

Financial Statements

Lutheran Church of Australia SA & NT District Inc 3609 -
Riverview Lutheran Rest Home Inc 6065
ABN 95 852 868 044
For the year ended 30 June 2023

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Statement of Comprehensive Income

Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065

For the year ended 30 June 2023

	2023	2022
Income		
Bond Retentions and Charges	62,426	115,598
Donations Received	6,781	8,215
Government Subsidies	5,236,129	5,005,534
Interest Income	170,783	60,537
Other Revenue	6,144	25,602
Resident Fees and Charges	1,766,958	1,580,400
Total Income	7,249,221	6,795,886
Gross Surplus	7,249,221	6,795,886
Expenditure		
Accreditation Fees	11,847	5,405
Advertising	34,474	32,452
Auditing	9,930	11,020
Bank Fees	701	649
Computing Expenses	58,550	41,520
Consulting	135,969	45,788
Depreciation	659,976	614,200
Freight & Courier	678	508
General Expenses	144,318	124,044
Insurance	118,571	59,347
Interest Expense	64,711	71,833
Laundry and Cleaning	41,985	46,838
Legal expenses	710	3,400
Licences, Registrations and Permits	59,995	21,087
Light, Power, Heating	113,625	94,751
Meals and Catering	266,569	256,751
Medical Supplies	132,105	161,816
Motor Vehicles	3,929	3,391
Printing & Stationery	16,913	12,196
Rates and Taxes	57,273	63,554
Repairs and Maintenance	114,023	93,243
Security and Fire Alarms	20,554	21,547
Staff Training and Welfare	54,774	45,747
Subscriptions	11,871	11,954
Superannuation	437,729	393,375
Telephone & Internet	7,225	8,949
Wages and Salaries	4,345,211	4,130,440
Workcover	143,393	127,284
Total Expenditure	7,067,609	6,503,089

The accompanying notes form part of these financial statements.

	2023	2022
Operating Surplus / (Deficit)	181,612	292,797
Non-Operating Expenses		
Sale of Asset (Profit) / Loss	1,064	10,910
Total Non-Operating Expenses	1,064	10,910
Current Year Surplus / (Deficit)	180,548	281,887

The accompanying notes form part of these financial statements.

Statement of Financial Position

Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065

As at 30 June 2023

	NOTES	30 JUN 2023	30 JUN 2022
Assets			
Current Assets			
Cash & Cash Equivalents	2	7,219,414	7,414,692
Trade and Other Receivables	3	185,587	344,681
Prepayments	4	(13,969)	25,598
Inventories	5	35,778	34,905
Total Current Assets		7,426,810	7,819,876
Non-Current Assets			
Fixed Assets	6	12,654,828	13,148,697
Total Non-Current Assets		12,654,828	13,148,697
Total Assets		20,081,638	20,968,573
Liabilities			
Current Liabilities			
Accommodation Bonds	7	8,463,648	8,254,861
Trade and Other Payables	7	326,731	325,743
Provisions	8	478,144	514,421
Total Current Liabilities		9,268,523	9,095,025
Other Current Liabilities			
Loans	9	276,052	284,496
Total Other Current Liabilities		276,052	284,496
Non-Current Liabilities			
Loans	9	1,362,382	2,594,919
Total Non-Current Liabilities		1,362,382	2,594,919
Total Liabilities		10,906,957	11,974,440
Net Assets		9,174,681	8,994,133
Member's Funds			
Capital Reserve			
Current Year Earnings		180,548	281,887
Retained Earnings		8,994,133	8,712,246
Total Capital Reserve		9,174,681	8,994,133
Total Member's Funds		9,174,681	8,994,133

The accompanying notes form part of these financial statements.

Movements in Equity

Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065

For the year ended 30 June 2023

	2023	2022
Equity		
Opening Balance	8,994,133	8,712,246
Increases		
Surplus for the Period	180,548	281,887
Total Increases	180,548	281,887
Total Equity	9,174,681	8,994,133

Statement of Cash Flows

Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065

For the year ended 30 June 2023

	2023	2022
Statement of Cash Flows		
Cash flows from operating activities		
Receipts	7,233,940	6,506,072
Payments to supplier & employees	(6,335,928)	(5,837,354)
Interest received	170,783	60,537
Interest paid	(64,711)	(71,833)
Total Cash flows from operating activities	1,004,084	657,422
Cash flows from investing activities		
Purchase of property, plant & equipment	(167,592)	(602,461)
Proceeds on disposal	424	-
Total Cash flows from investing activities	(167,168)	(602,461)
Cash flows from financing activities		
Payment of borrowings	(1,240,981)	(280,875)
Proceeds from borrowings	208,787	1,522,157
Total Cash flows from financing activities	(1,032,194)	1,241,282
Net increase/(decrease) in cash held	(195,278)	1,296,243
Cash on hand		
Cash on hand at beginning of financial year	7,414,692	6,118,449
Cash on hand at end of financial year	7,219,414	7,414,692

Notes of the Financial Statements

Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065

For the year ended 30 June 2023

1. Summary of Significant Accounting Policies

These general purpose financial statements have been prepared in accordance with the Associations Incorporation Act (SA) 1985 and the requirements of the Australian Charities and Not-for-profits Commission Act 2012. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting 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 the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Accounts Payable and Other Payables

Accounts payable 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.

Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

New and amended standards and interpretations

The Association applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. New standards and amendments relevant to the Association are listed below. The Association has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

No amendments have a material impact on the financial statements.

	2023	2022
2. Cash and Cash Equivalent		
Short Term Bank Deposits	7,113,860	6,978,681
Cash at Bank	105,554	436,011
Total Cash and Cash Equivalent	7,219,414	7,414,692
	2023	2022
3. Trade and Other Receivables		
Accrued Income	109,301	51,954
Billing Accounts Receivable	67,002	19,421
GST	12,189	16,842
Sundry Receivables	(2,905)	256,464
Total Trade and Other Receivables	185,587	344,681
	2023	2022
4. Prepayment		
Prepayments	(13,969)	25,598
Total Prepayment	(13,969)	25,598
	2023	2022
5. Inventory		
Inventory	35,778	34,905
Total Inventory	35,778	34,905

	2023	2022
6. Fixed Assets		
Land		
Land	193,537	190,355
Total Land	193,537	190,355
Buildings		
Buildings	16,202,042	16,192,037
Less Accumulated Depreciation on Buildings	(5,137,549)	(4,745,009)
Ground Upgrades	58,995	60,885
Less Accumulated Depreciation on Ground Upgrades	(15,020)	(14,201)
Total Buildings	11,108,468	11,493,712
Plant & Equipment		
Plant & Equipment	2,749,455	2,746,474
Less Accumulated Depreciation on Plant & Equipment	(1,396,632)	(1,281,844)
Total Plant & Equipment	1,352,823	1,464,630
Total Fixed Assets	12,654,828	13,148,697

Movements in carrying amounts

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

	Land	Buildings	Grounds	Plant and Equipment	Total
Balance at 1 July 2021	190,355	11,425,971	49,461	1,494,649	13,160,436
Additions	-	408,921	(503)	194,043	602,461
Depreciation expense	-	(387,864)	(2,274)	(224,062)	(614,200)
Balance at 30 June 2022	190,355	11,447,028	46,684	1,464,630	13,148,697
Additions	3,182	10,005	-	154,405	167,592
Disposals	-	-	(1,485)	-	(1,485)
Depreciation expense	-	(392,540)	(1,224)	(266,212)	(659,976)
Carrying amount at 30 June 2023	193,537	11,064,493	43,975	1,352,823	12,654,828

	2023	2022
7. Trade & Other Payables		
Trade payables		
Accounts payable	203,608	227,655
PAYG Withholdings Payable	53,826	45,933

	2023	2022
Wages Payable - Payroll	69,297	52,155
Total Trade payables	326,731	325,743
Other Current Liabilities		
Accommodation Bonds	8,463,648	8,254,861
Total Other Current Liabilities	8,463,648	8,254,861
Total Trade & Other Payables	8,790,379	8,580,604
	2023	2022

8. Provisions

Annual Leave Provision	246,660	266,930
Long Service Leave Provision	231,484	247,491
Total Provisions	478,144	514,421
	2023	2022

9. Loans

Current Loans		
Commonwealth Government Loan	-	75,000
Loan - Lutheran Church	276,052	209,496
Total Current Loans	276,052	284,496
Non-Current Loans		
Commonwealth Government Loan (non-current)	-	958,985
Loan - Lutheran Church (non-current)	1,362,382	1,635,934
Total Non-Current Loans	1,362,382	2,594,919
Total Loans	1,638,434	2,879,415
	2023	2022

10. Cash Flow Information

Reconciliation of cash flow from operating activities with net current year surplus		
Current year surplus	180,548	281,887
Cash flows excluded from current year surplus	-	-
Total Reconciliation of cash flow from operating activities with net current year surplus	180,548	281,887
Non-cash flows in current year surplus:		
Depreciation expense	659,976	614,200
Total Non-cash flows in current year surplus:	659,976	614,200
Changes in assets & liabilities		
(Increase)/decrease in accounts receivable and other debtors	159,094	(218,367)
(Increase)/decrease in prepayments	39,567	10,183
(Increase)/decrease in inventories on hand	(873)	(2,435)
Increase/(decrease) in accounts payable and other payables	988	(60,253)
Increase/(decrease) in employee provisions	(36,277)	32,207
Total Changes in assets & liabilities	162,499	(238,665)

	2023	2022
Total	1,003,023	657,422

11. Financial Instruments

The association's financial instruments consist mainly of deposits with banks and receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139, as detailed in the accounting policies to these financial statements, are as follows:

	2023	2022
Financial Instruments		
Financial Assets		
Cash on hand	7,219,414	7,414,692
Accounts receivable & other debtors	185,587	344,681
Total Financial Assets	7,405,001	7,759,373
Financial Liabilities		
Accounts payable & other payables	(326,731)	(325,743)
Bonds & loan liabilities	(10,102,082)	(11,134,276)
Total Financial Liabilities	(10,428,813)	(11,460,019)

Financial Risk Management Policies

The association's Management Team is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Management Team monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the committee of management.

The Management Team's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Specific Financial Risk Exposures and Management

The main risks the association is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the association is exposed to, how these risks arise, or the Committee's objectives, policies and processes for managing or measuring the risks from the previous period.

Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise assessed as being financially sound.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the association securing accounts receivable and other debtors.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality.

The association has no significant concentrations of credit risk with any single counterparty or group of counterparties.

Liquidity risk

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The association manages this risk through the following mechanisms:

1. preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
2. only investing surplus cash with major financial institutions

12. Segment Note

	Resident Aged Care		Independent Living Units	
	2023	2022	2023	2022
REVENUE				
Government subsidies	5,236,129	4,955,374	-	-
Resident charges	1,508,268	1,371,924	271,615	281,544
Interest	166,142	60,273	4,641	264
Accommodation bonds and charges	62,426	115,598	-	-
TOTAL REVENUE	6,972,965	6,503,169	276,256	281,808
EXPENSES				
Care	4,782,940	4,651,099	-	-
Depreciation and amortisation of segment assets	519,141	473,968	140,835	140,233
Interest expense	10,158	38,237	54,553	33,596
Repairs & maintenance	83,358	93,243	30,665	29,471
Other	1,321,736	933,490	125,287	109,753
TOTAL EXPENSES	6,717,333	6,190,037	351,340	313,053
NET SURPLUS	255,632	313,132	(75,084)	(31,245)
ASSETS				
Segment current assets	7,176,212	7,819,876	250,598	-
Segment non-current assets	8,502,190	8,466,896	4,152,638	4,681,801
Segment assets	15,678,402	16,286,772	4,403,236	4,681,801

LIABILITIES				
Accommodation Bonds	8,263,648	8,054,861	200,000	200,000
Interest Bearing Borrowings	-	1,037,500	1,638,434	1,841,915
Employee benefit provisions	478,144	514,421	-	-
Other	326,731	325,743	-	-
Segment Liabilities	9,068,523	9,932,525	1,838,434	2,041,915
SEGMENT NET ASSETS	6,609,879	6,354,247	2,564,802	2,639,886

Accounting Policies

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

Intersegment Transfers

Segment revenues, expenses and results include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the entity at an arm's length.

Business Segments

The entity has the following business segments:

- Residential aged care
- Independent living units for aged persons

Geographical Segments

The entity's business segments are located in Australia.

The registered office and principal place of business of the association is:
5 Luther Rd
Loxton SA 5333

13. Capital Commitment

The value of unexpended building contracts at year end was: nil.

Related Party Disclosures

Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065

For the year ended 30 June 2023

Key Management Personnel

The Key Management Personnel of the Aged Care includes the Board of Management, Chief Executive Officer, Director of Nursing and General Services Manager.

	2023	2022
Key Management Personnel		
Salaries, allowances & other short term benefits	323,142	331,671

Certificate By Members of the Committee

Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065
For the year ended 30 June 2023

In the opinion of the committee the financial report:

Presents a true and fair view of the financial position of Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065 as at 30 June 2023 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

The financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

As at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

During the financial year no:

1. officers of the Association,
2. firms of which an officer is a member,
3. corporation in which an officer has a substantial financial interest,

have received or become entitled to receive a benefit as a result of a contract between the officer, firm or corporation and the Association.

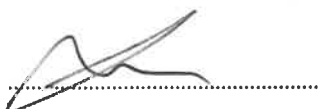
During the financial year the following officers received payments or benefits of pecuniary value as follows:

- Nil

Signed according to a resolution of the Committee.



Name of signing officer:



Name of signing officer:

Dated at Loxton this 23rd day of October 2023
(location) (day) (month)

Ian G McDonald FCA



Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065

Audit Certificate of Audit Independence under section 60-40 of the Australian Charities
and Not For Profits Commission Act 2012

We confirm that, for the audit of the financial statements of Riverview Lutheran Rest Home Inc. for the year ended 30 June 2023, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board and the Australian Charities and Not for Profits Commission Act 2012 (ACNC Act).

A handwritten signature in black ink that reads 'Ian G McDonald'.

Ian G McDonald FCA

Date: 16 August 2023

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Independent Auditor's Report

Lutheran Church of Australia SA & NT District Inc 3609 - Riverview Lutheran Rest Home Inc 6065

For the year ended 30 June 2023

