payables	112,567	555,438
Increase/(decrease) in funds received in advance	(671,266)	(753,053)
Increase/(decrease) in make good provision	380,185	(815,191)
Increase/(decrease) in employee provision	154,981	16,394
	9,152,492	9,722,281

Note 28. Statutory Information

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

SYC Ltd
39-41 Dequetteville Terrace
KENT TOWN SA 5067

SYC Ltd
Board of Directors' declaration
30 June 2023

The directors of the Company declare that, in the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Mr David Hallett
Director

Ms Catherine Schultz
Director

31 October 2023

[This page has intentionally been left blank for the insertion of page one of the independent auditor's report]

[This page has intentionally been left blank for the insertion of page two of the independent auditor's report]

steer your career
shift your course
share your challenges
strengthen your capabilities

so you can