

**LOBETHAL AND DISTRICT AGED HOMES INC
RESTVALE**

ABN 33 535 931 824 NAPS 463

FINANCIAL REPORT

FOR THE YEAR ENDED

30 JUNE 2023

LOBETHAL AND DISTRICT AGED HOMES INC
RESTVALE
ABN 33 535 931 824 NAPS 463
FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 2023
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LOBETHAL AND DISTRICT AGED HOMES INC
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STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH JUNE 2023

	Note	2023		2022
INCOME				
<u>Operating Income</u>		3,746,268		3,218,353
<u>Investment Income</u>				
Investment Income		325,673		372,112
Interest Income				
- Non-Related Parties		10,969		10,969
Total Investment Income		<u>336,642</u>		<u>383,081</u>
Total Recurrent Income		4,082,910		3,601,434
<u>Non-Recurrent Income</u>				
Donations, Bequests and Fundraising		18,477		28,459
Realised Gains on Disposal of Assets		0		220,329
COVID-19 Funding		0		30,320
Other Non-Current Income		700,000		0
Total Non-Recurrent Income		<u>718,477</u>		<u>279,108</u>
Total Income		4,801,386		3,880,542
Expenses				
<u>Recurrent Expenses</u>				
Salaries and Employee Benefits		2,870,159		2,628,974
Depreciation		172,939		176,090
Finance Expenses				
- Non-Related Parties		26,134		8,556
Other Expenses		611,405		624,165
Total Recurrent Expenses		<u>3,680,638</u>		<u>3,437,786</u>
<u>Non-Recurrent Expenses</u>				
Realised Losses on Disposal of Assets		98,818		6,987
COVID-19 Expenses		5,385		30,337
Total Non-Recurrent Expenses		<u>104,203</u>		<u>37,323</u>
Total Expenses		<u>3,784,841</u>		<u>3,475,109</u>
Net Surplus/(Deficit) before tax		1,016,545		405,433
Income tax		0		0
Net Surplus/(Deficit) after tax		1,016,545		405,433
Other comprehensive income:				
Revaluation of Assets - Increase		23,720		0
Revaluation of Assets - Decrease		0		(560,469)
Total Other Comprehensive Income		<u>23,720</u>		<u>(560,469)</u>
TOTAL COMPREHENSIVE INCOME FOR YEAR		<u>\$1,040,266</u>		<u>\$(155,037)</u>

LOBETHAL AND DISTRICT AGED HOMES INC
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STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	5,669,502	6,513,356
Trade and other receivables	7	159,715	338,886
Financial Assets	8	5,173,791	4,900,595
		<u>11,003,007</u>	<u>11,752,837</u>
TOTAL CURRENT ASSETS		<u>11,003,007</u>	<u>11,752,837</u>
NON-CURRENT ASSETS			
Property, plant & equipment	9	4,064,078	3,306,686
TOTAL NON-CURRENT ASSETS		<u>4,064,078</u>	<u>3,306,686</u>
TOTAL ASSETS		<u>15,067,085</u>	<u>15,059,523</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	197,804	157,064
Income received in advance	11	11,078	17,513
Financial liabilities	13	7,285,245	8,390,484
Provisions	12	336,326	291,633
		<u>7,830,454</u>	<u>8,856,694</u>
TOTAL CURRENT LIABILITIES		<u>7,830,454</u>	<u>8,856,694</u>
NON-CURRENT LIABILITIES			
Financial liabilities	13	0	0
Provisions	14	22,098	28,561
TOTAL NON-CURRENT LIABILITIES		<u>22,098</u>	<u>28,561</u>
TOTAL LIABILITIES		<u>7,852,552</u>	<u>8,885,255</u>
NET ASSETS		<u>\$7,214,533</u>	<u>\$6,174,268</u>
EQUITY			
Retained earnings		7,064,456	6,047,911
Asset Revaluation Reserve		457,378	457,378
Investment Revaluation Reserve		(307,301)	(331,021)
TOTAL EQUITY		<u>\$7,214,533</u>	<u>\$6,174,268</u>

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STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 202

	Retained Earnings	Asset Revaluation Reserve	Investment Revaluation Reserve	Total
	\$			\$
Balance at 1st July 2021	5,642,478	457,378	229,448	6,329,304
Total other comprehensive income for the year	0	0	(560,469)	(560,469)
Surplus for the year	<u>405,433</u>	<u>0</u>	<u>0</u>	<u>405,433</u>
Balance at 30 June 2022	6,047,911	457,378	(331,021)	6,174,268
Total other comprehensive income for the year	0	0	23,720	23,720
Surplus for the year	<u>1,016,545</u>	<u>0</u>	<u>0</u>	<u>1,016,545</u>
Balance at 30 June 2023	<u>\$7,064,456</u>	<u>\$457,378</u>	<u>\$(307,301)</u>	<u>\$7,214,533</u>

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		3,959,868	3,271,171
Donations Received		18,477	28,459
Interest Received		10,969	10,969
Grant Received		700,000	0
Distributions Received		489,968	278,081
Other receipts		0	30,320
Payments to suppliers and employees		<u>(3,639,274)</u>	<u>(3,274,472)</u>
Net cash provided by operating activities	18b	<u>1,540,008</u>	<u>344,528</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investments		(1,219,782)	(2,357,084)
Proceeds from Disposal of Investments		871,489	2,296,482
Proceeds from sale of plant and equipment - aged care		0	0
Purchase of property, plant and equipment - aged care		(12,887)	(57,947)
Purchase of Work In Progress assets		(917,444)	(47,518)
Net cash provided by (used in) investing activities		<u>(1,278,623)</u>	<u>(166,068)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Refundable deposits received		3,191,612	2,640,000
Refundable deposits refunded/ drawdown		<u>(4,296,850)</u>	<u>(920,888)</u>
Net cash provided by (used in) financing activities		<u>(1,105,239)</u>	<u>1,719,112</u>
Net (decrease)/ increase in cash held		(843,854)	1,897,573
Cash at the beginning of the financial year		<u>6,513,356</u>	<u>4,615,783</u>
Cash at the end of the financial year	18a	<u>5,669,502</u>	<u>6,513,356</u>

All other cash flow items on the Aged Care Financial Report template were Nil in both years.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

The general purpose financial statements were authorised for issue on 26th September 2023 by the members of the Association.

I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The general purpose financial statements cover Lobethal and District Aged Homes Inc as an individual entity. Lobethal and District Aged Homes Inc is an association incorporated in South Australia under the Associations Incorporations Act, 1985.

The financial report has been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards – Simplified Disclosures ("SDS") - the basis of accounting specified by all Accounting Standards and interpretations and the disclosure requirements of AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-For-Profit Tier 2 Entities", AASB 107 "Cash Flow Statements", AASB 108 "Accounting Policies, Changes in Accounting Estimates and Errors", AASB 1031 "Materiality" and AASB 1048 "Interpretation and Application of Standards".

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by applying fair value accounting to certain financial assets and liabilities measured at fair value through income statement (FVIS) or in other comprehensive income (OCI).

The financial report has been prepared on the going concern assumption and rounded to the nearest \$! A.

(a) Income Tax

The association is exempt from income tax and is a deductible gift recipient as determined by the Australian Taxation Office.

(b) Fair Value of Assets and Liabilities

The association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the association would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

LOBETHAL AND DISTRICT AGED HOMES INC

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(c) Property, Plant & Equipment

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

Land and buildings

Land and buildings are measured at cost less impairment or external valuation. Net revaluation increments in the carrying amounts of land and buildings are recognised directly in the asset revaluation reserve. Impairments are provided for as necessary and charged to expense.

Plant and equipment

Plant and equipment is measured on the cost basis and are therefore carried at cost less accumulated depreciation and impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount the carrying amount is written down immediately to its estimated recoverable amount. A formal assessment of the recoverable amount is made when impairment indicators are present.

Depreciation

The depreciable amount of all fixed assets, including buildings, is depreciated on a straight line basis over the assets useful life to the entity commencing from the time the asset is available for use. Depreciation is recognised in profit or loss.

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

Buildings	2.50%
Plant & Equipment	7.50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount.

These gains and losses are recognised in profit and loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables in the statement of financial position are shown inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

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(e) Employee Benefits

Short-term employee benefits

Provision is made for the association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service.

Provision is made for the association's obligation for other long-term employee benefits, which is measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, duration of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on bonds that have maturity dates approximate to the terms of the obligations.

Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit and loss as a part of employee benefit expense.

The association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the association receive defined contribution superannuation entitlements, for which the association pays the fixed superannuation guarantee contribution (from 1 July 2021 10% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The association's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the association's statement of financial position.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, at bank and deposits at-call with banks.

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FOR THE YEAR ENDED 30 JUNE 2023

(g) Revenue Recognition

Revenue from contracts with customers

Revenue arising from the provision of aged care services to residents is recognised on a daily basis as service is provided. Associated government subsidies are recognised on the same basis.

Revenue from retentions is recognised on a time elapsed basis based on the relevant resident contracts.

Other revenue is recognised at the point in time when the association has satisfied its performance obligations and the transaction price determined.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

(h) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the 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.

(i) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified as "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

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(j) Significant Accounting Estimates and Judgements

The Board members evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key Estimates - Impairment

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

Key Judgements

The Board has assessed the likelihood of all accommodation payments requiring repayment in a financial year as unlikely. A liquidity reserve of accommodation payments has been established and this amount is reflected in the Board's assessment of cash outflows in the financial instruments note 19.

(k) Aged Care Facility Accommodation Payments

Lobethal and District Aged Homes Inc holds lump sum accommodation payments on behalf of residents. In accordance with the Aged Care Act of 1997, all conditions of Prudential Compliance are adhered to as required by the Department of Health.

(l) New Accounting Standards adopted during the year

The following Australian Accounting Standards have been adopted by the association for the year ended 30 June 2023.

Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The association has elected to adopt Amendment AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

The amendment did not have a material impact on the amounts recognised in prior periods and is not expected to significantly affect the current or future periods.

Transition to AASB 1060 General Purpose Financial Statements - Simplified Disclosures

These general purpose financial statements for the year ended 30 June 2022, are the first the association has prepared complying with Australian Accounting Standards - Simplified Disclosures. The association has restated comparative info where necessary comparative information not disclosed in the notes of the previous financial statements.

Other than the change in disclosure requirements, the adoption of the Australian Accounting Standards - Simplified Disclosures has no significant impact on the financial statements because the association's previous financial statements were prepared in full compliance with the recognition and measurement requirements of Australian Accounting Stand

(m) COVID-19 Pandemic

On the 11th March 2020 the World Health Organisation declared COVID-19 a pandemic. Covid 19 expenses continued to be incurred which has not been covered by resident fees or subsidies during this financial year.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2 REVENUE

The Statement of Profit or Loss and Comprehensive Income has been prepared so as to disclose all required disclosures of revenue categories.

3 PROFIT FROM ORDINARY ACTIVITIES

The Statement of Profit or Loss and Comprehensive Income has been prepared so as to disclose all required disclosures of expense categories.

4 KEY MANAGEMENT PERSONNEL COMPENSATION

The totals of remuneration paid to key management personnel (KMP) of the association during the year are as follows:

	2023	2022
Total Compensation	<u>\$230,401</u>	<u>\$207,237</u>

5 AUDITORS' REMUNERATION

Remuneration of the auditor of the association for:

• auditing or reviewing the financial statements	<u>\$6,500</u>	<u>\$6,255</u>
• other statutory assurance services	<u>\$0</u>	<u>\$0</u>
• other accounting services	<u>\$0</u>	<u>\$0</u>

6 CASH AND CASH EQUIVALENTS

Cash on hand	2,374	4,017
Cash at bank - Operating Account	1,144,335	6,509,338
Cash at bank - ANZ On Line Saver No. 1	<u>4,522,792</u>	<u>0</u>
	<u>\$5,669,502</u>	<u>\$6,513,356</u>

7 TRADE & OTHER RECEIVABLES

GST claimable	5,858	10,094
Accounts Receivable	16,723	23,300
Other Debtors	11,662	15,723
Accrued Income	125,473	289,768
	<u>\$159,715</u>	<u>\$338,886</u>

The association does not have any material credit risk exposure to any single receivable or group of receivables. No collateral is held over trade and other receivables.

8 FINANCIAL ASSETS

Investment in Funds	<u>5,173,791</u>	<u>4,900,595</u>
	<u>5,173,791</u>	<u>4,900,595</u>

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	2023				2022
9 PROPERTY, PLANT & EQUIPMENT					
Land (at independent valuation, 2014)	500,000				500,000
	<u>500,000</u>				<u>500,000</u>
Buildings (at independent valuation, 2014)	2,769,000				2,769,000
Work In Progress	1,172,052				254,608
Less: Provision for depreciation	(726,300)				(645,600)
	<u>3,214,752</u>				<u>2,378,008</u>
Improvements (at independent valuation 2014)	140,500				140,500
Plant and equipment (at independent valuation 2014)	181,112				181,112
Plant and equipment (at cost)	609,883				596,996
Less: Provision for depreciation	(582,169)				(489,930)
	<u>208,826</u>				<u>288,178</u>
	<u>\$4,064,078</u>				<u>\$3,306,686</u>
(a) Movements in carrying amounts					
	Opening 2021	Additions	Depreciation		
Land	500,000	0	0		
Buildings	2,204,100	0	(80,700)		
Building Work In Progress	207,090	47,518	0		
Improvements	140,500	0	0		
Plant & equipment	325,621	57,947	(95,390)		
Total	<u>3,377,311</u>	<u>105,465</u>	<u>(176,090)</u>		
				Balance as at 30 June	
	Revaluation	Disposals	2022		
Land	0	0	500,000		
Buildings	0	0	2,123,400		
Building Work In Progress	0	0	254,608		
Improvements	0	0	140,500		
Plant & equipment	0	0	288,178		
Total	<u>0</u>	<u>0</u>	<u>3,306,686</u>		
				Balance as at 30 June	
	Opening 2022	Additions	Depreciation		
Land	500,000	0	0		
Buildings	2,123,400	0	(80,700)		
Building Work In Progress	254,608	917,444	0		
Improvements	140,500	0	0		
Plant & equipment	288,178	12,887	(92,239)		
Total	<u>3,306,686</u>	<u>930,331</u>	<u>(172,939)</u>		
				Balance as at 30 June	
	Revaluation	Disposals	2023		
Land	0	0	500,000		
Buildings	0	0	2,042,700		
Building Work In Progress	0	0	1,172,052		
Improvements	0	0	140,500		
Plant & equipment	0	0	208,826		
Total	<u>0</u>	<u>0</u>	<u>4,064,078</u>		

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	2023	2022
10 TRADE & OTHER PAYABLES		
Trade Payables	100,776	88,661
Other Payables	97,028	68,403
	<u>\$197,804</u>	<u>\$157,064</u>
11 INCOME IN ADVANCE		
Fees in advance	11,078	17,513
	<u>\$11,078</u>	<u>\$17,513</u>
12 CURRENT PROVISIONS		
Provision for Employee Benefits	336,326	291,633
Total Provisions	<u>\$336,326</u>	<u>\$291,633</u>
13 FINANCIAL LIABILITIES		
Non-interest Bearing Financial Liabilities		
Accommodation Bonds/ Refundable Deposits		
Funded Beds	7,285,245	8,390,484
	<u>\$7,285,245</u>	<u>\$8,390,484</u>

To 30 June 2014 certain residents of Aged Care Facilities were required to provide an Accommodation Bond on entry to the facility. From July 2014 residents may be required to make Refundable Accommodation Deposits/Contributions which are fully refundable on leaving the facility. The Association is allowed to retain a Federal Government nominated amount of each Accommodation Bond for up to five years. Movements in bonds, deposits and contributions over the past year are as follows:

No bonds are held at 30 June 2023

	\$	Number	
APSN 6052 Restvale Hostel			
Opening Balance	8,390,484	25	6,671,372
New Deposits	3,191,612	9	2,640,000
Repaid Deposits	(4,125,154)	(11)	(753,517)
Retentions & Drawdowns	(171,696)		(167,371)
	<u>7,285,245</u>	<u>23</u>	<u>8,390,484</u>
Closing balance			

The association does not hold any entry contributions.

Total Financial Liabilities		
Current	7,285,245	8,390,484
Non-Current	<u>0</u>	<u>0</u>
	<u>\$7,285,245</u>	<u>\$8,390,484</u>

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FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
14 NON - CURRENT PROVISIONS		
Long Service Leave Provision	<u>22,098</u>	<u>28,561</u>
Total Long Term Provisions	<u>\$22,098</u>	<u>\$28,561</u>

15 CAPITAL AND LEASING COMMITMENTS

- a. The association does not have any lease commitments.
- b. The association has let a contract for stage 1 of the Facility Refurbishment costing of \$1,172,052 to date. Stage 2 of the Refurbishment is budgetted to cost a further \$2.5 million. The Department of Health has contributed \$700,000 to Stage 1 in this year and agreed to contribute a further \$1.4 million as a grant towards the total cost of the Facility Refurbishment.

16 SEGMENTS

The association operates in one business and geographical segment, being an Aged Care Residential Facility in Lobethal SA.

**LOBETHAL AND DISTRICT AGED HOMES INC
RESTVALE**

ABN 33 535 931 824 NAPS 463

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

Residential Aged Care

	Facility		All Other Activities		Entity Total	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
SEGMENT REPORTING						
REVENUE						
<u>Care Income</u>						
Subsidies & Supplements - Commonwealth	2,512,456	2,152,536			2,512,456	2,152,536
Resident Fees						
Means Tested Fees	91,889	128,683			91,889	128,683
Other Fees	0	0			0	0
Total Residential Care Income	2,604,346	2,281,219	0	0	2,604,346	2,281,219
<u>Hotel Services Income</u>						
Basic Daily Fee	685,785	659,965			685,785	659,965
Extra Service Fees	0	0	0	0	0	0
Other Hotel Services Income	0	0	0	0	0	0
Total Hotel Services Income	685,785	659,965	0	0	685,785	659,965
<u>Accommodation Income</u>						
Subsidies & Supplements - Commonwealth	213,448	85,658			213,448	85,658
Daily Accommodation Payments	242,690	191,511			242,690	191,511
Accommodation Charges	0	0			0	0
Total Accommodation Income	456,137	277,169	0	0	456,137	277,169
<u>Finance Income</u>						
Interest and Investment Income	0	0	336,642	383,081	336,642	383,081
Total Finance Income	0	0	336,642	383,081	336,642	383,081
<u>COVID-19 Income</u>						
Covid -19 Income	0	30,320			0	30,320
Total COVID-19 Income	0	30,320	0	0	0	30,320
<u>Non-Recurrent Income</u>						
Donations, Bequests & Fundraising	0	0	18,477	28,459	18,477	28,459
Realised gains on disposal of assets	0	0	0	220,329	0	220,329
Other Non-Recurrent Income	700,000	0	0	0	700,000	0
Total Non-Recurrent Income	700,000	0	18,477	248,788	718,477	248,788
Total Income	4,446,268	3,248,673	355,118	631,869	4,801,386	3,880,542

**LOBETHAL AND DISTRICT AGED HOMES INC
RESTVALE**

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

Residential Aged Care

	Facility		All Other Activities		Entity Total	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
SEGMENT REPORTING						
EXPENSE						
Care Expenses						
<u>Labour Costs - Direct Care</u>						
Registered nurses	235,466	185,078			235,466	185,078
Enrolled & licensed nurses	510,993	525,970			510,993	525,970
Personal Care Staff	1,007,214	945,648			1,007,214	945,648
Care Management Staff	95,651	50,300			95,651	50,300
Allied Health	0	0			0	0
Lifestyle/Recreational/Diversional/Activities Officer	89,171	45,953			89,171	45,953
Other Employee Staff	0	0			0	0
Total Employee Labour Costs	1,938,495	1,752,948	0	0	1,938,495	1,752,948
Agency staff costs	50,015	88,393			50,015	88,393
Agency Fees	0	0			0	0
Contract Labour Costs	0	0			0	0
Total Contract Labour Costs	50,015	88,393	0	0	50,015	88,393
Total Labour Costs	1,988,510	1,841,341	0	0	1,988,510	1,841,341
<u>Resident Expenses</u>						
Medical supplies	30,401	34,201			30,401	34,201
Incontinence supplies	20,702	20,434			20,702	20,434
Oral Nutrition supplements	5,899	7,562			5,899	7,562
Oral Health Living expenses	204	285			204	285
Other resident services and consumables	1,517	2,262			1,517	2,262
Total Resident Expenses	58,723	64,742	0	0	58,723	64,742
<u>Other Direct Care Expenses</u>						
Workcover	50,692	47,083			50,692	47,083
Payroll tax	0	0			0	0
Quality, compliance and training external costs	5,269	3,711			5,269	3,711
Chaplaincy/Pastoral Care	0	0			0	0
Other Direct Care Expenses	0	0			0	0
Total Other Direct Care Expenses	55,961	50,794	0	0	55,961	50,794
Total Care Expenses	2,103,194	1,956,877	0	0	2,103,194	1,956,877
Hotel Services Expenses						
<u>Catering Expenses</u>						
Employee labour costs	369,534	339,844			369,534	339,844
Consumables	126,852	113,759			126,852	113,759
Contract (internal)	0	0			0	0
Contract (outsourcing)	0	0			0	0
Total Catering Expenses	496,386	453,603	0	0	496,386	453,603
<u>Cleaning Expenses</u>						
Employee labour costs	101,238	95,163			101,238	95,163
Consumables	41,809	30,110			41,809	30,110
Contract (internal)	0	0			0	0
Contract (outsourcing)	0	167			0	167
Total Cleaning Expenses	143,047	125,440	0	0	143,047	125,440
<u>Laundry Expenses</u>						
Employee labour costs	26,071	26,992			26,071	26,992
Consumables	1,403	3,354			1,403	3,354
Contract (internal)	0	0			0	0
Contract (outsourcing)	25,638	24,257			25,638	24,257
Total Laundry Expenses	53,111	54,603	0	0	53,111	54,603

LOBETHAL AND DISTRICT AGED HOMES INC

RESTVALE

ABN 33 535 931 824 NAPS 463

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

Residential Aged Care

	Facility		All Other Activities		Entity Total	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
SEGMENT REPORTING						
EXPENSE, continued						
<u>Utilities</u>	73,142	62,871			73,142	62,871
<u>Motor Vehicle Expenses</u>	0	0			0	0
<u>Other Hotel Expenses</u>						
Workcover	12,993	12,372			12,993	12,372
Payroll tax	0	0			0	0
Quality, compliance and training external costs	1,372	413			1,372	413
Other Hotel Expenses	0	0			0	0
<i>Total Other Hotel Expenses</i>	14,364	12,786	0	0	14,364	12,786
Total Hotel Expenses	780,050	709,303	0	0	780,050	709,303
Administration Expenses						
Corporate recharge	0	0			0	0
Employee labour costs	241,899	176,552			241,899	176,552
Workcover	6,326	4,743			6,326	4,743
Payroll tax	0	0			0	0
Fringe benefits tax	0	0			0	0
Quality, compliance and training external costs	2,731	1,838			2,731	1,838
Insurances	46,674	37,535			46,674	37,535
Other administration costs	82,200	105,049	1,985	0	84,185	105,049
<i>Total Administration Expenses</i>	379,830	325,717	1,985	0	381,815	325,717
Accommodation Expenses						
Employee labour costs	0	0			0	0
Depreciation - building	80,700	80,700			80,700	80,700
Depreciation - other assets	92,239	95,390			92,239	95,390
Amortisation	0	0			0	0
Refurbishment costs	14,120	6,417			14,120	6,417
Rent - buildings	0	0			0	0
Interest paid (RAD/Bond)	26,134	8,556			26,134	8,556
<u>Routine Maintenance Expenses</u>						
Employee labour costs	86,593	74,318			86,593	74,318
Consumables	76,992	80,058			76,992	80,058
Contract (internal)	0	0			0	0
Contract (outsourcing)	2,480	1,490			2,480	1,490
<i>Total Routine Maintenance Expenses</i>	166,065	155,867	0	0	166,065	155,867
Workcover	2,264	1,993			2,264	1,993
Payroll tax	0	0			0	0
Other accommodation expenses	0	0			0	0
<i>Total Accommodation Expenses</i>	381,523	348,924	0	0	381,523	348,924
COVID-19 Expenses						
Labour Costs	34,056	96,965			34,056	96,965
Resident Support	138	1,422			138	1,422
Preventative Measures	4,737	26,972			4,737	26,972
Infection Prevention and Control	510	1,943			510	1,943
Other COVID-19 Expenses	0	0			0	0
<i>Total COVID-19 Expenses</i>	39,441	127,302	0	0	39,441	127,302
Non- Recurrent Expense						
Realised Loss on disposal of assets	0	0	98,818	6,987	98,818	6,987
	0	0	98,818	6,987	98,818	6,987
Total Expenses	3,684,039	3,468,122	100,803	6,987	3784841.09	3,475,109
Net (Deficit) / Surplus	762,229	(219,450)	254,316	624,882	1,016,545	405,433

**LOBETHAL AND DISTRICT AGED HOMES INC
RESTVALE**

ABN 33 535 931 824 NAPS 463

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

Residential Aged Care

	Facility		All Other Activities		Entity Total	
	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$
SEGMENT REPORTING						
ASSETS						
Cash	5,669,502	6,513,356	0	0	5,669,502	6,513,356
Trade and other receivables	34,242	49,117	125,473	289,768	159,715	338,886
Other current assets	1,765,783	1,790,140	3,408,008	3,110,455	5,173,791	4,900,595
Current Assets	7,469,527	8,352,613	3,533,481	3,400,224	11,003,007	11,752,837
Capital Work in Progress	1,172,052	254,608			1,172,052	254,608
Property, Plant & Equipment	2,892,026	3,052,078			2,892,026	3,052,078
Non-Current Assets	4,064,078	3,306,686	0	0	4,064,078	3,306,686
TOTAL ASSETS	11,533,604	11,659,299	3,533,481	3,400,224	15,067,085	15,059,523
LIABILITIES						
Trade payables	208,883	174,578			208,883	174,578
Employee provisions	336,326	291,633			336,326	291,633
Refundable Accommodation Deposits	7,285,245	8,390,484			7,285,245	8,390,484
Current Liabilities	7,830,454	8,856,694	0	0	7,830,454	8,856,694
Employee provisions	22,098	28,561	0	0	22,098	28,561
Non-Current Liabilities	22,098	28,561	0	0	22,098	28,561
TOTAL LIABILITIES	7,852,552	8,885,255	0	0	7,852,552	8,885,255
NET SEGMENT ASSETS	\$3,681,053	\$2,774,044	\$3,533,481	\$3,400,224	\$7,214,533	\$6,174,268
Residential Segment Equity						
Reserves & Other Equity	457,378	457,378	(307,301)	(331,021)	150,077	126,357
Retained earnings						
- Opening Balance	1,780,554	2,000,004	4,267,357	3,642,474	6,047,911	5,642,478
- Current Year Net Profit/(Loss)	762,229	(219,450)	254,316	624,882	1,016,545	405,433
- Closing Balance	2,542,784	1,780,554	4,521,673	4,267,356.82	7,064,456	6,047,911
TOTAL SEGMENT EQUITY	\$3,000,161	\$2,237,932	\$4,214,372	\$3,936,336	\$7,214,533	\$6,174,268

LOBETHAL AND DISTRICT AGED HOMES INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
18 CASH FLOW INFORMATION			
a. Reconciliation of Cash			
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:			
Cash on hand		2,374	4,017
Cash at bank		<u>5,667,127</u>	<u>6,509,339</u>
		<u>\$5,669,502</u>	<u>6513355.96</u>
b. Reconciliation of Cash Flow from Surplus after Income Tax			
(Deficit)/Surplus after Income Tax		1,016,545	405,433
Non-cash flows in surplus:			
— Depreciation		172,939	176,090
— Profits / Loss on Disposal		98,818	(213,342)
Decrease/(Increase) in trade and other receivables	179,171		(107,091)
Decrease/(Increase) in prepayments	0		0
(Decrease)/Increase in trade and other payables	40,740		38,593
(Decrease)/Increase in income in advance	(6,435)		1,650
(Decrease)/Increase in provisions	38,230	251,706	43,196
		<u>\$1,540,008</u>	<u>\$344,528</u>
Cash flows from operations		<u>\$1,540,008</u>	<u>\$344,528</u>
c. Non-cash Financing and Investing Activities			
		<u>Nil</u>	<u>Nil</u>

19 FINANCIAL RISK MANAGEMENT

The association's financial instruments consist of deposits at bank and accounts receivable and payable including accommodation bonds. The carrying amounts for each category of financial instrument, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements are set out below.

The association is required to adopt and manage a liquidity standard by the Department of Health funding requirements. The association has adopted a liquidity standard and has maintained cash at bank to meet the standard at all times. At 30 June 2023 the estimated liquidity requirement was \$1,765,783

LOBETHAL AND DISTRICT AGED HOMES INC
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023		2022	
19 FINANCIAL RISK MANAGEMENT, continued					
Financial asset and financial liability maturity analysis					
		Within Year		1 to 5 Years	
		2023	2022	2023	2022
		\$	\$	\$	\$
Financial Liabilities due for payment					
Trade and other payables (excluding estimated annual leave)		197,804	87,208	0	0
Accommodation Bonds/Refundable Deposits and Contributions		1,765,783	2,097,621	5,187,624	6,292,863
Total expected outflows		<u>\$1,963,587</u>	<u>\$2,184,829</u>	<u>\$5,187,624</u>	<u>\$6,292,863</u>
		Over 5 Years		Total	
		2023	2022	2023	2022
		\$	\$	\$	\$
Financial Liabilities due for payment					
Trade and other payables (excluding estimated annual leave)		0	0	197,804	87,208
Accommodation Bonds/Refundable Deposits and Contributions		0	0	6,953,407	8,390,484
Total expected outflows		<u>\$0</u>	<u>\$0</u>	<u>\$7,151,211</u>	<u>\$8,477,692</u>
		Within Year		1 to 5 Years	
		2023	2022	2023	2022
		\$	\$	\$	\$
Financial Assets - cash flows realizable					
Cash and cash equivalents		5,669,502	6,513,356	0	0
Investments		5,173,791	4,900,595	0	0
Trade, term and loan receivables		159,715	338,886	0	0
Total anticipated inflows		<u>\$11,003,007</u>	<u>\$11,752,837</u>	<u>\$0</u>	<u>\$0</u>
		Over 5 Years		Total	
		2023	2022	2023	2022
		\$	\$	\$	\$
Financial Assets - cash flows realizable					
Cash and cash equivalents		0	0	5,669,502	6,513,356
Investments		0	0	5,173,791	4,900,595
Trade, term and loan receivables		0	0	159,715	338,886
Total anticipated inflows		<u>\$0</u>	<u>\$0</u>	<u>\$11,003,007</u>	<u>\$11,752,837</u>

Net Fair Values

The net fair value of assets and liabilities of the Association equals their carrying value.

20 ASSOCIATION DETAILS

The registered office of the association is:

Lobethal and District Aged Homes Inc
8 Woodside Road, Lobethal SA

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

**LOBETHAL AND DISTRICT AGED HOMES INC
RESTVALE
ABN 33 535 931 824 NAPS 463**

**STATEMENT BY THE BOARD OF MANAGEMENT
FOR THE YEAR ENDED 30TH JUNE 2023**

The Board has determined that the association is a reporting entity and that this general purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board the financial report as set out on pages 1 to 20:

1. Presents a true and fair view of the financial position of Lobethal and District Aged Homes Inc as at 30 June 2023 and its performance for the year ended on that date and comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
2. At the date of this statement, there are reasonable grounds to believe that Lobethal and District Aged Homes Inc will be able to pay its debts as and when they fall due.

During the year ended 30 June 2023, the members of the Board report that:

1. (i) no officer of the Lobethal and District Aged Homes Inc;
(ii) no firm of which the officer is a member;
(iii) no body corporate in which the officer has a substantial financial interest;

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or corporation and the Lobethal and District Aged Homes Inc.

2. No officer of the Lobethal and District Aged Homes Inc has received directly or indirectly from the Lobethal and District Aged Homes Inc any payment or other benefit of a pecuniary value.

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

Chairman



Dep Chair



Dated this 14th day of September 2023

LOBETHAL AND DISTRICT AGED HOMES INC
RESTVALE
ABN 33 535 931 824 NAPS 463

BOARD OF MANAGEMENT REPORT

FOR THE YEAR ENDED 30TH JUNE 2023

The Board of Management submit the financial report of Lobethal and District Aged Homes Inc. for the financial year ended 30 June 2023.

Board Members

The names of Board Members throughout the year and at the date of this report are:

J Hennessy - Chair	K Craig - Vice Chair
J Herve (Resigned 22 January 2023)	S Johnston
M Fry	R Leckie
N Carter	B Tugwell
K Woods (appointed 23 November 2022)	L Green (Appointed 28 February 2023)

Principal Activity

The principal activity of the association during the financial year was to provide aged care facilities and support for the community.

Significant Changes

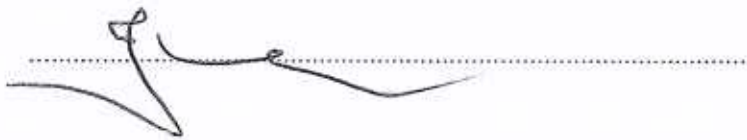
No significant change in the nature of the activity occurred during the year.

Operating Result

The surplus for the year was \$ 1,016,545.

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

Chairman



Vice Chair



Dated this 14th day of September 2023

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF LOBETHAL AND DISTRICT AGED HOMES INC

Report on Audit of the Financial Report

We have audited the financial report of Lobethal and District Aged Homes Inc (the association) which comprises the statement of financial position as at 30 June 2023, and the comprehensive income statement, statement of changes in equity, statement of cash flows and a summary of significant accounting policies and other explanatory notes, the statement by the members of the Board and the Board report.

In our opinion, the financial report of Lobethal and District Aged Homes Inc has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- (a) Giving a true and fair view of the association's financial position as at 30 June 2023 and of its financial performance for the year ended then ended; and
- (b) Complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of 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 association 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.

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

Responsibility of the Board for the Financial Report

The Board of the association is responsible for the preparation of a financial report that gives a true and fair view and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of members.

The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the association'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 the Board either intends to liquidate the association or to cease operations, or have no realistic alternative but to do so.

The Board is responsible for overseeing the association'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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

DEANE & ASSOCIATES

A handwritten signature in black ink, enclosed within a hand-drawn oval. The signature appears to be 'R F Deane'.

Richard F Deane, Principal

Date: 1st September 2023
69 Franklin Street, ADELAIDE SA

DEANE & ASSOCIATES
AUDITOR INDEPENDENCE DECLARATION

 **DEANE**
& ASSOCIATES
ABN 22 638 967 349
Chartered Accountant

69 Franklin Street
Adelaide SA 5000

PO Box 399
Rundle Mall SA 5000

Telephone (08) 8232 9905
Email: info@rdeane.com.au

To the Directors

LOBETHAL AND DISTRICT AGED HOMES INC

As lead auditor for the audit of Lobethal and District Aged Homes Inc for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect Lobethal and District Aged Homes Inc as a single entity.



Auditor signature

RICHARD F DEANE

Name

PRINCIPAL

Position

Deane & Associates, 69 Franklin Street, ADELAIDE

Firm and address

Date 17th April 2023

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF LOBETHAL AND DISTRICT AGED HOMES INC AND THE SECRETARY OF THE DEPARTMENT OF HEALTH AND AGED CARE.

Report on Lobethal and District Aged Homes Inc's compliance with the Aged Care Act 1997 and the *Fees and Payments Principles 2014 (No.2 (Fees and Payments Principles))*.

We have audited the compliance of Lobethal and District Aged Homes Inc with the requirements of Part 5, Part 6 and Part 7 of the Fees and Payments Principles for the period 1 July 2022 to 30 June 2023.

Opinion

In our opinion, Lobethal and District Aged Homes Inc has complied, in all material respects, with the requirements of Part 5, Part 6 and Part 7 of the Fees and Payments Principles (as amended) for the period 1 July 2022 to 30 June 2023.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Guide to audit of an approved provider's compliance with the prudential requirements (the Guide), we are required to report all instances of non-compliance with the requirements of the Act and the Fees and Payments Principles by Lobethal and District Aged Care Homes Inc that came to our attention during the course of our audit.

None

Board's Responsibility

The Board of Lobethal and District Aged Homes Inc is responsible for compliance with the Act and the Fees and Payments Principles and for such internal control as the Board determine is necessary for compliance with the Act and the Fees and Payments Principles. The responsibilities of the Board include requirements under the Act and the Fees and Payments Principles for the preparation and presentation of the Annual Prudential Compliance Statement (APCS) and compliance with the Prudential Standards contained within the Fees and Payments Principles.

Auditor’s Responsibility

Our responsibility is to form and express an opinion on Lobethal and District Aged Homes Inc’s compliance, in all material respects, with the prudential requirements of the Act and the Fees and Payments Principles.

Our audit has been conducted in accordance with the applicable Standards on Assurance Engagements (ASAE 3100 *Compliance Engagements*), issued by the Auditing and Assurance Standards Board and with the requirements of the Department of Health and Aged Care as set out in the Guide. Our audit has been conducted to provide reasonable assurance that Lobethal and District Aged Care Homes Inc has complied with the requirements of the Fees and Payments Principles. ASAE 3100 requires that we comply with relevant ethical requirements.

Audit procedures selected depend on the auditor’s judgement. The auditor designs procedures that are appropriate in the circumstances and incorporate the audit scope requirements set out in the Guide. The audit procedures have been undertaken to form an opinion on compliance of Lobethal and District Aged Care Homes Inc with Part 5, Part 6, and Part 7 of the Fees and Payments Principles. Audit procedures include obtaining evidence relating to refundable deposits, accommodation bonds and entry contributions held; refunds of refundable deposits, accommodation bond balances and entry contributions; limits on charging refundable deposits, accommodation bonds; compliance with the Prudential Standards relating to liquidity, records, governance, and disclosure; and use of refundable deposits and accommodation bonds.

Use of Report and Restriction on Distribution

This auditor’s report has been prepared for the Board of Lobethal and District Aged Homes Inc and the Secretary of the Department of Health and Aged Care for the purpose of fulfilling the requirements of the Disclosure Standard. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Board and the Secretary of the Department of Health and Aged Care, or for any purpose other than that for which it was prepared. Our report is intended for the Board of Lobethal and District Aged Care Homes Inc and the Secretary of the Department of Health and Aged Care and should not be distributed to other parties.

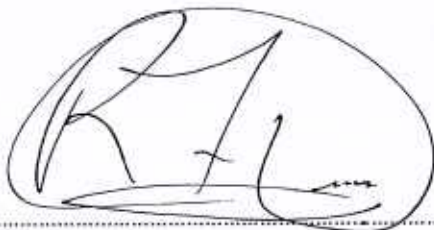
Inherent Limitations

Because of the inherent limitations of any compliance procedures, it is possible that fraud, error, or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements of the Act and Fees and Payments Principles, as the audit procedures are not performed continuously throughout the year and are undertaken on a test basis.

The auditor’s opinion expressed in this report has been formed on the above basis.

DEANE & ASSOCIATES

Richard F Deane



1st September 2023
69 Franklin Street, ADELAIDE SA 5000
Registered Company Auditor # 5159