



BENEVOLENT AGED CARE LTD

ABN 14 650 323 599

NAPS ID: 79

FINANCIAL REPORT - 30 JUNE 2022

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BENEVOLENT AGED CARE LTD**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue	4	11,985,220	11,578,780
Other income	4	1,324,250	1,998,688
		<u>13,309,470</u>	<u>13,577,468</u>
Expenses			
Administration and other expenses		(827,871)	(687,794)
Project Expenses		(599,797)	(51,671)
Bed licences derecognised		-	(4,600,000)
Depreciation and amortisation	5	(637,203)	(633,437)
Cleaning and laundry		(117,125)	(80,838)
Catering costs		(469,215)	(443,712)
Fair value loss on financial assets	5	(1,833,346)	-
Finance costs	5	(119,245)	(83,368)
Insurance		(95,279)	(75,244)
Loss on sale of property, plant and equipment	5	(2,586,514)	(2,571)
Repair and maintenance costs		(326,699)	(251,462)
Resident expenses		(563,992)	(701,178)
Salaries and employee benefits		(8,081,581)	(7,613,769)
Utilities		(358,113)	(346,923)
		<u>(16,615,980)</u>	<u>(15,571,967)</u>
Surplus (deficit) before income tax		(3,306,510)	(1,994,499)
Income tax expense		-	-
Surplus (deficit) for the year		(3,306,510)	(1,994,499)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on revaluation of land and buildings		-	1,382,446
Other comprehensive income for the year		-	1,382,446
Total comprehensive income (loss) for the year		<u>(3,306,510)</u>	<u>(612,053)</u>

The accompanying notes form part of these financial statements

BENEVOLENT AGED CARE LTD**ABN 14 650 323 599****STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2022**

	Note	2022 \$	2021 \$
ASSETS			
Cash and cash equivalents	6	16,447,072	32,535,921
Trade and other receivables	7	697,471	360,105
Inventories	8	10,263	12,332
Financial assets	9	23,776,563	21,071,504
Capital work in progress	10	2,471,250	3,898,772
Property, plant and equipment	11	35,048,799	21,695,495
TOTAL ASSETS		78,451,418	79,574,129
LIABILITIES			
Trade and other payables	12	4,021,377	2,897,552
Refundable loans expected to be paid within 12 months	13	5,205,992	4,891,764
Employee benefits expected to be paid within 12 months	14	1,106,782	994,741
Refundable loans expected to be paid after 12 months	13	10,569,740	9,931,763
Employee benefits expected to be paid after 12 months	14	81,821	86,093
TOTAL LIABILITIES		20,985,712	18,801,913
NET ASSETS		57,465,706	60,772,216
FUNDS			
Accumulated funds		49,852,744	53,159,254
Reserves	15	7,612,962	7,612,962
TOTAL FUNDS		57,465,706	60,772,216

The accompanying notes form part of these financial statements

BENEVOLENT AGED CARE LTD**STATEMENT OF CHANGES IN FUNDS**
FOR THE YEAR ENDED 30 JUNE 2022

	Accumulated Funds	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2020	55,153,753	6,230,516	61,384,269
Comprehensive income			
Surplus (deficit) for year	(1,994,499)	-	(1,994,499)
Other comprehensive income	-	1,382,446	1,382,446
Total comprehensive income (loss) for the year	<u>(1,994,499)</u>	<u>1,382,446</u>	<u>(612,053)</u>
Balance at 30 June 2021	<u>53,159,254</u>	<u>7,612,962</u>	<u>60,772,216</u>
Balance at 1 July 2021	53,159,254	7,612,962	60,772,216
Comprehensive income			
Surplus (deficit) for year	(3,306,510)	-	(3,306,510)
Other comprehensive income	-	-	-
Total comprehensive income (loss) for the year	<u>(3,306,510)</u>	<u>-</u>	<u>(3,306,510)</u>
Balance at 30 June 2022	<u>49,852,744</u>	<u>7,612,962</u>	<u>57,465,706</u>

BENEVOLENT AGED CARE LTD**STATEMENT OF CASH FLOWS**
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers and government		13,530,241	12,187,835
Payments to suppliers and employees		(13,028,891)	(10,882,674)
Investment income received		983,283	983,001
Interest paid		(37,476)	(20,166)
<i>Net cash flows from operating activities</i>		<u>1,447,157</u>	<u>2,267,996</u>
Cash flows from investing activities			
Proceeds from sale of financial assets		7,272,065	1,651,650
Purchase of financial assets		(11,679,983)	(9,359,815)
Purchase of property, plant and equipment		(126,573)	(59,279)
Purchase of capital work in progress		(15,134,491)	(2,938,974)
<i>Net cash flows from investing activities</i>		<u>(19,668,982)</u>	<u>(10,706,418)</u>
Cash flows from financing activities			
Proceeds from refundable accommodation deposits		6,241,337	6,286,040
Repayment of refundable accommodation deposits		(4,108,361)	(2,847,626)
<i>Net cash flows from financing activities</i>		<u>2,132,976</u>	<u>3,438,414</u>
Net increase (decrease) in cash and cash equivalents		(16,088,849)	(5,000,008)
Cash and cash equivalents at the beginning of the financial year		<u>32,535,921</u>	<u>37,535,929</u>
Cash and cash equivalents at the end of the financial year	6	<u>16,447,072</u>	<u>32,535,921</u>

The accompanying notes form part of these financial statements

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 1 - Corporate Information**

The financial report includes the financial statements and notes of Benevolent Aged Care Ltd as an individual entity. Benevolent Aged Care Ltd is registered as a company limited by guarantee and not having a share capital under the provisions of the *Australian Charities and Not-for-profits Commission Act 2012*.

Benevolent Aged Care Ltd provides accommodation and care services to vulnerable and frail elderly people.

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

60 West Steet
Rockhampton QLD 4700

The financial statements were approved by the Board of Directors on 26 October 2022.

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 company is a not-for-profit entity for the purposes of preparing these financial statements.

Other than the change in disclosure requirements, the adoption of *AASB 1060: General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* has had no significant impact on the financial statements because the company's previous financial statements complied with *Australian Accounting Standards - Reduced Disclosure Requirements*.

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.

Comparatives

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the company has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Critical accounting estimates and judgements

The Directors 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 the company.

Key estimates***Impairment***

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

New and revised standards that are effective for these financial statements

Several amendments to Australian Accounting Standards and interpretations are mandatory for the 30 June 2022 reporting period. These include:

- *AASB 1060: General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (effective for the year ending 30 June 2022)
- *AASB 2020-2: Amendments to Australian Accounting Standards - Removal of Special Purpose Financial Statements for Certain For-Profit Entities* (effective for the year ended 30 June 2022)

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 2 - Basis of preparation (continued)*****New and revised standards that are effective for these financial statements (continued)***

AASB 1060 and AASB 2020-2 act to mandate that the company prepare a general purpose financial report under a new Simplified Disclosure Standard. The application of AASB 1060 and AASB 2020-2 have not had a material impact on the carrying values of the company's asset, liability or equity balances; nor a material impact on the recognition and measurement of the company's revenue or expenses.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the company. These include:

- AASB 2020-1: Amendments to AASs - Classification of Liabilities as Current or Non-current (effective for the year ending 30 June 2024)
- AASB 2021-2: Amendments to AASs - Disclosure of Accounting Policies and Definition of Accounting Estimates (effective for the year ending 30 June 2024)

It is not expected that AASB 2020-1 or AASB 2021-2 will have a material impact on the company in future reporting periods.

Presentation of Statement of Financial Position on a liquidity basis

The Directors have taken the view that in complying with the requirements of AASBs, the treatment of refundable loans (accommodation bonds and refundable accommodation deposits) 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 Directors 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.

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

Benevolent Aged Care Ltd is a not-for-profit charity and 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.

Revenue recognition

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:

Resident fees, daily accommodation payments and recurrent government subsidies

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

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 3 - Significant accounting policies (continued)*****Revenue recognition (continued)****Grants, donations and bequests*

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

- (a) the company 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 company; and
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

Interest and investment revenue

Revenue from interest is recognised on an accrual's basis. Investment revenue is recognised when the right to receive investment income has been established.

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.

Trade receivables

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

Inventories

Inventories are measured at the lower of cost and net realisable value at balance date.

Property, plant and equipment**Recognition and measurement**

Each class of property, plant and equipment is carried at cost or fair value 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 company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Land and buildings

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the Directors conduct Directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 3 - Significant accounting policies (continued)*****Property, plant and equipment (continued)***Land and buildings (continued)

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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 less depreciation and impairment losses.

Impairment

Property, plant and equipment including land and buildings are subject to the company's policy for impairment review whereby an asset is tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Depreciation and amortisation

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

The estimated useful lives in the current and comparative periods are as follows:

Buildings	2.5%
Buildings (Demountable)	5.0%
Equipment and fittings	12.5%

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.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

Financial instrumentsInitial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the company 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.

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 3 - Significant accounting policies (continued)*****Financial instruments*****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

Financial assets at amortised cost

Financial assets are measured at amortised cost if the asset meets the following conditions (and are not designated as FVPL):

- The financial asset is managed solely to collect contractual cash flows
- 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

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.

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 3 - Significant accounting policies (continued)*****Financial instruments (continued)***

The Directors consider 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

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”. The third category relates to an impairment loss processed through the Profit or Loss.

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 company 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.

Income received in advance

Income, other than government contract income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of profit or loss and other comprehensive income.

Leases

The company does not recognise leases that have a lease term of 12 months or less or meet the definition of a “peppercorn” lease. The lease payments associated with these leases are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term.

Employee benefits***Short-term employee benefits***

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

Other long-term employee benefits

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

Refundable accommodation deposits and resident accommodation bonds

Refundable accommodation deposits (RADs) and resident accommodation bonds are non-interest-bearing deposits made by aged care facility clients to the company upon their admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident. 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.

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 3 - Significant accounting policies (continued)*****Fair value of assets and liabilities***

The company 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 the company 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 either 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) or, in the absence of such a market, the most advantageous market available to the company 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 the company's own equity instruments (excluding those related to share-based payment arrangements) 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.

Segment reporting

The approved provider delivers only residential aged care services, and this general purpose financial report therefore relates only to such operations.

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<u>Note 4 - Revenue and other income</u>		
Residential aged care services		
Government subsidies and funding	8,535,153	8,286,583
Resident fees and charges	3,404,066	3,246,096
	<u>11,939,219</u>	<u>11,532,679</u>
Other services		
Donations	4,309	565
Rent received	12,771	18,428
Other revenue	28,921	27,108
	<u>46,001</u>	<u>46,101</u>
<i>Total revenue</i>	<u>11,985,220</u>	<u>11,578,780</u>
Other income		
Finance income		
Interest income	102,962	361,950
Investment income	880,321	621,051
Fair value gain on financial assets	-	586,300
Gain on sale of financial assets	130,487	77,651
<i>Total net finance income</i>	<u>1,113,770</u>	<u>1,646,952</u>
Government grants - non recurrent (COVID-19)	210,480	351,736
<i>Total other income</i>	<u>1,324,250</u>	<u>1,998,688</u>
<i>Total revenue and other income</i>	<u>13,309,470</u>	<u>13,577,468</u>
<u>Note 5 - Expenses</u>		
Depreciation and amortisation		
Buildings	464,217	450,590
Equipment and fittings	164,325	175,171
Motor vehicles	8,661	7,676
<i>Total depreciation and amortisation</i>	<u>637,203</u>	<u>633,437</u>
Finance costs	119,245	83,368
Fair value loss on financial assets	1,833,346	-
Loss on sale of property, plant and equipment	2,586,514	2,571
<u>Note 6 - Cash and cash equivalents</u>		
Cash at bank and on hand	7,428,551	7,516,091
Deposits at call	9,018,521	25,019,830
<i>Total cash and cash equivalents</i>	<u>16,447,072</u>	<u>32,535,921</u>
<u>Note 7 - Trade and other receivables</u>		
<u>Expected to be recovered within 12 months</u>		
Resident debtors and Government funding	154,207	30,127
Accrued income	21,246	127,715
Other receivables	333,957	66,333
Prepayments	188,061	135,930
<i>Total trade and other receivables</i>	<u>697,471</u>	<u>360,105</u>

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022 \$	2021 \$			
Note 8 - Inventories					
Stock on hand	10,263	12,332			
<i>Total inventories</i>	<u>10,263</u>	<u>12,332</u>			
Note 9 - Financial assets					
<u>Expected to be settled after 12 months</u>					
Financial assets at fair value through profit and loss					
Managed funds	23,776,563	21,071,504			
<i>Total financial assets</i>	<u>23,776,563</u>	<u>21,071,504</u>			
Movements in carrying amount					
Opening net carrying amount	21,071,504	12,699,388			
Additions	11,679,983	9,359,815			
Disposals	(7,141,578)	(1,573,999)			
Fair value gain (loss)	(1,833,346)	586,300			
Closing net carrying amount	<u>23,776,563</u>	<u>21,071,504</u>			
Note 10 - Capital WIP					
Cost	2,471,250	3,898,772			
<i>Total Capital WIP</i>	<u>2,471,250</u>	<u>3,898,772</u>			
Movements in carrying amount					
Opening net carrying amount	3,898,772	542,696			
Additions - residential	14,105,040	2,463,293			
Additions - non residential	917,886	1,161,251			
Disposals	-	(2,000)			
Reclassification	(16,450,448)	(266,468)			
Closing net carrying amount	<u>2,471,250</u>	<u>3,898,772</u>			
Note 11 - Property, plant and equipment					
	Land	Buildings	Equipment and Fittings	Motor Vehicles	Total
	\$	\$	\$	\$	\$
At 30 June 2021					
Cost or fair value	3,310,000	17,820,000	2,741,121	69,283	23,940,404
Accumulated depreciation	-	-	(2,219,381)	(25,528)	(2,244,909)
<i>Net carrying amount</i>	<u>3,310,000</u>	<u>17,820,000</u>	<u>521,740</u>	<u>43,755</u>	<u>21,695,495</u>
Movements in carrying amounts					
Opening net carrying amount	3,310,000	17,820,000	521,740	43,755	21,695,495
Additions	-	-	126,573	-	126,573
Disposals	-	(2,585,404)	(1,110)	-	(2,586,514)
Reclassification	-	15,758,597	691,851	-	16,450,448
Depreciation charge for the year	-	(464,217)	(164,325)	(8,661)	(637,203)
Closing net carrying amount	<u>3,310,000</u>	<u>30,528,976</u>	<u>1,174,729</u>	<u>35,094</u>	<u>35,048,799</u>
At 30 June 2022					
Cost or fair value	3,310,000	30,749,097	3,554,344	69,283	37,682,724
Accumulated depreciation	-	(220,121)	(2,379,615)	(34,189)	(2,633,925)
<i>Net carrying amount</i>	<u>3,310,000</u>	<u>30,528,976</u>	<u>1,174,729</u>	<u>35,094</u>	<u>35,048,799</u>

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
Note 12 - Trade and other payables		
<u>Expected to be payable within 12 months</u>		
Trade payables	482,337	311,935
Income in advance	58,135	63,955
Liabilities to employees	129,002	138,093
Refundable accommodation deposits payable	2,623,039	1,563,557
Other payables	728,864	820,012
<i>Total trade and other payables</i>	<u>4,021,377</u>	<u>2,897,552</u>
Note 13 - Refundable loans		
<u>Expected to be payable within 12 months</u>		
Refundable accommodation deposits	5,205,992	4,891,764
	<u>5,205,992</u>	<u>4,891,764</u>
<u>Expected to be payable after 12 months</u>		
Refundable accommodation deposits	10,569,740	9,931,763
	<u>10,569,740</u>	<u>9,931,763</u>
<i>Total refundable loans</i>	<u>15,775,732</u>	<u>14,823,527</u>
Movement in carrying amounts		
Opening carrying amount	14,823,527	12,882,092
Opening accommodation deposits payable (note 12)	1,563,557	213,799
RADs received	6,241,337	6,286,040
Allowable deductions	(121,289)	(147,221)
RADs refunded	(4,108,361)	(2,847,626)
	<u>18,398,771</u>	<u>16,387,084</u>
Refundable accommodation deposits payable (note 12)	(2,623,039)	(1,563,557)
Closing carrying amount	<u>15,775,732</u>	<u>14,823,527</u>
Terms and conditions		
Refundable accommodation deposits and accommodation bonds (loans) are repayable on the following basis:-		
(i) If the resident gives notice more than 14 days prior to departure then the loan is payable on the date of departure;		
(ii) If the resident gives notice less than 14 days prior to departure the loan is payable within 14 days after notice is given;		
(iii) If the resident gives no notice the loan is repayable 14 days after departure; and		
(iv) If the resident dies, the loan is repayable within 14 days from the date that notice is received of the granting of probate or letters of administration.		
	2022	2021
	\$	\$
Note 14 - Employee benefits		
<u>Expected to be payable within 12 months</u>		
Annual leave	647,728	560,017
Long service leave	459,054	434,724
	<u>1,106,782</u>	<u>994,741</u>
<u>Expected to be payable after 12 months</u>		
Long service leave	81,821	86,093
	<u>81,821</u>	<u>86,093</u>
<i>Total employee benefits</i>	<u>1,188,603</u>	<u>1,080,834</u>

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
<u>Note 15 - Reserves</u>		
Asset revaluation reserve	7,612,962	7,612,962
<i>Total reserves</i>	<u>7,612,962</u>	<u>7,612,962</u>

Nature and purpose of reserves

The asset revaluation reserve records changes in the fair value of non-current assets.

Note 16 - Key management personnel***Remuneration of key management personnel***

The aggregate amount of compensation paid to directors and other members of key management personnel during the year was:

	<u>835,266</u>	<u>801,714</u>
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Note 17 - Auditor's remuneration

Fees paid to StewartBrown, Chartered Accountants:

- Audit of the financial report	23,400	22,700
- Preparation of the financial report	2,200	2,100
- Other advisory services	1,940	1,320
<i>Total auditor's remuneration</i>	<u>27,540</u>	<u>26,120</u>

Note 18 - Commitments***Capital commitments***

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

	<u>24,130,784</u>	<u>38,188,738</u>
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The company is currently midway through a 2.5 year staged development plan on site, called Rhythms of Life Project (ROL). The project has a board approved budget of \$48M. Construction of a new Residential Aged Care building, plus significant on site refurbishments have been completed in June 2022. A further stage is now underway, which will see the construction of a 40 Apartment co-located ILU Building. In addition, the ROL project will see the construction of a new Laundry and Kitchen building to service the site residents into the future. It is expected that these elements will be complete and on line by circa October 2023. Funding of the entire project at this time is expected to be from existing cash reserves.

Note 19 - Related party transactions

Related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with entities controlled by related parties during the year:

	2022	2021
	\$	\$
<i>Purchases of goods and services</i>		
Rimrock Agencies Pty Ltd	765	918
Centacare CQ	1,682	-

BENEVOLENT AGED CARE LTD**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022**Note 20 - Events occurring after balance date**

Subsequent to the end of the financial year, there remains a degree of uncertainty in relation to future economic and other impacts of the COVID-19 pandemic.

At the date of signing the financial statements the Directors are unable to determine what financial effects the outbreak of the virus could have on the company in the coming financial period.

The Directors acknowledge their responsibility to continuously monitor the situation and evaluate this impact including its ability to pay its debts as and when they become due and payable.

No other material events have occurred after balance date.

Note 21 - Economic dependency

The Directors consider that the company is economically dependent on revenue received from the Commonwealth Department of Health and Aged Care with respect to its residential aged care facility. The Directors believe that this revenue will continue to be made available to the company for the foreseeable future.

Note 22 - Limitation of members' liability

The company is registered as a company limited by guarantee, and in accordance with the constitution the liability of members in the event of the company being wound up would not exceed \$100 per member. At 30 June 2022 the number of members of this company was 8 (2021: 8).

BENEVOLENT AGED CARE LTD
ABN 14 650 323 599

FINANCIAL REPORT - 30 JUNE 2022

DIRECTORS' DECLARATION

The Directors of Benevolent Aged Care Ltd declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with *Australian Accounting Standards - Simplified Disclosures* (including Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - (b) give a true and fair view of the financial position of the company as at 30 June 2022 and of its performance for the year ended on that date.
2. In the opinion of the Directors there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Kevin Thomas Hogan
Chairperson



Robert Stephen Sims
Treasurer

26 October 2022

BENEVOLENT AGED CARE LTD
ABN 14 650 323 599

FINANCIAL REPORT - 30 JUNE 2022

AUDITOR'S INDEPENDENCE DECLARATION UNDER s60-40
OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE DIRECTORS OF BENEVOLENT AGED CARE LTD

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

- (a) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



StewartBrown
Chartered Accountants



S.J. Hutcheon
Partner

26 October 2022

BENEVOLENT AGED CARE LTD
ABN 14 650 323 599

FINANCIAL REPORT - 30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BENEVOLENT AGED CARE LTD

Opinion

We have audited the financial report of Benevolent Aged Care Ltd which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

In our opinion, the accompanying financial report of Benevolent Aged Care Ltd is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the company'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 - Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Directors of the company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Directors' Responsibility for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards - Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the company'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 Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the company's financial reporting process.

BENEVOLENT AGED CARE LTD
ABN 14 650 323 599

FINANCIAL REPORT - 30 JUNE 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BENEVOLENT AGED CARE LTD

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 the 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at *The Auditing and Assurance Standards Board* and the website address is <http://www.auasb.gov.au/Home.aspx>

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



StewartBrown
Chartered Accountants



S.J. Hutcheon
Partner

26 October 2022