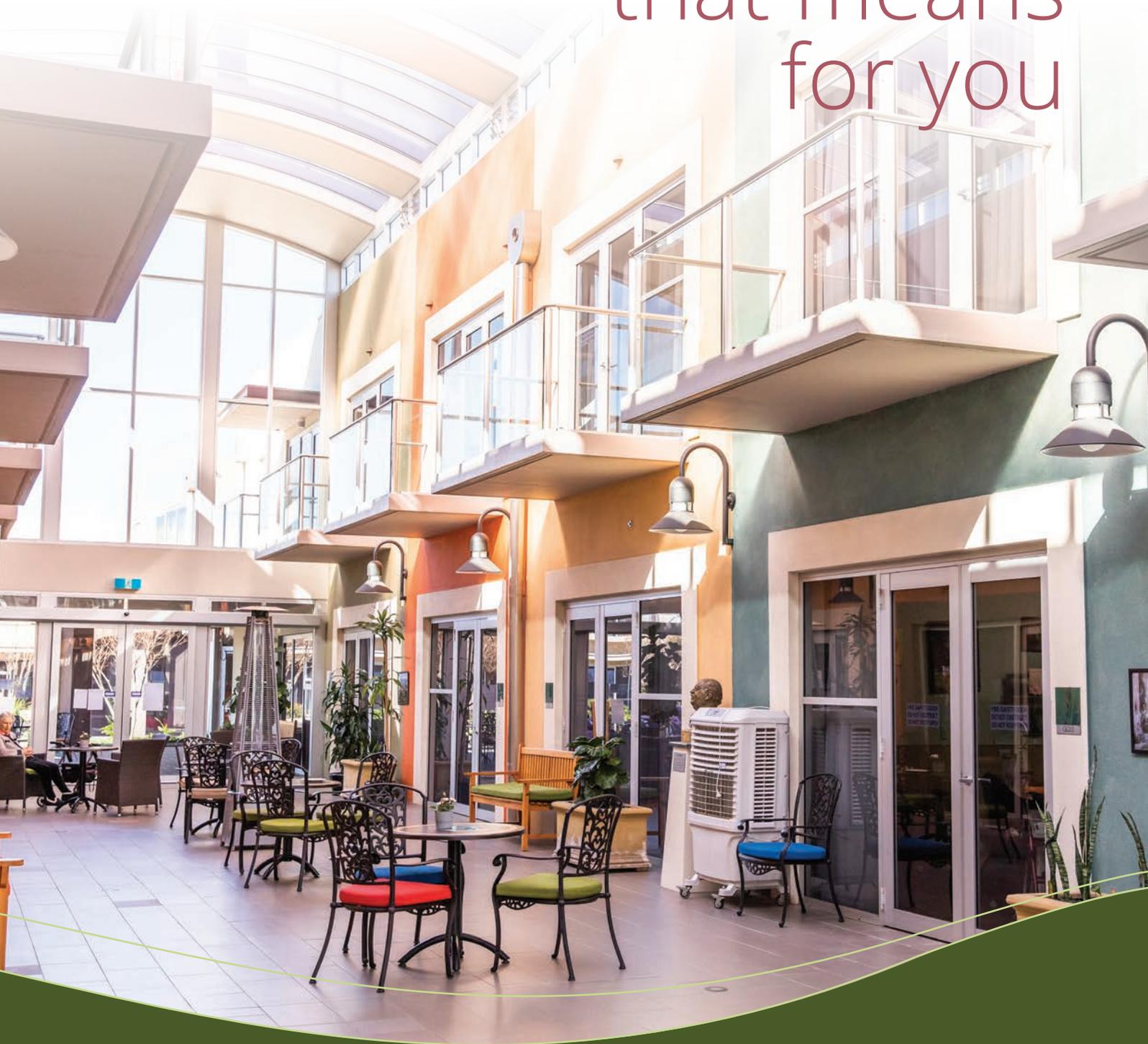




The Society of
Saint Hilarion

Embracing wellbeing, whatever that means for you





The Society of Saint Hilarion

Founded by our Italian forefathers, the best of our rich culture, the sense of caring for our family and community, wonderful food and the ability to *embrace wellbeing, whatever that means for you* – is available to all South Australians.

Saint Hilarion 08 8409 1500 | www.sainthilarion.asn.au

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Message from the president

It is with great pleasure that I address you with my first report as the President of the Society of Saint Hilarion, a position I gratefully accepted in November 2020, and it is an honour to represent the Society.

I would like to thank Mr Vince Greco who served the Society as President for two full terms. It is recognised that through his passion and devotion to the Society and the Italian community Vince brought strong leadership skills, commitment and compassion to the President role. During his term he successfully ran profitable fundraisers and Feasts, he too was successful in obtaining State Government grants for the Society and built strong relationships within the community.

I would also like to take this opportunity to thank our retiring Executive Committee Members Vice President Mr Laurie Sghirripa and Secretary Mrs Sandra Greco.

Laurie served one year as Voting Councillor and two years as Vice President, he was a major support to the President Vince Greco and played a key role in the Executive Committee, he worked tirelessly alongside Vince to making sure all went to plan in everything the Society committed to. Sandra served as Society Secretary for two full terms, she was the rock behind the Executive Committee and President Vince Greco. Sandra not only being Society Secretary she conducted a lot of behind the scene work to support the Executive Committee and Society with this, her passion and dedication she built strong relationships within the Italian community.

As we saw COVID-19 spreading within the community fast the Executive Committee made the upmost difficult decision to not stage a full Annual Feast Day however we managed to hold



our 66th Annual Saint Hilarion Anniversary and Feast Day on a smaller level, we were lucky to have this very important day live broadcasted on channel 44 for our community to still be involved. This was a difficult Feast to hold but with the passion and devotion of the Executive of the Committee staged a COVID-19 Feast successful. I would like to congratulate Vince for staging a scaled down Feast during a global pandemic and thank him for his continues support.

In January 2021, the Executive Committee was proud to participate in the Australia Day in the Market event where we did a cooking demonstration on our famous Zeppole. The star of the show was Matilde Gallina - Campanella. Her passion for Saint Hilarion community and residents shined bright and you could smell the Zeppole through the whole market. We also thank past President Vince Greco for attending and supporting the society on the day. Thank you to Australia Day Council of SA, Adelaide Central Market and Rosa Matto for allowing us to share our culture, tradition and food with the South Australian community. We were also invited to participate in the Aus Day in the Arena. It was a joy to celebrate Australia Day with all communities. What I realised at this event was we have two things in common with other communities we are passionate and proud about our culture and we all call Australia Home.

Throughout the year, the Executive Committee represented the Society on all platforms from attended other associations functions, Feast Day's and we were special guests at events such as the Consulate of Italy in South Australia annual National Italian Day Dinner.

The month of May is the "month which the piety of the faithful has especially dedicated to Our Blessed Lady," and it is the occasion for a "moving tribute of faith and love which Catholics in every part of the world pray to the Queen of Heaven. During this month, both in church and in the privacy of the home, we offer up to Mary from our hearts an especially fervent and loving homage of prayer and veneration.

This is a tradition we have celebrated for over six decades, we opened the Rosary with a beautiful service for our residents and family at Seaton and closed the Rosary at Fulham. Our Sisters, led by Sister Dora attended members and friends of the Society's home over the month to celebrate and pray to our Queen.

Thank you to Sister Dora for your never-ending devotion, Fr. Luigi for the beautiful service and Dolce Sante Ladies for afternoon teas.

In May we celebrated St Hilarion's Miracle in Caulonia, where he ended the years of drought in our beloved hometown. We also celebrated and congratulate our Volunteers and Members for their 65 years of devotion and passion to the founding father's vision for our people and St Hilarion's mission. It was the first time in two years where our two homes came together and friends were reunited.

In June 2021, Carmel Stefano won the Co.As.It SA Inc. Lifetime Achievement Award and the Hon Mark Butler MP Hindmarsh Volunteer Award.

Carmel has given her life to carrying her Nonno's mission through the Italian community. Carmel has always welcomed new members to the Society with open arms. She is ready to teach the next generation about our history, pastoral care and traditions.

In her early 70's now Carmel still has the passion to support the community as if she was 21 again. Carmel does things from the heart and brings her joy in seeing the next generation carry out the mission her family began. Carmel is valued and irreplaceable to the Italian community, her wealth of knowledge and love of Saint Hilarion has inspired the community to keep the mission of Saint Hilarion alive and has left a footprint behind in the Saint Hilarion Association that one day will inspire the next generation to keep the mission thriving. Your Nonno would be very proud of you, for following in his footsteps.

When I reflect back on the year I am proud and overwhelmed by the efforts of the Executive Committee, the service, love and sacrifice you bring to the Society is a blessing and what great fun we have together. To our members and volunteers, I sincerely thank you for your never ending support, for your passion and devotion to maintaining the mission and legacy of Saint Hilarion. I also thank the Italian and South Australian community for your continues support, its because of you all we continue the traditions and culture of Saint Hilarion.

Thank you to our CEO, Dr Carol Davy, Senior Management Team and our frontline staff for providing the best quality of care to our residents. Thank you to the families for your patience and understanding during these difficult times. To our residents, thank you for choosing Saint Hilarion to be your home, I enjoy partying with you.

I would like to take this opportunity to thank the Executive Committee, Procurators, Aged Care Board, Members, Past Presidents, Volunteers and Sponsors – for your support and guidance during my first year in being your President, it is an absolute privilege working beside you all.

I would like to thank the following Executive Committee members for their contribution during the 2020/2021 year.

2020

Vince Greco - President
Laurie Sghirripa - Vice President
Sandra Greco - Secretary
Antonia Larizza - Treasurer
Marisa Vozzo - Public Relations Officer
Dominic Greco - Voting Councillor
Sonia Ballestrin - Voting Councillor
Matilda Gallina - Voting Councillor
Carmel Stefano - Voting Councillor
Ilario Nesci - Non - Voting Councillor



2021

Antonia Larizza - President and Public Relations Officer
Ilario Nesci - Vice President
Vivienne Dichiera - Secretary
Nick Stefano - Treasurer
Robert Dichiera - Voting Councillor
Matilda Gallina - Voting Councillor
Carmel Stefano - Voting Councillor
Philip Peluso - Non-Voting Councillor
Silvana Nuitta - Non-Voting Councillor

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

Viva Ilarione, Viva Caulonia e Viva Calabria

Antonia Larizza
President
The Society of Saint Hilarion



Message from the chair

As Deputy Chair of the Board I have taken on the Chair role since December 2020, I would like to acknowledge and thank Lidia Conci as the Aged Care Chair for the first 6 months of this financial year. Lidia decided to step away from board duties, her inspiration and vision to aged care are exemplary and we continue to call on her for her professional assistance.

Many thanks to our executive team led by Dr Carol Davy who continue to deliver professional care to our residents and ensure a rapid response to the forever changing COVID environment. Many of our executive team are new to the Society of Saint Hilarion and we welcome them into our family. The past financial year has been challenging not only clinically but financially and they have all implemented changes rapidly to ensure the Society of Saint Hilarion Aged Care continues to provide for its community.

Our clinical, home care, leisure and lifestyle, kitchen, laundry, maintenance and admin staff continue to excel and strive to deliver the best for the people we care for whilst ensuring that we maintain full accreditation across all 3 areas of delivery of care.

Our spiritual and pastoral care proudly provided by the Scalabrinian Fathers and the Franciscan Sisters of St Anthony are unique to our facilities and is a partnership that the Board truly treasure. We wish to thank Sr Quintila Trotta for her service over the past 30 years and wish her all the best on her retirement and congratulate Sr Dora Sepulveda on her new role as Superior.

We have been fortunate enough to have our volunteers back on site providing social and cultural support, we are truly grateful for all our volunteers at Seaton and Fulham. Many of our volunteers originate from the Society of Saint Hilarion original members and continue to want to ensure that our aged are looked after in the traditional Calabrian way!

When we speak about volunteers I wish to remind you all that our Aged Care Board Members are volunteers and donate to the Society their



valuable time. Many of our board members sit on multiple sub committees and would donate more than 15 hours per month to the Society for their professional advice and services.

I wish to acknowledge and thank:
Lidia Conci, Chair (resigned Dec 2020), Joe Fanto, Roy Fazzalari, Dr Franco Chitti, Fr Roger Manalo, Antonia Larizza, Pino DiChiera, John Caruso, Dr Helen Barrie (resigned Dec 2020) and Mr Brett Wood (resigned Dec 2020).

The aged care sector has been experiencing significant challenges and changes since the Royal Commission into Aged Care Quality and Safety. The Board members are ready to embrace the positive changes that are emerging as we work towards delivering the best quality care to those that decide to choose St Hilarion as their aged care provider and their home.

"Omnia ad Gloriam dei per S.Hilarionem"

Rosemary Velardo.
Chair of Board

"On behalf of The Society of Saint Hilarion, I would like to thank our dedicated staff, Sisters and volunteers for their contribution to and significant investment in our organisation."

St Hilarion... A History

The origins of the St Hilarion community in South Australia go back to 1955, when the first Feast Day of St Hilarion was celebrated in Adelaide by a small group of migrants from the town of Caulonia in Southern Italy who, reflecting their heritage, shared a passionate devotion to the Patron Saint of Caulonia, St Hilarion.

One of the legacies left by these determined people was the formation of a dedicated committee which has been responsible for celebrating the Feast Day of St Hilarion in Adelaide every year since.

...together with Giuseppe
...and Ilario Lamberto,
...med and

Message from the CEO

Throughout 2019/20 The Society of Saint Hilarion Inc Aged Care has again maintained an unwavering commitment to the provision of quality residential and community services. Our staffing levels remain well above sector benchmarks, meaning more individual time with the people we care for. The Sisters of Saint Anthony and visiting church leaders ensure peoples spiritual needs met, and our menus continue to provide a dining experience well above other facilities.

Significant improvements during 2019/20 include our Technology Enhancement Program funded through a Commonwealth Government investment. Starting with our new Wi-Fi Capability ensuring secure connectivity now and into the future, this Program also includes software to capture real time clinical changes at point of care and an Electronic Menu Management System individualising menu choice based on dietary needs and preferences for the people we care for.

Throughout the year we have continued to rise to the challenges posed by the COVID-19 pandemic. Strong clinical leadership, evidence-based decision making and collaboration with public health authorities has ensured the safety of our clients, while keeping loved ones informed.



On behalf of The Society of Saint Hilarion, I would like to thank our dedicated staff, Sisters and volunteers for their contribution to and significant investment in our organisation. I am humbled by their professionalism and dedication during a year which has been at times challenging but always meaningful and enjoyable.

Despite challenges posed by COVID-19 and a changing aged care environment, we are positive about the future and confident that we will continue to build on the history, values and vision of The Society of Saint Hilarion Inc. Age Care.

Carol Davy
Chief Executive Officer

What are we grateful for?



Every year we focus on an important life theme. In 2021, the theme was “gratefulness” with the people we care for and our staff asked to let us know what brings happiness and meaning to their lives. Here are just a few of the hundreds of entrants received over the last 10 months.

In 2022, we will celebrate “Communities” and the joy and support they bring to our lives.





The Society of Saint Hilarion



Antonia Larizza
Society President
Board Member



Nick Stefano
Treasurer



Vivienne Dichiera
Secretary



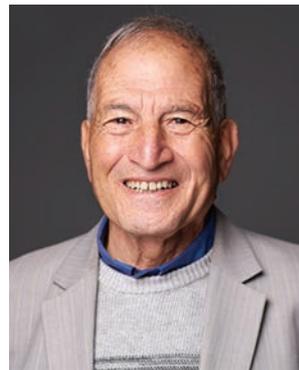
Matilda Gallina
Voting Councillor



Robert Dichiera
Voting Counsellor



Carmel Stefano
Non-Voting Councillor



Ilario Nesci
Non-Voting Councillor

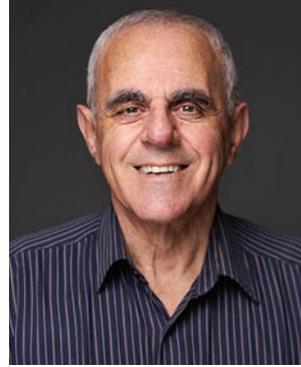
Aged Care Management Board



Rosemary Velardo
Deputy Chair of Board



Franko Chitti
Board Member



Roy Fazzalari
Board Member



Joe Fanto
Board Member



John Caruso
Board Member



Pino Dichiera
Board Member



Antonia Larizza
Society President

Our Executive Staff



Carol Davy
Chief Executive Officer



Jason Morrison
Chief Financial Officer



Vasilia Frangos
Director Care Services

What did 2020-2021 look like?

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



173,010

Main Meals at The House of
Saint Hilarion and Villa Saint
Hilarion – 176 X 3 Meals per day



4380 Lifestyle Activities

8 activities organised
per day over the year



205 minutes

direct care per resident per
day. This is already above the
200 minutes per Resident per
day that providers are required
to provide by 2023.



10,494 hours

service provided in
community care



6,492 hours

of Residential and
Community staff learning



staff

74

casual,

188

part-time

26

full-time

45 staff

 with
over 10 years service

35 longest service

30 second longest service

7 staff

 have been with
us for **over 20 years**

8.72 years

 average
staff tenure

What are people saying about our service?

"Thank you to all of you for the wonderful love you are giving [my mother] in what has been a difficult year for all Your Care makes a difference."

"I am writing on behalf of my family to thank all the staff and volunteers at St Hilarion who took such good care of my mother"

"My Dear Staff at Saint Hilarion, I would like to thank you for all the care provided during my permanence at Saint Hilarion. You showed me respect and this has been greatly appreciated by my family as well."

"Thank You for a wonderful establishment.... Keep up the great work you do! May God bless St Hilarion and all who work there, caring for the elderly and frail and lonely."

"Today is my first day in respite and I had my first meal and it was absolutely delicious. The food was cooked perfectly and it was exactly the right portion size. "I loved all of it!" "

"I would like to say how much I enjoy the music that {staff} play throughout the day. It makes me very happy. I believe that a world without music is dead!!!"

"Applaud and thank the St. Hilarion Staff and Facility, beautiful people."

Your organisation has been truly a blessing for us and we have really appreciated the care everyone has given us and my Mother. I am in awe of the work that you and your staff do. You are all amazing."

"On behalf of my mother, [name removed], my family and I wish to thank every staff member who over many years was involved in her safety and comfort, who nursed, fed, cleaned, entertained, but mostly cared (underlined) for her. We always felt she was in good hands."



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



Our Team

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.

Looking after people living in the community



Supporting the wellbeing of people living at home is now a critical part of our service provision. This year, our community services team has focused on expanding our services provision. Our new social programs encourage the people we care for in the community to build new and maintain existing relationships. In home physio and occupational therapy services are now also part of everyday care. Underpinning this work has been a significant investment in training our community staff in providing quality dementia care.



OUR SOCIAL PROGRAMS

Tempo Mio is My Time

After a short hiatus due to COVID-19, Tempo Mio is now back with much loved social programs. Activities this year include concerts, bus trips, bingo, bocce, cards, gym exercises and coffee groups. Some attend every week while others pop into sessions when they feel the need. All are welcome!

OUR HOME CARE PACKAGES

We Coordinate Your Care

Our Community Care Coordinators ensure that Clients make the most of their Home Care Package. Our Coordinators assist by organising a range of regular and once off services ensuring that our Clients receive the right care at the right time.



Looking after people living in our residential facilities

Attitudes to ageing and aged care are changing. Saint Hilarion understands these changes, working hard to improve the emotional, social, spiritual as well as physical wellbeing of the people we care for. We are proud that in 2019/20 financial year we averaged 3.47 hours of direct care – well above the aged care sector average of 2.93 hours.

OUR CLINICAL CARE

We have received some extremely positive feedback from Residents and families about our 2019 improvement initiative which involved appointing a Clinical Nurse to each Residential area. In addition to being available weekdays to speak with families, these Clinical Nurses are responsible for overseeing and mentoring the work of the Registered and Enrolled Nurses that are on duty 24/7.

OUR ALLIED HEALTH SERVICES

Having a permanent allied health team on staff means continuity of care. In 2019/20 the Allied Health program has expanded to include additional gym sessions and a falls prevention program.

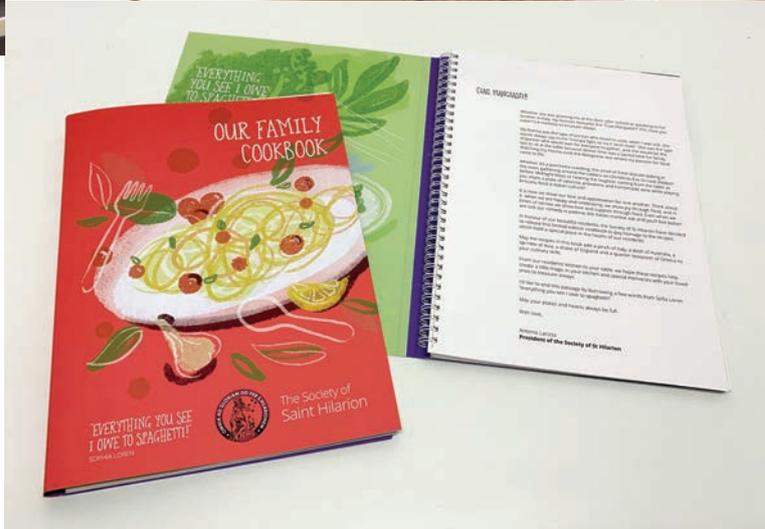


OUR MENTAL HEALTH SERVICES

Saint Hilarion is one of the very few services to offer in house mental health services across our two facilities. Over the past 12 months our Mental Health and Wellbeing Coordinator has ensured that the emotional and social needs of the people we care for are met. Collaborating closely with external mental health services for older people, this role also contributes a multi-disciplinary approach to wellbeing.

OUR SPIRITUAL CARE

Saint Hilarion is privileged to have the Sisters of Saint Anthony on site providing the pastoral care for all Residents. We also welcome spiritual leaders from Uniting and Greek Orthodox Churches who also provide the spiritual needs of Residents. Look out for our newly developed spiritual space at Seaton designed for meditation and quiet reflection.



OUR LIFESTYLE SERVICES

Leisure and Lifestyle Team continue to update and refresh their programs. In addition to our Italian performers, a multi-culture theme with interesting features from countries as far away as Africa has contributed to new programming. The Leisure and Lifestyle Team is also working closely with our Allied Health Team to introduce additional fitness programs into daily activities. And of course, Gilbert our therapy dog, the guinea pigs, chickens, fish and other birds play a significant role in helping to support everyone's wellbeing.



OUR CATERING

For us, food and wellbeing go hand in hand. Not surprisingly, our menus are carefully developed to ensure nutrition, taste and variety. From our organic garden that supplies fruit and vegetables to onsite kitchens, our food is created with love and care. Our latest program, however, will also provide greater individual choice. Currently part the way through implementation, daily individual menu options will be available for everyone living at The House of Saint Hilarion and Villa Saint Hilarion.

OUR ENVIRONMENT

Our facilities are designed to provide both private and communal spaces with internal and external areas for people to enjoy. There are spaces to catchup with family and friends or to enjoy some quiet relaxation. Facility upgrades scheduled for early 2022 will include smart electronic security device installation across the two The House of Saint Hilarion and Villa Saint Hilarion to further ensure safety and independence of vulnerable people.

A close-up photograph of a hand holding a bright yellow lemon. The hand is positioned on the right side of the frame, with the thumb and fingers gently gripping the fruit. The hand is adorned with a gold-colored bracelet and a ring. The background is a soft, out-of-focus light pinkish-orange. In the foreground, there are several green leaves and a few unripe green lemons on a branch, suggesting a citrus grove or orchard. The overall mood is fresh and natural.

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

Financial Report

Financials

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The Society of Saint Hilarion Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

| | Note | 2021 \$ | 2020 \$ |
|--|-------------|---------------------|---------------------|
| Revenue | 4 | 16,995,394 | 16,895,234 |
| Other income | 5 | 1,573,043 | 2,035,282 |
| Expenses | | | |
| Administration and other expenses | | (2,641,905) | (2,449,045) |
| Catering, cleaning and laundry | | (891,458) | (962,712) |
| Depreciation and amortisation expense | 6 | (1,102,783) | (1,240,253) |
| Employee benefits expense | 7 | (14,335,552) | (14,697,598) |
| Finance costs | 8 | (1,499,907) | (1,918,935) |
| Rates and utilities | | (425,019) | (508,299) |
| Repairs and maintenance | | (291,982) | (269,228) |
| Total expenses | | <u>(21,188,606)</u> | <u>(22,046,070)</u> |
| Deficit for the year | | (2,620,169) | (3,115,554) |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | <u>(2,620,169)</u> | <u>(3,115,554)</u> |

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Society of Saint Hilarion Incorporated
Statement of financial position
As at 30 June 2021

| | Note | 2021 \$ | 2020 \$ |
|--------------------------------|------|-------------------|-------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 9 | 5,892,443 | 6,600,747 |
| Trade and other receivables | 10 | 270,455 | 170,458 |
| Prepayments | | 89,473 | 32,891 |
| Total current assets | | <u>6,252,371</u> | <u>6,804,096</u> |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 33,128,711 | 33,363,090 |
| Intangible assets | 12 | 829,225 | 829,225 |
| Total non-current assets | | <u>33,957,936</u> | <u>34,192,315</u> |
| Total assets | | <u>40,210,307</u> | <u>40,996,411</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 13 | 2,436,553 | 1,566,494 |
| Borrowings | 14 | 360,000 | 360,000 |
| Employee provisions | 15 | 1,635,519 | 1,675,228 |
| Resident loans | 16 | 32,936,271 | 32,044,809 |
| Total current liabilities | | <u>37,368,343</u> | <u>35,646,531</u> |
| Non-current liabilities | | | |
| Borrowings | 14 | 2,080,000 | 1,970,000 |
| Employee provisions | 15 | 175,083 | 172,830 |
| Total non-current liabilities | | <u>2,255,083</u> | <u>2,142,830</u> |
| Total liabilities | | <u>39,623,426</u> | <u>37,789,361</u> |
| Net assets | | <u>586,881</u> | <u>3,207,050</u> |
| Equity | | | |
| Retained surplus | | <u>586,881</u> | <u>3,207,050</u> |
| Total equity | | <u>586,881</u> | <u>3,207,050</u> |

The above statement of financial position should be read in conjunction with the accompanying notes

The Society of Saint Hilarion Incorporated
Statement of changes in equity
For the year ended 30 June 2021

| | Retained surplus \$ | 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 | <u>(3,115,554)</u> | <u>(3,115,554)</u> |
| Balance at 30 June 2020 | <u>3,207,050</u> | <u>3,207,050</u> |

| | Retained surplus \$ | Total equity \$ |
|---|------------------------------------|----------------------------|
| Balance at 1 July 2020 | 3,207,050 | 3,207,050 |
| Deficit for the year | (2,620,169) | (2,620,169) |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | <u>(2,620,169)</u> | <u>(2,620,169)</u> |
| Balance at 30 June 2021 | <u>586,881</u> | <u>586,881</u> |

The above statement of changes in equity should be read in conjunction with the accompanying notes

The Society of Saint Hilarion Incorporated
Statement of cash flows
For the year ended 30 June 2021

| | Note | 2021 \$ | 2020 \$ |
|--|------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Receipts from resident fees, client charges and other income | | 6,544,860 | 6,392,228 |
| Receipts from government subsidies | | 10,977,768 | 11,071,990 |
| Payments to suppliers and employees | | (18,229,187) | (18,715,988) |
| Interest received | | 18,415 | 122,321 |
| Finance costs | | <u>(161,719)</u> | <u>(222,240)</u> |
| Net cash used in operating activities | | <u>(849,863)</u> | <u>(1,351,689)</u> |
| Cash flows from investing activities | | | |
| Payments for property, plant and equipment | | <u>(868,404)</u> | <u>(1,620,292)</u> |
| Net cash used in investing activities | | <u>(868,404)</u> | <u>(1,620,292)</u> |
| Cash flows from financing activities | | | |
| Proceeds from resident loans | | 8,828,617 | 6,423,691 |
| Repayments of resident loans | | (7,928,654) | (8,338,059) |
| Proceeds from borrowings | | 470,000 | - |
| Repayment of borrowings | | <u>(360,000)</u> | <u>(270,000)</u> |
| Net cash from/(used in) financing activities | | <u>1,009,963</u> | <u>(2,184,368)</u> |
| Net decrease in cash and cash equivalents | | (708,304) | (5,156,349) |
| Cash and cash equivalents at the beginning of the financial year | | <u>6,600,747</u> | <u>11,757,096</u> |
| Cash and cash equivalents at the end of the financial year | 9 | <u><u>5,892,443</u></u> | <u><u>6,600,747</u></u> |

The above statement of cash flows should be read in conjunction with the accompanying notes

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2021

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 27 October 2021.

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.

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 the Association has a deficiency of current assets over current liabilities of \$31,117,731 (2020: \$28,623,846), has made significant consecutive losses and has negative cash flows from operations.

The losses and negative cash flows from operations are predominantly related to staffing costs and other expenses, compounded by the coronavirus (COVID-19) outbreak. These conditions may cast significant doubt on the Association's ability to continue as a going concern. The Board of Management has made significant changes to reduce ongoing expenditure and realise additional revenue opportunities and is continually monitoring the situation. Should the measures put in place not be successful, the Association may be unable to realise its assets and discharge its liabilities in the normal course of business.

The net current liability position is a result of resident loans totalling \$32,936,271 (2020: \$32,044,809) being classified as current liabilities as required by the Australian Accounting Standards. 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.

In considering the appropriateness of the going concern basis of preparation, the Board of Management has 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 resident loans as and when they fall due. The Board of Management is 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.

Resident loans

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 Federal 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.

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

| | 2021 | 2020 |
|------------------------------|--------------------------|--------------------------|
| | \$ | \$ |
| Accommodation charges | 141,009 | 169,803 |
| Client fees | 443,385 | 623,948 |
| Daily accommodation payments | 887,460 | 816,398 |
| Government subsidies | 11,019,459 | 10,860,025 |
| Other operating revenue | 286,175 | 186,029 |
| Resident fees and charges | <u>4,217,906</u> | <u>4,239,031</u> |
| Revenue | <u><u>16,995,394</u></u> | <u><u>16,895,234</u></u> |

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2021

Note 4. Revenue (continued)

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:

- (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

| | 2021 | 2020 |
|------------------------------------|-------------------------|-------------------------|
| | \$ | \$ |
| Donations | 8,815 | 18,874 |
| Government stimulus | 207,625 | 197,392 |
| Imputed interest on resident loans | 1,338,188 | 1,696,695 |
| Interest | <u>18,415</u> | <u>122,321</u> |
| Other income | <u><u>1,573,043</u></u> | <u><u>2,035,282</u></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.

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2021

Note 6. Depreciation and amortisation expense

| | 2021 | 2020 |
|---------------------|------------------|------------------|
| | \$ | \$ |
| Buildings | 625,080 | 629,057 |
| Plant and equipment | 415,904 | 532,770 |
| Motor vehicles | 13,472 | 24,292 |
| Computer equipment | 48,327 | 54,134 |
| | <u>1,102,783</u> | <u>1,240,253</u> |

Note 7. Employee benefits expense

| | 2021 | 2020 |
|------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Salary and wages | 12,708,127 | 12,953,138 |
| Superannuation contributions | 1,186,841 | 1,196,555 |
| Workers compensation | 440,584 | 547,905 |
| | <u>14,335,552</u> | <u>14,697,598</u> |

Note 8. Finance costs

| | 2021 | 2020 |
|------------------------------------|------------------|------------------|
| | \$ | \$ |
| Imputed interest on resident loans | 1,338,188 | 1,696,695 |
| Other finance costs | 161,719 | 222,240 |
| | <u>1,499,907</u> | <u>1,918,935</u> |

Note 9. Cash and cash equivalents

| | 2021 | 2020 |
|-----------------------|------------------|------------------|
| | \$ | \$ |
| <i>Current assets</i> | | |
| Cash on hand | 4,550 | 4,550 |
| Cash at bank | 5,887,893 | 6,596,197 |
| | <u>5,892,443</u> | <u>6,600,747</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.

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2021

Note 10. Trade and other receivables

| | 2021 \$ | 2020 \$ |
|-----------------------|----------------|----------------|
| <i>Current assets</i> | | |
| Trade receivables | 155,364 | 97,058 |
| Other receivables | 115,091 | 73,400 |
| | <u>270,455</u> | <u>170,458</u> |

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.

Note 11. Property, plant and equipment

| | 2021 \$ | 2020 \$ |
|--------------------------------|--------------------|--------------------|
| <i>Non-current assets</i> | | |
| Land | 6,825,000 | 6,825,000 |
| Buildings | 32,137,535 | 31,625,051 |
| Less: Accumulated depreciation | <u>(8,007,657)</u> | <u>(7,382,577)</u> |
| | 24,129,878 | 24,242,474 |
| Plant and equipment | 6,751,481 | 6,480,887 |
| Less: Accumulated depreciation | <u>(4,921,853)</u> | <u>(4,505,949)</u> |
| | 1,829,628 | 1,974,938 |
| Motor vehicles | 211,987 | 211,987 |
| Less: Accumulated depreciation | <u>(158,193)</u> | <u>(144,721)</u> |
| | 53,794 | 67,266 |
| Computer equipment | 639,372 | 617,304 |
| Less: Accumulated depreciation | <u>(432,082)</u> | <u>(383,755)</u> |
| | 207,290 | 233,549 |
| Work in Progress (WIP) | 83,121 | 19,863 |
| | <u>33,128,711</u> | <u>33,363,090</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 2020 | 6,825,000 | 24,242,474 | 1,974,938 | 67,266 | 233,549 | 19,863 | 33,363,090 |
| Additions | - | 361,631 | 218,594 | - | 13,955 | 274,224 | 868,404 |
| Transfers in/(out) | - | 150,853 | 52,000 | - | 8,113 | (210,966) | - |
| Depreciation expense | - | <u>(625,080)</u> | <u>(415,904)</u> | <u>(13,472)</u> | <u>(48,327)</u> | - | <u>(1,102,783)</u> |
| Balance at 30 June 2021 | <u>6,825,000</u> | <u>24,129,878</u> | <u>1,829,628</u> | <u>53,794</u> | <u>207,290</u> | <u>83,121</u> | <u>33,128,711</u> |

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2021

Note 11. Property, plant and equipment (continued)

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 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

| | 2021 \$ | 2020 \$ |
|---------------------------|----------------|----------------|
| <i>Non-current assets</i> | | |
| Bed licences | <u>829,225</u> | <u>829,225</u> |

Future deregulation of bed licences

In May 2021, the Federal Government announced its intention to deregulate bed licences by 1 July 2024, with the current system remaining in place until 30 June 2024. As the scope and extent of the reforms remain unknown, there has been no change to the accounting treatment of bed licences for the year ended 30 June 2021.

Note 13. Trade and other payables

| | 2021 \$ | 2020 \$ |
|--------------------------------------|------------------|------------------|
| <i>Current liabilities</i> | | |
| Trade creditors | 510,016 | 382,334 |
| Sundry payables and accrued expenses | 370,073 | 423,469 |
| Unspent home care funds | 977,000 | 640,704 |
| Other payables | 32,941 | 119,987 |
| Grants in advance | 546,523 | - |
| | <u>2,436,553</u> | <u>1,566,494</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.

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2021

Note 13. Trade and other payables (continued)

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

| | 2021 \$ | 2020 \$ |
|--------------------------------|------------------|------------------|
| <i>Current liabilities</i> | | |
| Bank loans | 360,000 | 360,000 |
| <i>Non-current liabilities</i> | | |
| Bank loans | 2,080,000 | 1,970,000 |
| | <u>2,440,000</u> | <u>2,330,000</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.

Note 15. Employee provisions

| | 2021 \$ | 2020 \$ |
|--------------------------------|------------------|------------------|
| <i>Current liabilities</i> | | |
| Annual leave | 895,033 | 944,062 |
| Long service leave | 740,486 | 731,166 |
| | <u>1,635,519</u> | <u>1,675,228</u> |
| <i>Non-current liabilities</i> | | |
| Long service leave | 175,083 | 172,830 |
| | <u>1,810,602</u> | <u>1,848,058</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.

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2021

Note 16. Resident loans

| | 2021 \$ | 2020 \$ |
|--------------------------------------|-------------------|--------------------|
| <i>Current liabilities</i> | | |
| Resident loans | <u>32,936,271</u> | <u>32,044,809</u> |
| | | 2021 \$ |
| <i>Movements in carrying amounts</i> | | |
| Opening net carrying amount | | 32,044,809 |
| Resident loans received | | 8,828,617 |
| Allowable deductions | | (8,501) |
| Resident loans refunded | | <u>(7,928,654)</u> |
| | | <u>32,936,271</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.

| | 2021 \$ | 2020 \$ |
|---|-------------------|-------------------|
| Resident loans expected to be repaid within 12 months | 9,337,432 | 9,084,703 |
| Resident loans expected to be repaid after 12 months | <u>23,598,839</u> | <u>22,960,106</u> |
| | <u>32,936,271</u> | <u>32,044,809</u> |

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:

| | 2021 \$ | 2020 \$ |
|------------------------|----------------|----------------|
| Aggregate compensation | <u>442,430</u> | <u>452,259</u> |

Note 18. Contingencies

In the opinion of the Board of Management, the Association did not have any contingencies at 30 June 2021 (30 June 2020: None)

Note 19. Related party transactions

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

No matter or circumstance has arisen since 30 June 2021 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 Hilarión Incorporated
Board of Managements' declaration
30 June 2021

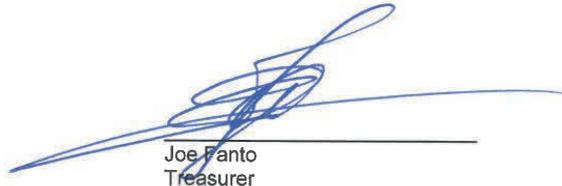
In the Board of Management's opinion:

- 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 2021 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



Rosemary Velardo
Chair



Joe Fanto
Treasurer

27 October 2021

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

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of The Society of Saint Hilarion Inc ("the Association") which comprises the statement of financial position as at 30 June 2021, 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:

- a) giving a true and fair view of the Association's financial position as at 30 June 2021 and of its financial performance and cash flows for the year then ended; and
- b) 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the financial report, which describes Association's deficiency of current assets over current liabilities, significant consecutive losses, and negative cash flows from operations. As stated in Note 2, these events, or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Association's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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Responsibilities of Management and the Board of Management for the Financial Report (continued)

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.

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.

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Auditor's Responsibilities for the Audit of the Financial Report (continued)

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
28 October 2021



Corey McGowan
Director

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The Society of Saint Hilarion Incorporated
Social Welfare Profit and Loss (Cash)
2020/2021 Financial Year

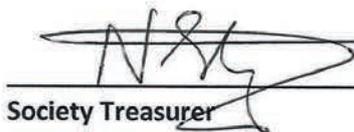
| Receipts | Accounts | |
|--|-----------------|-----------------------------|
| Donations for Feast Oct 2020 | \$ 2,400.00 | |
| Sundry Receipts | \$ 508.00 | |
| Eventbrite online ticket sales Joe Avati | \$ 298.95 | |
| 2021 Membership | \$ 1,640.00 | |
| Total Income | | <u>\$ 4,846.95</u> |
| | | |
| Payments | | |
| Feast Expenses including CH44 TV broadcast | \$ 8,003.00 | |
| Honorary Lunch (Grace Alvino and Anna Fazzalari) | \$ 1,995.00 | |
| Donations to Church, choir and other organisations | \$ 2,200.00 | |
| International Women's Day Dinner | \$ 495.00 | |
| Sundry expenses (tributes, food, misc bills) | \$ 2,980.13 | |
| Petty cash movement | \$ 1,213.30 | |
| Total Payments | | <u>\$16,886.43</u> |
| Net Cash Profit/(Loss) | | <u>- \$12,039.48</u> |
| | | |
| Cash Balance as per General Ledger | | |
| Opening cash book balance as at 01/07/20 | \$ 57,361.49 | |
| Plus: Cash Loss for the year | -\$ 12,039.48 | |
| Closing cash book balance as at 30/06/21 | | <u>\$45,322.01</u> |
| | | |
| Bank Reconciliation | | |
| Closing bank balance per bank statement | \$ 45,324.26 | |
| Closing cash book balance as at 30/06/21 | \$ 45,322.01 | |
| Unexplained variance | | <u>\$ 2.25</u> |



Society President

05/11/2021

Date



Society Treasurer

5/11/21

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 2021.

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 for the year ended 30 June 2021.

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 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 misstatement when it exists. Misstatements can arise from fraud or error and are considered material

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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
8 November 2021



Corey McGowan
Director

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