



Embracing wellbeing,
whatever that means
for you.



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Presidents' Report



Vince Greco President

After four years standing as the President of The Society Of St Hilarion it's time for me to say goodbye, this will be my last report. I have also decided not to continue on as an Executive Committee Member and step down from all subcommittees.

This was/is not an easy decision for me but I'm sure you're all aware that juggling all of my responsibilities along with very busy work commitments, it has been very exhausting for me and my family.

It's time to pass the baton on to someone else and it's time for me to have a rest and get back spending more time with my family.

Over the past six and half years as part of the Executive Committee, I have worked very closely with many fabulous people.

Throughout my tenure as President, I have had the privilege of working closely with a fantastic, passionate Executive Committee, so I thank them for their support.

What happened in 2019! Back in August 2019, we held our Quiz Night. We went in a new direction with this by having Quizzame on board to run the night and this was proven successful, this made

a great fun family night for all and we raised a sum of money. People were talking about this night for weeks asking, "When is the next one going to happen, we can't wait."

We thank all the sponsors that supported us with this.

Our main event for 2019, was of course our Annual Feast Day of our patron Saint, St Hilarion. The 64th feast was held on Sunday 27th of October 2019. The day once again was an absolute success, it was made even sweeter with the Society having been awarded a \$21,335.00 Celebrate Together Government Grant. This as far as I'm aware has not been achieved before!

A big thank you to the Executive Committee for all their efforts and especially Carmel Stefano our religious coordinator who organised the religious preparations for the week. The feast celebrations started on Sunday 20th October with the entrance of the Statue and Relic of St Hilarion into the church of Mater Christi. This was then followed by the mission Triduum. We thank Father Luigi Sabbadin for conducting wonderful sermons throughout our mission week and our Feast Day.

Highlight of 2019! I was informed by past President Mr Nick Fazzalari & Mr Don Totino President at the time of Radio Italiana 531am that the famous Mimmo Cavallaro and band were coming to town in November for one show only. The first people they thought about was us, The Society Of St Hilarion. We thought what a great opportunity to have Mimmo visit our wonderful facilities. After a lot of discussions and planning, on November 6th we were privileged to have our fellow Cauloniesi, Mimmo Cavallaro and his band visit our facilities. All the residents were excited and looking forward to hear them perform. Mimmo and band entertained everyone with their modern twist on old folk songs, everyone there couldn't get enough.

This was no easy fete as mentioned they were here for one show only.. and we couldn't do this on our own. We sincerely thank Mr Nick Fazzalari for co-ordinating all of this and giving a memorable moment to our residents of the Society Of St Hilarion.

We also thank Mr Don Totino and Radio Italiana 531am as the major sponsor of Mimmo Cavallaro and band here in Adelaide for allowing them to come and entertain our

"Throughout my tenure as President, I have had the privilege of working closely with a fantastic, passionate Executive Committee, so I thank them for their support."

residents. This was a day that all of us won't forget.

Come nearly to the end of 2019. On December the 8th we held our Society Members Christmas BBQ here at the House Of St Hilarion, where all members were invited to welcome in the festive season. This was again a fantastic day, great weather, great food, plenty to drink and with lots of stories shared.

January 2020, Antonia Larizza (Treasure) again arranged and organised for the Society Of St Hilarion to be represented in the 2020 Australia Day March, from Franklin St to Elder Park.

Again a wonderful turnout by some of our members, friends and also by our residents.

The residents look forward to this as it's an afternoon outing and they are lucky as they get to do the route on our busses, no walking for them.

We had big plans for 2020, with fundraisers, etc and of course celebrating our milestone 65th Anniversary.

Unfortunately these plans came to a screaming halt as the COVID-19 pandemic hit and set in. With tight Government restrictions put in place, there was no fundraisers to be held and even worse no 65th Anniversary celebrations. This pandemic took a strangle hold on everyone.

We thank God and St Hilarion for looking over us all in these very trying times especially the elderly and our residents for not contracting this terrible virus.

We thank our CEO Dr Carol Davy and the Aged Care Management team and all the Staff for the wonderful job they have done in keeping COVID-19 at bay and out of our facilities.

In closing once again I would like to thank everyone that I have worked with over my time. I thank you all for the privilege of being yours and the Society Of St Hilarion's President for the past four years.

I wish The Society Of Saint Hilarion all the best for the future.

I congratulate the new incoming President.

I pray that 2021 will bring a better year for us all.

I may be stepping down but the Society will be with me forever and I will be there for the Society.

My best wishes to you all.

Viva, Ilarione.

Vince Greco
The Society Of St Hilarion -
President



“...a passionate community committed to preserving the beautiful Italian zest for life and the rich culture of those early migrants from Caulonia and across Italy”

Chair Of The Board Report



Lidia Conci

Chair Of The Board

It gives me great pleasure to deliver this year's Chairperson report and share my insights and optimism for the year ahead.

I would like to first acknowledge my predecessor Dennis Ballestrin who had to unfortunately step away from board duties late last year, but whose leadership and vision I value and endeavour to continue.

I was appointed as the Chairperson of the Aged Care Management Board in January this year, only weeks before the Covid-19 pandemic reached our shores. To state that this has been a year of great challenge, is an understatement. However, I could not be prouder of the professional and rapid response that our organisation executed to ensure that each of our residents are kept safe and well. This has been demonstrated by the recent Covid audit conducted by the quality agency in which we presented our Covid response plan and successfully passed all requirements.

The board have been acutely aware of the amazing efforts from our frontline staff through to management staff and are ever grateful for the work they do and services they deliver to

the wonderful people we care for. I would also like to take this opportunity to thank the families of those in our care for your trust and patience in us as we all navigate the ever-changing landscape that is 2020.

The aged care sector has also been experiencing significant challenges under the spotlight of the Royal Commission into Aged Care Quality and Safety. Many shortcomings of this sector have been brought to the fore, but there have also been many examples of innovation and excellence demonstrating what is truly possible when passion meets creativity. I am certainly optimistic that positive change is ahead as we work towards best practice approaches for aged care.

The Society of Saint Hilarion signifies many different things to many different people. For me personally it represents a passionate community committed to preserving the beautiful Italian zest for life and the rich culture of those early migrants from Caulonia and across Italy, and it is a link to my own family heritage. Our aged care services are shaped by this rich history but I am also excited that we are moving towards progressive models of aged care service delivery to ensure that we

can continue to meet the changing needs of individuals and their families for years to come.

It is with great enthusiasm that I have taken on this role and that I, together with our board, will endeavour to lead and govern The Society of Saint Hilarion into a contemporary organisation delivering excellence and ensuring that our future residents will be proud to call Saint Hilarion their home.

Lidia Conci
Chair Of The Board

Chief Executive Officer's Report



Dr Carol Davy CEO

Firstly, let me begin by thanking everyone who has made what at times has been a particularly challenging year, so successful. The resilience shown by staff, families, friends and the people we care for, despite the adversity 2020 has thrown at us, is truly amazing. Together we have continued to improve the quality of care embedding a far more holistic sense of wellbeing – encompassing physical, emotional, cultural and spiritual aspects of care – in everything we do that is truly worth celebrating.

Nevertheless, we also need to acknowledge other initiatives that have been implemented over the last 12 months. Our new staff training program is achieving significant results by investing time and money into our most important resource – the people who provide care. Over the last financial year, we have worked closely with Dementia Australia for example to ensure that our staff understand and are able to care for the needs of people living with dementia and our direct care staff have also maintained their clinical skills with courses in wound management, infection control and assessing risks. Staff across the organisation have also completed our extended training program featuring courses on

ensuring consumer directed care, how to prevent elder abuse and our obligations in relation to open disclosure.

A significant number of upgrades to both our Seaton and Fulham facilities have been completed in the 2019-20 financial year. In January 2020, we celebrated the opening of our new community area, gym, hairdressing salon, consulting rooms and nurse's station at the Villa Saint Hilarion (Fulham). Not to be outdone, a major upgrade of furniture throughout The House of Saint Hilarion (Seaton) was completed in March 2020. Our commitment to improving infrastructure continues with upgrades to Fulham units and new technology ensuring the safety of everyone that calls Saint Hilarion home.

Our new Leisure and Lifestyle program designed to ensure people enjoy life to the full has been well received. Pop-up kitchens are particularly popular with some very experienced resident cooks teaching our staff how to create traditional dishes from their home countries. Similarly, our permanent animal menagerie has been well received, encouraging everyone to get out and about to search for eggs laid by our chickens, look after our guinea pigs or feed our large

goldfish. Gilbert our beautiful guide dog has of course become a much loved and spoiled feature at both Seaton and Fulham. We are also delighted to say that after a short sabbatical due to COVID-19, bus trips are back on, and we are welcoming back Old MacDonalds Farm and our regular entertainers.

While a lot has been achieved over the last 12 months, we still have a lot to do. My commitment is to continue to work with the people we care for, their families and friends, staff and the broader community to further improve the quality of life for everyone at Saint Hilarion. I am confident that together with our team of dedicated and highly qualified staff we can continue to deliver an exceptional level of care to all.

**Kind regards,
Dr Carol Davy CEO**

Treasurer's Report



Antonia Larizza Treasurer

In 2019 the Society hosted a number of fundraisers in which I am happy to advise the members that all the fundraisers hosted were at a profit. We have also had an increase in paid memberships.

I would like to take this opportunity to thank all of our sponsors, without them we may not have achieved this fantastic outcome.

The committee would also like to acknowledge all small and local businesses, Italian businesses and members of parliament for their sponsorship in the 2019/2020 financial year. With the support of local Parliament Members, we won a State Government Grant from Multicultural Affairs of \$21,335.00.

This year the Society made a donation of \$13,592.35 to Aged Care for the purchase of the beautiful photographs you see displayed around the Facilities and 4 state of the art blood pressure machines.

Our sundry expenses have decreased this year, however we are still passionate in supporting other Italian communities by holding a membership for both Italian radio stations and members of the Calabrese Federation of SA. We as a committee are very passionate about keeping the Italian tradition and culture alive, the only way

we know how is through food, wine and laughter, therefore the Society attend other association's fundraisers.

As a young first generation Italian Australian it truly brings me joy and pride to see Italian committees coming together to support each other.

Without our volunteers we would not have been able to achieve the amazing results we have this year. Our volunteers work tirelessly throughout the year in order to not only keep the Italian tradition alive, but to ensure our residents receive the best aged care treatment possible, and this year's activities have achieved both of these goals without a doubt. To our Volunteers and members it's a big Thank You for your ongoing support.

To our President, Mr Vince Greco, who often deserves more credit than he receives. He goes above and beyond for the Society, while taking care of a family, working full time and organising all the years activities. Vince, thank you for all your hard work and dedication. To my fellow Executive Committee members, I enjoy every moment I spend with you all, it's an absolute honour serving alongside you all.

On conclusion, I would like to thank the Saint Hilarion community for allowing me to be the Treasurer for the Society for the past 3 years and for welcoming me into this community, I truly am humbled and proud to represent this community that I call my second family.

Viva Calabria, Viva Caulonia, e Viva St Ilario.

**Kind regards,
Antonia Larizza
Treasurer**

Our Community Aged Care Management Board



Lidia Conci
Chair of the Board



Rosemary Velardo
Deputy Chair of Board



Vince Greco
President



Roy Fazzalari
Board Member



Joe Fanto
Board Member



Franko Chitti
Board Member



Pino Dichiera
Board Member



John Caruso
Board Member



Helen Barrie
Board Member

What did 2019-20 look like?

We had a great year across Seaton and Fulham. Here are some fast figures!



2,753 hours
of staff learning



133,590 meals
(365 x 3 x 122 residents
approx.) for Seaton



39,420 meals
(365 X 2 X 54 residents
approx.) for Fulham.



98 casual staff
188 part-time staff
28 full-time staff



43 staff
with over 10 years
of Service



34 years service
Longest staff tenure currently
is **Tressa Covino** (Seaton PCW)



4.16 years
Average staff tenure



11,717 hours
Service in people's homes



176
Beds



93
Home Care packages serviced

Our Community Our Procurators



Roy Fazzalari
Board Member



Joe Fanto
Board Member



Franko Chitti
Board Member

Our Executive Staff



Amy Klenk
Chief Financial Officer



Carol Davy
Chief Executive Officer



Mary Spudic
Director Care Services

The Society Of Saint Hilarion Executives



Laurie Sghirripa
Vice President



Antonia Larizza
Treasurer



Vince Greco
President



Maria Vozzo
Public Relations Officer



Sonia Ballestrin
Voting Councillor



Sandra Greco
Secretary



Ilario Nesci
Non-Voting Councillor



Carmel Stefano
Non-Voting Councillor



Matilda Gallina
Voting Councillor



Nick Stefano
Voting Councillor



Dominic Greco
Voting Councillor

Our Community

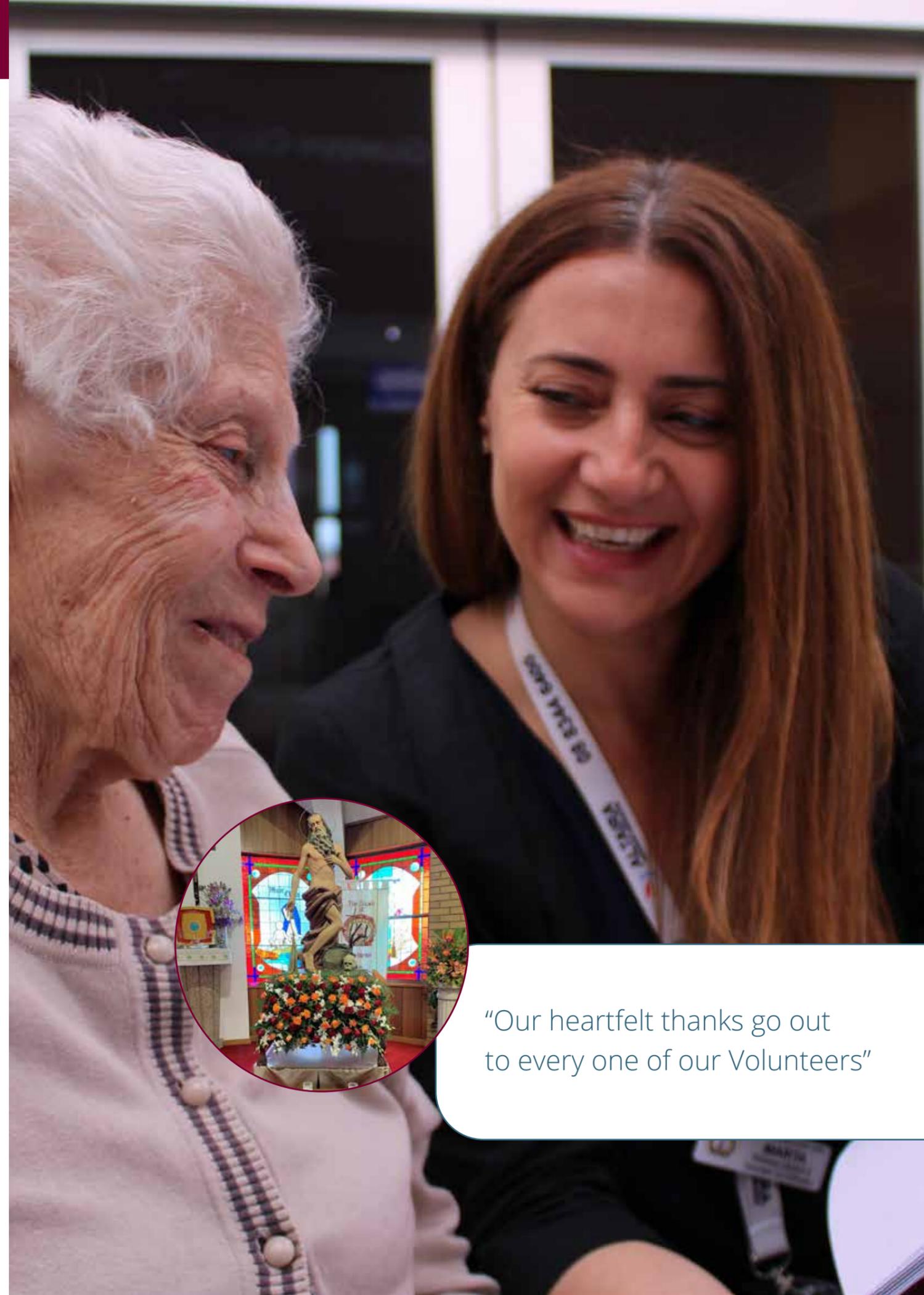
Our Staff

The Society of Saint Hilarion Aged Care employs in excess of 300 staff across the organisation representing over 40 cultures in a variety of roles. There are 14 Leisure and Lifestyle staff, 123 Personal Care Workers, 22 Enrolled Nurses and 28 Registered Nurses. We also employ 24 Allied Health staff, 18 Community staff, 58 Hospitality staff, 19 Domestic and Cleaning staff, 6 Grounds and Maintenance staff and Administration staff.



Our Volunteers

We cannot thank our Volunteers enough for their contributions. Building strong relationships with the people we care for, they provide a significant contribution to our leisure and lifestyle programs. Volunteers also work in our gardens, our kitchen (Dolce Sante's) and even in administration. Our heartfelt thanks go out to every one of our Volunteers.



"Our heartfelt thanks go out to every one of our Volunteers"

Our Focus On Health

Maintaining and where possible, improving the physical health of our Clients is paramount. Led by our Director of Care Services, our clinical team comprises of Clinical Nurse Managers, senior Registered Nurses and Enrolled Nurses. We are also fortunate enough to have a dedicated Allied Health team on site. In addition to providing individual allied health programs for Residential and Community Clients, our Allied Health team help to develop group exercise classes. Residential and Community Clients are also encouraged to make use of our gym facilities. Using some of the most up to date gym equipment, Allied Health staff design re-enablement programs for our Clients.



Our Focus On Spirituality & Pastoral Care

The Sisters of Saint Anthony provide pastoral and spiritual care for our Clients. They assist with emotional support, visit Clients in hospital and deliver comfort to Clients and their families throughout palliative care. For our Clients who are Catholic, Rosary is held three times per week, and Mass is celebrated weekly led by Father Luigi. We also encourage and support other religious leaders to visit in accordance with our Clients wishes. Clients are encouraged to participate in our annual Feast of Saint Hilarion held this year on the 20 October 2019. Those Clients who wish can attend the morning Mass, followed by lunch, entertainment and interesting food stalls, which are the order of the day.



Our Focus On Culture

While historically for Italian members of our community, The Society of Saint Hilarion Aged Care now embraces Clients from a variety of cultures. Cultural diversity is therefore celebrated daily. Special events include multicultural days with our staff and Clients. As we have one Irish resident we celebrate Saint Patrick Day on a yearly basis. Australia Day, ANZAC Day and Remembrance Day celebrations are other important features of our cultural calendar. Greek, Folkloric, Bollywood and Filipino dancers perform on a regular basis. Staff also contribute to our multi-cultural celebrations bringing in food from their own cultures such as Indian, African, Sri Lankan and Greek cuisines.



Our Focus On Leisure & Lifestyle

Improving the quality of lives for Residential and Community Clients is a key aim for The Society of Saint Hilarion Aged Care. For us this means a holistic sense of wellbeing ensuring that our facilities are a centre for the entire community as well as incorporating animals, children and meaningful activities into daily lives. Our newest guests, five very active chickens, have proven to be particularly popular and we are looking at trialling a resident dog and guinea pigs. Monthly visits from Old MacDonald's Travelling Farms have also been well received by everyone, especially visiting children on school holidays. We are also fortunate to have regular visits from Lady Gowrie and Seaton Child Care Centres. Clients, staff and the children love spending time together. Clients and staff together have developed a program of activities that are of interest to Residential and Community Clients. Our goal being to provide as many daily options as possible.

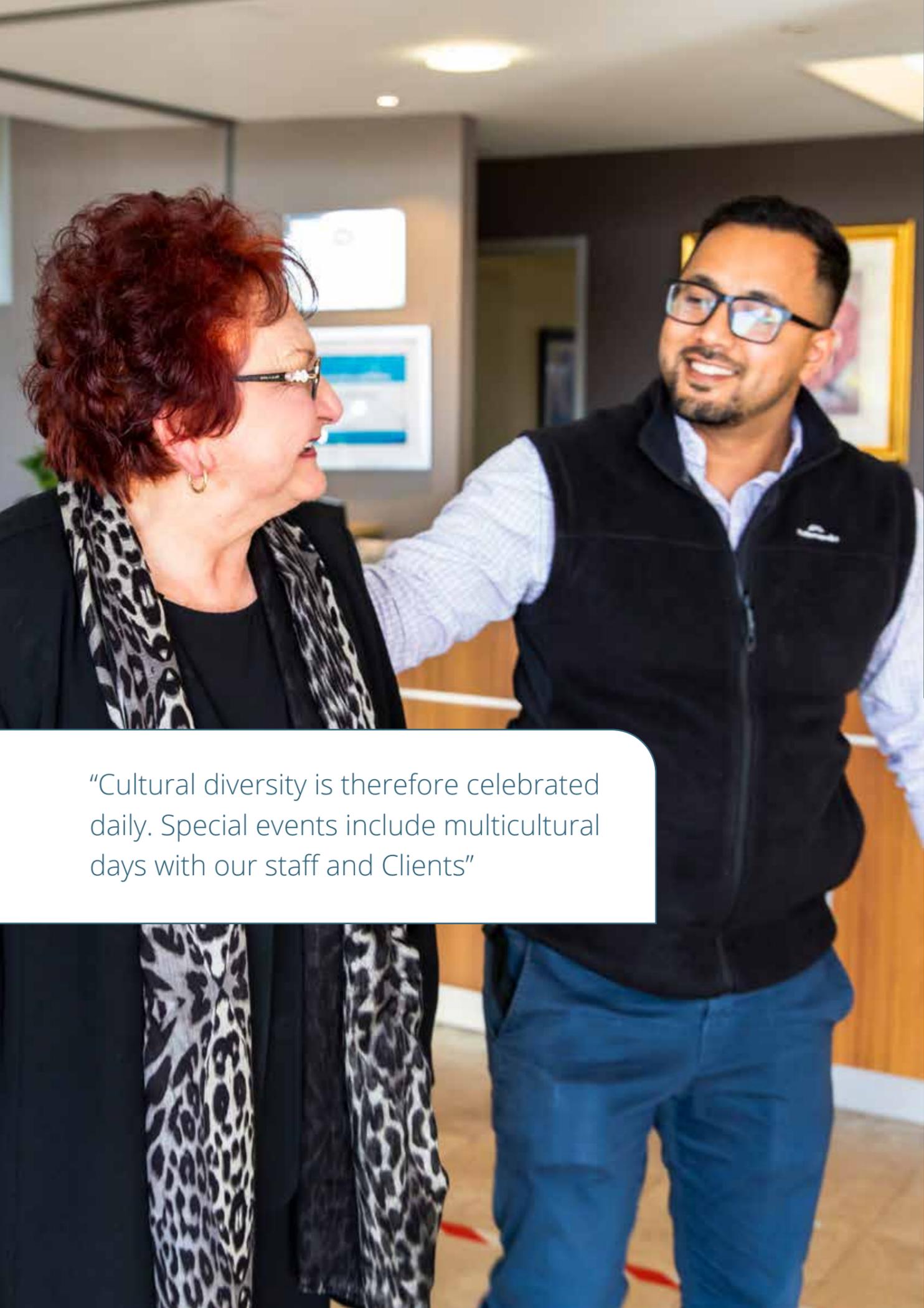




“Improving the quality of lives for Residential and Community Clients is a key aim for The Society of Saint Hilarion”


The Society of Saint Hilarion
NURSERY CARE
STEPHEN
GARDENER

Financial Report



“Cultural diversity is therefore celebrated daily. Special events include multicultural days with our staff and Clients”

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**The Society of Saint Hilarion Incorporated
Board of Managements' report
30 June 2020**

The Board of Management present their report, together with the financial statements, on the incorporated association for the year ended 30 June 2020.

Committee members

The following persons were committee members of the association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Dennis Ballestrin (Chairperson)
Rosemary Velardo (Deputy Chairperson)
Dr Franco Chitti
Roy Fazzalari
Joe Fanto
Pino Dichiera
Lidia Conci (appointed July 2019)
John Caruso
Orazio Di Carlo (resigned July 2019)
Vince Greco (President - Society)
Father Roger Manalocs

Meetings of directors

During the financial year, 11 meetings of directors were held. Attendances by each director during the year were as follows:

	Number eligible to attend	Number Attended
Mrs Lidia Conci (Chairperson, commencing 28 January 2020)	11	10
Mr Dennis Ballestrin (Chairperson, ceased 19 November 2020)	5	5
Mr Orazio Di Carlo (Chairperson, ceased 19 July 2019)	1	1
Mrs Rosemary Velardo (Deputy Chairperson)	11	11
Mr Roy Fazzalari	11	9
Mr Joe Fanto	11	11
Mr Pino Dichiera	11	10
Mr John Caruso	11	8
Mr Vince Greco	11	8
Dr Franco Chitti	11	2
Father Roger Manalocs	11	1

Principal activities

The principal activity of the Association during the financial year was the provision of aged care services.

No significant change in the nature of these activities occurred during the year.

Operating result

The loss of the Association for the financial year amounted to \$3,115,554 (2019: \$734,534). The loss is predominantly due to staffing requirements, compounded by coronavirus (COVID-19) outbreak. Steps have been taken to manage this impact focusing on the health of its staff and the communities in which the Society operates. The Board of Management continue to monitor, analyse and seek to limit the financial impact on the Society and its stakeholders going forward.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Future developments and results

Likely developments in the operations of the Association and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Association.

**The Society of Saint Hilarion Incorporated
Board of Managements' report
30 June 2020**

Environmental Issues

The Association's operations are not subject to any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and insurance of officers and auditors

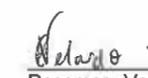
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of The Society of Saint Hilarion Incorporated.

The Association has paid premiums to insure each of the board members against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of board members of the Association other than conduct involving wilful breach of duty in relation to the Association.

On behalf of the Board of Management


Lidia Conci
Chairperson

29 September 2020


Rosemary Velardo
Deputy Chairperson

The Society of Saint Hilarion Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Revenue	4	16,895,234	17,905,356
Other income	5	2,035,282	184,528
Expenses			
Administration and other expenses		(2,449,045)	(2,621,118)
Catering, cleaning and laundry		(962,712)	(936,618)
Depreciation and amortisation expense	6	(1,240,253)	(1,060,803)
Employee benefits expense	7	(14,697,598)	(13,278,904)
Finance costs	8	(1,918,935)	(284,925)
Rates and utilities		(508,299)	(459,896)
Repairs and maintenance		(269,228)	(182,154)
Total expenses		<u>(22,046,070)</u>	<u>(18,824,418)</u>
Deficit for the year		(3,115,554)	(734,534)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>(3,115,554)</u>	<u>(734,534)</u>

The Society of Saint Hilarion Incorporated
Statement of financial position
As at 30 June 2020

	Note	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	9	6,600,747	11,757,096
Trade and other receivables	10	170,458	242,703
Prepayments		32,891	21,336
Total current assets		<u>6,804,096</u>	<u>12,021,135</u>
Non-current assets			
Property, plant and equipment	11	33,363,090	32,983,051
Intangible assets	12	829,225	829,225
Total non-current assets		<u>34,192,315</u>	<u>33,812,276</u>
Total assets		<u>40,996,411</u>	<u>45,833,411</u>
Liabilities			
Current liabilities			
Trade and other payables	13	1,566,494	1,236,607
Borrowings	14	360,000	2,600,000
Lease liabilities		-	21,212
Employee provisions	15	1,675,228	1,524,191
Resident loans	16	32,044,809	33,959,177
Total current liabilities		<u>35,646,531</u>	<u>39,341,187</u>
Non-current liabilities			
Borrowings	14	1,970,000	-
Employee provisions	15	172,830	169,620
Total non-current liabilities		<u>2,142,830</u>	<u>169,620</u>
Total liabilities		<u>37,789,361</u>	<u>39,510,807</u>
Net assets		<u>3,207,050</u>	<u>6,322,604</u>
Equity			
Retained surpluses		<u>3,207,050</u>	<u>6,322,604</u>
Total equity		<u>3,207,050</u>	<u>6,322,604</u>

The Society of Saint Hilarion Incorporated
Statement of changes in equity
For the year ended 30 June 2020

	Capital Grant Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2018	730,467	6,326,671	7,057,138
Deficit for the year	-	(734,534)	(734,534)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(734,534)	(734,534)
Transfer to retained surpluses	(730,467)	730,467	-
Balance at 30 June 2019	-	6,322,604	6,322,604
	Capital Grant Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2019	-	6,322,604	6,322,604
Deficit for the year	-	(3,115,554)	(3,115,554)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(3,115,554)	(3,115,554)
Balance at 30 June 2020	-	3,207,050	3,207,050

The Society of Saint Hilarion Incorporated
Statement of cash flows
For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from resident fees, client charges and other income		6,392,228	6,177,255
Receipts from government subsidies		11,071,990	11,754,098
Payments to suppliers and employees		(18,715,988)	(16,777,136)
Interest received		122,321	126,155
Finance costs		(222,240)	(284,925)
Net cash from/(used in) operating activities		(1,351,689)	995,447
Cash flows from investing activities			
Payments for property, plant and equipment		(1,620,292)	(1,246,398)
Net cash used in investing activities		(1,620,292)	(1,246,398)
Cash flows from financing activities			
Net proceeds from resident loans		(1,914,368)	776,177
Repayment of borrowings		(270,000)	(360,000)
Net cash from/(used in) financing activities		(2,184,368)	416,177
Net increase/(decrease) in cash and cash equivalents		(5,156,349)	165,226
Cash and cash equivalents at the beginning of the financial year		11,757,096	11,591,870
Cash and cash equivalents at the end of the financial year	9	6,600,747	11,757,096

Note 1. General information

The financial report includes financial statements and notes of The Society of Saint Hilarion Incorporated (the Association). The association is incorporated in South Australia as an Association under the Associations Incorporation Act 1985 and is registered as a charity under the Australian Charities and Not for Profits Commission Act 2012.

The financial statements were authorised for issue on 29 September 2020.

Note 2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the association.

AASB 15 Revenue from Contracts with Customers

The association has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The standard introduces a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment.

AASB 16 Leases

The association has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position.

Contracts with customers contain provisions for accommodation, use of common areas/facilities for provision of care and other services. The association has concluded that its contractual arrangements relating to the provision of residential aged care accommodation are operating leases pursuant to AASB 16, being the exclusive right to the use of a room/unit by a resident. For residential aged care accommodation arrangements where the resident has elected to pay a RAD or accommodation bond, the association receives a financing benefit, being non-cash consideration, in the form of an interest free loan. On adoption of AASB 16, the fair value of this non-cash consideration is required to be recognised as income (to reflect the interest free loan financing benefit received on RADs and accommodation bonds) and, correspondingly, interest expense (to record the financial liability associated with RADs and accommodation bonds at fair value) with no net impact on profit or loss.

The application of AASB 16 for the year ended 30 June 2020 has been calculated based on the monthly average RAD/accommodation bond balances; and interest rate equal to the Maximum Permissible Interest Rate (MPIR), which is a Government set interest rate used to calculate the Daily Accommodation Payment (DAP) to applicable residents. The association's Statement of Profit or Loss and Other Comprehensive Income presents income of \$1,696,695 and an additional finance cost (i.e. imputed interest charge on RADs and Bonds) of \$1,696,695, with \$nil impact to net profit for the year. The accounting treatment for residential aged care accommodation arrangements where residents have elected to pay a DAP has not changed upon adopting AASB 16. In accordance with AASB 16, a lessor is not required to make any adjustments on transition for leases in which it is a lessor and shall account for those leases applying AASB 16 from the date of initial application (1 July 2019). Therefore, comparatives have not been restated.

Note 2. Significant accounting policies (continued)

AASB 1058 Income of Not-for-Profit Entities

The association has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Commission Act 2012.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Income tax

As the association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

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

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

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

Financial instruments

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

Note 2. Significant accounting policies (continued)

Financial instruments are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the incorporated association has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial liabilities

The incorporated association's financial liabilities have been subsequently measured at amortised cost.

Impairment of financial assets

The incorporated association recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the incorporated association's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Impairment of non-financial assets

Bed licences are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

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.

Note 2. Significant accounting policies (continued)

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business, notwithstanding that the Association has a deficiency of current assets over current liabilities of \$28,623,846 (2019: \$27,320,052).

The reasons for this net current liability position is that accommodation bonds totaling \$32,044,809 (2019: \$36,607,941) have been classified as current liabilities as required by the Australian Accounting Standards as the Association does not have an unconditional right to defer settlement of these obligations for a period of at least 12 months at the end of the reporting period.

The Board of Management recognise the deficit of \$3,115,554 (2019: \$734,534) for the year ended 30 June 2020. The loss is predominantly due to staffing requirements, compounded by coronavirus (COVID-19) outbreak. Steps have been taken to manage this impact focusing on the health of its staff and the communities in which the Society operates. The Board of Management continue to monitor, analyse and seek to limit the financial impact on the Society and its stakeholders going forward.

Accommodation bonds and refundable accommodation deposits

Accommodation bonds and refundable accommodation deposits are current liabilities as they represent as contractual obligations payable at call. Despite the current classification of these amounts, it is the Board of Management's opinion that it is unlikely all accommodation bonds and refundable accommodation deposits will be required to be refunded in the coming 12 months, and this opinion has been reached following a review of the age profile of residents and the historical levels of refunds paid and the likely expectation that incoming residents will contribute significant levels of refundable accommodation deposits to assist with outgoing resident bond and refundable accommodation deposits repayments.

In considering the appropriateness of the going concern basis of preparation, the Board of Management have reviewed the cash flow forecasts which show the Association is expected to have sufficient cash flows to allow it to operate and settle its debts including accommodation bonds as and when they fall due. The Board of Management are therefore confident that the Association will be able to continue as a going concern for a period of at least 12 months from the date of this report.

Economic dependence

The association relies primarily on government grants to continue its operation. The aged care industry is economically reliant on Australian Government funding.

Note 3. Critical accounting judgements, estimates and assumptions

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

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

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

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

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

Impairment of property, plant and equipment

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

Employee benefits provision

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

Note 4. Revenue

	2020 \$	2019 \$
Accommodation charges	169,803	213,839
Client fees	623,948	1,140,693
Daily accommodation payments	816,398	830,526
Government subsidies	10,860,025	11,284,500
Other operating revenue	186,029	231,845
Resident fees and charges	4,239,031	4,194,354
Retention from accommodation bonds	-	9,599
Revenue	<u>16,895,234</u>	<u>17,905,356</u>

Accounting policy for revenue recognition

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Resident fees, daily accommodation payments and recurrent government subsidies

Revenue from residents' fees, daily accommodation payments and related government subsidies are recognised on a proportional basis to take account of the delivery of service to or occupancy by residents.

Grants, donations and bequests

Income arising from the contribution of an asset (including cash) is recognised when the following conditions have been satisfied:

Note 4. Revenue (continued)

- (a) the association obtains control of the contribution or the right to receive the contribution
- (b) it is probable that the economic benefits comprising the contribution will flow to the association; and
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

Interest

Revenue from interest is recognised on an accruals basis.

Retentions from entry contributions and accommodation bonds

The retention income earned from resident entry contributions is recognised as income as the association becomes entitled to receive the retention under the terms of the resident agreement.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 5. Other income

	2020 \$	2019 \$
Donations	18,874	58,373
Government stimulus	197,392	-
Imputed interest on RADs and Bonds	1,696,695	-
Interest	122,321	126,155
Other income	<u>2,035,282</u>	<u>184,528</u>

Accounting policy for imputed revenue on Refundable Accommodation Deposit and Bond balances under AASB16

The Association has recognised as other income an imputed non-cash charge for accommodation representing the resident's right to occupy a room under the arrangement. The accounting treatment required a non-cash increase in revenue for accommodation and a non-cash increase in finance costs on the outstanding Refundable Accommodation Deposit and Bond balance, with no net impact on the result for the period.

Accounting policy for interest revenue

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Accounting policy for other income

Other income is recognised when it is received or when the right to receive payment is established.

Note 6. Depreciation and amortisation expense

	2020 \$	2019 \$
Buildings	629,057	614,503
Plant and equipment	532,770	389,169
Motor vehicles	24,292	26,832
Computer equipment	54,134	30,299
	<u>1,240,253</u>	<u>1,060,803</u>

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2020

Note 7. Employee benefits expense

	2020 \$	2019 \$
Salary and wages	12,953,138	11,746,807
Superannuation contributions	1,196,555	1,081,015
Workers compensation	547,905	451,082
	<u>14,697,598</u>	<u>13,278,904</u>

Note 8. Finance costs

	2020 \$	2019 \$
Imputed interest charged on RADs and bonds	1,696,695	-
Other finance costs	222,240	284,925
	<u>1,918,935</u>	<u>284,925</u>

Note 9. Cash and cash equivalents

	2020 \$	2019 \$
<i>Current assets</i>		
Cash on hand	4,550	4,550
Cash at bank	6,596,197	11,752,546
	<u>6,600,747</u>	<u>11,757,096</u>

Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 10. Trade and other receivables

	2020 \$	2019 \$
<i>Current assets</i>		
Trade receivables	97,058	88,403
Other receivables	73,400	154,300
	<u>170,458</u>	<u>242,703</u>

Allowance for expected credit losses

As at 30 June 2020 the association determined expected credit losses to be NIL.

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2020

Note 11. Property, plant and equipment

	2020 \$	2019 \$
<i>Non-current assets</i>		
Land	6,825,000	6,825,000
Buildings	31,625,051	30,171,156
Less: Accumulated depreciation	(7,382,577)	(6,753,520)
	<u>24,242,474</u>	<u>23,417,636</u>
Plant and equipment	6,480,887	5,820,286
Less: Accumulated depreciation	(4,505,949)	(3,973,179)
	<u>1,974,938</u>	<u>1,847,107</u>
Motor vehicles	211,987	211,987
Less: Accumulated depreciation	(144,721)	(120,429)
	<u>67,266</u>	<u>91,558</u>
Computer equipment	617,304	526,330
Less: Accumulated depreciation	(383,755)	(329,621)
	<u>233,549</u>	<u>196,709</u>
Work in Progress (WIP)	19,863	605,041
	<u>33,363,090</u>	<u>32,983,051</u>

Movements in Carrying Amounts

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

	Land \$	Buildings \$	Plant and Equipment \$	Motor Vehicles \$	Computer Equipment \$	WIP \$	Total \$
Balance at 1 July 2019	6,825,000	23,417,636	1,847,107	91,558	196,709	605,041	32,983,051
Additions	-	-	557,444	-	90,974	971,874	1,620,292
Transfers in/(out)	-	1,453,895	103,157	-	-	(1,557,052)	-
Depreciation expense	-	(629,057)	(532,770)	(24,292)	(54,134)	-	(1,240,253)
Balance at 30 June 2020	<u>6,825,000</u>	<u>24,242,474</u>	<u>1,974,938</u>	<u>67,266</u>	<u>233,549</u>	<u>19,863</u>	<u>33,363,090</u>

Valuations of land and buildings

An independent valuation of the Association's land and buildings was conducted subsequent to 30 June 2014. Although the valuations were not recorded in the accounts, the Board of Management is satisfied that no impairment exists.

Accounting policy for plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items and the initial estimate of the costs of dismantling and restoring the asset where applicable.

Depreciation is calculated on a straight-line and diminishing basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2.5%
Plant and equipment	20%
Motor Vehicles	20%-25%
Computer Equipment	20%

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2020

Note 11. Property, plant and equipment (continued)

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

Note 12. Intangible assets

	2020	2019
	\$	\$
<i>Non-current assets</i>		
Bed licences	<u>829,225</u>	<u>829,225</u>

Note 13. Trade and other payables

	2020	2019
	\$	\$
<i>Current liabilities</i>		
Trade creditors	382,334	455,273
Sundry payables and accrued expenses	423,469	345,987
CDC subsidy received in advance	640,704	428,739
Other payables	<u>119,987</u>	<u>6,608</u>
	<u>1,566,494</u>	<u>1,236,607</u>

No collateral has been pledged for any of the accounts payable and other payable balances. No interest is payable on outstanding payables during this period.

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 14. Borrowings

	2020	2019
	\$	\$
<i>Current liabilities</i>		
Bank loans	<u>360,000</u>	<u>2,600,000</u>
<i>Non-current liabilities</i>		
Bank loans	<u>1,970,000</u>	<u>-</u>
	<u>2,330,000</u>	<u>2,600,000</u>

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2020

Note 15. Employee provisions

	2020	2019
	\$	\$
<i>Current liabilities</i>		
Annual leave	944,062	745,995
Long service leave	<u>731,166</u>	<u>778,196</u>
	<u>1,675,228</u>	<u>1,524,191</u>
<i>Non-current liabilities</i>		
Long service leave	<u>172,830</u>	<u>169,620</u>
	<u>1,848,058</u>	<u>1,693,811</u>

Accounting policy for short-term employee provisions

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wages and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of obligations. Upon the remeasurement of obligations for other long-term provisions, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

Note 16. Resident loans

	2020	2019
	\$	\$
<i>Current liabilities</i>		
Resident loans	<u>32,044,809</u>	<u>33,959,177</u>

The Aged Care Act requires resident loans and refundable accommodation deposits to be refunded within 14 day legislated time frames. The Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date and therefore obligation to settle could occur at any time. It is for these reasons that all accommodation deposits are classified as a current liability. The following accounts are estimated to be refunded as part of the ordinary course of business.

	2020	2019
	\$	\$
Timing of the repayment of resident loans:		
Resident loans expected to be paid within 12 months	9,084,703	7,502,242
Resident loans expected to be paid after 12 months	<u>22,960,106</u>	<u>26,456,935</u>
	<u>32,044,809</u>	<u>33,959,177</u>

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2020

Note 17. Key management personnel disclosures

Compensation

The aggregate compensation made to Board of Managements and other members of key management personnel of the association is set out below:

	2020	2019
	\$	\$
Aggregate compensation	<u>452,259</u>	<u>727,529</u>

Note 18. Contingencies

In the opinion of the Board of Management, the Association did not have any contingencies at 30 June 2020 (30 June 2019: None)

Note 19. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 17.

Transactions with related parties

Mr Pino Dichiera is a director of Edge Architects Pty Ltd (Edge Architects). During the year Edge Architects provided no architectural services to the association (2019: \$5,000). No amount of was owing to Edge Architects as at 30 June 2020 (2019: \$5,000).

Dr Franco Chitti is a related party of Midwest Pharmacy Pty Ltd (Midwest Pharmacy) which is owned by his wife and two daughters. During the year, the incorporated association incurred no costs from Midwest Pharmacy (2019: \$2,327). No amount was owing to Midwest Pharmacy as at 30 June 2020 (2019: \$15).

Transactions between related parties are on normal commercial terms and conditions nor more favourable than those available to other parties unless otherwise stated.

Receivable from related parties

There were no trade receivables from related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 20. Events after the reporting period

On 29 July 2020, the Association purchased property located on Tapleys Hill Road, Seaton costing \$361,632.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the association's operations, the results of those operations, or the association's state of affairs in future financial years.

The Society of Saint Hilarion Incorporated
Board of Managements' declaration
30 June 2020

In the Board of Management's opinion:

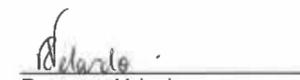
- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and South Australian legislation the Associations Incorporation Act 1985 and associated regulations;
- the attached financial statements and notes give a true and fair view of the association's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Management



Lidia Conci
Chairperson

29 September 2020



Rosemary Velardo
Deputy Chairperson

Independent Auditor's Report to the Members of The Society of Saint Hilariion Inc

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of The Society of Saint Hilariion Inc ("the Association") which comprises the statement of financial position as at 30 June 2020, 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 the Board of Management's declaration.

In our opinion, the accompanying financial report of the Association is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of the Association's financial position as at 30 June 2020 and of its financial performance and cash flows for the year then ended; and
- complying with Australian Accounting Standards – Reduced Disclosure Requirements and 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 Association in accordance with the auditor independence 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 confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Board of Management.

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

Responsibilities of Management and the Board of Management for the Financial Report

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

In preparing the financial report, management is responsible for assessing the Association'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 intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Board of Management are responsible for overseeing the Association's financial reporting process.

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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 this financial report.

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

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

We communicate with the Board of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
30 September 2020

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Corey McGowan
Director

The Society of Saint Hilarion Incorporated
Social Welfare Profit & Loss (Cash)
2019/2020 Financial Year

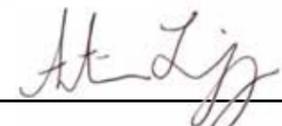
	Accounts	
Receipts		
St Hilarion Feast 2019	\$ 76,195.66	
2019 Quiz Night	\$ 7,981.45	
2019/20 Memberships	\$ 1,445.00	
Pasta Night Sale	\$ 713.50	
Total Income		\$ 86,335.61
Payments		
St Hilarion Feast 2019	\$ 47,861.79	
2019 Quiz Night	\$ 2,703.20	
Sundry Expenses (Sponsorships, Maintenance, Donations etc)	\$ 5,641.71	
Pasta Night 2019 - Festival City	\$ 2,027.56	
Donation to Nursing Home	\$ 13,592.35	
Petty Cash movement	\$ 2,000.00	
Total Payments		\$ 73,826.61
Net Cash Profit/(Loss)		\$ 12,509.00
Cash balance as per general ledger		
Opening cash balance 1/7/19	\$ 44,852.49	
Plus: Profit for the year	\$ 12,509.00	
Closing cash book balance as at 30/6/20		\$ 57,361.49
Bank Reconciliation		
Closing bank balance per bank statement	\$ 57,361.49	
Closing cash book balance as at 30/6/20	\$ 57,361.49	
Unexplained variance		\$ -



 Society President

16/10/2020

 Date



 Society Treasurer

16/10/2020

 Date



**Independent Auditor's Report
To the Members of The Society of Saint Hilarion Inc**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Qualified Opinion

We have audited the accompanying Profit & Loss (Cash) ("the statement") of The Society of Saint Hilarion Incorporated – Social Welfare ("the Association") for the year ended 30 June 2020.

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the accompanying statement of the Association gives a true and fair view of the Association's income and expenditure balances as at 30 June 2020.

Basis for Qualified Opinion

Given the nature of the operations of the Association, it is impractical to establish control over the collection of cash receipts and payments prior to entry into its financial records. Our audit procedures with respect to cash receipts and cash payments was restricted to the amounts recorded in the financial records.

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 auditor independence 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 qualified opinion.

Emphasis of Matter – Basis of Accounting

The statement has been prepared on a cash basis for the purpose of fulfilling the financial reporting responsibilities of the Association and is appropriate to meet the needs of the members. 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 for the Statement

Management is responsible for the preparation and fair presentation of the statement, and have determined that the basis of preparation is appropriate to meet the needs of the members of the Association. Management's responsibility also includes such internal control as management determines is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the statement 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

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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.

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

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

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
28 October 2020



Corey McGowan
Director

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