

The logo graphic consists of several overlapping geometric shapes: a large orange rounded shape at the top left, a teal leaf-like shape at the top right, a light beige shape with a white circle in the center, a dark teal shape with a white circle in the center, and a pink plus sign at the bottom.

Integricare

Exceptional learning and care

**Annual Report 2022**



## President's Report

During this year I had the opportunity to take on Dom's role as the CEO after the Board gave him permission to take extended leave. In doing so, I grew in my appreciation of what Integricare offers. As a 'light on a hill' we are conscious of our Christian witness, and seek to be a positive influence on children, families, communities and employees. What I found was that Integricare is developing into truly unique organisation:

- We have a cohesive and collaborative working relationship between our Group Services Office leaders and the managers who lead our many services.
- We have successfully integrated with employees from various faiths, cultures and backgrounds. We seek to build and maintain an inclusive working environment where all feel welcome. To that end, we are also conscious of the need to be respectful of all employees and their identity.
- We continue to experience more approaches from like-minded churches, Christian organisations and favourable interactions with Government and regulatory authorities. This year we have developed key partnerships with organisations like Bedford College and the Sustainable Development Group. The former will assist us to train up a generation of Christian early educators and the latter will assist to grow in partnership with churches.

The last financial year has seen us ride through a chaotic sector that has experienced unprecedented challenges which we would have all seen in the media. The flow-on effects of the last two years has led to chronic shortage of early educators leaving the sector permanently and both Federal and State grappling with how to best support young families and organisations such as ourselves. The good news in all of this is that Integricare has been in position to continually grow and mature as a Christian outreach.

Each year we see a steady increase in our professionalism such as system and business process enhancements and the astute recruitment in key areas. Our culture is built on our six core values – Compassion, Holistic Care, Respect, Innovative Excellence and, Support and Trust. When we recruit leaders and managers who are strongly aligned to our values, we experience a working environment that promotes the virtue of being 'called' to Integricare rather than 'just a job' at Integricare. Our work is personal and heart-motivated and the more we reflect this in our people the more we are true to our Christian identity. We trust that in doing so we are also honouring God.

We aim to increase our influence by growing with churches and like-minded Christian organisations. Over the next four years we are planning to bring on board 3-4 centres per year. This is exciting but will require good management as we attempt to match growth with extra resourcing. It is a good position to be in and promises to create an Integricare that will have a greater voice in the sector. In a world where we are seeing the Christian message being opposed and believers feeling marginalised, our hope is to be a responsible and wise voice in the crowded marketplace of society. This year we also saw trialed the employment of Chaplains in three of our centres, one day per week in each centre. We have learnt much from this and will now be in position to roll out a Chaplaincy program so that every centre will have a resident Chaplain focusing on families and community engagement.

Part of the challenges we have had over the last year has been the reluctance of families, understandably, to send their children to early education centres during the spread of COVID. Whilst the turnaround started in the latter part of the 2021/22 year, the lack of enrolments and attendance negatively impacted our revenue, which was down on our previous year when we benefited from Government support. We are now seeing children returning to our centres, with some already full and with strong waitlists.

I wish to thank the various members of our Board that continue to unselfishly share their expertise and knowledge and give many voluntary hours to governing Integricare. To our employees have had to work through difficult times as they have had to care for children who could not be vaccinated, thank you.

The future landscape for early learning centres will continue to be complex but I am encouraged by the initiative of the NSW Government to bring radical reform to the sector. Whilst the Federal Government continues to support families by increasing the Child Care Subsidy, the State Government seeks to support operators like Integricare to offer more preschool places as they aim to introduce universal preschool by 2030.

Kind regards,

**Allen Sibley, President and Board Chair**



## CEO's Report

Looking over the last two Annual Reports, the impact of the Covid pandemic on Integricare has been profound and as we approached 2022, we were hoping that this was behind us. However, the sector continued to struggle from the aftereffects of Covid, such as lower enrolment numbers resulting in a substantial reduction in income and subsequent negative impact on our operating performance. Because we are in a strong financial position, we have been able to weather the storm for the last 2-3 years and we are looking forward to clearer skies in the next few years.

In response, the NSW Government has recently announced a radical reform of preschools and financial assistance to NSW families with children in long day care. The ultimate aim is for universal preschool for all children in the year before Kindergarten. In 2023 we also anticipate that preschools will be

free to attend and that the subsidies for long day care will continue to increase for families. Of course, this does not happen overnight, because supply needs to meet demand and we are eager to see more detail on the funding that will be available for greater workforce participation, building more preschool places and more incentives for families.

With this in perspective, we have enjoyed a year where Integricare continues to grow and attract the attention of the Christian faith community. We are seeing more opportunities to increase our areas of influence, which will see us potentially grow very strongly over the next few years. This is based on a strategy of growing in partnership with churches and we are already in the process of transitioning three existing centres connected with churches in 2023.

A cursory look at media reports highlights the issues of a chronic shortage of educators who are leaving the sector permanently, placing more pressure on existing employees and managers. In response, a strategic partnership was formed this year with Bedford College, the first initiative being the launch of a fully funded Traineeship for people wanting to become early educators. Our hope is that this will help Integricare address the shortage of early educators with the aim of attracting school leavers and return-to-work adults.

Integricare's senior leadership is very committed to transparency and accountability. We are constantly seeking honest feedback and in the last year we have experienced continued growth in our culture and cohesiveness as an organisation. We are very intentional about ensuring that our six key values are continually emphasised and practiced day-to-day. It is pleasing to see a strong level of co-operation and collaboration between GSO, the Service Managers and employees. There is always room for improvement, but it would seem that Integricare is a place where employees are feeling more valued, appreciated and supported each year.

There is much to be thankful for, particularly as we see evidence of the work of God throughout our operation. We endeavour to make Jesus front and centre and offer a version of the Christian faith that is of service to our families, employees and stakeholders. Through our mission champions and chaplains, we are seeing pleasing outcomes and responses. I would like to thank the Board and Allen Sibley our President for allowing me to take extended leave this year for personal reasons. Together with his leadership and our highly competent leadership team, I came back to an integricare that continued to deliver on its strategic intents. I am also thankful for the hardworking managers at Integricare. Much of their commitment and dedication is hidden, selfless and without complaint. You are served by an admirable team of individuals who work well together.

As we move into another year, I sense that the challenges of the last few years will equip us to be manage any further challenges with enhanced strength, energy and vigor.

God bless,

**Domenic Valastro, CEO and Company Secretary**

**Domenic** joined Integricare as the CEO in March 2017 and holds a Master's degree in Business (UTS, Sydney). After a long career in corporate marketing and retailing, he has held senior roles in the not-for-profit Christian sector since 2010. Dom and his wife Linda are active members of Menai Baptist Church and they have two children.



# Integricare



## OUR MISSION

We express the love of Jesus through:

**Excellence**  
in early learning

**Equipping**  
and caring for families

**Engaging**  
with local communities



## OUR VISION

Leaders in providing  
holistic, innovative  
and integrated services  
for children and  
families that achieve  
transformation in the  
communities we serve

## OUR PURPOSE

To enable children,  
families and communities  
to experience the love  
of Jesus

## OUR VALUES



**Compassion** that includes justice  
for the vulnerable



**Holistic care** that meets spiritual,  
physical and emotional needs



**Respect** that extends to diverse  
cultures and backgrounds



**Innovation** that ensures  
excellence in all we do



**Support** that loves and cares  
for staff and families



**Trust** through creating  
safe environments









# Integricare Service Locations

Preschools

Early Learning Centres

Community Services

Pendle Hill

Northmead

Parramatta

Auburn

North Strathfield

Strathfield

Rozelle

Turrella

Rockdale and Rockdale Plaza

Family Worker and Supported Playgroups

Brighton Le Sands

St Ives

Supported Playgroups

Northbridge

# INTEGRICARE BOARD



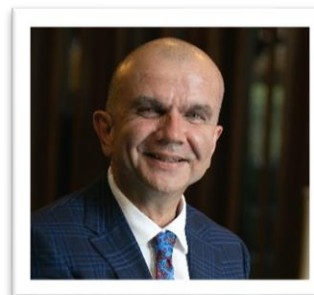
**Allen Sibley, President**



**Stuart Beattie**



**Ross Bowden**



**Robert Ellis**



**Philip van den Heever**



**Sandra Ludlow**

**Allen Sibley** is currently working in a senior role for Peacewise and is on the board of Bedford College. Prior to that, Allen was employed by BaptistCare NSW & ACT and served as Company Secretary of BaptistCare Australia. Allen has also worked in the information technology and telecommunications industries for over 20 years. Allen is married to Jenny, and they have six children. Allen and Jenny are active members at Parramatta Baptist Church.

**Stuart Beattie** is a Business Transformation Consultant and serves on Integricare's Finance and Audit Committee. With over 20+ years' experience, he has worked in the financial services, retail, telco, infrastructure, aeronautics, ports, government sectors for clients in Australia, NZ, UK, Europe, and South Africa. Stuart, his wife Susan and their two children attend Christ Church St Ives.

**Ross Bowden** is currently the Director, Finance & Business Services at Abbotsleigh Girls High and is on Integricare's Finance and Audit Committee. He was CEO of Link Advice with the Link Group and has held senior positions with ANZ and ING. Ross and his wife are active members of Christ Church St Ives.

**Robert Ellis** has over 20 years' executive management experience and he serves on Integricare's Property and Development Committee. He is currently the National Relationship Manager at Baptist Financial Services Australia and previous to that he held various senior roles at BaptistCare NSW & ACT. Robert and his wife Virginia have been married for 29 years and have two daughters, Julia and Sophie. They are active members of Northside Baptist Church.

**Sandra Ludlow** is a senior lecturer and early childhood course convenor in the School of Education, Avondale University College and she serves on Integricare's Mission Committee. She has been a lecturer, director of long day care centres, an infant teacher, and a sole charge K-Yr6 principal. Sandra is a member of Avondale College.

**Philip van den Heever** is the Executive Director of the Australian and International Pilots Association (AIPA), representing Qantas pilots, and he serves on Integricare's Property and Development Committee. Philip has over 20 years of commercial and employment law experience in both South Africa and Australia. Philip is married to Zelna and they have four boys who all attend the Christian Reformed Church in Rouse Hill.

## FINANCIAL REPORT

	2022	2021
<b>Operating Revenue derived from</b>		
Parent Fees	3,791,359	4,318,190
Childcare Benefits	4,220,557	4,221,603
Government Subsidies & DSS Funding	6,188,415	6,541,447
Donations and Other Income	129,660	100,807
Rent Received	307,596	326,798
	<b>14,637,587</b>	<b>15,508,845</b>
Less Operating Expenditure Employee Benefits	11,243,518	11,609,398
Less Operating Expenditure Other	3,171,013	2,983,308
Excess of Operating Income over Expenditure for year	223,056	916,139
ADD - Interest Received from Non-Related Entities	65,012	73,142
Profit on Sale of Non-Current Assets	65,012	73,142
	<b>288,068</b>	<b>989,281</b>
LESS Depreciation and Amortisation of Plant, Equipment and Improvements	215,518	159,660
Rental Expenses on Operating Leases	440,172	387,412
Loss on Sale of Non-Current Assets	0	11,568
	<b>655,690</b>	<b>558,640</b>
<b>OPERATING INCOME FOR YEAR</b>	<b>-367,622</b>	<b>430,641</b>

	2022	2021
<b>Current Assets</b>		
Cash	6,141,087	4,962,188
Receivables	234,508	464,003
Investments maturing in less than 12 months	7,000,000	7,150,000
<b>TOTAL Current assets</b>	<b>13,375,595</b>	<b>12,576,191</b>
<b>Non-Current Assets</b>		
Property, Plant and Equipment	10,720,594	10,669,112
Investments	0	0
<b>TOTAL Non-Current assets</b>	<b>10,720,594</b>	<b>10,669,112</b>
<b>TOTAL ASSETS</b>	<b>24,096,189</b>	<b>23,245,303</b>
<b>Current Liabilities</b>		
Accounts Payable	1,475,095	1,501,290
Provisions	687,813	618,925
Other	801,081	764,040
<b>TOTAL Current Liabilities</b>	<b>2,963,989</b>	<b>2,884,255</b>
<b>Non-Current Liabilities</b>		
Provisions	256,581	236,610
<b>TOTAL Non-Current Liabilities</b>	<b>256,581</b>	<b>236,610</b>
<b>TOTAL LIABILITIES</b>	<b>3,220,570</b>	<b>3,120,865</b>
<b>NET ASSETS</b>	<b>20,875,619</b>	<b>20,124,438</b>
<b>Accumulated Funds</b>	<b>20,875,619</b>	<b>20,124,438</b>