

**Coburg Home for the Aged Incorporated
Dorothy Impey Home**

ABN 69 909 623 510

**AUDITED FINANCIAL ACCOUNTS
FOR THE YEAR ENDED
30 JUNE 2023**

**Coburg Home for the Aged Incorporated
Dorothy Impey Home**

ABN 69 909 623 510

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General information

The financial statements cover Coburg Home for the Aged Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is Coburg Home for the Aged Incorporated's functional and presentation currency.

Coburg Home for the Aged Incorporated is a not-for-profit incorporated association.

The financial statements were authorised for issue on 11th October 2023.

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BOARD OF MANAGEMENT REPORT

Your Board of Management present their report, along with the financial statements, of the Coburg Home for the Aged Incorporated (the “association”) for the financial year ended 30 June 2023.

Board of Management

The names of Board of Management throughout the year and up to the date of this report, unless otherwise stated, are:

Dr Alasdair Cameron - President
George Kapouleas
John Head – Vice President
Linda McEwan
Julie Krygger – Honorary Treasurer
Margaret Monkhouse
Terence Ahern - Resigned 21 June 2023
Sophie Stefanos

Principal Activities

The principal activities of the association during the financial year were to provide permanent and respite accommodation and associated services to elderly citizens generally assessed as requiring low care.

Significant Changes

There were no significant change in the nature of these activities during the year.

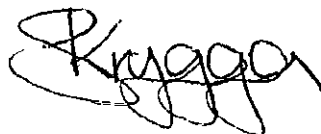
Operating Result

The operating loss for the operations for the year amounted to \$1,034,653 (2022: \$734,779).

Signed in accordance with a resolution of the Members of the Board.



Dr Alasdair Cameron, President



Julianne Krygger, Honorary Treasurer

Dated this 11th day of October 2023

**Coburg Home for the Aged Incorporated
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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Revenue	2	9,091,236	8,753,574
Employee benefits expense		(7,662,384)	(7,028,936)
Depreciation and amortisation expenses	8	(780,667)	(767,588)
Finance costs		(85,039)	(71,027)
Other expenses		<u>(1,597,799)</u>	<u>(1,620,802)</u>
Loss from operations		<u>(1,034,653)</u>	<u>(734,779)</u>
Other comprehensive income for the year:			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Impairment of bed licenses		<u>(138,000)</u>	<u>(1,362,000)</u>
Total other comprehensive income/(loss) for the year		<u>(138,000)</u>	<u>(1,362,000)</u>
Total comprehensive income/(loss) for the year		<u>(1,172,653)</u>	<u>(2,096,779)</u>

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**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	4	2,406,517	3,034,886
Trade and other receivables	5	4,143,545	2,164,394
Other current assets	6	<u>162,610</u>	<u>132,050</u>
TOTAL CURRENT ASSETS		<u>6,712,672</u>	<u>5,331,330</u>
NON-CURRENT ASSETS			
Bed licences	7	-	138,000
Property, plant and equipment	8	25,001,357	25,431,473
Investment property	9	<u>4,254,312</u>	<u>4,254,312</u>
TOTAL NON-CURRENT ASSETS		<u>29,255,669</u>	<u>29,823,785</u>
TOTAL ASSETS		<u>35,968,341</u>	<u>35,155,115</u>
CURRENT LIABILITIES			
Trade and other payables	10	610,564	595,494
Financial liabilities	11	26,270,254	24,537,617
Employee provisions	13	<u>1,926,481</u>	<u>1,685,496</u>
TOTAL CURRENT LIABILITIES		<u>28,807,299</u>	<u>26,818,607</u>
NON-CURRENT LIABILITIES			
Employee provisions	13	165,844	163,437
Bendigo Bank Loan	12	<u>1,677,593</u>	<u>1,682,813</u>
TOTAL NON-CURRENT LIABILITIES		<u>1,843,437</u>	<u>1,846,250</u>
TOTAL LIABILITIES		<u>30,650,736</u>	<u>28,664,857</u>
NET ASSETS		<u>5,317,605</u>	<u>6,490,258</u>
EQUITY			
Reserves	14	10,652,050	10,790,050
Accumulated losses		<u>(5,334,445)</u>	<u>(4,299,792)</u>
TOTAL EQUITY		<u>5,317,605</u>	<u>6,490,258</u>

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

	Accumulated Losses	Bed Licences Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2021	(3,565,013)	1,500,000	10,652,050	8,587,037
Total comprehensive income for the year				
Loss attributable to members	(734,779)	-	-	(734,779)
Impairment of bed licences	-	(1,362,000)	-	1,693,994
Total comprehensive income for the year	(734,779)	(1,362,000)	-	(2,096,779)
Balance at 30 June 2022	(4,299,792)	138,000	10,652,050	6,490,258
Balance at 1 July 2022	(4,299,792)	138,000	10,652,050	6,490,258
Total comprehensive income for the year				
Loss attributable to members	(1,034,653)	-	-	(1,034,653)
Impairment of bed licences	-	(138,000)	-	(138,000)
Total comprehensive income for the year	(1,034,653)	(138,000)	-	(1,172,653)
Balance at 30 June 2023	(5,334,445)	-	10,652,050	5,317,605

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

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Resident Fees		2,640,585	2,597,526
Government personal care subsidies		5,865,025	5,421,619
Accommodation bond retentions		60,913	75,060
Donations		127,387	522,909
Fundraising		47,361	31,212
Rent from Investment Properties		70,201	54,227
Interest received		6,824	810
Other receipts		68,574	50,211
Payments to suppliers and employees		(9,092,105)	(8,445,290)
Net cash from/(used in) operating activities		(205,235)	308,284
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(350,551)	(172,185)
Net cash from/(used in) investing activities		(350,551)	(172,185)
CASH FLOWS FROM FINANCING ACTIVITIES			
Accommodation bond funding – Received		4,744,556	9,097,250
Accommodation bond funding – Paid		(4,811,919)	(6,644,189)
Repayments of borrowings		(1,675,220)	-
Proceeds from borrowings		1,670,000	-
Net cash from/(used in) financing activities		(72,583)	2,453,061
Net increase/(decrease) in cash held		(628,369)	2,589,160
Cash at beginning of financial year		3,034,886	445,726
Cash at end of financial year	4	2,406,517	3,034,886

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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

New or amended Accounting Standards and Interpretations adopted

The association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board (AASB) and the requirements of the *Associations Incorporation Reform Act (Vic) 2012* and the *Australian Charities and Not-for-profit Commission Act 2012*. The association is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 1 below.

Revenue Recognition

Grants

Grant revenue is recognised in profit or loss when the association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Aged care and home care services

The association recognises revenue from aged care and home care services over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily or monthly basis. Revenue arises from discretionary and non-discretionary services, as agreed in a single contract with the resident. Fees received in advance of aged care and home care services performed are recognised as contracts.

Resident agreements are to be considered a lease under AASB 16. The entity has concluded that the lease term for these arrangements is 7 days (being the notice period required from a resident upon departure), and therefore the application of AASB 16 to these agreements does not have a material impact on the recognition or measurement of revenue.

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Interest

Interest income is recognised as it accrues, using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Income Tax

The Association is a tax exempt body under the Income Tax Assessment Act 1997 and therefore does not account for income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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 three 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 and other receivables

Trade and other debtors include amounts due from residents for goods sold or services performed in the ordinary course of business.

Contract assets

Contract assets are recognised when the incorporated association has transferred goods or services to the customer but where the incorporated association is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Contract liabilities

Contract liabilities represent the incorporated association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the incorporated association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the incorporated association has transferred the goods or services to the customer.

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Fair Value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and

assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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.

Property, Plant and Equipment

Land and Buildings

Freehold land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

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

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Property	2.5%
Furniture and Fittings	10 -25%
Office Equipment	20 - 60%
Motor Vehicles	18.75%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Investment Property

Investment property is measured on the cost basis less any impairment losses. The carrying amount of investment properties is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these 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 value in determining recoverable amounts.

Impairment of Assets

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

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

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Bed Licences

Aged care bed licences that are purchased are initially recorded at cost. Aged care bed licences that are received for no consideration are recognised at their fair value, being the deemed cost at the date of acquisition. Aged care bed licences have an indefinite useful life, as long as the entity continues to comply with the terms and conditions imposed by Government, being the grantor of aged care bed licences. Aged care bed licences are therefore tested annually for impairment.

Impairment of non-financial assets

Non-financial assets 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Employee Provision

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 annual leave and long service leave not expected to be settled within 12 months of the reporting date are 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 national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as expenses in the period in which they are incurred.

Trade and Other Payables

Trade and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Accommodation Bonds and Refundable Accommodation Deposits

Accommodation Bond and Refundable Accommodation Deposits liabilities have been classified as unconditional & expected to be repaid within 12 months or unconditional and expected to be repaid after 12 months based on the actual repayment percentage averaged over the past five years. Over the past 12 months 20% of the Accommodation Bond liability has been repaid within 12 months and this amount has been classified as unconditional & expected to be repaid within 12 months and the remainder as unconditional & expected to be repaid after 12 months.

Comparative Figures

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

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The association assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the association and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Economic Dependence

The association is dependent on the Department of Health for the majority of its revenue used to operate the business. At the date of this report, the Board of Management have no reason to believe the Department will not continue to support the entity.

	2023	2022
	\$	\$
NOTE 2: REVENUE		
Revenue		
- Government personal care subsidies	5,908,704	5,421,619
- Resident Fees	2,801,272	2,597,526
- Accommodation bond retentions	60,913	75,060
- Interest received	6,824	810
- Daily Accommodation Contributions	55,099	39,982
- Donations & Other Government Subsidies	127,387	522,909
- Fundraising	47,361	31,212
- Rental income	70,201	54,227
- Sundry income	13,475	10,229
	9,091,236	8,753,574

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NOTE 3: RELATED PARTIES AND KEY MANAGEMENT PERSONNEL DISCLOSURE

	Short-term Benefit \$	Post Employment Benefit \$	Total \$
2023			
Total compensation	185,383	195,984	381,367
2022			
Total compensation	173,700	178,545	352,245

The only remuneration received by key management and related parties were normal wages. However, all of the key management and related parties volunteer a significant amount of their own time to the Home. Transactions with related parties are on normal commercial terms and conditions no more favorable than those available to other parties.

2023	2022
\$	\$

**NOTE 4: CASH AND CASH EQUIVALENTS
CURRENT**

Cash at Bank – Op. Shop	5,753	5,753
Cash at Bank – Fundraising	87,922	581,862
Cash at Bank – Accommodation Bond	2,304,360	2,436,393
Cash at Bank – Trust	7,882	10,278
Cash at Hand – Op. Shop and Other Activities	600	600
	2,406,517	3,034,886

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the statement of financial position as follows:

Cash at bank	2,405,917	3,034,286
Cash on hand	600	600
	2,406,517	3,034,886

The facility purchased a new property during November 2021 (66 Eastgate Street, Pascoe Vale South) by taking out a mortgage through the Bendigo Bank with an interest rate of 3.235%. This mortgage is secured by a first registered mortgage over the property and 319 O'Hea Street, Pascoe Vale South. The mortgage provides liquidity to the Association in respect to the payment of resident bonds/deposits. There are no financial covenants in respect to the facility.

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NOTE 5: TRADE AND OTHER RECEIVABLES	2023	2022
CURRENT	\$	\$
Accommodation bonds	3,909,464	2,109,464
Accounts Receivable	234,081	54,930
	<u>4,143,545</u>	<u>2,164,394</u>

NOTE 6: OTHER CURRENT ASSETS

CURRENT		
GST refundable	12,026	30,490
Other	150,584	101,560
	<u>162,610</u>	<u>132,050</u>

	2023	2022
	\$	\$
NOTE 7: BED LICENCES		
Bed Licences – at deemed cost	3,250,000	3,250,000
Less impairment loss	(3,250,000)	(3,112,000)
Bed Licences	<u>-</u>	<u>138,000</u>

Bed Licenses are carried at the deemed cost less any accumulated impairment losses.

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NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2023	2022
	\$	\$
Land and Building:		
Freehold land at:		
- independent valuation 2021	6,400,000	6,400,000
Total land	6,400,000	6,400,000
 Buildings at:		
- independent valuation 2021	19,000,000	19,000,000
Accumulated depreciation	(1,276,432)	(638,216)
	17,723,568	18,361,784
Total land and buildings	24,123,568	24,761,784
Plant and Equipment:		
At cost	2,482,020	2,131,469
Accumulated depreciation	(1,635,375)	(1,503,306)
Total plant and equipment	846,645	628,163
Motor Vehicles:		
At cost	130,715	130,715
Accumulated depreciation	(99,571)	(89,189)
Total Motor Vehicles	31,144	41,526
 Total Property, Plant & Equipment	25,001,357	25,431,473

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NOTE 8: PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land and Buildings	Plant & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Balance at 1 July 2022	24,761,784	628,163	41,526	25,431,473
Additions	-	350,551	-	350,551
Depreciation expense	(638,216)	(132,069)	(10,382)	(780,667)
Carrying amount as at 30 June 2023	24,123,568	846,645	31,144	25,001,357

NOTE 9: INVESTMENT PROPERTY

	2023	2022
	\$	\$
Balance at beginning of year	4,254,312	4,254,312
Balance at end of year	4,254,312	4,254,312

NOTE 10: TRADE AND OTHER PAYABLES

CURRENT

Accounts payable	121,618	173,173
Wages Accrual	244,757	198,493
Superannuation Accrual	166,830	145,514
PAYG Accrual	74,478	68,036
Other	2,881	10,278
	610,564	595,494

NOTE 11: FINANCIAL LIABILITIES

CURRENT

Entry contributions, accommodation bonds and refundable accommodation deposits		26,270,254	24,537,617
Unconditional & expected to be settled within 12 months	1	5,254,050	4,907,523
Unconditional & expected to be settled after 12 months	1	21,016,204	19,630,094
		26,270,254	24,537,617

**Coburg Home for the Aged Incorporated
Dorothy Impey Home**

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	2023	2022
	\$	\$
NOTE 12: BORROWINGS		
Mortgage – Secured	1,677,593	1,682,813

The carrying amount of the property at 66 Eastgate Street, Pascoe Vale South and 319 O’Hea Street, Pascoe Vale South which is pledged as security for the facility is \$2,850,746.

NOTE 13: EMPLOYEE PROVISIONS
CURRENT

Provision for long service leave	1,187,333	1,033,868
Provision for annual leave	739,148	651,628
	1,926,481	1,685,496

NON-CURRENT

Provision for long service leave	165,844	163,437
	165,844	163,437
Total provision for employee provisions	2,092,325	1,848,933

NOTE 14: RESERVES

Bed Licences Reserve	-	138,000
Asset Revaluation Reserve	10,652,050	10,652,050
	10,652,050	10,790,050

Bed Licences Reserve

This reserve records the net revaluation of bed licences (refer note 1).

Asset Revaluation Reserve

The asset revaluation reserve records revaluation of land and buildings.

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NOTE 15: EVENTS AFTER THE REPORTING DATE

The COVID-19 pandemic has continued to develop rapidly in 2021 and measures taken by various governments and agencies to contain the virus have affected economic activity.

Even though this organisation has had few reported cases, COVID-19 has had a financial impact on this organisation by challenging the income earning capacity and increasing operating expenses. Due to the various waves of the pandemic and its duration, the financial impact is unknown at this stage. However, it is considered that our income earning capacity will be restored in time.

To mitigate and monitor the effects of COVID-19, the organization will continue to be proactive. Operating costs have increased because the organization has implemented initiatives such as ensuring supply of PPE, establishing additional infection control measures, staff training, cohorting, screening and security monitoring as well as enabling staff to work from home wherever possible.

This organisation will meet its current capital commitments and other strategic initiatives will continue to be explored should they prove to enhance our service offering. The organisation will receive additional government funding should there be a positive COVID-19 case. The liquidity and investment portfolio will continue to be managed conservatively.

During September 2023, The Home was approved a COVID-19 grant from the Department of Health for \$101,175 (excluding GST) which is included as Donations & Other Government Subsidies in the financial accounts.

NOTE 16. CONTINGENT LIABILITIES

The association had no contingent liabilities as at 30 June 2023 and 30 June 2022.

NOTE 17. COMMITMENTS

The incorporated association had no commitments for expenditure as at 30 June 2023 and 30 June 2022

NOTE 18: ASSOCIATION DETAILS

The registered office and principal place of business is:

Coburg Home for the Aged Inc
317A O'Hea Street
PASCOE VALE VIC 3044

NOTE 19: SEGMENT REPORTING

The Association delivers only residential aged care services and this general-purpose financial report therefore relates only to such operations.

**Coburg Home for the Aged Incorporated
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STATEMENT BY MEMBERS OF THE BOARD

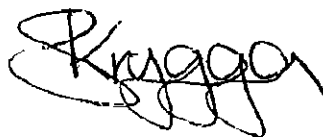
In the opinion of the Board:

- the attached financial statements and notes comply with the Australian Accounting Standards – Simplified Disclosures, the Associations Incorporation Reform Act (Vic) 2012, and the Australian Charities and Not-for-profit Commission Act 2012.
- the attached financial statements and notes give a true and fair view of the association's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable

This statement is made in accordance with a resolution of the Board and is signed for and on



President
Dr Alasdair Cameron



Honorary Treasurer
Julianne Krygger

Dated this 11th day of October 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBURG HOME FOR THE AGED INCORPORATED

Opinion

We have audited the financial report of Coburg Home for the Aged Incorporated, 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 statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the statement by the members of the Board.

In our opinion, the financial report of Coburg Home for the Aged Incorporated is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporations Reform Act 2012 (VIC), including:

- (a) giving a true and fair view of the Entity's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Simplified Disclosure Requirements, and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 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 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 ethical responsibilities in accordance with the Code.

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.

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

Responsibilities of the Board for the Financial Report

The members of the Board of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Requirements, Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporations Reform Act 2012 (VIC) and for such internal control as the members of the Board 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, members of the Board are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless members of the Board either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COBURG HOME FOR THE AGED INCORPORATED (CONT'D)**

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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of the Board.
- Conclude on the appropriateness of the members of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

McLean Delmo Bentleys audit Pty Ltd

McLean Delmo Bentleys Audit Pty Ltd


John Delmo
Partner

12/10/2023
Hawthorn

**Coburg Home for the Aged Incorporated
Dorothy Impey Home**

ABN 69 909 623 510

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

	2023	2022
	\$	\$
INCOME		
Government personal care subsidies	5,908,704	5,421,619
Resident Fees	2,801,272	2,597,526
Accommodation DAP Drawdowns on RADs	60,913	75,060
Interest received	6,824	810
Donations	127,387	522,909
Fundraising	47,361	31,212
Rental Income 319/321 O’Hea Street	70,201	54,227
Daily Accommodation Contributions	55,099	39,982
Sundry income	13,475	10,229
	<u>9,091,236</u>	<u>8,753,574</u>
EXPENDITURE		
Audit	22,123	20,955
Consulting fees	17,086	40,365
Depreciation	780,667	767,588
Fees & subscriptions	26,989	23,050
Gas, light & power	115,626	117,945
Insurance – general	65,316	57,309
Insurance – workcover	97,600	189,088
Interest and bank fees	85,039	71,027
Maintenance	127,617	85,575
Food Provisions	320,212	303,602
Provision for long service leave	155,872	138,985
Provision for annual leave	87,520	19,465
Rates and taxes	38,248	32,099
Rental Properties	41,782	50,564
Security, fire emergency servicing	3,253	3,791
Staff training	3,170	4,351
Stationery & office expenses	21,111	31,641
Superannuation	688,622	592,043
Telephone	133,675	65,881
Wages	6,629,600	6,085,004
Other Home operations expenses	664,761	786,164
	<u>10,125,889</u>	<u>9,488,353</u>
Loss for the year	<u>(1,034,653)</u>	<u>(734,779)</u>

This information does not form part of the financial accounts

**Coburg Home for the Aged Incorporated
Dorothy Impey Home**

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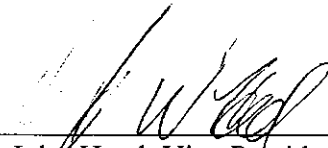
CERTIFICATE BY MEMBERS OF THE BOARD

I, Alasdair Cameron of 4 Gordon Court, Woodend and I, John Head of 10 Yorkshire Street, Pascoe Vale, certify that:

- a. I attended the annual general meeting of the association held on 20 October 2023.
- b. The annual financial statements for the year ended 30 June 2023 were submitted to the members of the association at the annual general meeting.



Alasdair Cameron, President



John Head, Vice President

Dated this 17th day of October 2023

