

EVENTIDE HOMES (NSW)

ABN 49 000 388 385

Financial Statements

For the Year Ended 30 June 2019

EVENTIDE HOMES (NSW)

ABN 49 000 388 385

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For the Year Ended 30 June 2019

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EVENTIDE HOMES (NSW)

ABN 49 000 388 385



Auditor's Independence Declaration to the Responsible Persons of EVENTIDE HOMES (NSW)

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

WSC Group - Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'A F Gilbert', is written over a faint horizontal line.

A F Gilbert, CA
Director

EVENTIDE HOMES (NSW)

ABN 49 000 388 385

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue	4	981,290	681,628
Other income		45,355	-
Employee benefits expense		(136,256)	(118,400)
Donations		(170,000)	(170,000)
Other expenses		(201,467)	(186,568)
Profit before income tax		518,922	206,660
Income tax expense		-	-
Profit for the year		518,922	206,660
Other comprehensive income, net of income tax			
Total comprehensive income for the year		518,922	206,660

The accompanying notes form part of these financial statements.

EVENTIDE HOMES (NSW)

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Statement of Financial Position

30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	6,737,322	8,059,947
Trade and other receivables	6	171,709	338,343
Other financial assets	7	4,398,389	-
TOTAL CURRENT ASSETS		11,307,420	8,398,290
NON-CURRENT ASSETS			
Other financial assets	7	9,238	2,431,834
Property, plant and equipment	8	18,986,350	18,810,212
TOTAL NON-CURRENT ASSETS		18,995,588	21,242,046
TOTAL ASSETS		30,303,008	29,640,336
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	2,218,364	2,206,760
Employee benefits	10	39,354	30,535
TOTAL CURRENT LIABILITIES		2,257,718	2,237,298
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		2,257,718	2,237,298
NET ASSETS		28,045,290	27,403,038
EQUITY			
Reserves		15,747,395	15,624,066
Retained earnings		12,297,895	11,778,972
TOTAL EQUITY		28,045,290	27,403,038

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2019

2019

	Retained Earnings	Securities Capital Adjustment	Asset Revaluation Reserve	Kinlock- Henderson Memorial	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2018	11,778,973	11,915	15,149,081	463,069	27,403,038
Surplus for the year	518,922	123,329	-	-	642,251
Balance at 30 June 2019	12,297,895	135,245	15,149,081	463,069	28,045,290

2018

	Retained Earnings	Securities Capital Adjustment	Asset Revaluation Reserve	Kinlock- Henderson Memorial	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2017	11,572,313	23,385	10,789,081	463,069	22,847,848
Surplus for the year	206,660	(11,469)	4,360,000	-	4,555,191
Balance at 30 June 2018	11,778,973	11,915	15,149,081	463,069	27,403,038

EVENTIDE HOMES (NSW)

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Statement of Cash Flows For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from supporters		546,597	691,677
Payments to suppliers and employees		(325,197)	(329,854)
Income from securities, including imputation credits		654,578	75,033
Interest received		-	398,952
Donations paid		(170,000)	(340,000)
Net cash provided by/(used in) operating activities	15	<u>705,978</u>	<u>495,808</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property		(176,138)	(190,745)
Reduction/(Increase) of Investments		(1,852,465)	(882,501)
Net cash used by investing activities		<u>(2,028,603)</u>	<u>(1,073,246)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase/(decrease) in cash and cash equivalents held		(1,322,625)	(577,438)
Cash and cash equivalents at beginning of year		<u>8,059,947</u>	<u>8,637,385</u>
Cash and cash equivalents at end of financial year	5	<u><u>6,737,322</u></u>	<u><u>8,059,947</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2019

The financial report covers EVENTIDE HOMES (NSW) as an individual entity. EVENTIDE HOMES (NSW) is a not-for-profit Company, registered and domiciled in Australia.

The principal activity of the Company for the year ended 30 June 2019 was the provision of Aged Persons Housing.

The functional and presentation currency of EVENTIDE HOMES (NSW) is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the Responsible persons opinion the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Interest revenue

Interest is recognised using the effective interest method.

Dividend revenue

Dividends are recognised when the entity's right to receive payment is established.

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Property, plant and equipment

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

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

**(d) Property, plant and equipment
Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Building Improvements	10%
Plant and Equipment	10 - 20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

(f) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Employee benefits

Provision is made for the Company'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies

(h) **Employee benefits**

employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

(i) **Adoption of new and revised accounting standards**

The Company has adopted all standards which became effective for the first time at 30 June 2019, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Critical Accounting Estimates and Judgments

The Responsible persons make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

Key estimates - receivables

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

4 Revenue and Other Income

Revenue from continuing operations

	2019 \$	2018 \$
Investment income		
- Investment income	638,454	284,049
- Income from securities, including tax credits	38,253	102,773
Total investment income	676,706	386,821
Other revenue		
- rental income	220,922	227,017
- other income	83,662	67,788
	304,584	294,805
Total Revenue	981,290	681,626

EVENTIDE HOMES (NSW)

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Notes to the Financial Statements For the Year Ended 30 June 2019

5 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank and in hand	246,011	390,603
Short-term deposits	6,491,311	7,669,344
	<u>6,737,322</u>	<u>8,059,947</u>

6 Trade and Other Receivables

CURRENT		
Prepayments	14,827	11,092
Deposits	1,218	972
GST receivable	7,132	3,864
Tax Credits receivable	37,795	38,664
Other receivables	2,371	2,969
Accrued Interest	108,366	280,782
Total current trade and other receivables	<u>171,709</u>	<u>338,343</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

7 Other Financial Assets

(a) Financial assets

CURRENT

Listed securities	4,398,389	-
Total	<u>4,398,389</u>	<u>-</u>

(b) Held-to-maturity investments

NON-CURRENT

Managed Investments	9,238	9,245
Shaw and Partners Investments	-	2,422,589
	<u>9,238</u>	<u>2,431,834</u>

EVENTIDE HOMES (NSW)

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Notes to the Financial Statements For the Year Ended 30 June 2019

8 Property, plant and equipment

	2019 \$	2018 \$
LAND AND BUILDINGS		
Freehold land		
At fair value	6,000,000	6,000,000
Total freehold land	6,000,000	6,000,000
Total Land	6,000,000	6,000,000
Buildings		
At fair value	12,332,370	12,330,000
Total buildings	12,332,370	12,330,000
Total land and buildings	18,332,370	18,330,000
PLANT AND EQUIPMENT		
Redevelopment of Walter Skelton Village		
At cost	288,052	194,918
Total computer equipment	288,052	194,918
Refurbishment of units		
At cost	365,928	285,294
Total computer software	365,928	285,294
Total plant and equipment	653,980	480,212
Total property, plant and equipment	18,986,350	18,810,212

The land and building were revalued on 15 September 2017 by Geoff McGuirk AAPI, Certified Practising Valuer.

9 Trade and Other Payables

Current		
Long Term Maintenance Fund	76,159	93,033
Sundry payables and accrued expenses	25,669	23,547
PAYG Payable	5,785	3,877
Entry Contributions	1,940,751	2,086,303
Unpaid Donations	170,000	-
	2,218,364	2,206,760

EVENTIDE HOMES (NSW)

ABN 49 000 388 385

Notes to the Financial Statements For the Year Ended 30 June 2019

10 Employee Benefits

	2019	2018
	\$	\$
Current liabilities		
Long service leave	26,313	23,198
Annual Leave	10,377	5,834
Superannuation Payable	2,664	1,503
	<u>39,354</u>	<u>30,535</u>

11 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 50 each towards meeting any outstandings and obligations of the Company. At 30 June 2019 the number of members was 8 (2018: 9).

12 Remuneration and Retirement Benefits

The totals of remuneration paid to the key management personnel of EVENTIDE HOMES (NSW) during the year are as follows:

Directors' remuneration	5,020	5,020
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The names of directors who have held office during the financial year:

Robin Curl, Robert McPaul, Ralph Jobling (deceased 07/03/2019), David Craik, Rod Dale, William Ryan, Janice Ackland, Ian Parkes, Ross Jarman.

13 Auditors' Remuneration

Remuneration of the auditor WSC
Group - Audit Pty Ltd, for:

- auditing the financial report	6,000	6,200
- other services	-	462
Total	<u>6,000</u>	<u>6,662</u>

14 Contingencies

In the opinion of the Responsible persons, the Company did not have any contingencies at 30 June 2019 (30 June 2018:None).

EVENTIDE HOMES (NSW)

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Notes to the Financial Statements For the Year Ended 30 June 2019

15 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2019	2018
	\$	\$
Profit for the year	518,923	206,660
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	174,530	(32,504)
- (increase)/decrease in accrued interest	-	114,896
- increase/(decrease) in trade and other payables	3,707	209,869
- increase/(decrease) in provisions	8,818	(3,113)
Cashflows from operations	<u>705,978</u>	<u>495,808</u>

16 Statutory Information

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

EVENTIDE HOMES (NSW)
967 Henry Lawson Drive
PADSTOW NSW 2211

EVENTIDE HOMES (NSW)

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Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person
Robert McPaul

Responsible person
Robin Curl

Dated this16th..... day ofOCTOBER..... 2019



EVENTIDE HOMES (NSW)

Independent Audit Report to the members of EVENTIDE HOMES (NSW)

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of EVENTIDE HOMES (NSW) (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and managements' assertion statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Division 60 of 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 Responsibilities 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 Division 60 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Company to meet the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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.

WSC Group - Audit Pty Ltd

A F Gilbert
Director

Dated this 16th day of October 2019

EVENTIDE HOMES (NSW)

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For the Year Ended 30 June 2019**Profit and Loss Account**

	2019 \$	2018 \$
Income (Walter Skelton Village)		
Padstow Heights rent	220,922	227,017
Vacant Units Contribution	30,237	14,309
Electricity Chgs	3,215	3,234
LTMF Car Parking	4,920	4,840
Interest Received	1,500	-
Total Income	260,794	249,400
Less: Expenses		
Accountancy	(2,520)	(2,520)
Annual Leave expenses	(6,053)	2,530
Audit fees	(3,750)	(5,000)
Cleaning	(1,340)	(1,430)
Computer Expenses	(5,278)	(3,308)
Repairs and maintenance	(28,454)	(32,965)
Electricity	(6,187)	(5,125)
Insurance Premiums	(21,402)	(18,487)
Long Service Leave expenses	(3,115)	(1,766)
Motor Vehicle exp	(3,145)	(2,658)
Pest control	(6,163)	(6,892)
Postage	(62)	(168)
Printing & Sty.	(1,211)	(757)
Security	(1,210)	(1,663)
Staff & Visitor Amenities	(776)	(896)
Superannuation	(10,709)	(10,105)
Telephone	(6,969)	(5,914)
Travelling	(623)	(1,939)
Trf to Long Term M'tce Fund	(10,040)	(13,750)
Uniforms	(127)	(331)
Vital Call	(10,824)	(13,054)
Wages - Maintenance Staff	(112,735)	(106,252)
Waste Removal	(7,920)	(7,275)
Water Rates	(4,160)	(5,713)
Worker's Comp	(3,643)	(2,806)
Total Expenses	258,416	248,244
Surplus/(Deficit)	2,378	1,156
Other income/expenses:		
Entry Contributions Retained	41,052	44,906
Legacies	-	500
Income from Investments (inc tax credits)	676,707	386,822
Other income	2,738	-
Profit on sale of assets	45,355	-
Accounting Fees	(2,520)	(3,677)
Audit Fees	(5,960)	(3,600)
Bank charges	(77)	(22)

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For the Year Ended 30 June 2019

Profit and Loss Account

	2019	2018
	\$	\$
Board expenses	(8,677)	(2,535)
Computer expenses	(3,208)	-
Donations	(170,000)	(170,000)
Investment Consultancy	-	(12,515)
Loss of asset value	(7)	-
Pastrol Care services	(13,371)	(10,197)
Printing & Postage	(1,427)	(36)
Subscriptions	(5,050)	(677)
Travelling expenses	(160)	(48)
Vacant units M'tce Levy	(30,237)	(14,309)
Valuation Expenses	-	(3,182)
Webpage	(8,613)	(5,925)
	<u>516,544</u>	<u>205,505</u>
Surplus for the Year	<u>518,922</u>	<u>206,661</u>