



# ANNUAL 20 REPORT 24

FOR THE FINANCIAL YEAR 2024  
*1ST JULY 2023 - 30TH JUNE 2024*

**Integricare**  
Exceptional learning and care



## ACKNOWLEDGEMENT OF COUNTRY

We are committed to showing respect for Aboriginal people as Australia's First Peoples. We acknowledge that the people of the Eora nation are the original inhabitants and traditional custodians of all the land and water in our country. Integricare acknowledges that Aboriginal and Torres Strait Islander people are an integral part of our community and highly values their social and cultural contributions. We pay our respect to their Elders, past, present, and emerging.



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Our Annual Report delivers a snapshot of our bounteous history, achievements, operations, and financial performance for the year. This report provides consolidated information and financial data for Integricare. This report is published for our many stakeholders, employees, families, and broader communities.



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## CHAIR'S REPORT

It is exciting to report that Integricare continues to fulfil its mission through the service we provide to families and children - achieving excellence as we do so. In particular, we give thanks for the significant achievements in the Assessment and Rating process, whereby all of our preschools have been assessed as 'Exceeding'. Our Long Day Care Centres are also achieving good results, with one achieving 'Exceeding' as well; this is outstanding given the breadth of service and, therefore, assessment provided in long day care.

In the past year, we have welcomed the Ashfield Baptist Church centre into our family of centres, and since the close of the financial year, we have also welcomed the Blacktown Anglican Church centre. We have farewelled the Rozelle centre, making the strategic decision to discontinue operating in that location.

At the end of the financial year, we farewelled our CEO, Domenic Valastro, who served us for seven years. We thank Dom for his dedication and hard work, and his passion for the mission and purposes of Integricare.

We are being extremely well served by Anna Phan as Acting CEO. Anna is from Resolve Consulting, a long-term partner of Integricare, and is bringing great experience and value to the work of Integricare.

As at the time of writing, the recruitment for a new CEO is progressing very well and we expect to make an appointment before Christmas. We are moving into a new season with a new CEO, therefore, refreshing our strategy with particular focus on missional focus, operational performance, our enterprise agreement, and growth, will be necessary.

On behalf of the Board, I thank the Executive Team and all Integricare employees for your focus on the care of children and families. I pray that God's grace will be known to you and your families, and that this grace will be visible to the children and families that we care for.

I also thank the Board for the many hours that they voluntarily give to serve Integricare. It is invaluable and deeply appreciated. I look forward to serving with you in the year ahead.



**Allen Sibley**  
*Board Chair*







# SECTOR REPORT

The ECEC sector is in a period of transformation with increased funding, but also significant challenges related to workforce sustainability. We expect that there will be further reforms, including the recently announced Worker Retention Payment which is designed to support higher rates of pay in long daycare services, with a view to underpin workforce stability. Related government policies are expected continue focusing on quality and accessibility enhancement within ECEC services.

## GOVERNMENT INVESTMENT

- Budget Commitments: The NSW Government's 2023-24 budget allocated \$849 million for new ECEC services, including funding for 100 new preschools on public school sites.
- Fee Relief Initiatives: The budget introduced various fee relief measures including the Start Strong Preschool Fee Relief program. While affordability improved following the Cheaper Child Care reforms in July 2023, rising service operation costs continue to place pressure on providers and families.

## ACCESSIBILITY CHALLENGES

- Undersupply of Services: Despite these investments, an undersupply of accessible and affordable ECEC services remains, which has been linked to broader inequalities in educational and economic outcomes for children from vulnerable backgrounds. Integricare is committed to caring for families and engaging with local communities through exceptional early education and care.

## WORKFORCE DEVELOPMENT

- Support for Educators: The focus on recruiting and retaining early childhood educators continued in 2023-24, alongside initiatives for professional development and scholarships. This investment was

crucial as the sector continued to face challenges related to workforce shortages and high turnover rates.

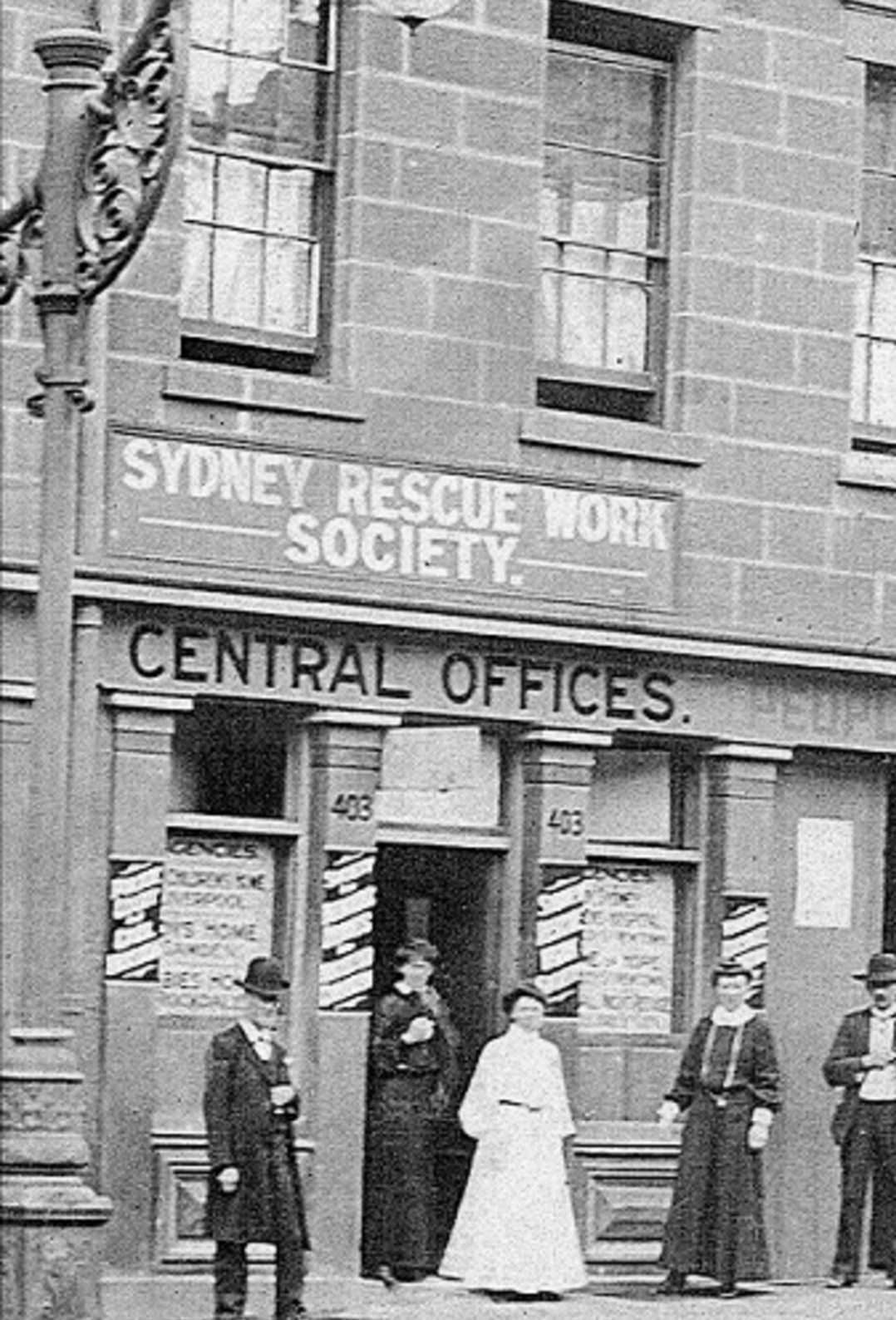
## ONGOING REVIEWS AND FUTURE DIRECTIONS

- Sector Reviews: The NSW Government is currently undergoing reviews that seek to improve the quality and accessibility of ECEC services. These include findings from the Independent Pricing and Regulatory Tribunal (IPART) and The Australian Competition and Consumer Commission (ACCC) recently released its final report on the Childcare Sector which highlights significant findings regarding pricing, accessibility, and the overall effectiveness of ECEC services across Australia.
- Long-term Goals: The government continues to aim for whole-of-system reforms that ensure sustainability while improving outcomes for children. This includes commitments to universal preschool access over the next decade, reflecting a strategic vision for the sector's future.

It is in this context that the Integricare Executive team continue to work together to deliver exceptional early learning and care, enabling children, families, and communities to experience the love of Jesus.



**Anna Phan**  
*Interim CEO*



## OUR HISTORY

Integricare began with an address. George Edward Ardill, a printer and gospel preacher, encountered a woman whose address was a graveyard inspiring the Home of Hope. The Home of Hope was a Women's Refuge in Sussex Street Sydney in 1882. This humble beginning marked the start of Integricare's long history of providing support and care to those in need.

In 1890, an unincorporated association called the Sydney Rescue Work Society (SRWS) was formed. This association sanctified and strengthened the foundation of the rescue works completed by Mr Ardill and his philanthropic team.

In 1911, the SRWS was now managing a number of agencies serving the community such as the South Sydney Women's Hospital, the Jubilee Home for working and unemployed women, the Adoption Agency and Roslyn Hall Babies Home.

In 1965, the SRWS had extended its services to include Lidcombe State Hospital Mission, the provision of food and clothing for homeless and destitute men and women, support for single and unmarried pregnant girls, and a hostel for business girls.

Communicare Sydney, which began in 1982, was the new name for the SRWS. It was a Christian non-government service that was a provider of childcare services, including long day care centres, pre-schools, family day care and OOSH centres. It ran many of its services in the same buildings used by former institutions founded by the Sydney Rescue Work Society.

In 2011, it was renamed as Integricare.

# OUR ETHOS

## OUR MISSION

We express the love of Jesus through:

**Excellence**  
in early learning

**Equipping**  
and caring for families

**Engaging**  
with local communities

## OUR PURPOSE

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

## OUR VISION

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



## OUR VALUES



**Compassion** for all, particularly those living with disadvantage



**Hope** which is at the heart of the Christian message



**Respect** for all people, cultures, and backgrounds



**Innovation** that leads to excellence in all we do



**Support** that goes the extra mile for each other



**Trust** through effective teamwork

# OUR SUPPORT STRUCTURE









# OPERATIONS REPORT

The 2024 financial year was a period of mixed outcomes for Integricare, marked by both significant achievements and operational challenges. However, through dedicated efforts and strategic leadership, we have navigated this journey successfully, with noteworthy milestones along the way.

01

## SUCCESSFUL ASSESSMENTS AND RATINGS

Nine Integricare services underwent assessments by the Department of Education. Our commitment to delivering high-quality care and education was confirmed by these assessments, which determined we were either 'Meeting' or 'Exceeding' the Australian standards.

02

## COMMUNITY ENGAGEMENT AND NETWORKING

We strengthened ties with local communities through open-day events. These gatherings provided the chance for children, families, community members, and political leaders to connect and learn more about Integricare's mission. These events also reflected our ongoing commitment to sharing the love of Christ within the community.

03

## EXPANSION THROUGH STRATEGIC ACQUISITION

Integricare acquired Ashfield Early Learning Service, enabling the continued expansion of our educational and missional impact with Ashfield Baptist Church.



**Christine Zaki**  
*Head of Operations*

# POSITIONING FOR GROWTH IN 2025

While the year ahead brings uncertainties, we are well-prepared to meet these challenges head-on. Our focus remains on strengthening partnerships, enhancing operational efficiency, and continuing to deliver high-quality services grounded in our Christian values.

01

## NEW OPERATIONAL MODEL FOR PRESCHOOL SERVICES

In response to sector dynamics, Integricare is introducing a new operational model for a number of our preschool services, effective January 2025. This model will enhance accessibility, allowing more children to benefit from our services while ensuring they experience the love of Christ through our care.

02

## NEW ACQUISITION AND STRATEGIC PARTNERSHIP

We started the 2025 financial year on a promising note by acquiring a 59-place early learning service in Blacktown, in partnership with Blacktown Anglican Church.

03

## SECTOR CHALLENGES AND FUTURE-READINESS

The early education sector is undergoing significant changes, with new pressures on compliance, financial operations, and staff retention. The rising costs of wages and staff sustainability remain key challenges. In response, our operations team are working towards sustainable operational solutions that align with evolving regulatory frameworks and financial constraints.





## GROWTH AND DEVELOPMENT REPORT

From a Growth and Development perspective, we saw several highlights within the 2023-24 financial year.

In December 2023, we acquired Ashfield Baptist Early Learning Centre plus Occasional Care (36-places).

In January 2024, negotiations began to transition Blacktown Anglican Early Learning Centre (59-places) to Integricare. This process was completed in September 2024.

In February 2024, a Start Strong Capital Works Grants Program was awarded to Integricare. This funding has been directed towards a project involving the construction of a new community preschool (60-place) co-located with St Mark's Anglican Church in Sadleir.

While sadly in April 2024, we also saw the end of our time with Rozelle Early Learning Centre.

Our future plans will see expansion further into the Christian Early Learning sector, including in partnership with key organisations. We look forward to working collaboratively as an Executive team to achieve our shared objectives around existing centres' operations and future acquisitions.



*Image: Blacktown Early Learning Centre*



**Spiro Mylonas**

*Growth and Development  
Manager*





# FINANCE REPORT

## Family Contribution

The Long Day Care (LDC) government funding programs (Childcare Subsidy) underwent large changes effective July 2023, with a significant impact for the families of Integricare. While our fees increased in the last financial year, our families are paying 14.6% less in fees overall.

## Wage Pressure

By contrast, the sector is experiencing significant wage pressure and in 2024, Integricare's base salary costs increased on average 10-12% from 2023.

Looking forward, the government has agreed to support wage increases in Long Day Care services by 10% above the current award in the first year of the payment, and 15% above the current award in the second with a grant starting December 2024. Accompanying this is a limitation on parent fee growth of 4.4% per year. We expect this will result in pressure on employee retention and require wage increases to meet employment demands.

## Rent Pressure

Integricare has historically seen very low rent facilities in relationships with Council, owning properties outright, and strong relationships with churches. However, we are beginning to see leaseholders lean into increasingly more commercial lease agreements with resulting rent pressures.

## Integricare Financial Outlook

There is always a delicate dance between supporting families with low-cost programs and being good stewards for our God-given resources. To ensure the organisation is sustainable in its program offerings Integricare will be reviewing carefully the upcoming wage grant, and future lease agreements and proactive in ensuring sustained support to the families of Integricare.

*For the full financial report, please see page 15.*



**Daniel Junor**

*Acting Finance Manager*



## OUR BOARD



**Allen Sibley**  
*Chair*

Board Member appointed 2013  
Appointed as Chair from December 2019  
Finance and Property Committee Member  
Governance Committee Member



**Ross Bowden**  
*Treasurer*

Board Member appointed 2013  
Appointed as Treasurer from March 2020  
Finance and Property Committee Member



**Phillipus van den Heever**  
*Director*

Board Member appointed October 2018  
Governance Committee Member



**Sandra Ludlow**  
*Director*

Board Member appointed June 2019



**Stuart Beattie**  
*Director*

Board Member appointed June 2020  
Finance and Property Committee Member



**Robert Ellis**  
*Director*

Board Member appointed February 2022  
Governance Committee Member

With support from the Company Secretary, Lyndelle Taylor.

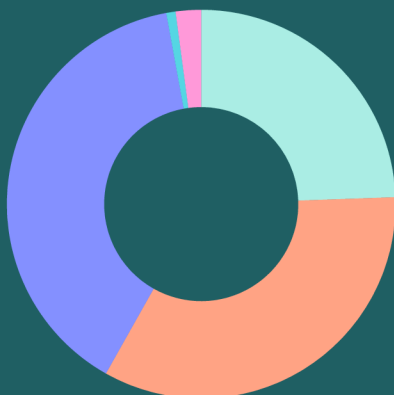
The directors of Integricare serve voluntarily and do not receive any remuneration for their services as directors.  
Expenses incurred by directors on behalf of the company are reimbursed on a cost only basis.

# FINANCIAL SUMMARY: AT A GLANCE



## ASSETS

- Cash (5.8%)
- Receivables (2%)
- Property, Plant, and Equipment (44.8%)
- Investments <1 year (12.2%)
- Investments >1 year (35.2%)



## OPERATING REVENUE

- Parent Fees (24.4%)
- Childcare Benefits (33.7%)
- Government Subsidies + DSS (39%)
- Donations and Other (0.8%)
- Rent Received (2.1%)

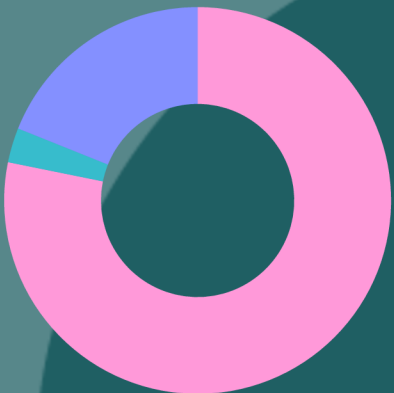
## LIABILITIES

- Accounts Payable (57.3%)
- Current Provisions (19.6%)
- Non-Current Provisions (2.4%)
- Other (20.8%)



## OPERATING EXPENSES

- Employee Benefits (78.2%)
- Rent Expenses (2.9%)
- Other Expenses (18.9%)





# FINANCIAL REPORT

Profit and Loss Statement for the year ended 30 June 2024			Statement of Financial Position as at 30 June 2024		
	2024	2023		2024	2023
<b>Operating Revenue</b>			<b>Current Assets</b>		
Parent Fees	4,248,276	4,598,577	Cash	1,434,405	994,949
Childcare Benefits	5,864,232	4,514,797	Receivables	489,455	573,369
Government Subsidies & DSS Funding	6,774,495	6,335,407	Investments (<1 year)	3,000,000	3,250,000
Donation and Other Income	134,403	121,715	<b>TOTAL Current Assets</b>	<b>4,923,860</b>	<b>4,818,318</b>
Rent Received	366,059	339,369			
<b>REVENUE</b>	<b>17,387,465</b>	<b>15,909,865</b>	<b>Non-Current Assets</b>		
<b>Operating Expense</b>			Property, Plant and Equipment	10,993,930	11,120,760
Employee Benefits	14,201,640	12,481,744	Investments (>1 year)	8,634,136	8,115,849
Rent Expenses	526,058	484,933	<b>TOTAL Non-Current Assets</b>	<b>19,628,066</b>	<b>19,236,609</b>
Other Expenses	3,437,160	3,296,677			
<b>EXPENSE</b>	<b>18,164,858</b>	<b>16,263,354</b>	<b>TOTAL ASSETS</b>	<b>24,551,926</b>	<b>24,054,927</b>
<b>NET OPERATING SURPLUS (EBIDA)</b>	<b>- 777,393</b>	<b>- 353,489</b>	<b>Current Liabilities</b>		
<b>ADD -</b>			Accounts Payable	2,300,359	1,678,692
Interest Received	206,048	114,234	Provisions	785,359	618,116
Investment Income	276,428	239,254	Other	833,462	594,765
Profit on sale of non-current assets	1,198	8,162	<b>TOTAL Current Liabilities</b>	<b>3,085,718</b>	<b>2,296,808</b>
Increase in Market Value of Investments	249,464	285,595	<b>TOTAL Current Liabilities</b>	<b>3,919,180</b>	<b>2,891,573</b>
	<b>733,138</b>	<b>647,245</b>	<b>Non-Current Liabilities</b>		
<b>LESS -</b>			Provisions	95,030	254,046
Depreciation of Plant Equipment	327,337	260,067	<b>TOTAL Non-Current Liabilities</b>	<b>95,030</b>	<b>254,046</b>
Loss on Sale of Non-Current Assets	-	-			
	<b>327,337</b>	<b>260,067</b>	<b>TOTAL LIABILITIES</b>	<b>4,014,210</b>	<b>3,145,619</b>
<b>NET SURPLUS</b>	<b>- 371,592</b>	<b>33,689</b>	<b>NET ASSETS</b>	<b>20,537,716</b>	<b>20,909,308</b>

# Integricare

Exceptional learning and care

