



The Society of
Saint Hilarion



*Embracing
your wellbeing*

ANNUAL REPORT 2021 - 2022



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*.

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

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Message from the President

It is with great pleasure and honour that I address you as the President of The Society of St Hilarion and to deliver our 2021/2022 Report. Thank you to all that nominated me to return as President it was very overwhelming. I accepted the position in November 2021.

I have to make mention to the 2020/2021 Executive Committee, led by Antonia Larizza. With Covid-19 still spreading and Government Restrictions forever changing, they weren't able to conduct any fundraisers throughout the year. Small events were booked and planned, tickets sold in the blink of an eye but they then had to be cancelled. With all this going on the Executive Committee made the very hard decision to cancel the 2021 Annual Feast of St Hilarion as the risk and logistics of staging a feast in this climate was too high. They weren't only thinking for themselves, they were thinking of the whole community.

As time went on and Covid-19 restrictions started to ease a little they brought to the table in discussion, the possibility of staging the feast. They all agreed to go-ahead and hold the 2021 Annual Feast of St Hilarion. They had four weeks to put this together, the Executive Committee and some Society Members all came together to support and plan this feast day.

On Sunday 24th October 2021 the Executive Committee staged the 66th Feast of St Hilarion, for this they all should be commended, for their outstanding efforts and passion towards St Hilarion, especially Mr Nick Stefano (Treasurer) for going above and beyond. The day was very successful.

December the 10th The Executive Committee held the very successful show "An Evening with Joe Avati and Friends" at the Woodville Town Hall, please keep in mind that this show was postponed 3 times throughout the year. Once again a dedicated team came together and delivered a fantastic fun night for our community. Still with some slight restrictions around, we could not take a capacity crowd in the Woodville Town Hall, we were limited and reached 500 + we were very happy with this outcome.

In May 2022 Members of The Society of Saint Hilarion attended the Co.As.It (SA) Italian Community Volunteer Awards. This was an excellent opportunity to acknowledge some of our community's fantastic and hard-working volunteers and pay tribute to their ongoing dedication to the Society and its mission. We would like to take this opportunity to congratulate all those Society members and volunteers who received awards for their dedicated service and ongoing contribution to the Society of St Hilarion, it does not go unnoticed.

Mrs Rita Greco, Mrs Angela Vasileff, Mr Pasquale Pittiglio & Mr Rocco Romeo and myself.

Also in May, Sunday 15th we held our Annual Volunteers Luncheon at the Mater Christi Parish hall, it was a wonderful time to gather and acknowledge the hard work and dedication of all our fantastic volunteers and all they do for the society, especially helping out at our main event the Feast of St Hilarion.

We were also honoured that on this day we inducted two new Honorary Members to the Society, Mrs Carmelina Circosta and Mrs Rita Greco. We thank you both for your passion, dedication and many years of service to our society.

We sincerely thank all of our dedicated and passionate volunteers for everything that you do. We look forward to working alongside you all in the future.

With all the excitement, chatter and anticipation surrounding the new 'ELVIS' film coming out at the end of June, The Society of St Hilarion thought there was no better excuse to get our community together for an evening. On Friday night 1st July we ran a special screening of the 'ELVIS' film at the Capri Theatre. We had drinks and nibbles for purchase, raffles etc.. Well over 100 people attended the evening, we all had a fantastic night out.

Then on August, Sunday 28th The Society held a luncheon at the beautiful Vigna Bottin & Osteria in Willunga. This was planned to be a full day out, with return bus trip, a magnificent lunch, wines

and live entertainment. We also supplied and roasted chestnuts on the day for sale, it was like a little bit of Tuscany in Adelaide. The weather on the day was fantastic. It was unfortunate we didn't receive the best reception of ticket sales from our community, nevertheless everyone that did attend had an amazing experience. Thank you to Maria and Paolo Bottin for their gracious hospitality on the day. We had a blast!

Meanwhile as all of this was happening, in the background the Executive Committee were working on staging the 2022 Feast.

To my Executive Committee a big thank you to all of you for your hard work, support and belief in me. A special thanks goes out to our Secretary Viv Dichiera and Treasurer Nick Stefano for all their dedication and long hours put in.

Viva, Ilarione.

Thank you

Vince Greco

President of The Society Of St Hilarion





Thank you

Dr Franco Chitti

Dr Franco Chitti this year has decided not to accept nomination to the Aged Care Management Board.

Franco commenced as inaugural chairperson in 1987 - 1999 with continuous service to the Aged Care Board of Management as a board director until June 2022.

At the July 2022 board meeting the board officially acknowledged the resignation of Dr Franco Chitti after 35 years of service. The board expressed their respect and profound gratitude for all his efforts. Franco expressed his appreciation and admiration toward the board and the work that has been accomplished.

As normal Franco has been humble and failed to acknowledge his own accomplishments.

Foundation Member from 1969

Procurator between 1969 – 1972
and 2004 – 2022.

Society Religious officer from 1969

1987 – Purchase of Weeroona Nursing Home,
Henley Beach Rd Lockleys

1990 - Redevelopment and expansion
– Saint Hilarion, Lockleys

1992 – Development of 50 bed complex
– Villa Saint Hilarion, Fulham

1993 – Development of 52 bed complex
– Saint Hilarion, Findon

1999 – Instrumental in Franciscan Sisters of St
Anthony joining Saint Hilarion

2003 - Instrumental in the appointment of
Scalabrini Pastoral Care Director.

2004 - Heavily involved in the research and
development of the House of Saint Hilarion, Seaton.

2019 – Fulham redevelopment

Resident Medical Officer for Saint Hilarion Aged Care

Dr Franco Chitti has dedicated his life to the Society of Saint Hilarion ensuring it embarked on its Aged Care venture with clinical guidance, wisdom, and diplomacy. He was the driver through the forever changing and rapidly expanding activities from 1990 – 2022.

He is a true gentleman, an inspiration, and a passionate advocate for aged care services, working tirelessly to deliver the highest standard of care and clinical excellence.

Franco's commitment and vision was instrumental in successfully guiding the organisation through many accreditations. His efforts have ensured the health and care of many generations of the Saint Hilarion Community.

Please join me in wishing Franco all the very best as he takes a well-earned rest.

Message from the Chair

On behalf of the Board of Directors, I am pleased to present to you Saint Hilarion's annual report for the financial year ended 30th June 2022.

In the 3rd quarter of our financial year, we said goodbye to our CEO Dr Carol Davy. After 3 years of leading us through many changes and challenges including COVID, Carol has decided to move on to Flinders University and has joined the Aged Care Centre for growth and Translational Research. We thank Carol for her achievements and dedication to the staff and residents of Saint Hilarion and wish her the best in her new endeavour.

We were most fortunate to quickly recruit our next CEO Mr Vincenzo Libri in April 2022. Vincenzo was welcomed into our aged care with a visit from the auditors and a lockdown due to a COVID breakout at Fulham. He and the team worked hard to ensure the breakout was contained and to have services returned to normal as quickly as possible and managed to achieve full accreditation!

Vincenzo has quickly settled into his role and is now striving to deliver the best care to our residents whilst continuing to ensure the wellbeing of our staff is at the forefront of his priorities.

We have implemented new technological advancements over the past year with wifi infrastructure upgraded over both sites, new electronic system for delivery of our meals via "Souped up" and we continue to implement electronic delivery of our medications and incorporating this into our overarching continuous improvement program.

We commenced the financial year with a loss of \$2.6 million and with the strong leadership of our executive team we have managed to slowly climb back from this deficit.

Most in the aged care industry are experiencing a decline in financial sustainability, due in large part to the past five years of inflation increases not matching the increased costs of direct care, declining occupancy levels and the ongoing effect of the global pandemic.



The new financial year brings with it many changes yet again in the industry. Outcomes from the Royal Commission are being slowly introduced, commencing with the introduction of a new funding model known as AN-ACC. This model is designed to enable providers to deliver an average of 200 minutes of care per resident per day. Something we can proudly state already occurs in our homes. There is a change in quarterly financial reporting and many other new initiatives.

We are fortunate to be back at 100% occupancy at both our sites. Seaton is accredited until March 2024 and Fulham until July 2025. Our community care team have managed to increase and maintain services to over 100 home care clients and growing, they are forever striving to excel in delivering the best service to those who entrust their care into our hands.

Throughout the year we have had board directors join and leave us, I would like to thank them for their support: William Galimi and Phillip Ventry. I also encourage anyone who wishes to join our board of management to contact me.

I would like to thank my fellow board members, the executive committee, management team, staff, Franciscan Sisters of Saint Anthony, The Scalabrini Fathers, volunteers, and members for their support and hard work throughout the past year which has enabled us to continue to deliver the best care for those in our care. Together I am sure we will continue to focus on delivering our Aged Care Values – Respect, Trust, Compassion and Accountability under the "Omnia ad Gloriam dei per S.Hilarionem"

Rosemary Velardo.
Chair of Board

“We would like to acknowledge our tremendous team who have delivered fantastic outcomes for our residents, community clients, and their families.”



Message from the CEO

From its inception, the mission of the Society of Saint Hilarion Aged Care has been to ensure that the elderly within our community are cared for with respect, dignity, and empathy. Some 35 years on, these values remain.

Since taking on the role of CEO on 1 April 2022, we have taken the view that the Society of Saint Hilarion Aged Care plays a fundamental role in the wellbeing of the elderly we care for, and all that we do is indeed to support this objective. Of course, there have been challenges. Inevitably COVID-19 has played its part. Its effects have pervaded all aspects of our aged care operation and mission, as has previous approaches to aged care management, and how we perceive aged care from a consumer satisfaction standpoint. Combined, there has been a significant impact on our financial position, our community standing, and our brand.

Now, more than ever, is the time to look forward and outline the vision for our future. Whilst there are more challenges ahead, it is with confidence that the Society of Saint Hilarion Aged Care is positioned to meet these challenges. At the time of writing, our facilities at both Fulham and Seaton are full and we have a waiting list. We are developing a new dining menu that is much more culturally based and ensures our residents are offered meals that speak to the Italian culture. Our religious and cultural activities are increasing, and we are ensuring that we open as much as possible to promote these. We have reinvigorated the Society of Saint Hilarion Community Kitchen and have reinstated I Dolci Santi. As always, volunteers play an important role in this regard and we welcome more volunteers to assist.

There is more to do.

As of 1 October 2022, the Australian Federal Government introduced a new funding model AN-AAC and with that new operating requirements, such as star ratings for staffing levels, resident satisfaction, quality of meals, and so on. There will be targets for care such as an average of 200 active care minutes per resident per day including 40 minutes of registered nurse time. We are confident that we can meet these requirements,



but we can only succeed when we are united. We will continue to work closely with all our stakeholders; our residents, their families, volunteers, our frontline care team, the management team, the aged care board, and the Society of Saint Hilarion itself.

Our approach to wellbeing is holistic, ensuring that each of our resident's physical, mental, emotional, social, and spiritual needs are met. With the support of the Scalabrini priests, the Franciscan Sisters of Saint Anthony, and diverse denominational religious leaders, we ensure the spiritual wellbeing of our residents. We offer a dining menu that continues to be well above standard. Our clinical care meets and often surpasses current benchmarks, and our wellbeing team delivers on the daily activities that ensure that our residents remain socially engaged and mentally well.

I would like to acknowledge our tremendous team who have delivered fantastic outcomes for our residents, community clients, and their families. Whilst it has been another difficult year, the level of commitment, resilience, and care has been nothing short of exceptional.

Our future vision is to deliver wellbeing for all our residents inspired by the Saint Hilarion ethos, employing a best practice framework, and ensuring we are financially sustainable. We look forward to doing so over the course of the coming year and in the years to come.

I thank you for your support and wish you and your family peace, love, and happiness.

Viva Sant'Ilario!

Vincenzo Libri
CEO



What we value about communities

Every year we focus on an important life theme. In 2022, the theme was celebrating "communities" and the joy and support they bring to our lives. The people we care for and our staff were asked what they value about communities. Here are just a few of the hundreds of entrants received over the last 10 months.



The Society of Saint Hilarion Executive Committee



Vince Greco
**Society President
Board Member**



Dominic Greco
Vice President



Nick Stefano
Treasurer



Vivienne Dichiera
Secretary



Tahlia Greco
Public Relations Officer



Matilda Gallina
Voting Councillor



Robert Dichiera
Voting Councillor



Silvana Niutta
Voting Councillor



Lara Greco
Voting Councillor



Madeleine Franze
Non-Voting Councillor



Lorenza Velardo
Non-Voting Councillor



Phil Peluso
Non-Voting Councillor

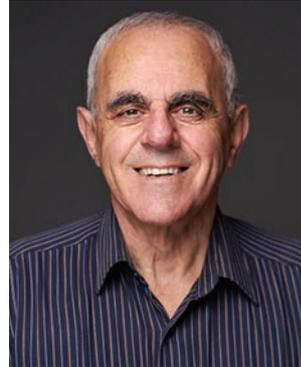
The Society of Saint Hilarion Aged Care Management Board



Rosemary Velardo
Chair of the Board



Franco Chitti
Board Member



Roy Fazzalari
Board Member



Joe Fanto
Board Member



Pino Dichiera
Board Member



Vince Greco
**Society President
Board Member**

Our Executive Staff



Vincenzo Libri
Chief Executive Officer



Jason Morrison
Chief Financial Officer

What did 2021-2022 look like?

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



385,440

which is 6 meals per person per day



10950 hours

of wellbeing Supprt provided



226 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



3,124 hours

of Residential and Community staff learning



staff

106 183 40

casual, part-time full-time

34 staff with > 10 but < 20 years of service

longest service **35.5 years**

second longest service **31.6 years**

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

average staff tenure **4.3 years**

142 care workers

32 enrolled nurses

22 registered nurses

63 hospitality & housekeeping

14 community workers

6 lifestyle

QUICK STATS

- **Two unannounced Residential visits from the Aged Care Quality and Safety Commission** to undertake reaccreditation audits. Accreditation was obtained, in both cases, for 3 years.
- **Two unannounced Residential and Home Care visits from the Aged Care Quality and Safety Commission** to test the rigour of our Covid-19 Outbreak Management Plans.
- **295 feedback matters received** and managed by our leadership group.
- **60 workplace incidents reported** and resolved to improve client and workforce safety.
- **Two Residential client satisfaction surveys** rolled out, with 60% response rate
- **Two visits from the City of West Torrens Council** for accreditation against our food safety program.
- **One health check visit from Catholic Safety Health & Welfare SA** to monitor compliance against our Safety systems.
- **Excellent performance and improvement** with our WorkCover and Early Intervention Program.

What are people saying about our service?

"To all the staff in the pink wing there are simply not enough words to express how grateful we are to you all for giving our mother the best time in her later years, She wasn't keen on going into a home initially but you helped her settle in by being kind, affectionate and it didn't take long for her to settle in you are incredibly special people and we cannot thank you enough."

"The Clinical Care of our father during his End-of-Life Pathway was outstanding. The staff were brilliant ensuring he was comfortable and clean. Nurses ensured the appropriate medications were administered and kept the family informed of changing care needs."

"Mum has been very happy being here. Enjoying the meals and the vibrant atmosphere of the dining room. She enjoys the meals, today she stated the Pasta with Prawns was 5 star. She also enjoys the music and the staff as they are friendly."

"Pasta Broccoli other day was wonderful, delicious, perfect."

"Well done and great job in assisting resident who was feeling stressed to feel better, feel understood. Lifestyle helped a lady who was struggling wanting to leave the facility, he went down to her level spoke to her and helped her, I felt he did a great job and was so patient and understanding with her."

"The special "pasta al forno" pasta bake the volunteers made as entre for lunch today was so delicious! Just like we made at home. I would like to thank them very much and look forward to the next one."

"On behalf of my mother, 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 for her. We always felt she was in good hands..."

"We have come from a different aged care facility because we were told the care was better at Saint Hilarion. It's further for us to travel to visit, but dad is so happy here! So glad we made the choice to move! Thank you..."

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



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 (Dolci Santi) and even in administration. Our heartfelt thanks go out to every one of our Volunteers.



Our Team

Throughout 2021/2022 we have seen a significant increase in regulatory and compliance requirements which was again dominated by the continuation of the Covid-19 pandemic. Implementing improved internal systems and new processes, in-line with change in Government and aged care sector reform, is a strong focus for the team both now and into the future.

We are proud of our entire workforce who continue to demonstrate resilience, care and compassion in a tremendously tough environment. Our teams offered major contributions to quality and compliance and an ongoing commitment toward our major goal, to achieve and maintain full accreditation across all compliance programs at both Fulham and Seaton Residential services and in our Community Care program.



Corporate Services

2022 has been an exciting year for Corporate Services at Saint Hilarion with the implementation of the Technology Enhancement Projects which have been funded by a Business Improvement Grant. Each project has been delivered with the vision of improving services provided to our residents and families.

Wi-Fi has been upgraded to allow the use of wireless devices by residents and guests and provide support to staff with daily tasks.

Souped Up is our Electronic Menu Management System which enables resident meal choices and provides a layer of protection to ensure each resident receives suitably textured food items. We are also plating up in the Seaton kitchen to ensure all dietary requirements are being met from a controlled environment.

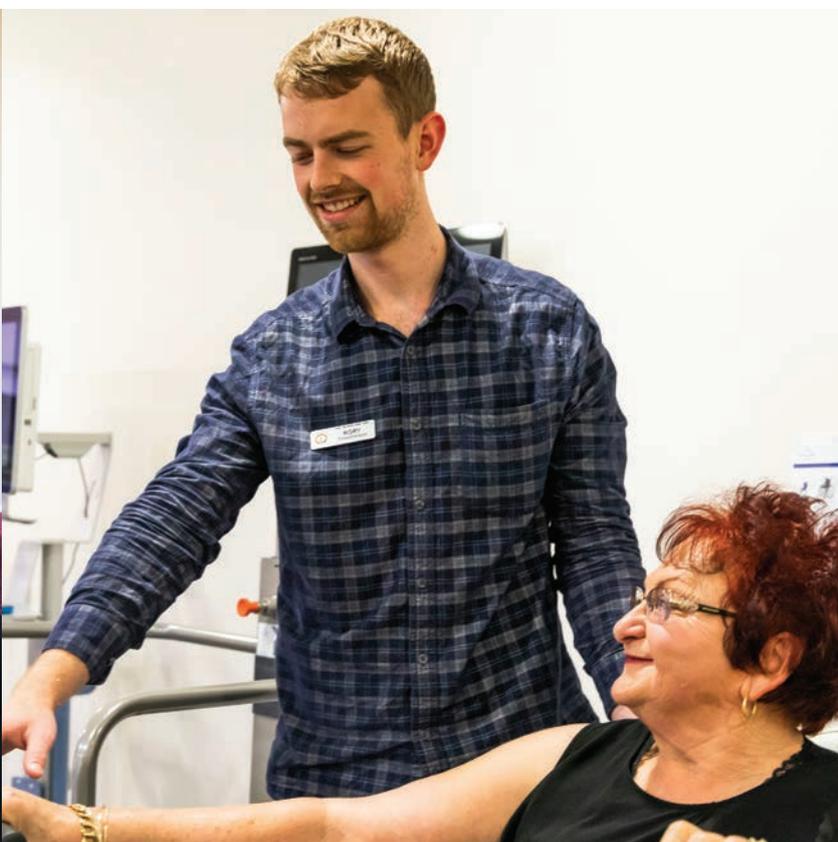
Mobile Point of Care is still being rolled out and when completed will enable Care staff to update medical records whilst in the

presence of the resident meaning more time can be spent with the resident.

Supporting people to remain in their homes continues to be a strong focus of our care for older people in the community. This year has seen Saint Hilarion's Home and Community Care services grow by 36%. A total of 127 clients were supported by us to stay in their home with 67% of these having been assessed as with high care needs. Saint Hilarion Home and Community Care clients received a combined total of 20876 hours of direct service including personal care, domestic assistance, nursing and physiotherapy as well as gardening and home maintenance.

At times people's health and support needs increase beyond the capacity of a home Care package, and in such instances, we work to ensure that they continue to get the support they need. This year we were pleased to be able to assist two thirds of clients who made the decision to move into residential care to take up a place in a Saint Hilarion facility.

Tempo Mio (My Time) is our weekly community social group and has also continued this year despite the challenges of COVID. Activities this year include concerts, bus trips, bingo, bocce, cards, gym exercises and coffee groups.



Looking after people living in the community

Supporting the wellbeing of people living at home is a critical part of our service provision. This year, our community services team has focused on expanding our services. Our new social programs encourage the people we care for in the community to build new and maintain existing relationships. In home physiotherapy 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

Tempo Mio our social program includes a variety of activities for our residents and those in our community. Activities this year have included concerts, bus trips, bingo, bocce, cards, gym exercises and coffee groups. Some clients choose to take part in these activities every week whilst others attend our social programs when they feel the need. One thing is for sure, everyone is welcome!

OUR HOME CARE PACKAGES

We Coordinate Your Care

Our Community Care Coordinators work hard to ensure that clients make the most of their Home Care Package. They encourage our clients to utilise the range of regular and once off services that are available, ensuring that each person receives the optimal care at the right time



Looking after people living in our residential facilities

Our team understands that attitudes to ageing and aged care are changing. Our health care team continue to work hard to improve the emotional, mental, social, spiritual as well as physical wellbeing of all our residents ensuring quality care. Saint Hilarion is proud to have averaged 3.76 hours of direct care per resident per day in the 2021/22 financial year – already well above the 2023 requirement of 3.33 hours.

OUR CLINICAL CARE

We have received extremely positive feedback from residents and families about our 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 hours a day. This supports our mission for our residents and their families to be well cared for.

OUR ALLIED HEALTH SERVICES

Our permanent allied health team offer continuity of care. In 2021/22 the Allied Health program expanded to include additional gym sessions and a falls prevention program. Saint Hilarion also has three fulltime physiotherapists available in house, allowing our residents the opportunity to maintain and improve functional balance and strength as well as reducing waiting time in-between patients.

OUR MENTAL HEALTH SERVICES

At Saint Hilarion, we are proud to be one of the very few services to offer in house mental health care services across our two facilities. Our Mental Health and Wellbeing Coordinator has worked diligently over the past 12 months to ensure that the emotional and social needs of all our residents 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

At Saint Hilarion, we provide a Spiritual Care Service that provides all residents with religious, spiritual, and emotional support to enhance health and wellbeing. We are privileged to have the Franciscan



Sisters of Saint Anthony and Scalabrini Fathers on site to provide pastoral care and we also welcome religious leaders from The Scalabrini Church, The Uniting Church, and Greek Orthodox Churches who also cater to the spiritual needs of our residents.

OUR WELLBEING SERVICES

The Wellbeing Team at Saint Hilarion continue to refresh and update their programs and have worked closely with the Allied Health Team to introduce additional fitness programs into daily activities. In addition to our regular Italian performers, we also offer multicultural experiences for our residents with performances reflecting a variety of cultural backgrounds, adding colour and vibrancy to our program.

We are delighted to have our much-loved therapy dogs Gilbert and now Sidney as well as guinea pigs, chickens, fish, and birds, all of which play a significant role in helping to support our resident's wellbeing.

OUR CATERING

At Saint Hilarion, we believe that food and wellbeing go hand in hand. We work hard to ensure that our menus are nutritious, tasty, and most importantly, include variety for our residents. The food we prepare is made with great love and care and respects the culture of our residents.

We recently introduced a daily individual menu, SoupedUp, which is available at both the House of Saint Hilarion and Villa Saint Hilarion giving our residents choice in meals on a daily basis..

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 commenced earlier in 2022 and include smart electronic security device installation at both The House of Saint Hilarion and Villa Saint Hilarion. These ensure improved safety as well as independence for our residents.

"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 2022

	Note	2022 \$	2021 \$
Revenue	4	18,027,058	16,995,394
Other income	5	1,419,326	1,573,043
Expenses			
Administration and other expenses		(2,853,422)	(2,641,905)
Catering, cleaning and laundry		(846,598)	(891,458)
Depreciation and amortisation expense		(1,300,872)	(1,102,783)
Employee benefits expense		(14,768,684)	(14,335,552)
Finance costs	6	(1,566,568)	(1,499,907)
Rates and utilities		(349,059)	(425,019)
Repairs and maintenance		(221,107)	(291,982)
Total expenses		<u>(21,906,310)</u>	<u>(21,188,606)</u>
Deficit for the year		(2,459,926)	(2,620,169)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of land and buildings		<u>2,249,487</u>	-
Other comprehensive income for the year		<u>2,249,487</u>	-
Total comprehensive income for the year		<u>(210,439)</u>	<u>(2,620,169)</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 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	7	5,264,120	5,892,443
Trade and other receivables	8	306,125	270,455
Prepayments		54,831	89,473
Total current assets		<u>5,625,076</u>	<u>6,252,371</u>
Non-current assets			
Property, plant and equipment	9	35,052,650	33,128,711
Intangible assets	10	603,073	829,225
Total non-current assets		<u>35,655,723</u>	<u>33,957,936</u>
Total assets		<u>41,280,799</u>	<u>40,210,307</u>
Liabilities			
Current liabilities			
Trade and other payables	11	1,882,955	2,436,553
Borrowings	12	360,000	360,000
Employee provisions	13	1,731,743	1,635,519
Resident loans	14	34,671,037	32,936,271
Total current liabilities		<u>38,645,735</u>	<u>37,368,343</u>
Non-current liabilities			
Borrowings	12	2,070,000	2,080,000
Employee provisions	13	188,622	175,083
Total non-current liabilities		<u>2,258,622</u>	<u>2,255,083</u>
Total liabilities		<u>40,904,357</u>	<u>39,623,426</u>
Net assets		<u>376,442</u>	<u>586,881</u>
Equity			
Reserves		2,249,487	-
Retained surplus		<u>(1,873,045)</u>	<u>586,881</u>
Total equity		<u>376,442</u>	<u>586,881</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 2022

	Asset revaluation reserve \$	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	-	(2,620,169)	(2,620,169)
Balance at 30 June 2021	-	586,881	586,881

	Asset revaluation reserve \$	Retained surplus \$	Total equity \$
Balance at 1 July 2021	-	586,881	586,881
Deficit for the year	-	(2,459,926)	(2,459,926)
Other comprehensive income for the year	2,249,487	-	2,249,487
Total comprehensive income for the year	2,249,487	(2,459,926)	(210,439)
Balance at 30 June 2022	2,249,487	(1,873,045)	376,442

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 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from resident fees, client charges and other income		7,208,993	6,544,860
Receipts from government subsidies		11,149,167	10,977,768
Payments to suppliers and employees		(19,838,641)	(18,229,187)
Interest received		10,080	18,415
Finance costs		<u>(158,020)</u>	<u>(161,719)</u>
Net cash used in operating activities		<u>(1,628,421)</u>	<u>(849,863)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		<u>(754,668)</u>	<u>(868,404)</u>
Net cash used in investing activities		<u>(754,668)</u>	<u>(868,404)</u>
Cash flows from financing activities			
Proceeds from resident loans		12,365,487	8,828,617
Repayments of resident loans		(10,600,721)	(7,928,654)
Proceeds from borrowings		350,000	470,000
Repayment of borrowings		<u>(360,000)</u>	<u>(360,000)</u>
Net cash from financing activities		<u>1,754,766</u>	<u>1,009,963</u>
Net decrease in cash and cash equivalents		(628,323)	(708,304)
Cash and cash equivalents at the beginning of the financial year		<u>5,892,443</u>	<u>6,600,747</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>5,264,120</u></u>	<u><u>5,892,443</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 2022

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 1 November 2022.

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.

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

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The association has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), 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.

Note 2. Significant accounting policies (continued)

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.

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.

Note 2. Significant accounting policies (continued)

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.

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 \$33,020,659 (2021: \$31,117,731), 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 totaling \$34,671,037 (2021: \$32,936,271) 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 believe 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

	2022	2021
	\$	\$
Accommodation charges	79,412	141,009
Client fees	549,889	443,385
Daily accommodation payments	838,489	887,460
Government subsidies	11,181,987	11,019,459
Other operating revenue	721,996	286,175
Resident fees and charges	<u>4,655,285</u>	<u>4,217,906</u>
Revenue	<u><u>18,027,058</u></u>	<u><u>16,995,394</u></u>

The Society of Saint Hilariion Incorporated
Notes to the financial statements
30 June 2022

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

	2022	2021
	\$	\$
Net gain on disposal of property, plant and equipment	(5,495)	-
Donations	6,193	8,815
Government stimulus	-	207,625
Imputed interest on resident loans	1,408,548	1,338,188
Interest	<u>10,080</u>	<u>18,415</u>
Other income	<u>1,419,326</u>	<u>1,573,043</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 2022

Note 6. Finance costs

	2022 \$	2021 \$
Imputed interest on resident loans	1,408,548	1,338,188
Other finance costs	158,020	161,719
	<u>1,566,568</u>	<u>1,499,907</u>

Note 7. Cash and cash equivalents

	2022 \$	2021 \$
<i>Current assets</i>		
Cash on hand	4,220	4,550
Cash at bank	5,259,900	5,887,893
	<u>5,264,120</u>	<u>5,892,443</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 8. Trade and other receivables

	2022 \$	2021 \$
<i>Current assets</i>		
Trade receivables	122,048	155,364
Other receivables	184,077	115,091
	<u>306,125</u>	<u>270,455</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.

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2022

Note 9. Property, plant and equipment

	2022 \$	2021 \$
<i>Non-current assets</i>		
Land	18,900,000	6,825,000
Buildings	13,711,632	32,137,535
Less: Accumulated depreciation	(18,082)	(8,007,657)
	<u>13,693,550</u>	<u>24,129,878</u>
Plant and equipment	6,913,483	6,751,481
Less: Accumulated depreciation	(5,220,320)	(4,921,853)
	<u>1,693,163</u>	<u>1,829,628</u>
Motor vehicles	211,987	211,987
Less: Accumulated depreciation	(168,967)	(158,193)
	<u>43,020</u>	<u>53,794</u>
Computer equipment	859,071	639,372
Less: Accumulated depreciation	(501,251)	(432,082)
	<u>357,820</u>	<u>207,290</u>
Work in Progress (WIP)	365,097	83,121
	<u><u>35,052,650</u></u>	<u><u>33,128,711</u></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 2021	6,825,000	24,129,878	1,829,628	53,794	207,290	83,121	33,128,711
Additions	-	-	252,993	-	77,924	423,751	754,668
Disposals	-	-	(5,496)	-	-	-	(5,496)
Revaluation	12,075,000	(9,825,513)	-	-	-	-	2,249,487
Transfers in/(out)	-	-	-	-	141,775	(141,775)	-
Depreciation expense	-	(610,815)	(383,962)	(10,774)	(69,169)	-	(1,074,720)
Balance at 30 June 2022	<u>18,900,000</u>	<u>13,693,550</u>	<u>1,693,163</u>	<u>43,020</u>	<u>357,820</u>	<u>365,097</u>	<u>35,052,650</u>

Land and buildings is recorded at fair value based on an independent valuation performed by Knight Frank at 30 June 2022. A revaluation surplus has been recorded in other comprehensive income.

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.

The Society of Saint Hilariion Incorporated
Notes to the financial statements
30 June 2022

Note 9. Property, plant and equipment (continued)

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 10. Intangible assets

	2022	2021
	\$	\$
<i>Non-current assets</i>		
Bed licences	<u>603,073</u>	<u>829,225</u>

Future deregulation of bed licences

On 30 September 2021, the Australian Government released a discussion paper Improving Choice in Residential Aged Care - ACAR Discontinuation. The discussion paper has confirmed its intention to abolish the Aged Care Approvals Round ("ACAR") and associated supply restrictions on bed licences which was first announced in May 2021. The reforms will see the discontinuation of the licences from 1 July 2024. These bed licences were previously recognised as intangible assets with an indefinite useful life and therefore were not amortised.

Following the Government's announcement and the information provided in the discussion paper in September 2021, the Board expect that the remaining useful lives of the bed licences would not extend beyond 1 July 2024, therefore determine that it is appropriate to commence the amortisation of these licences under AASB 138 Intangible Assets from 1 October 2021 to 30 June 2024 on a straight-line basis. The change in the useful life assessment was treated as a change in accounting estimates under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and therefore was recognised prospectively from 1 October 2021. As a result of the change, the amortisation expense recognised in the statement of profit or loss is \$226,152 for the 9 months ended 30 June 2022.

Note 11. Trade and other payables

	2022	2021
	\$	\$
<i>Current liabilities</i>		
Trade creditors	460,474	510,016
Sundry payables and accrued expenses	463,290	370,073
Unspent home care funds	900,868	977,000
Other payables	44,116	32,941
Grants in advance	<u>14,207</u>	<u>546,523</u>
	<u>1,882,955</u>	<u>2,436,553</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.

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2022

Note 12. Borrowings

	2022 \$	2021 \$
<i>Current liabilities</i>		
Bank loans	<u>360,000</u>	<u>360,000</u>
<i>Non-current liabilities</i>		
Bank loans	<u>2,070,000</u>	<u>2,080,000</u>
	<u><u>2,430,000</u></u>	<u><u>2,440,000</u></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 13. Employee provisions

	2022 \$	2021 \$
<i>Current liabilities</i>		
Annual leave	986,985	895,033
Long service leave	<u>744,758</u>	<u>740,486</u>
	<u>1,731,743</u>	<u>1,635,519</u>
<i>Non-current liabilities</i>		
Long service leave	<u>188,622</u>	<u>175,083</u>
	<u><u>1,920,365</u></u>	<u><u>1,810,602</u></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 14. Resident loans

	2022 \$	2021 \$
<i>Current liabilities</i>		
Resident loans	<u>34,671,037</u>	<u>32,936,271</u>

The Society of Saint Hilarion Incorporated
Notes to the financial statements
30 June 2022

Note 14. Resident loans (continued)

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.

	2022	2021
	\$	\$
Resident loans expected to be repaid within 12 months	9,707,890	9,337,432
Resident loans expected to be repaid after 12 months	24,963,147	23,598,839
	<u>34,671,037</u>	<u>32,936,271</u>

Note 15. Key management personnel disclosures

Compensation

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

	2022	2021
	\$	\$
Aggregate compensation	<u>256,649</u>	<u>442,430</u>

Note 16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by HLB Mann Judd, the auditor of the association:

	2022	2021
	\$	\$
Audit of the financial statements	<u>22,000</u>	<u>21,250</u>

Note 17. 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 18. Related party transactions

There were no transactions with related parties during the year.

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 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 2022

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 2022 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

1 November 2022

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 2022, 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 2022 and of its financial performance and cash flows for the year then ended; and
- b) complying with Australian Accounting Standards – Simplified Disclosures 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 – Simplified Disclosures 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
11 November 2022



Corey McGowan
Director

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The Society of Saint Hilarion Incorporated
Social Welfare
Profit & Loss (Cash) 2022 Financial Year

Income

St Hilarion Feast 2021	\$ 87,398.25
Joe Avati Event Dec 10, 2021 - Woodville Town Hall	\$ 43,074.14
Zeppole Masterclass - Adelaide Italian Festival	\$ 2,387.00
Vigna Bottin Wine Tour	\$ 1,723.95
Elvis Movie Night (held on July 1, 2022)	\$ 1,797.20
Memberships 2022	\$ 1,140.00
Volunteers Luncheon chestnuts sales	\$ 165.00

Total Income

\$ 137,685.54

Expense

St Hilarion Feast	\$ 63,216.22
Joe Avati Event	\$ 28,830.62
Zeppole Masterclass	\$ 441.30
Vigna Bottin Wine Tour Refunds (cancelled due to COVID)	\$ 2,022.90
Donations to Church, choir and other organisations	\$ 2,800.00
Tributes	\$ 1,604.01
Sundry expenses (food, drinks, misc bills, Xmas EC Dinner)	\$ 3,926.88
Volunteers Luncheon (2021 Feast) held 15/05/22	\$ 1,238.11

Total Expense

\$ 104,080.04

Net Cash Profit/(Loss)

\$ 33,605.50

Cash Balance as per General Ledger

Opening cash book balance as at 1/7/21	\$ 45,324.26
Plus: Cash Profit for the year	\$ 33,605.50
Cash as at 30/6/22	<u>\$ 78,929.76</u>

Bank Reconciliation

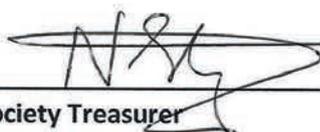
Closing bank balance per bank statement	\$ 78,929.77
Closing cash book balance as at 30/6/22	\$ 78,929.76
Unexplained variance	<u>\$ 0.01</u>



Society President

11/11/22

Date



Society Treasurer

11/11/22

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 2022.

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 2022.

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.

A handwritten signature in blue ink that reads 'HLB Mann Judd'.

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
11 November 2022

A handwritten signature in blue ink that reads 'C. McGowan'.

Corey McGowan
Director

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We acknowledge the traditional custodians of country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to Elders past, present, and future



The Society of Saint Hilarion

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