

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**

**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**ABN: 59 818 669 239**

**FINANCIAL REPORT - 30 JUNE 2023**

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TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE

ST JOSEPH'S AGED CARE FACILITY LISMORE

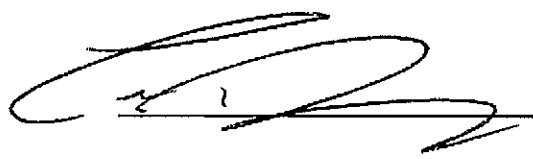
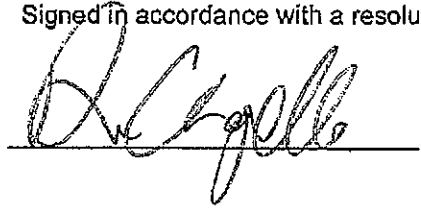
FINANCIAL REPORT - 30 JUNE 2023

STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the board:

1. the financial report as set out on pages 2 to 19 is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a. complies with Australian Accounting Standards – Simplified Disclosures; and
  - b. gives a true and fair view of the financial position of St Joseph's Aged Care Facility Lismore as at 30 June 2023 and its performance for the year ended on that date.
2. at the date of this statement, there are reasonable grounds to believe that St Joseph's Aged Care Facility Lismore will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the board:



Lismore, 24 October 2023

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2023**

|  | Note | 2023<br>\$               | 2022<br>\$               |
|--|------|--------------------------|--------------------------|
| <b>ASSETS</b>  |      |                          |                          |
| Cash and cash equivalents  | 6    | 23,981,679               | 23,847,462               |
| Trade and other receivables expected to be received within 12 months | 7    | 278,578                  | 244,266                  |
| Financial assets   | 8    | 1,089,601                | 1,089,601                |
| Capital work in progress   | 9    | 65,383                   | 16,424                   |
| Property, plant and equipment  | 10   | 7,138,511                | 7,307,379                |
| <b>TOTAL ASSETS</b>  |      | <b><u>32,553,752</u></b> | <b><u>32,505,132</u></b> |
| <b>LIABILITIES</b>   |      |                          |                          |
| Trade and other payables   | 11   | 643,823                  | 1,169,081                |
| Refundable Loans expected to be paid within 12 months                | 12   | 5,595,762                | 5,515,118                |
| Provisions expected to be paid within 12 months                      | 13   | 1,581,500                | 1,373,398                |
| Refundable Loans expected to be paid after 12 months                 | 12   | 11,361,092               | 11,197,360               |
| Provisions expected to be paid after 12 months                       | 13   | 133,020                  | 120,921                  |
| <b>TOTAL LIABILITIES</b>   |      | <b><u>19,315,197</u></b> | <b><u>19,375,878</u></b> |
| <b>NET ASSETS</b>  |      | <b><u>13,238,555</u></b> | <b><u>13,129,254</u></b> |
| <b>EQUITY</b>  |      |                          |                          |
| Accumulated funds  |      | 13,238,555               | 13,129,254               |
| <b>TOTAL EQUITY</b>  |      | <b><u>13,238,555</u></b> | <b><u>13,129,254</u></b> |

The accompanying notes form part of these financial statements

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|   | Note | 2023<br>\$            | 2022<br>\$              |
|---|------|-----------------------|-------------------------|
| <b>Revenue</b>                                      | 4    | 13,379,378            | 11,941,585              |
|   |      | <u>13,379,378</u>     | <u>11,941,585</u>       |
| <b>Expenses</b>                                     |      |                       |                         |
| Administration & operation expenses                 |      | (737,174)             | (790,974)               |
| Domestic expenses                                   |      | (1,093,205)           | (1,072,199)             |
| Depreciation  | 5    | (272,780)             | (283,719)               |
| Finance costs                                       | 5    | (83,282)              | (58,893)                |
| Insurance   |      | (83,189)              | (82,610)                |
| Building, grounds & utilities expenses              |      | (451,619)             | (438,432)               |
| Medical & surgical supplies                         |      | (163,218)             | (154,001)               |
| Salaries & employee benefits                        |      | (10,385,610)          | (9,312,408)             |
|   |      | <u>(13,270,077)</u>   | <u>(12,193,236)</u>     |
| <b>Surplus/(deficit) before income tax</b>          |      | 109,301               | (251,651)               |
| Income tax expense                                  |      | -                     | -                       |
|   |      | <u>-</u>              | <u>-</u>                |
| <b>Surplus/(deficit) for the year</b>               |      | <u>109,301</u>        | <u>(251,651)</u>        |
| <b>Other comprehensive income</b>                   |      | -                     | -                       |
|   |      | <u>-</u>              | <u>-</u>                |
| <b>Total comprehensive gain/(loss) for the year</b> |      | <u><u>109,301</u></u> | <u><u>(251,651)</u></u> |

The accompanying notes form part of these financial statements

**TRUSTEES FOR THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|                                       | Accumulated<br>funds<br>\$ | Total<br>\$              |
|---------------------------------------|----------------------------|--------------------------|
| Balance at 1 July 2021                | 13,380,905                 | 13,380,905               |
| Comprehensive income                  |                            |                          |
| Deficit for the year                  | <u>(251,651)</u>           | <u>(251,651)</u>         |
| Total comprehensive loss for the year | <u>(251,651)</u>           | <u>(251,651)</u>         |
| Balance at 30 June 2022               | <u><b>13,129,254</b></u>   | <u><b>13,129,254</b></u> |
| Balance at 1 July 2022                | 13,129,254                 | 13,129,254               |
| Comprehensive income                  |                            |                          |
| Surplus for the year                  | <u>109,301</u>             | <u>109,301</u>           |
| Total comprehensive gain for the year | <u>109,301</u>             | <u>109,301</u>           |
| Balance at 30 June 2023               | <u><b>13,238,555</b></u>   | <u><b>13,238,555</b></u> |

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|  | Note | 2023<br>\$               | 2022<br>\$               |
|--|------|--------------------------|--------------------------|
| <b>Cash flows from operating activities</b>                      |      |                          |                          |
| Receipts from customers and government                           |      | 12,654,475               | 11,627,869               |
| Payments to suppliers and employees                              |      | (13,193,983)             | (11,362,083)             |
| Allowable deductions from refundable accommodation deposits      |      | 79,109                   | 112,340                  |
| Interest received  |      | 579,618                  | 132,885                  |
| Interest paid  |      | (83,282)                 | (58,893)                 |
| <i>Net cash flows from operating activities</i>                  | 20   | <u>35,937</u>            | <u>452,118</u>           |
| <b>Cash flows from investing activities</b>                      |      |                          |                          |
| Purchase of property, plant and equipment - residential          |      | (162,863)                | (150,914)                |
| Proceeds from sale of property, plant and equipment              |      | 16,766                   |                          |
| <i>Net cash flows from investing activities</i>                  |      | <u>(146,097)</u>         | <u>(150,914)</u>         |
| <b>Cash flows from financing activities</b>                      |      |                          |                          |
| Proceeds from borrowings - residential                           |      | 4,211,724                | 5,830,258                |
| Repayment of borrowings - residential                            |      | (3,967,347)              | (4,519,508)              |
| Repayment of borrowings - other                                  |      | -                        | (231,579)                |
| <i>Net cash flows from financing activities</i>                  |      | <u>244,377</u>           | <u>1,079,170</u>         |
| Net increase in cash and cash equivalents                        |      | 134,217                  | 1,380,374                |
| Cash and cash equivalents at the beginning of the financial year |      | <u>23,847,462</u>        | <u>22,467,088</u>        |
| Cash and cash equivalents at the end of the financial year       | 6    | <u><u>23,981,679</u></u> | <u><u>23,847,462</u></u> |

The accompanying notes form part of these financial statements

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE****ST JOSEPH'S AGED CARE FACILITY LISMORE****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023****Note 1 – Reporting Entity**

The financial report is for the St Joseph's Aged Care Facility Lismore as an individual entity and domiciled in Australia. The financial statements were approved by the board on 24 October 2023.

St Joseph's Aged Care Facility Lismore provides quality residential care marked by compassion, respect and dignity for each person in our care.

The Approved Provider responsible for the preparation of the financial report is The Trustees of the Roman Catholic Church for the Diocese of Lismore (National Approved Provider System number 201).

**Note 2 - Basis of preparation*****Statement of Compliance***

These general purpose financial statements have been prepared in compliance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards - Simplified Disclosures. The entity is a not-for-profit entity for the purposes of preparing these financial statements.

The functional and presentation currency of the entity are Australian dollars.

***Basis of Measurement***

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

***Presentation of Statement of Financial Position on a liquidity basis***

The Finance Committee have taken the view that in complying with the requirements of AASBs, the treatment of refundable loans (accommodation bonds, refundable accommodation deposits and entry contributions) as current liabilities does not reflect the true liquidity of the entity as these liabilities are not likely to be repaid in the next 12 months.

Accordingly, in the current year the Finance Committee have chosen to present its statement of financial position under the liquidity presentation method (*AASB 101 Presentation of Financial Statements*) on the basis that it presents a more reliable and relevant view.

***Critical accounting estimates and judgements***

The Finance Committee evaluates estimates and judgments 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 the entity.

**Key estimates*****Impairment***

The entity assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE****ST JOSEPH'S AGED CARE FACILITY LISMORE****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023****Note 2 - Basis of preparation (continued)***Estimation of useful lives of assets*

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

***Coronavirus (COVID-19) Pandemic***

During the financial year ended 30 June 2023 St Joseph's Aged Care facility has incurred increased expenditure within salaries and wages, personal protective equipment, cleaning, waste disposal and linen in response to the COVID-19 pandemic. Financial assistance from the Australian Government has been applied for to aid in mitigating the financial impact of the Pandemic on the Facility.

***Comparatives***

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

***New and revised standards that are effective for these financial statements***

The entity has adopted all standards which became effective for the first time at 30 June 2023, the adoption of these standards did not have a material impact on the carrying values of the entity's asset, liability or equity balances; nor a material impact on the recognition and measurement of the entity's revenue or expenses.

**Note 3 - Significant accounting policies**

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

***Income Tax***

As Trustees of the Roman Catholic Church for the Diocese of Lismore St Joseph's Aged Care Facility Lismore is a Public Benevolent Institution it is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

***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.



**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**

**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 3 - Significant accounting policies (continued)**

***Revenue recognition***

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

*(i) Resident fees & recurrent government subsidies*

Revenue from residents' rents and related government subsidies are recognised on a proportional basis to take account of the delivery of service to or occupancy by residents.

*(ii) Grants, donations and bequests*

Income arising from the contribution of an asset (including cash) to the entity shall be recognised when the following conditions have been satisfied:

- (a) the entity obtains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the entity; and
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

*(iii) Interest*

Revenue from interest is recognised on an accruals basis.

*(iv) Retentions from accommodation bonds*

The retention income earned from accommodation bonds is recognised as income as the entity becomes entitled to receive the retention under the terms of the resident agreement.

***Cash and cash equivalents***

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

***Trade receivables***

With respect to resident fees, trade receivables are recognised when residents are billed for accommodation fees in advance. For all other sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less a provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**

**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 3 - Significant accounting policies (continued)**

***Property, plant and equipment***

**Recognition and measurement**

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

**Subsequent costs**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**Carrying Amount**

The carrying amount of property, plant and equipment is reviewed annually by the finance committee to ensure that it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

**Depreciation**

The depreciable amount of all property, plant and equipment, excluding freehold land and capital works in progress, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are based on the following estimated useful lives of assets:

|   |                |
|---|----------------|
| Buildings                                   | 20 to 50 years |
| Plant and equipment, furniture and fittings | 5 to 10 years  |

The assets' 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.

***Financial Instruments***

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the entity commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transactions 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.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**

**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 3 - Significant accounting policies (continued)**

*Financial instruments (continued)*

Classification and subsequent measurement

*Financial assets*

Financial assets other than those designated and effective as hedging instruments are classified upon initial recognition into the following categories:

- amortised cost
- equity instruments at fair value through other comprehensive income (FVOCI)
- fair value through profit or loss (FVPL)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income or finance costs, except for impairment of trade receivables which are disclosed with other expenses.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset
- the business model for managing the financial asset

*Equity instruments at fair value through other comprehensive income*

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at fair value through other comprehensive income. Subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss unless the dividend clearly represents return of capital.

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.

*Financial assets at fair value through profit or loss*

Financial assets that are held within a different business model other than to "hold and collect" or "hold to collect and sell" are categorised at fair value through profit or loss. 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.

*Impairment of financial assets*

The impairment requirements as applicable under AASB 9 use more forward looking information to recognise expected credit losses. 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.

The Finance Committee considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this approach a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk
- financial instruments that have deteriorated significantly in credit quality since initial recognition and the credit risk is not low
- financial assets that have objective evidence of impairment at reporting date

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE****ST JOSEPH'S AGED CARE FACILITY LISMORE****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023****Note 3 - Significant accounting policies (continued)*****Financial instruments (continued)***

The loss allowance for the first category is measured as "12-month expected credit loss" and for the second category is measured as "lifetime expected credit losses".

***Trade and other receivables***

The entity makes use of a 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
- 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 including historical experience, external indicators and forward looking information to calculate the expected credit losses.

***Financial liabilities***

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the entity designated a financial liability at fair value through profit and loss.

Financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at fair value through profit or loss, which are carried subsequently at fair value with gains or losses recognised in profit or loss. A financial liability cannot be reclassified.

All interest related charges and, if applicable, changes in the instruments fair value that are reported in profit or loss are included within finance costs or finance income.

***Intangible assets******Bed licences***

Bed licences are granted to the entity by the Department of Health and Ageing (the Department). Licences that are granted to the entity by the Department do not have a purchase cost. The date of acquisition is considered to be the date upon which the licence first becomes operational. If a licence that has been granted does not become operational then it must be handed back to the Department.

***Impairment of assets***

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Australian Accounting Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for intangible assets with indefinite lives.

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE****ST JOSEPH'S AGED CARE FACILITY LISMORE****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023****Note 3 - Significant accounting policies (continued)*****Trade and other payables***

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

***Employee benefits***

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on Australian corporate bonds with terms to maturity that match the expected timing of cash flows.

***Provisions***

Provisions are recognised when the entity 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.

***Refundable accommodation deposits and accommodation bonds***

Refundable accommodation deposits and accommodation bonds are non-interest bearing deposits made by aged care facility residents to the entity upon their admission. Refundable accommodation deposits are measured at the principal amount less any other amounts deducted from the deposit at the election of the resident. Accommodation bonds are measured at the principal amount net of any retentions or any other amounts deducted from the bond at the election of the resident.

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|  | 2023              | 2022              |
|--|-------------------|-------------------|
|  | \$                | \$                |
| <b>Note 4 - Revenue</b>                        |                   |                   |
| <b>Operating Revenue</b>                       |                   |                   |
| Government subsidies and recurrent grants      | 9,649,400         | 8,436,831         |
| Resident fees and charges                      | 2,556,698         | 2,753,127         |
| Fees - Accommodation Charge                    | 310,863           | 365,708           |
|  | <u>12,516,961</u> | <u>11,555,665</u> |
| <b>Other Revenue</b>                           |                   |                   |
| Donations and bequests                         | 16,737            | 1,999             |
| Interest income                                | 579,618           | 132,885           |
| Profit on sale of non current assets           | 16                | -                 |
| Non Recurrent COVID grants                     | 131,677           | 194,289           |
| Other revenue                                  | 134,369           | 56,748            |
|  | <u>862,417</u>    | <u>385,920</u>    |
| <i>Total revenue</i>                           | <u>13,379,378</u> | <u>11,941,585</u> |
| <b>Note 5 - Expenses</b>                       |                   |                   |
| <b>Depreciation</b>                            |                   |                   |
| Buildings                                      | 164,646           | 167,477           |
| Plant and equipment                            | 108,134           | 116,242           |
| <i>Total depreciation</i>                      | <u>272,780</u>    | <u>283,719</u>    |
| Interest paid - external                       | 83,282            | 58,893            |
|  | <u>2023</u>       | <u>2022</u>       |
|  | \$                | \$                |
| <b>Note 6 - Cash and cash equivalents</b>      |                   |                   |
| Cash at bank and on hand                       | 112,267           | 64,536            |
| Diocesan Investment Fund - related party       | 23,869,412        | 23,782,926        |
| <i>Total cash and cash equivalents</i>         | <u>23,981,679</u> | <u>23,847,462</u> |
| <b>Note 7 - Trade and other receivables</b>    |                   |                   |
| <b>Expected to be settled within 12 months</b> |                   |                   |
| Trade receivables                              | 63,739            | 9,407             |
| Provision for impairment                       | -                 | -                 |
|  | <u>63,739</u>     | <u>9,407</u>      |
| Other receivables                              | 210,881           | 158,588           |
| Prepayments                                    | 3,958             | 76,270            |
|  | <u>278,578</u>    | <u>244,266</u>    |
| <b>Provision for impairment</b>                |                   |                   |
| Balance at the beginning of the financial year | -                 | -                 |
| Increase (decrease) in provision               | -                 | -                 |
| Balance at the end of the financial year       | <u>-</u>          | <u>-</u>          |
| <b>Note 8 - Financial assets</b>               |                   |                   |
| <b>at Amortised Cost</b>                       |                   |                   |
| Diocesan Prudential Fund - related party       | 1,089,601         | 1,089,601         |
| <i>Total financial assets</i>                  | <u>1,089,601</u>  | <u>1,089,601</u>  |

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 9 - Capital Work in Progress**

|   | Residential<br>\$ | Total<br>\$   |
|---|-------------------|---------------|
| At 30 June 2022                             |                   |               |
| <i>Movements in carrying amounts</i>        |                   |               |
| Opening net carrying amount at 1 July 2021  | 25,124            | 25,124        |
| Additions                                   | -                 | -             |
| Reclassification                            | (8,700)           | (8,700)       |
| Impairment                                  | -                 | -             |
| Closing net carrying amount at 30 June 2022 | <u>16,424</u>     | <u>16,424</u> |
| <i>Movements in carrying amount</i>         |                   |               |
| Net carrying amount at 1 July 2022          | 16,424            | 16,424        |
| Additions                                   | 42,199            | 42,199        |
| Reclassification                            | 6,760             | 6,760         |
| Disposals                                   | -                 | -             |
| Revaluations                                | -                 | -             |
| Net carrying amount at 30 June 2023         | <u>65,383</u>     | <u>65,383</u> |

**Note 10 - Property, plant and equipment**

|                                      | Land<br>\$       | Buildings<br>\$  | Plant and<br>equipment<br>\$ | Total<br>\$      |
|--------------------------------------|------------------|------------------|------------------------------|------------------|
| At 30 June 2022                      |                  |                  |                              |                  |
| Cost                                 | 1,000,000        | 13,107,210       | 1,846,241                    | 15,953,451       |
| Accumulated depreciation             | -                | (7,188,576)      | (1,457,496)                  | (8,646,072)      |
| Net carrying amount                  | <u>1,000,000</u> | <u>5,918,634</u> | <u>388,745</u>               | <u>7,307,379</u> |
| <i>Movements in carrying amounts</i> |                  |                  |                              |                  |
| Net carrying amount at 1 July 2022   | 1,000,000        | 5,918,634        | 388,745                      | 7,307,379        |
| Additions - residential              | -                | 30,850           | 89,812                       | 120,662          |
| Disposals                            | -                | -                | (16,750)                     | (16,750)         |
| Reclassification                     | -                | -                | -                            | -                |
| Depreciation charge for the year     | -                | (164,646)        | (108,134)                    | (272,780)        |
| Net carrying amount at 30 June 2023  | <u>1,000,000</u> | <u>5,784,838</u> | <u>353,673</u>               | <u>7,138,511</u> |
| At 30 June 2023                      |                  |                  |                              |                  |
| Cost                                 | 1,000,000        | 13,138,060       | 1,875,991                    | 16,014,051       |
| Accumulated depreciation             | -                | (7,353,222)      | (1,522,318)                  | (8,875,540)      |
| Net carrying amount                  | <u>1,000,000</u> | <u>5,784,838</u> | <u>353,673</u>               | <u>7,138,511</u> |

**(a) Impairment**

Impairment losses totalling \$Nil were recognised during the financial year (2022 \$Nil). The recoverable amount was based on value-in-use and was determined at the cash generating unit level.

|  | 2023<br>\$     | 2022<br>\$       |
|--|----------------|------------------|
| <b>Note 11 - Trade and other payables</b>      |                |                  |
| <u>Expected to be settled within 12 months</u> |                |                  |
| Trade payables                                 | 535,301        | 319,835          |
| Payable - Related Parties                      | 25,400         | 849,246          |
| Income in Advance - Grants                     | 40,463         | -                |
| Sundry payables and accrued expenses           | 42,659         | -                |
| Total trade and other payables                 | <u>643,823</u> | <u>1,169,081</u> |

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|  | 2023              | 2022              |
|--|-------------------|-------------------|
|  | \$                | \$                |
| <b>Note 12 - Refundable Loans</b>              |                   |                   |
| <u>Expected to be settled within 12 months</u> |                   |                   |
| Refundable accommodation deposits              | 5,595,762         | 5,515,118         |
|  | <u>5,595,762</u>  | <u>5,515,118</u>  |
| <u>Expected to be settled after 12 months</u>  |                   |                   |
| Refundable accommodation deposits              | 11,361,092        | 11,197,360        |
|  | <u>11,361,092</u> | <u>11,197,360</u> |
| <i>Total loans and borrowings</i>              | <u>16,956,854</u> | <u>16,712,478</u> |

**(a) Terms and Conditions**

Refundable accommodation deposits and accommodation bonds are repayable on the following basis:-

- (i) If the resident gives notice more than 14 days prior to departure then the bond is payable on the date of departure;
- (ii) If the resident gives notice less than 14 days prior to departure the bond is payable within 14 days after notice is given;
- (iii) If the resident gives no notice the bond is repayable 14 days after departure; and
- (iv) If the resident dies, the bond is repayable within 14 days from the date that notice is received of the granting of probate or of letters of administration being issued.

**(b) Movement in refundable accommodation deposits and accommodation bonds:**

|                                 |                   |                   |
|---------------------------------|-------------------|-------------------|
| Opening balance                 | 16,712,478        | 15,401,727        |
| <i>Add (less)</i>               |                   |                   |
| New deposits and bonds received | 4,290,833         | 5,942,599         |
| Retention/interest from bonds   | (79,109)          | (112,340)         |
| Deposits and bonds refunded     | (3,967,347)       | (4,519,508)       |
| Closing balance                 | <u>16,956,854</u> | <u>16,712,478</u> |
|                                 | 2023              | 2022              |
|                                 | \$                | \$                |

**Note 13 - Provisions**

|  |                  |                  |
|--|------------------|------------------|
| <u>Expected to be settled within 12 months</u> |                  |                  |
| Employee entitlements                          | 1,581,500        | 1,373,398        |
|  | <u>1,581,500</u> | <u>1,373,398</u> |
| <u>Expected to be settled after 12 months</u>  |                  |                  |
| Employee entitlements - long service leave     | 133,020          | 120,921          |
|  | <u>133,020</u>   | <u>120,921</u>   |
| <i>Total provisions</i>                        | <u>1,714,520</u> | <u>1,494,319</u> |

**(a) Movement in provisions**

Movements in each class of provision

|  | Employee Entitlements | Total            |
|--|-----------------------|------------------|
|  | \$                    | \$               |
| Carrying amount at the beginning of the year | 1,494,319             | 1,494,319        |
| Additional provision recognised              | 953,126               | 953,126          |
| Provision utilised during the year           | (732,925)             | (732,925)        |
| Carrying amount at the end of the year       | <u>1,714,520</u>      | <u>1,714,520</u> |



**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 14 - Contingent liabilities**

There were no contingent liabilities in existence at balance date.

**Note 15 - Events occurring after balance date**

Whilst the Coronavirus (COVID-19) pandemic remains ongoing and although it has not had a significant detrimental effect financially upon the organisation up to 30 June 2023 as noted in Note 2 above, it is not possible to estimate any potential impact, positive or negative, after the reporting date.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the organisation, the results of those operations, or the financial performance of the organisation in future years.

|  | 2023 | 2022 |
|--|------|------|
|  | \$   | \$   |

**Note 16 - Commitments**

***(a) Capital commitments***

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

|  |         |   |
|--|---------|---|
|  | 516,350 | - |
|  | 516,350 | - |

**Note 17 - Economic dependency**

St Joseph's Aged Care Facility Lismore considers that it is economically dependent on revenue received from the Department of Social Services with respect to its residential aged care facilities. The Finance Committee believe that this revenue will continue to be made available to the entity for the foreseeable future.

The total amount of recurrent government funding received during the financial year was \$9,623,617 (2022: \$8,407,125) and this represented 71.9% of total revenues (2022: 70.4%).

The entity is also dependent on the continued provision of services rendered by St Vincents Hospital Lismore which amounted to \$815,675 (2022: \$713,175).

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|   | 2023              | 2022              |
|---|-------------------|-------------------|
|   | \$                | \$                |
| <b><u>Note 18 - Related party transactions</u></b>                          |                   |                   |
| The following transactions took place with related parties during the year: |                   |                   |
| <b><u>Income</u></b>  |                   |                   |
| Interest Received from Diocesan Investment Fund                             | 527,281           | 102,900           |
| Interest Received from Diocesan Prudential Fund                             | 46,710            | 29,964            |
| <b>Total</b>  | <b>573,991</b>    | <b>132,864</b>    |
| <b><u>Purchases of goods and services</u></b>                               |                   |                   |
| Expenses paid to St Vincents Hospital                                       | 815,675           | 713,175           |
| Expenses paid to Diocese of Lismore   | 63,742            | 56,494            |
| <b>Total</b>  | <b>879,417</b>    | <b>769,669</b>    |
| <b><u>Amounts receivable from related parties at balance date</u></b>       |                   |                   |
| St Vincents Hospital  | -                 | -                 |
| <b>Total</b>  | <b>-</b>          | <b>-</b>          |
| <b><u>Amounts payable to related parties at balance date</u></b>            |                   |                   |
| St Vincents Hospital  | 25,400            | 849,246           |
| Diocese of Lismore  | -                 | -                 |
| <b>Total</b>  | <b>25,400</b>     | <b>849,246</b>    |
| <b><u>Investments in Related Parties</u></b>                                |                   |                   |
| Diocesan Investment Fund  | 23,869,412        | 23,782,926        |
| Diocesan Prudential Fund  | 1,089,601         | 1,089,601         |
| <b>Total</b>  | <b>24,959,013</b> | <b>24,872,527</b> |

During the financial year there were transactions entered into between St Josephs Nursing Home and its related entities and other entities with which members of the Board were affiliated. These transactions were for the provision of goods and services on the same terms and conditions as other suppliers. The total amount of these transactions was \$3,923 (2022: \$24,111).

**Note 19 - Key Management Personnel Remuneration**

The totals of remuneration paid to key management personnel of St Josephs Aged Care Facility during the year are as follows:

|                              | 2023           | 2022           |
|------------------------------|----------------|----------------|
|                              | \$             | \$             |
| Short-term employee benefits | 203,792        | 205,782        |
| Post-employment benefits     | 20,545         | 19,646         |
|                              | <b>224,337</b> | <b>225,428</b> |

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|   | 2023          | 2022           |
|---|---------------|----------------|
|   | \$            | \$             |
| <b><u>Note 20 - Cash flow information</u></b>                                   |               |                |
| <i>Reconciliation of net profit after tax to net cash flows from operations</i> |               |                |
| Profit after income tax   | 109,301       | (251,651)      |
| <i>Adjustments for:</i>   |               |                |
| Depreciation  | 272,780       | 283,719        |
| (Gain) loss on disposal of property, plant and equipment                        | (16)          | -              |
| WIP paid by SVH   | (6,760)       | -              |
| <i>Changes in assets and liabilities</i>  |               |                |
| (Increase) decrease in trade and other receivables                              | (106,624)     | (68,489)       |
| (Increase) decrease in prepayments  | 72,312        | 11,636         |
| (Decrease) increase in trade and other payables                                 | (525,258)     | 331,102        |
| (Decrease) increase in provisions   | 220,201       | 145,801        |
| Net cash from operating activities  | <u>35,936</u> | <u>452,118</u> |
| <b><u>Note 21 - Auditor's remuneration</u></b>                                  |               |                |
|   | 2023          | 2022           |
|   | \$            | \$             |
| Fees paid to wca audit and assurance services:                                  |               |                |
| - Audit of the financial report   | 9,655         | 9,060          |
| - Preparation of the financial report   | 2,760         | 2,590          |
| - Other advisory services   | -             | -              |
| <i>Total auditor's remuneration</i>   | <u>12,415</u> | <u>11,650</u>  |

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 22 - Residential aged care segment**

The following information is provided in compliance with *Part 10, Division 4 of the Residential Care Subsidy Principles 1997* which deems residential aged care to be a reporting segment for the purposes of *AASB 8: Operating Segments*.

Residential care facilities included in this segment report are:

St Josephs Nursing Home      Service RACS ID 1494

The entity operates in one business segment, being Residential Aged Care

The entity operates in one geographic segment, located in Lismore, New South Wales.

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE****ST JOSEPH'S AGED CARE FACILITY LISMORE****FINANCIAL REPORT - 30 JUNE 2023****INDEPENDENT AUDITOR'S REPORT TO  
ST JOSEPH'S AGED CARE FACILITY LISMORE****Opinion**

We have audited the general purpose financial report of the Trustee of the Roman Catholic Church for the Diocese of Lismore St Joseph's Aged Care Facility Lismore (the Entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of the Entity is prepared, in all material respects, in accordance with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012 including:

- giving a true and fair view of the St Joseph's Aged Care Facility Lismore's financial position as at 30 June 2023 and of its performance for the year ended on that date, and
- complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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 audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

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

**Other Information**

The Committee of the Entity are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**

**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**FINANCIAL REPORT - 30 JUNE 2023**

**INDEPENDENT AUDITOR'S REPORT TO  
ST JOSEPH'S AGED CARE FACILITY LISMORE**

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation of the financial report in accordance with the Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as management determines 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, management is responsible for assessing the 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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

<http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

**WCA audit & assurance services pty ltd**  
Authorised Audit Company Number 419313



Tania L Kirkland  
Director

24 October 2023

62 WOODLARK STREET  
LISMORE NSW 2480

**TRUSTEES OF THE ROMAN CATHOLIC CHURCH FOR THE DIOCESE OF LISMORE**  
**ST JOSEPH'S AGED CARE FACILITY LISMORE**

**DETAILED INCOME AND EXPENDITURE STATEMENT (UNAUDITED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

|  | 2023              | 2022              |
|--|-------------------|-------------------|
|  | \$                | \$                |
| <b>Operating Income</b>                |                   |                   |
| Government subsidies                   | 9,649,400         | 8,436,831         |
| Fees, sales & other income             | 2,867,561         | 3,118,834         |
|  | <u>12,516,961</u> | <u>11,555,665</u> |
| <b>Operating Expenditure</b>           |                   |                   |
| Wages & related costs                  | 10,385,610        | 9,312,408         |
| Domestic expenses                      | 1,093,205         | 1,072,199         |
| Insurance                              | 83,189            | 82,610            |
| Buildings, grounds & utilities expense | 451,619           | 438,432           |
| Depreciation                           | 272,780           | 283,719           |
| Administration & operation expenses    | 737,174           | 790,974           |
| Medical & surgical supplies            | 163,218           | 154,001           |
|  | <u>13,186,795</u> | <u>12,134,343</u> |
| <b>Net Operating Surplus</b>           | <u>(669,834)</u>  | <u>(578,678)</u>  |
| <b>Non Operating Income</b>            |                   |                   |
| Donations, bequests & fundraising      | 16,737            | 1,999             |
| Non recurrent COVID grants             | 131,677           | 194,289           |
| Interest & dividends                   | 579,618           | 132,885           |
| Other income                           | 134,385           | 56,748            |
|  | <u>862,417</u>    | <u>385,921</u>    |
| <b>Non Operating Expenditure</b>       |                   |                   |
| Interest paid                          | 83,282            | 58,893            |
|  | <u>83,282</u>     | <u>58,893</u>     |
| <b>Net Non Operating Surplus</b>       | <u>779,135</u>    | <u>327,028</u>    |
| <b>Net Surplus/(Deficit)</b>           | <u>109,301</u>    | <u>(251,651)</u>  |