

# ANNUAL REPORT

2021 - 22

# THIRTY-FOURTH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Third Annual General Meeting of Members will be held at Finley Regional Care on 19th October, 2022.

## Business

1. To confirm the Minutes of the Annual General Meeting of Finley Regional Care Ltd held on 20th October 2021.
2. To receive and consider the reports of the Board.
3. To receive and consider the Balance Sheet, Trading and Profit and Loss Account and Report of the Auditors.
4. To declare the board for the ensuing year.
5. To deal with any business of which due notice has been given.

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Ben Levesque  
Chief Executive Officer

**Finley Regional Care Ltd**

ABN 55 003 153 240

Incorporated in New South Wales on 13th August, 1986

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## OUR VISION STATEMENT

Continually Striving in Excellence in Caring for our Community

## OUR MISSION STATEMENT

Finley Regional Care is a Community Managed Not-for-Profit organisation.

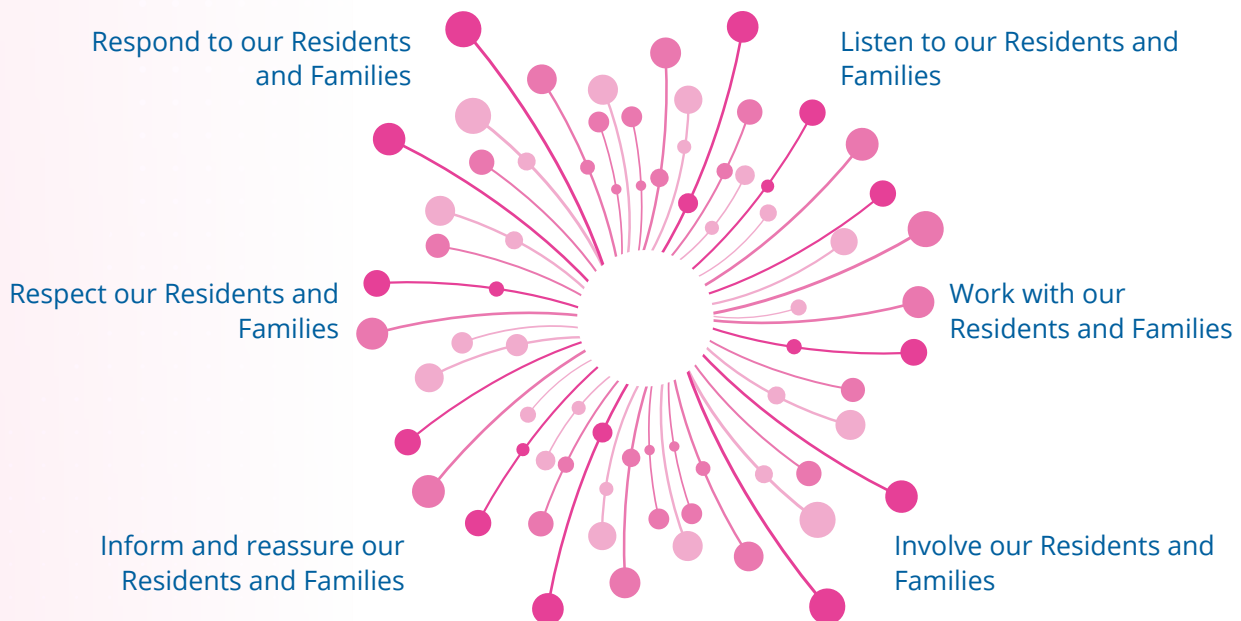
We pride ourselves on our unique range of services.

We embrace a high standard of quality care that is person centered, progressive and comprehensive through the lives of the individual, family and community.

## Quality Care with Country Flair

## CULTURE STATEMENT

Resident Experience is our Focus We will



**Teamwork, Positive, Acceptance, Dedication, Respect**

# PRESIDENTS ANNUAL REPORT

It is with great pleasure I present you the Presidents Annual report on behalf of Finley Regional Care's Board of Management for the year 2021 – 2022.

This past financial year has been another busy and productive year, with many new projects for our wonderful facility either completed or near to completion. This is an outstanding achievement considering we have been working through another year with the pandemic, with our own small outbreaks inside the facility. Myself and the board of Management would like to congratulate the FRC's amazing staff who continue to go above and beyond for our wonderful residents, and managing to not only contain the outbreaks but stopping the spread. I would also like to commend Ben and the Executive team for their leadership during another busy year.

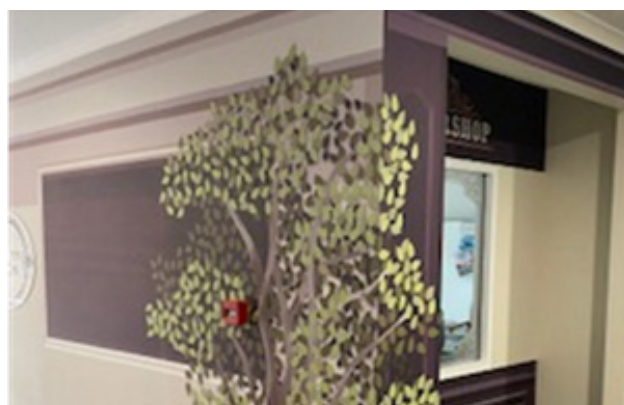
We welcomed Kylie Titlow to the Operations Manager role. Kylie comes from the Complete Care Team Manager role, and has already put her experience and huge work ethic to the task. Kylie is valuable member of Finley Regional Care and we look forward to working with her.

The past year we have welcomed new staff to the Finley Regional Care family and have said goodbye to some staff who have been with us for many years. We farewelled Chris Chivers and Janice Hill who have been apart of the Finley Regional Care team for over 20 years! We sincerely wish them well and thank them for all their hard work and dedication.

We have had many exciting developments within the organisation this past 12 months. The new Medical Centre located at our Alumuna site looks fantastic and is due to open soon. We look forward to bringing this new state of the art medical clinic to our residents and the wider community. Alumuna continues to grow and we welcome our new residents who have recently moved there. Upgrades within the facility have really started to take shape, from the completed street scape, corner store and hairdresser's room, really brings a new type of environment for our residents to enjoy. The soon to be cinema room is near completion and is looking fantastic! State of the art technology upgrades around the facility enables us to provide a high level of care, to put Residents care first.

A congratulations to both our Medical Centre's for their continued dedication to bringing services and continued care to our community. Our Medical Centre staff work incredibly hard and we thank them for their efforts.

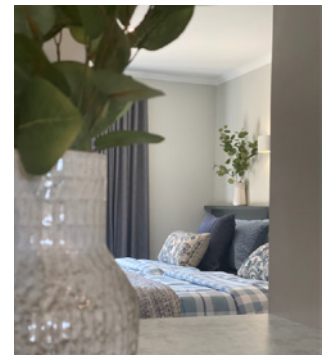
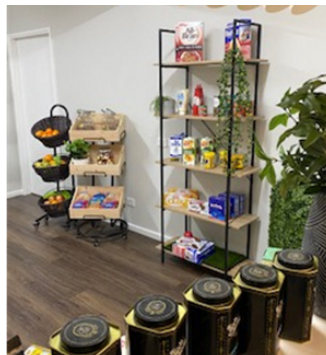
Our Home Care Team continues to go from strength to strength. Helen Lewis is now the Complete Care Coordinator with the guidance from Kylie Titlow, the Team have increased the number of care recipients and have the addition of another Home Care vehicle. The team work brilliantly together to bring our community residents the best possible care, which is a huge asset to the wider community.



A special thank you to our amazing Auxiliary members. Marj Maxwell and all the ladies continue to do an outstanding job, even though the pandemic makes fundraising hard, they continue to raise funds, which benefits our Residents. As always we are very grateful to our local businesses who contribute and donate to FRC. Without support from our Auxiliary and local businesses we truly as an organisation would be less better off.

We also appreciate and thank our wonderful volunteers. Volunteers play a very special role with Finley Regional Care, especially during these last couple of years through the pandemic when our Residents have needed us the most. The special bonds that are made are truly touching and makes all the difference.

In closing, I would like to thank my fellow Board Members for their ongoing commitment and support throughout the year. The effort that comes from every member to ensure Finley Regional Care's ongoing success is outstanding. I look forward to another successful and productive year ahead. As always Finley Regional Care will continue to provide the very best care and services to our Residents and community.



A handwritten signature in black ink.

Eric Dean Director

## CEO REPORT

I am very proud to present the CEO's annual report for 2021 – 2022, it has been another interesting, challenging year with the impacts of the pandemic following us again through the year.

This year we were named as Semi-finalists in two NSW business awards and won the ACSA Aged Care NSW / ACT Regional, Rural, Remote Provider of the Year award. This was due to the amazing team we have at FRC, and they all should be proud of this achievement. It is due to the amazing support we get from the community and The Board of Directors that allows us to provide the services we do to all the community of the Berrigan Shire and surrounds.

I again thank all the Residents, Clients, Patients and Families for their understanding and support when restrictions have been in place, helping us ensure we all remain safe and well. I would also like to thank the team for their efforts in managing to keep the impacts from the pandemic to a minimum and, when required, to work extra to allow services to continue to be provided.

We have had many projects ongoing from last year as I mentioned in my report. The grants we had received we are seeing these works come to an end. As a result, we have two new rooms and four new bathrooms completed in the residential home along with the Street Scrape and Cinema areas. These will become a focal point in the home for Residents and their Families.

The ongoing expansion to the power grid is continuing to happen allowing us to start to remove the Residential home from the grid saving considerable cost for electricity.

Alumuna continues to grow with more homes nearing completion, and we will be commencing to build more new homes before the end of the year, we are still awaiting to hear about outcomes of a funding opportunity to help us commence construction of the Community Centre in the Village.

Our new Medical Centre building is close to completion and looking great. The team from the Medical Centre are very excited and looking forward to moving into the new building and will enjoy the space and the purpose-built surrounds that will provide the room to offer more services and comfort to our Patients.

We have another year full of change in the Aged Care industry. We will see a new funding model come into effect this year along with many additional reporting requirements. The changes, in the most part, are positive as these are outcomes from the Royal Commission into Aged Care. We look forward to implementing the changes and continue to improve the care and services we provide.

I would like to congratulate and thank the team of the Finley Regional Care from all areas and business units. We are so fortunate we have a group that care and are both proud of the work they do and proud of our Organisation. There are many times we have members of the team who, as part of their day, make such a difference to the lives of the people they care for. We see our people understand and provide support to somebody having a bad day, people who help give Residents and Families time just to have a chat. People who share their time with Residents having fun, driving to the bank or appointment, organising materials for a project, even loaning tools. Our people support the independence of our Residents, and we have people on a daily basis making somebodies day by being there for them and creating a positive fun experience.

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Ben Levesque **Chief Executive Officer**



# FINANCIAL REPORT

For the year ended 30 June 2022

# DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2022.

## Directors

The names of the directors in office at anytime during or since the end of the year are:

EC Dean

NJR Wilson

GJ McNamara

SJ Bickerton

A Harding

J McLeod

MA Luelf

SF McNaught

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

## Review of Operations

The profit of the company for the financial year after providing for income tax amounted to \$2,267,480.

A review of the operations of the company during the financial year and the results of those operations are as follows:

Over the past twelve months, the profit from residential services totalled \$1,865,457 the profit from HACCS totalled \$178,258, the profit from the Finley Medical Centre totalled \$237,165, the loss from Alumuna totalled \$67,339, and the profit from the Berrigan Medical Centre totalled \$53,938.

## Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

## Principal Activities

The principal activities of the company during the financial year were:

Provision of nursing home facilities and associated aged care services, the Company also operates a Medical centre that provides services to the wider community. The Company also provides Independent Living Units.

No significant change in the nature of these activities occurred during the financial year.

## Events Subsequent to the End of the Reporting Period

Stage One of the "Alumuna" Independent Living Units has been completed, with a number of units already occupied. Stage 2 is currently in development with those expected to be completed during the upcoming financial year.



## Likely Developments and Expected Results of Operations

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

## Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of the State.

The company has applied ASIC Class Order 98/1417. All the conditions of this class order have been complied with and therefore the financial report has not been audited.

## Dividends

The company is a not-for-profit public company limited by guarantee. The constitution of the company prohibits the distribution of its income and property to its members.

## Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

## Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

## Proceedings on Behalf of Company

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

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

Signed in accordance with a resolution of the board of directors:



EC Dean Director



NJR Wilson Director

Dated: 19/10/2022

## Information On Directors

<b>DEAN, Eric Charles</b>	7 Burke Street, Finley. Manager. President 16 Years. Director 17 years.
<b>WILSON, Norman John Randolph</b>	Plumpton Road, Finley. Manager. Vice President. Director 18 years.
<b>McNAMARA, Gregory John</b>	32 Tuppal Street, Finley. Manager. Honorary Treasurer. Director 12 years.
<b>BICKERTON, Sally Jane</b>	Retired 19/10/2021
<b>HARDING, Andrew Edward</b>	"Kimberley" RMB 1270 Caseys Road, Tocumwal. Director 6 years.
<b>MCLEOD, Jennifer</b>	321 Closes Road, Finley. Company Director. Director 5 years.
<b>LUELF, Margaret Alison</b>	1 Tocumwal Street, Finley. Registered Nurse and TAFE Educator. Director 4 years.
<b>MCNAUGHT, Sarah</b>	63 Coree St, Finley. Lawyer, Elected 19 October 2021 Director 1 year.

## Meetings Of Directors

During the financial year, (11) meetings of directors were held. Attendances were:

	Number Eligible to	Number Attended
EC Dean	11	11
NJR Wilson	11	11
GJ McNamara	11	10
SJ Bickerton	3	3
AE Harding	11	8
J McLeod	11	10
MA Luelf	11	11
S McNaught	8	8

Signed in accordance with a resolution of the board of directors:



EC Dean President



NJR Wilson Vice President

Dated: 19/10/2022



**AUDITOR'S INDEPENDENCE DECLARATION UNDER  
SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF  
FINLEY REGIONAL CARE LTD**

**ABN 55 003 153 240**

**FOR THE YEAR ENDED 30 JUNE 2022**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.

**Adam Purtil RCA 419507**

**Date: 19 October 2022**

**160 Welsford Street Shepparton, VIC 3630**

Shepparton  
Finley  
Deniliquin

160 Welsford Street, Shepparton VIC 3630  
P.O Box 5, Shepparton VIC 3632

T (03) 5821 4622  
F (03) 5821 1598

ABN 87 650 289 286



Liability limited by a scheme approved under Professional Standards Legislation

# INCOME STATEMENT

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue and other income	2	12,976,039	9,782,548
Employee benefits expense	3	(6,095,808)	(5,539,413)
Amortisation expense		(15,826)	(20,229)
Depreciation expense	3	(502,686)	(456,199)
Other expenses	3	<u>(4,110,065)</u>	<u>(3,315,197)</u>
<b>Profit before income tax expense</b>	3	2,267,480	451,511
Income tax expense		<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<u>2,267,480</u>	<u>451,511</u>
Profit attributable to member of the company		<u>2,267,480</u>	<u>451,511</u>

The accompanying notes form part of these financial statements.

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

# STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2022

Note	2022 \$	2021 \$
<b>Profit for the year</b>	2,267,480	451,511
<b>Other comprehensive income:</b>		
<b>Other comprehensive income for the year, net of tax</b>	-	-
<b>Total comprehensive income for the year</b>	<b>2,267,480</b>	<b>451,511</b>
Total comprehensive income attributable to member of the company	2,267,480	451,511

The accompanying notes form part of these financial statements.

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# STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	5,587,349	5,337,487
Trade and other receivables	6	156,135	98,739
Other current assets	7	22,831	26,565
<b>TOTAL CURRENT ASSETS</b>		<b>5,766,315</b>	<b>5,462,791</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	4,084	145,000
Property, plant and equipment	8	14,840,034	11,466,344
Investment property	9	233,135	233,135
Intangibles	10	68,411	84,237
<b>TOTAL NON-CURRENT ASSETS</b>		<b>15,145,664</b>	<b>11,928,716</b>
<b>TOTAL ASSETS</b>		<b>20,911,979</b>	<b>17,391,507</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	261,583	283,572
Provisions	12	1,029,115	604,804
Monies held in trust	13	7,365,312	5,567,966
Other	14	276,851	790,709
<b>TOTAL CURRENT LIABILITIES</b>		<b>8,932,861</b>	<b>7,247,051</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	15	4,084	145,000
Provisions	12	20,917	312,096
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>24,281</b>	<b>457,096</b>
<b>TOTAL LIABILITIES</b>		<b>8,957,142</b>	<b>7,704,148</b>
<b>NET ASSETS</b>		<b>11,954,837</b>	<b>9,687,359</b>
<b>EQUITY</b>			
Retained earnings		11,954,837	9,687,359
<b>TOTAL EQUITY</b>		<b>11,954,837</b>	<b>9,687,359</b>

The accompanying notes form part of these financial statements.

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

# STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Retained Earnings \$	Total \$
<b>Balance at 1 July 2020</b>	9,235,848	9,235,848
<b>Comprehensive income</b>		
Profit attributable to the member of the company	451,511	451,511
<b>Total comprehensive income for the year attributable to the member of the company</b>	<u>451,511</u>	<u>451,511</u>
<b>Balance at 30 June 2021</b>	<u>9,687,359</u>	<u>9,687,359</u>
<b>Balance at 1 July 2021</b>	9,687,359	9,687,359
<b>Comprehensive income</b>		
Profit attributable to the member of the company	2,267,480	2,267,480
<b>Total comprehensive income for the year attributable to the member of the company</b>	<u>2,267,480</u>	<u>2,267,480</u>
<b>Balance at 30 June 2022</b>	<u>11,954,839</u>	<u>11,954,839</u>

The accompanying notes form part of these financial statements.

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

# STATEMENT OF CASH FLOW

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		13,061,742	9,971,242
Payments to Suppliers and Employees		(10,770,205)	(8,664,643)
Interest received		17,950	24,052
<b>Net cash provided by operating activities</b>	<b>25b</b>	<u>2,309,487</u>	<u>1,330,651</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant & equipment		(4,040,087)	(820,126)
Payments for goodwill		-	(43,003)
Payments for investment property		-	(233,135)
Receipts for property, plant & equipment		55,864	-
<b>Net cash provided by (used in) investing activities</b>		<u>(3,984,223)</u>	<u>(1,096,264)</u>
<b>Cash flows from financing activities</b>			
Accommodation bonds received		5,016,038	1,805,000
Accommodation bonds refunded		(3,091,620)	(1,964,945)
<b>Net cash provided by financing activities</b>		<u>1,924,418</u>	<u>(159,945)</u>
Net increase (decrease) in cash held		249,862	74,442
Cash and cash equivalents at beginning of financial year		<u>5,337,487</u>	<u>5,263,045</u>
Cash and cash equivalents at end of financial year	<b>25a</b>	<u><u>5,587,349</u></u>	<u><u>5,337,487</u></u>

The accompanying notes form part of these financial statements.

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



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified disclosures of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. Finley Regional Care Ltd. is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

### Accounting Policies

#### (a) Revenue

##### Revenue recognition

###### *Contributed Assets*

Finley Regional Care Ltd. receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of the applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, Finley Regional Care Ltd. recognises related amounts being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.

Finley Regional Care Ltd. recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

###### *Resident Fees & Contributions, Operating Grants, Donations and Bequests*

When Finley Regional Care Ltd. receives resident fees and contributions, operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15,

When both these conditions are satisfied, Finley Regional Care Ltd.:

- 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, Finley Regional Care Ltd.:

- recognises the asset received in accordance with the recognition requirements of the applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, 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, Finley Regional Care Ltd. recognises income in profit or loss when or as it satisfies its obligations under the contract.

###### *Capital Grant*

When Finley Regional Care Ltd. 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 contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

Finley Regional Care Ltd. recognises income in profit or loss when or as Finley Regional Care Ltd. satisfies its obligations under terms of the grant.

###### *Interest Income*

Interest income is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax.

#### (b) Income Tax

Finley Regional Care Ltd. Aged Care Inc. is exempt from income tax under Section 50-45 of the Income Tax Assessment Act 1997.

Finley Regional Care Ltd. is endorsed as a Deductible Gift Recipient.

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

**(c) 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, and bank overdrafts. Bank overdrafts are shown within payables in current liabilities in the Statement of Financial Position.

**(d) Trade and Other Debtors**

Trade and other debtors include amounts due from customers for services provided. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(m) for further discussion on the determination of impairment losses.

**(e) 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 or impairment losses.

**Freehold property**

Freehold land and buildings are shown at their cost, less subsequent depreciation for buildings.

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

**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(m) for details of impairment).

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 fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life 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.

Items of property, plant and equipment with a cost in excess of \$1,000 are depreciated over their useful life to Finley Regional Care Ltd. commencing from the date of acquisition.

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

<u>Class of Asset</u>	<u>Depreciation Rate</u>
Buildings	0% to 2.5%
Furniture & Fittings	7.5% to 50%
Plant & Equipment	7.5% to 50%

The asset's residual values 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 Comprehensive Income. When revalued assets are sold, amounts included in the revaluation relating to the assets are transferred to retaining earnings.

**Investment Property**

Investment property which is property held to earn rentals and/or for capital appreciation, is measured at its fair value.

Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

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

#### **(f) Leases**

##### **Finley Regional Care Ltd. as lessee**

At inception of a contract, Finley Regional Care Ltd. 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 Finley Regional Care Ltd. where Finley Regional Care Ltd. is a lessee. However all contracts that are classified as short-term leases (leases with 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.

#### **(g) Resident Accommodation Bonds, Contributions, and Deposits**

On admission to the facility, residents pay an Accommodation Bond, Accommodation Deposit or Accommodation Contribution. Finley Regional Care Ltd. is entitled to retain part of each accommodation bond from pre 1 July 2014 depending on how long the resident remains in the Residential Care Facility. The current maximum amount that can be retained is \$4,428 per annum over a five year period, calculated on a monthly basis. From 1 July 2014 for all new admissions, the Residential Care Facility is no longer entitled to retain part of each Accommodation Deposit or Contribution.

The amount of \$4,248,907 is classified as a current liability in the statement of financial position, as it is defined by accounting standards as a current liability. However it is anticipated that only a small portion of the total balance will actually fall due during the next 12 months.

#### **(h) Resident Loans Independent Living Units**

On admission to an Independent Living Unit, some residents pay a loan. For those residents that entered after June 1997, and who paid a loan, Finley Regional Care Ltd. is entitled to retain part of the loan. The maximum amount as at 30 June 2022 that can be retained annually is 5.00% of the entry contribution in the first year. Finley Regional Care Ltd. is entitled to draw down the retention for a maximum of 25.00% spread over a 7 year period.

The amount of \$3,116,404 is classified as a current liability in the statement of financial position, as it is defined by accounting standards as a current liability. However it is anticipated that only a small portion of the total balance will actually fall due during the next 12 months.

#### **(i) Employee Benefits**

##### **Short-term employee benefits**

Provision is made for Finley Regional Care Ltd.'s obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, annual leave and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Finley Regional Care Ltd.'s obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Contributions are made by Finley Regional Care Ltd. to an employee superannuation fund and are charged as expenses when incurred.

##### **Other long-term employee benefits**

Finley Regional Care Ltd. classifies employees' long service leave and annual leave entitlements as other long-term employee benefits where as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for Finley Regional Care Ltd.'s obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

Finley Regional Care Ltd.'s obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where Finley Regional Care Ltd. does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

#### **(j) Provisions**

Provisions are recognised when Finley Regional Care Ltd. has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### **(k) 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 Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

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

## **(l) Financial Instruments**

### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when Finley Regional Care Ltd. becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that Finley Regional Care Ltd. commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

### **Classification and subsequent measurement**

#### *Financial liabilities*

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

#### *Financial assets*

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

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

## (l) Financial Instruments continued

Finley Regional Care Ltd. initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

### *Equity instruments*

At initial recognition, as long as the equity instrument is not held for trading or not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, Finley Regional Care Ltd. made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with Finley Regional Care Ltd.’s accounting policy.

### **Derecognition**

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

#### *Derecognition of financial liabilities*

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

#### *Derecognition of financial assets*

A financial asset is derecognised when the holder’s contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- Finley Regional Care Ltd. no longer controls the asset (i.e. has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which Finley Regional Care Ltd. elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Finley Regional Care Ltd. recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Finley Regional Care Ltd. uses the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

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

## **(l) Financial Instruments continued**

### *General approach*

Under the general approach, at each reporting period, Finley Regional Care Ltd. assesses whether the financial instruments are credit-

- if the credit risk of the financial instrument has increased significantly since initial recognition, Finley Regional Care Ltd. measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses;
- if there is no significant increase in credit risk since initial recognition, Finley Regional Care Ltd. measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

### *Simplified approach*

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

### *Purchased or originated credit-impaired approach*

For financial assets that are considered to be credit-impaired (not on acquisition or originations), Finley Regional Care Ltd. measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

### *Low credit risk operational simplification approach*

If a financial asset is determined to have low credit risk at the initial reporting date, Finley Regional Care Ltd. assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss. In order to make such a determination that the financial asset has low credit risk, Finley Regional Care Ltd. applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

### **Recognition of expected credit losses in financial statements**

At each reporting date, Finley Regional Care Ltd. recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

## **(m) Impairment of Assets**

At the end of each reporting period, Finley Regional Care Ltd. reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, Finley Regional Care Ltd. estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

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

#### (n) Comparatives

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

#### (o) Critical Accounting Estimates and Judgements

The Committee of Management evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within Finley Regional Care Ltd..

##### Key estimates

(i) *Useful lives of property, plant and equipment*

As described in Note 1(e), Finley Regional Care Ltd. reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

(ii) *Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* requires measurement of long-term employee benefits using a number of estimated inputs. These include probable length of service by employees, rates of wage inflation and future interest rates used for discounting the liability to present value. The inputs used represent the best estimate of the probable liability.

(iii) *Receivables*

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectable. The impairment provision is based on the best information at the reporting date.

##### Key judgements

(i) *Performance obligations under AASB 15*

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.

#### (p) Fair Value of Assets and Liabilities

Finley Regional Care Ltd. measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price Finley Regional Care Ltd. would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to Finley Regional Care Ltd. at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and Finley Regional Care Ltd.'s own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

#### (r) New and Amended Accounting Policies Adopted by the Association Initial adoption AASB 1060: General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has adopted AASB 1060: General Purpose Financials Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities for the first time this reporting period. This standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential reporting Framework in AASB 1053: Application of Tiers of Australian Accounting replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reduction in disclosures compared to RDR in Revenue, Leases and Financial instruments; however has resulted in new and increased disclosure in areas such as Audit Fees and Related Parties.

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

	Note	2022 \$	2021 \$
<b>2. REVENUE AND OTHER INCOME</b>			
<b>Revenue from contracts with customers</b>			
- Board & Lodgings		1,355,860	1,346,180
- Service Fees		70,122	48,816
- Subsidies		5,557,045	5,180,445
- Assisted Resident Supplement		746,009	636,248
- Accomodation Charges Received		266,420	273,715
- Concessional residents Subsidy		11,595	21,291
- Accomodation Bond Income		111,431	56,436
- Home care fees		24,401	29,661
- Grant - Department of Health		2,135,005	191,167
- Accomodation bond interest		-	-
<b>Other Income</b>			
- Donations		2,707	61,402
- Meal receipts		15,789	21,849
- Traineeship subsidy		18,770	10,650
- Interest income		17,950	24,052
- Rebate & refunds		58,747	181,850
- Medical Centre income		2,499,701	1,644,670
- Rent		68,094	54,116
- Profit on sale of assets		16,394	-
Total Revenue		<u>12,976,039</u>	<u>9,782,548</u>
<b>3. EXPENSES</b>			
<b>Depreciation Expense</b>			
- Freehold Land improvements		2,469	2,526
- Plant & Equipment		183,718	159,555
- Motor vehicles		19,137	5,478
- Laundry Redevelopment		2,210	2,446
- Furniture & Fittings		6,652	5,308
- Buildings		288,500	280,886
		<u>502,686</u>	<u>456,199</u>
<b>Employee Benefits Expense</b>			
- Wages and leave provisions		5,583,169	5,103,145
- Superannuation expense		512,639	436,268
		<u>6,095,808</u>	<u>5,539,413</u>
<b>Other expenses</b>			
- Insurance		221,975	217,737
- medical contractors		1,422,339	1,034,000
- repairs & maintenance		355,566	302,883
- other		2,110,185	1,760,577
		<u>4,110,065</u>	<u>3,315,197</u>

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



	Note	2022 \$	2021 \$
<b>4. AUDITOR'S REMUNERATION</b>			
Auditor's fee		5,500	5,500
Auditor's - Other services		13,000	13,000
		<u>13,000</u>	<u>13,000</u>
<b>5. CASH AND CASH EQUIVALENTS</b>			
Petty Cash		500	500
Cash at bank		1,197,873	697,954
Cash at bank		5,666	27,944
Cash at bank		16,691	12,652
Cash at bank		4,366,619	4,598,438
		<u>4,366,619</u>	<u>4,598,438</u>
		<u>5,587,349</u>	<u>5,337,487</u>
<b>6. TRADE AND OTHER RECEIVABLES</b>			
<b>CURRENT</b>			
Trade debtors		147,411	98,442
Other Debtors		259	297
Goods and services tax		8,465	-
		<u>156,135</u>	<u>98,739</u>
<b>NON-CURRENT</b>			
Loan - Finley Medical Centre		4,084	145,000
		<u>4,084</u>	<u>145,000</u>
<b>7. OTHER ASSETS</b>			
<b>CURRENT</b>			
Prepayments		22,831	26,565
		<u>22,831</u>	<u>26,565</u>
<b>8. PROPERTY, PLANT AND EQUIPMENT</b>			
Work in progress		1,850,529	121,510
		<u>1,850,529</u>	<u>121,510</u>
Freehold land - at cost		293,631	293,631
Less accumulated amortisation		(12,481)	(10,012)
		<u>281,150</u>	<u>283,619</u>
Berrigan Medical Centre - at cost		54,578	53,589
Less accumulated depreciation		(7,662)	(845)
		<u>46,916</u>	<u>52,744</u>
Buildings - at cost		14,228,807	12,796,510
Less accumulated depreciation		(2,823,962)	(2,535,462)
		<u>11,404,844</u>	<u>10,261,048</u>
Total land and buildings		<u>13,583,439</u>	<u>10,718,921</u>

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

	Note	2022 \$	2021 \$
Plant and equipment - at cost		2,121,762	1,519,751
Less accumulated depreciation		(990,026)	(871,987)
		<u>1,131,737</u>	<u>647,765</u>
CACPS Motor vehicles - at cost		114,996	78,438
Less accumulated depreciation		(55,657)	(53,400)
		<u>59,339</u>	<u>25,038</u>
Laundry redevelopment - at cost		90,260	90,260
Less accumulated depreciation		(61,097)	(58,887)
		<u>29,163</u>	<u>31,373</u>
Furniture and fittings - at cost		72,427	66,387
Less accumulated depreciation		(57,069)	(50,417)
		<u>15,359</u>	<u>15,971</u>
Low value pool - at cost		12,926	16,512
Alumina - at cost		13,273	13,273
Less accumulated depreciation		(5,200)	(2,509)
		<u>8,073</u>	<u>10,764</u>
Total plant and equipment		<u>1,256,596</u>	<u>747,422</u>
<b>Total property, plant and equipment</b>		<u><u>14,840,034</u></u>	<u><u>11,466,344</u></u>

**(a) Movement in carrying amounts**

For disclosure on movement in carrying amounts please refer to note 26(a) in the end of this financial report.

**9. INVESTMENT PROPERTY**

8 Donaldson St, Finley 07/05/2021	<u>233,135</u>	<u>233,135</u>
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**10. INTANGIBLE ASSETS**

Computer software	119,031	119,031
Less accumulated depreciation	(93,623)	(77,797)
	<u>25,408</u>	<u>41,234</u>
Berrigan Medical Centre (goodwill) 11/05/2021	43,003	43,003
	<u>68,411</u>	<u>84,237</u>

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

	Note	2022 \$	2021 \$
<b>11. TRADE AND OTHER PAYABLES</b>			
<b>CURRENT</b>			
Good and services tax		-	1,327
Ceditors - Other		-	6,391
Creditors - Nursing Home		261,583	275,854
		<u>261,583</u>	<u>283,572</u>
<b>12. PROVISIONS</b>			
Provision for annual leave		637,992	231,306
Provision for personal leave		186,911	174,324
Provision for Nurse Scholarship		-	20,135
Provision for long service leave		204,212	179,039
Provision annual leave non current		-	294,389
Provision long servce leave non current		20,917	17,707
		<u>1,050,032</u>	<u>916,900</u>
<b>CURRENT</b>			
Provision for annual leave		637,992	231,306
Provision for personal leave		186,911	174,324
Provision for Nurse Scholarship		-	20,135
Provision for long service leave		204,212	179,039
		<u>1,029,115</u>	<u>604,804</u>
<b>NON-CURRENT</b>			
Provision for annual leave		-	294,389
Provision for long service leave		20,916	17,707
		<u>20,916</u>	<u>312,096</u>
<b>13. MONIES HELD IN TRUST</b>			
<b>CURRENT</b>			
Accomodation deposit balances		7,365,312	5,567,966
<b>14. OTHER LIABILITIES</b>			
<b>CURRENT</b>			
Resident's Trust Account		6,751	11,242
Government grant - contract liability		-	360,573
Home Care Services - contract liability		262,561	418,894
Finley dementia alliance		7,539	-
		<u>276,851</u>	<u>790,709</u>

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

	Note	2022 \$	2021 \$
<b>15. BORROWINGS</b>			
<b>NON-CURRENT</b>			
Loan - Finley Medical Centre		<u>4,084</u>	<u>145,000</u>
<b>16. CAPITAL COMMITMENTS</b>			
There are no capital commitments as at 30 June 2022.			
<b>17. RELATED PARTY DISCLOSURES</b>			
No remuneration or retirement benefits were paid to directors as the positions are voluntary. There were no loans to or transactions with related parties during the year.			
<b>KEY MANAGEMENT PERSONNEL COMPENSATION</b>			
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 (KMP).			
Total key management personnel remuneration		<u>200,043</u>	<u>209,857</u>
<b>18. EVENTS AFTER THE REPORTING DATE</b>			
The Committee of Management is not aware of any significant events since the end of the reporting period. Given the evolving nature of COVID-19, key judgements and estimates incorporate current available information on the COVID-19 pandemic.			
<b>19. CONTINGENT LIABILITIES AND CONTINGENT ASSETS</b>			
There were no contingent assets or liabilities at the date of this report to affect the financial statements.			
<b>20. PRUDENTIAL COMPLIANCE STATEMENT - AGED CARE ACT</b>			
Finley Regional Care Ltd. Meets the requirements of Prudential Compliance Statements as set down in the Aged Care Act 1997. All Services and Fees and Payments Principles 2014 (No.2).			
<b>21. COMPANY DETAILS</b>			
The registered office and principal place of business of the company is: Finley Regional Care Ltd Dawe Avenue Finley NSW 2713			

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

Note	2022 \$	2021 \$
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**22. AGED CARE ACCREDITATION STANDARDS**

Finley Regional Care Ltd. operates a Residential Aged Care Service under The Commonwealth Government Aged Care Act (1977). The facility has a full accreditation status and have achieved all 44 accreditation outcome standards.

**23. COMPLIANCE STATEMENT - SECTION 34 RETIREMENT VILLAGES ACT**

Finley Regional Care Ltds meets the requirements as set out in Section 34 of the Retirement Villages Act 1986.

**24. (a) FINANCIAL RISK MANAGEMENT POLICIES**

Finley Regional Care Ltds financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable. Finley Regional Care Ltd does not have any derivative instruments at 30 June 2022.

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

**Financial Asset**

Financial assets at amortised costs:

- Cash and cash equivalents	5,587,349	5,337,487
- Receivables	156,135	98,739
<b>Total Financial Assets</b>	<u>5,743,484</u>	<u>5,436,226</u>

**Financial Liabilities**

Financial liabilities at amortised costs:

- Trade and other payables	261,583	283,572
- Monies held in trust	7,365,312	5,567,966
<b>Total Financial Liabilities</b>	<u>7,626,895</u>	<u>5,851,538</u>

**(a) NET FAIR VALUES**

The net fair values of investments at balance date is the amortised cost value, except for the share and investment portfolio which is measured at fair value by reference to quoted market prices. All financial liabilities are listed at amortised cost.

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

	Note	2022 \$	2021 \$
<b>25. CASH FLOW INFORMATION</b>			
<b>(a) Reconciliation of Cash</b>			
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash		500	500
Cash at Bank		1,220,230	738,549
Term Deposits		4,366,619	4,598,438
		<u>5,587,349</u>	<u>5,337,487</u>
<b>(b) Reconciliation of cash flow from operations with profit</b>			
Profit after income tax		2,267,480	451,511
Non-cash flows in profit:			
Amortisation		15,826	20,229
Depreciation		502,686	456,199
(Profit)/Loss on sale of property, plant & equipment		(16,394)	9,352
Changes in Assets & Liabilities:			
(Increase) decrease in trade and other debtors		(57,396)	43,113
Increase (decrease) in trade creditors		(21,989)	(154,604)
Increase (decrease) in provisions		133,132	48,709
Increase (decrease) in other liabilities		(513,858)	456,142
<b>Net cash provided by operating activities</b>		<u>2,309,487</u>	<u>1,330,651</u>

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

## 26. MOVEMENT IN CARRYING AMOUNTS

Movements in carrying amounts for each class of property, plant and equipment.


	Work in progress	Freehold land	Berrigan Medical Centre	Buildings	Plant and equipment	CACPS Motor vehicles - at cost	Laundry redevelopment - at cost	Furniture and fittings	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	-	274,910	-	10,278,141	526,735	8,467	33,819	16,262	11,138,334
Additions	121,510	17,680	53,589	263,794	336,487	22,050	-	5,016	820,126
Disposals	-	(6,445)	-	(29,473)	-	-	-	-	(35,918)
		(2,526)	(845)	(280,886)	(158,710)	(5,478)	(2,446)	(5,308)	(456,199)
<b>Carrying amount at 30 June 2021</b>	<b>121,510</b>	<b>283,619</b>	<b>52,744</b>	<b>10,261,048</b>	<b>675,039</b>	<b>25,038</b>	<b>31,373</b>	<b>15,971</b>	<b>11,466,344</b>
Additions	1,850,529	-	989	1,432,296	692,147	55,354	-	6,040	4,037,355
Disposals	(121,510)	-	-	(37,553)	(1,916)	-	-	-	(160,980)
Depreciation expense		(2,469)	(6,817)	(288,500)	(176,901)	(19,137)	(2,210)	(6,652)	(502,686)
<b>Carrying amount at 30 June 2022</b>	<b>1,850,529</b>	<b>281,150</b>	<b>46,916</b>	<b>11,404,844</b>	<b>1,152,732</b>	<b>59,339</b>	<b>29,163</b>	<b>15,359</b>	<b>14,840,034</b>

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

# RESPONSIBLE PERSONS DECLARATION

Per section 60.15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*

1. The responsible persons declare that in the responsible persons' opinion:
  - (a) there are grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
  - (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.
  
2. Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



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EC Dean (President)



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NJR Wilson (Vice President)

**Dated: 19/10/2022**





## INDEPENDENT AUDITOR'S REPORT

To the Members of Finley Regional Care Ltd

### **Report on the Audit of the Financial Report**

#### **Opinion**

I have audited the financial report of Finley Regional Care Ltd, which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In my opinion the financial report of Finley Regional Care Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the registered entity in accordance with 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 [my] audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Information Other than the Financial Report and Auditor's Report Thereon**

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2022, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of Responsible Entities for the Financial Report**

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations or has no realistic alternative but to do so.

The responsible entities are responsible for overseeing the registered entity's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My objectives are to obtain reasonable assurance about whether the financial reports as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Adam Purtill RCA 419507  
Date: 19 October 2022  
160 Welsford Street Shepparton, VIC 3630

Shepparton  
Finley  
Deniliquin

160 Welsford Street, Shepparton VIC 3630  
P.O Box 5, Shepparton VIC 3632

T (03) 5821 4622  
F (03) 5821 1598

ABN 87 650 289 286



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## FINLEY REGIONAL CARE AUXILIARY

# PRESIDENT'S ANNUAL REPORT -2021 -2022

As President of Finley Regional Care Auxiliary, I wish to present my report for the past twelve months. Due to the on going COVID -19 epedemic, the Auxiliary has been considerably restricted with few meetings for the year.

With the assistance of the Leisure and Lifestyle staff, we were able to provide the Residents and Clients with appropriate gifts in recognition of Easter, Mother's Day, Father's Day, and Christmas.

The Auxiliary thank the "Flower Ladies" for their ongoing arranging of the flowers in the Residences when able. They are much appreciated by the Residents, Staff and Visitors when permitted to visit. A donation of \$250 -00 from the Lions Service Club towards some new flower arrangements in the Administration area was much appreciated.


The Auxiliary express congratulations to the Board and Staff for their support and management during the COVID -19 period, these have been most stressful times.

Fund raising functions have been few, but the Auxiliary were able to have two street stalls and the Christmas Raffle, which were financially successful. The Sub-Committee organised a very enjoyable Bus trip to Bendigo, to the Elvis Pressley show, which was financially successful due to donations from some local businesses towards the cost of the trip.

Again a special thank you to all Auxiliary members for their ongoing support and assistance throughout the year at meetings and functions which help keep the Auxiliary up and running and in turn provide vital funds towards the purchases to help make our Residents' lives a little more comfortable and the working conditions for the Staff a little easier.

In closing, I especially thank Secretary Norma and Treasurer Shirley form their ongoing assistance and wish the Auxiliary well for the year ahead.

Thank you,



**President**

*Finley Regional Care Auxiliary*

## FINLEY REGIONAL CARE AUXILIARY

# FINLEY REGIONAL CARE AUXILIARY INCOME & EXPENDITURE STATEMENTS

For the year ended 30 June 2022

## GENERAL ACCOUNT

### INCOME

Membership Fees	30.00
Special Effort	3,200.00
Street Stalls	1,042.10
Trading Table	10.10
Monthly Raffle	91.00
Raffles	4,257.40
Donation	1,200.00

Balance as at 01.07.2021	6,312.38
	<b>16,142.98</b>

### EXPENDITURE

Advertising	11.00
Gifts FRC	1,104.95
Functions	2,470.00
Flowers	95.00

Balance as at 01.07.2021	12,462.03
	<b>16,142.98</b>

## BANK RECONCILIATION

Opening Balance	6,312.38
ADD: Total Receipts	9,830.60
LESS: Total Payments	3,680.95
Closing Balance	12,462.03
Add O/S Cheque	
Per Bank Statement	<b>12,462.03</b>

## FINLEY REGIONAL CARE AUXILIARY

# STATEMENT BY MEMBERS OF THE COMMITTEE

### In the opinion of the Committee the accompanying accounts

1. present fairly the financial position of the Auxiliary as at 30 June 2022 and the results of the Auxiliary for the year ended on that date.
2. have been prepared and presented in accordance with the basis of accounting described in Note 1 to the financial statements and applicable Australian Accounting Standards.

The statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Auxiliary by:

President: \_\_\_\_\_

Treasurer: \_\_\_\_\_

Dated: ..... day of August 2022

### NOTE 1: Statement of accounting policies

These financial statements are a special purpose financial report prepared in order to comply with the provisions of the Governing Body. The Committee have determined that the Finley Regional Care Auxiliary is not a reporting entity as defined in Statements of Accounting Concepts 1: Definition of the Reporting Entity, and therefore, as there is no requirement to apply accounting concepts or standards in the preparation and presentation of these statements, none have been adopted.

The statements have been prepared on the cash receipts and disbursements basis and historical cost amounts have been used in the statement of assets and liabilities except for fixed assets which are valued at replacement costs.

## FINLEY REGIONAL CARE AUXILIARY

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINLEY REGIONAL CARE AUXILIARY

### Scope

We have audited the attached special purpose financial report of Finley Regional Care Auxiliary for the year ended 30 June 2022 comprising a Statement of Income and Expenditure for year ended 30 June 2022. The Committee is responsible for the preparation and presentation of the financial report and the information contained therein, and have determined that the basis of accounting used is appropriate to the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members. No opinion is expressed as to whether the basis of accounting used is appropriate to the needs of the members.

The special purpose financial report has been prepared for distribution to the members of the association for the purpose of fulfilling the Committee's accountability requirements. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates, to any person other than the members, or of any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether in all material respects, the financial report is presented fairly in accordance with the accrual basis of accounting described in Note 1 to the financial statements.

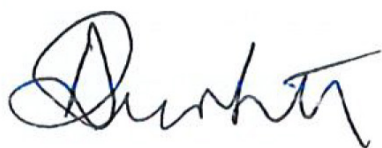
The audit opinion expressed in this report has been formed on the above basis.

### Qualification

It is not practical for Finley Regional Care Auxiliary to maintain an effective system of internal control over donations and fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to donations and fund raising was limited to amounts recorded.

### Qualified Audit Opinion

In our opinion, subject to the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report of Finley Regional Care Auxiliary presents fairly the Assets and Liabilities at 30 June 2022 and the Income and Expenditure of the association for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements.



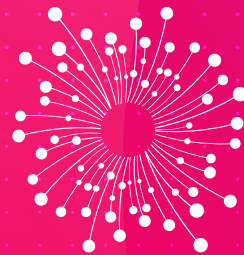
**Adam N Purtil**

*Registered Company Auditor No. 419507*

56 Denison Street, Finley NSW 2713

15th August 2022

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better tomorrow



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