

EVENTIDE HOMES (NSW)

ABN 49 000 388 385

Financial Statements

For the Year Ended 30 June 2017

EVENTIDE HOMES (NSW)

ABN 49 000 388 385

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For the Year Ended 30 June 2017

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EVENTIDE HOMES (NSW)

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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 2017, 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 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 2017

		2017	2016
	Note	\$	\$
Revenue	4	591,709	687,805
Employee benefits expense		(123,150)	(116,869)
Donations		(170,000)	(160,000)
Other expenses	5	(150,182)	(151,914)
Profit before income tax		148,377	259,022
Income tax expense		-	-
Profit for the year		148,377	259,022
Other comprehensive income, net of income tax			
Total comprehensive income for the year		148,377	259,022

The accompanying notes form part of these financial statements.

EVENTIDE HOMES (NSW)

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Statement of Financial Position**30 June 2017**

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	8,637,385	10,233,088
Trade and other receivables	7	420,735	392,431
TOTAL CURRENT ASSETS		9,058,120	10,625,519
NON-CURRENT ASSETS			
Other financial assets	8	1,560,802	8,264
Property, plant and equipment	9	14,259,467	14,139,481
TOTAL NON-CURRENT ASSETS		15,820,269	14,147,745
TOTAL ASSETS		24,878,389	24,773,264
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,988,475	2,058,362
Employee benefits	12	33,648	29,361
Other financial liabilities	11	8,419	9,455
TOTAL CURRENT LIABILITIES		2,030,542	2,097,178
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		2,030,542	2,097,178
NET ASSETS		22,847,847	22,676,086
EQUITY			
Reserves		11,275,535	11,252,150
Retained earnings		11,572,312	11,423,936
TOTAL EQUITY		22,847,847	22,676,086

The accompanying notes form part of these financial statements.

EVENTIDE HOMES (NSW)

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Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

	Retained Earnings	Securities Capital Adjustment	Asset Revaluation Reserve	Kinlock- Henderson Memorial	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2016	11,423,936		10,789,081	463,069	22,676,086
Surplus for the year	148,377	23,385	-	-	171,762
Balance at 30 June 2017	11,572,313	23,385	10,789,081	463,069	22,847,847

2016

Balance at 1 July 2015	11,164,914		10,789,081	463,069	22,417,064
Surplus for the year	259,022		-	-	259,022
Balance at 30 June 2016	11,423,936	-	10,789,081	463,069	22,676,086

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from supporters		293,977	821,693
Payments to suppliers and employees		(349,964)	(258,233)
Income from securities, including imputation credits		44,905	-
Interest received		224,526	488,840
Donations paid		(160,000)	(200,000)
Net cash provided by/(used in) operating activities	17	53,444	852,300
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property		(119,985)	(96,542)
Reduction/(Increase) of Investments		(1,529,152)	3,409
Net cash used by investing activities		(1,649,137)	(93,133)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from/(Repayments of) borrowings - bank overdraft		-	(32,104)
Net cash used by financing activities		-	(32,104)
Net increase/(decrease) in cash and cash equivalents held		(1,595,693)	727,063
Cash and cash equivalents at beginning of year		10,233,088	9,506,025
Cash and cash equivalents at end of financial year	6	8,637,395	10,233,088

The accompanying notes form part of these financial statements.

EVENTIDE HOMES (NSW)

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Notes to the Financial Statements For the Year Ended 30 June 2017

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 2017 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 2017

2 Summary of Significant Accounting Policies (cont'd)

(b) Revenue and other income (cont'd)

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 2017

2 Summary of Significant Accounting Policies (cont'd)

(h) Employee benefits (cont'd)

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.

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Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies (cont'd)

(h) **Employee benefits (cont'd)**

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 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 2017, 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

	2017 \$	2016 \$
Investment income		
- interest received from other persons	251,908	381,863
- income from securities, including tax credits	44,905	-
Total investment income	296,813	381,863
Other revenue		
- rental income	243,894	242,381
- other income	51,002	63,561
	294,896	305,942
Total Revenue	591,709	687,805

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Notes to the Financial Statements For the Year Ended 30 June 2017

5 Result for the Year

The result for the year was derived after charging / (crediting) the following items:

	2017	2016
	\$	\$
- Transfer to Long Term Maintenance Fund	20,050	15,000
- Transfer to Provision for Long Service Leave	1,702	574
- Transfer to Provision for Annual Leave	3,061	1,121
- Total	24,813	16,695

6 Cash and Cash Equivalents

Cash at bank and in hand	367,768	1,265,182
Short-term deposits	8,269,617	8,967,906
	8,637,385	10,233,088

7 Trade and Other Receivables

CURRENT		
Prepayments	8,803	8,883
Deposits	954	914
GST receivable	2,762	-
Tax Credits receivable	10,927	11,879
Other receivables	1,611	2,459
Accrued Interest	395,678	368,296
Total current trade and other receivables	420,735	392,431

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.

8 Other Financial Assets

(a) Held-to-maturity investments

NON-CURRENT

Managed Investments	9,265	8,264
Shaw and Partners Investments, at market value	1,551,537	-
	1,560,802	8,264

EVENTIDE HOMES (NSW)

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Notes to the Financial Statements For the Year Ended 30 June 2017

9 Property, plant and equipment

	2017 \$	2016 \$
LAND AND BUILDINGS		
Freehold land		
At fair value	3,790,000	3,790,000
Total freehold land	3,790,000	3,790,000
Total Land	3,790,000	3,790,000
Buildings		
At fair value	10,180,000	10,180,000
Total buildings	10,180,000	10,180,000
Total land and buildings	13,970,000	13,970,000
PLANT AND EQUIPMENT		
Office equipment		
At cost	11,369	11,369
Accumulated depreciation	(11,369)	(11,369)
Redevelopment of Walter Skelton Village		
At cost	152,669	82,892
Total Redevelopment of Walter Skelton Village	152,669	82,892
Refurbishment of units		
At cost	136,798	86,589
Total Refurbishment of units	136,798	86,589
Total plant and equipment	289,467	169,481
Total property, plant and equipment	14,259,467	14,139,481

10 Trade and Other Payables

Current		
GST payable	-	3,676
Long Term Maintenance Fund	87,047	153,345
Sundry payables and accrued expenses	46,659	21,592
PAYG Payable	3,760	3,643
Entry Contributions	1,681,009	1,716,106
Unpaid Donations	170,000	160,000
	1,988,475	2,058,362

EVENTIDE HOMES (NSW)

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Notes to the Financial Statements For the Year Ended 30 June 2017

11 Other Financial Liabilities

	2017	2016
	\$	\$
CURRENT		
Deferred income	8,419	9,455

12 Employee Benefits

Current liabilities		
Long service leave	21,431	19,729
Annual Leave	9,791	8,123
Superannuation Payable	2,426	1,509
	<u>33,648</u>	<u>29,361</u>

13 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 2017 the number of members was 8 (2016: 8).

14 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	5,040
Executive remuneration	-	-
Retirement and Superannuation payments	-	-

The names of directors who have held office during the financial year:

Robin Curl, Graham Baillie, Robert McPaul, Ralph Jobling, Elizabeth Barter, David Craik, Rod Dale, William Ryan, Janice Ackland.

15 Auditors' Remuneration

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

- auditing the financial report	6,000	4,700
- other services	410	2,840
Total	<u>6,410</u>	<u>7,540</u>

16 Contingencies

In the opinion of the Responsible persons, the Company did not have any contingencies at 30 June 2017 (30 June 2016: None).

EVENTIDE HOMES (NSW)

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Notes to the Financial Statements

For the Year Ended 30 June 2017

17 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:

	2017	2016
	\$	\$
Profit for the year	148,377	259,022
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	(920)	3,125
- (increase)/decrease in accrued interest	(27,380)	106,977
- increase/(decrease) in trade and other payables	(70,002)	482,079
- increase/(decrease) in provisions	3,369	1,097
Cashflows from operations	<u>53,444</u>	<u>852,300</u>

18 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)

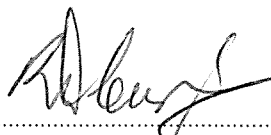
ABN 49 000 388 385

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

Robin Curl

Responsible person

Graham Baillie

Dated this  day of  2017



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 2017, 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 2017 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 9th day of October 2017

EVENTIDE HOMES (NSW)

ABN 49 000 388 385

For the Year Ended 30 June 2017

Profit and Loss Account

	2017 \$	2016 \$
Income (Walter Skelton Village)		
Padstow Heights Rent	243,894	242,381
LTMF Car Park Fees	5,220	5,130
Vital Call	1,035	1,872
Electricity Refunds	2,832	3,810
Interest received	295	-
Total Income	253,276	253,193
Less: Expenses		
Accountancy fees	(3,215)	(3,362)
Audit Fees	(4,583)	(4,500)
Annual Leave	(3,061)	(1,121)
Cleaning	(1,378)	(1,540)
Computer expenses	(1,795)	(8,354)
Electricity	(6,996)	(5,737)
Staff welfare and uniforms	(1,187)	(2,467)
Insurance	(16,921)	(17,206)
Long Service Leave	(1,702)	(574)
Motor Vehicle expenses	(3,168)	(2,929)
Pest control	(7,200)	(7,180)
Postage	(156)	(128)
Printing and stationery	(248)	(1,231)
Water rates	(6,251)	(4,485)
Repairs and maintenance	(30,537)	(45,322)
Transfer to Long Term Maintenance Fund	(20,050)	(15,000)
Salaries and wages	(105,638)	(102,631)
Security costs	(1,661)	(1,827)
Superannuation contributions	(10,035)	(9,677)
Telephone	(7,724)	(5,917)
Travelling expenses	(1,034)	(1,147)
Vital call	(7,637)	(2,360)
Waste disposal	(5,663)	(6,450)
Workers Compensation insurance	(2,714)	(2,866)
Total Expenses	250,554	254,011
Surplus/(Deficit)	2,722	(818)
Other income/expenses:		
Entry Fees received	40,097	52,749
Bank Deposit Interest	-	31,644
Income from Investments, including tax credits	297,518	350,219
Other income	818	-
Accountancy fees	(2,520)	(5,360)
Audit fees	(4,560)	(3,575)
Bank charges	(10)	(18)
Board expenses	(1,005)	(2,344)

EVENTIDE HOMES (NSW)

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For the Year Ended 30 June 2017

Profit and Loss Account

	2017	2016
	\$	\$
Computer expenses	-	(2,068)
Travelling expenses	(65)	(87)
Unit refurbishment	(805)	-
Subscriptions	(1,210)	(1,320)
70th Anniversary	(4,322)	-
Vacant Units Maintenance Levy	(2,447)	-
Investment Consultancy	(5,834)	-
Donations - charities	(170,000)	(160,000)
	<u>145,655</u>	<u>259,840</u>
Surplus for the Year	<u><u>148,377</u></u>	<u><u>259,022</u></u>