



EVA TILLEY

Caring with Dignity

EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019

EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

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EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

DIRECTORS' REPORT

The Board of Directors present their Report on the Eva Tilley Memorial Home Incorporated, "the Association" for the financial year ended 30 June 2019.

Board

The names of the Members in office at any time during or since the end of the financial year are:

Ian McHutchison	President
Margaret Smith	Vice President
Peter Bennett	(Resigned 29 October 2018)
Carol Toop	
Karen Corry	(Resigned 27 November 2018)
Clarke Ballard	
Ian Adams	
Judy Currey	
Ana Siddiqui	
Michele McGrath	(Appointed 27 November 2018)

The Members have been in office since the start of the financial year to the date of this Report unless otherwise stated.

Operating Results

Revenue from operating activities for the financial year was \$8,311,207 (2018: \$8,068,219), and total revenue was \$8,561,545 (2018: \$8,330,247). The result for the financial year was a deficit of \$473,241 (2018: \$506,878). This result was after depreciation charged of \$641,943 (2018: \$642,040).

Review of Operations

A review of the operations of the Association during the financial year and the results of those operations found that during the year, the Association continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant Changes in State of Affairs

No significant changes in the state of affairs of the Association occurred during the financial year.

Principal Activities

The principal activity of the Association during the financial year was the provision of Aged Residential Care.

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

After Balance Date Events

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

Likely Developments

The Association expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

Environmental Issues

The Association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Indemnification of Officer or Auditor

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

EVA TILLEY MEMORIAL HOME INCORPORATED
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DIRECTORS' REPORT (continued)

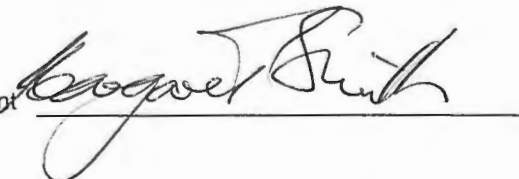
Proceedings on Behalf of the Association

No person has applied for leave of Court to bring proceedings on behalf of the Association or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or any part of those proceedings.

The Association was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Management:

President 

Vice President 

Dated this 30 day of August 2019



OMW

Orr, Martin & Waters

CHARTERED ACCOUNTANTS

461 Whitehorse Road
Balwyn Vic 3103

Tel: 9836 8222
Fax: 9836 8331
ABN 90 040 794 950

Partners:

John E Volders
Larry R Gilmour
Grant W Petering

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF EVA TILLEY MEMORIAL HOME INCORPORATED

Report on the Financial Report

We have audited the accompanying financial report of Eva Tilley Memorial Home Inc. (the Association) which comprises the statement of financial position as at 30 June 2019 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by Members of the Board.

Board's Responsibility for the Financial Report

The Board of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Reform Act 2012 (Vic) and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian Professional Ethical Pronouncements.

Opinion

In our opinion, the financial report of Eva Tilley Memorial Home Inc. is in accordance with the Associations Incorporation Reform Act 2012 (Vic) including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board financial reporting responsibilities under the Associations Incorporation Reform Act 2012 (Vic). As a result, the financial report may not be suitable for another purpose.

Name of firm: Orr, Martin & Waters

ORR MARTIN & WATERS

Name of partner: Larry R Gilmour

L R Gilmour

Address: 461 Whitehorse Road, Balwyn Vic 3103

Dated this 2nd day of September 2019

EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

Income	Notes	2019	2018
		\$	\$
Revenue from ordinary activities	2	8,311,207	8,068,219
Other Income	2	<u>250,338</u>	<u>262,028</u>
		8,561,545	8,330,247
Expenditure			
Employee benefits expense		(6,396,071)	(6,172,953)
Depreciation expenses	3 (a)	(641,943)	(642,040)
Repairs & Maintenance		(284,599)	(279,875)
Food & Provisions		(314,083)	(317,182)
Utilities		(177,034)	(151,934)
Interest on Bond/RAD refunds		(83,631)	(137,039)
Telephone & Postages		(44,534)	(37,139)
Insurance		(43,481)	(37,370)
Other expenses from ordinary activities		<u>(1,049,410)</u>	<u>(1,061,593)</u>
		9,034,786	(8,837,125)
Current year deficit		<u>(473,241)</u>	<u>(506,878)</u>
Total comprehensive deficit attributable to members of the entity		<u>(473,241)</u>	<u>(506,878)</u>

EVA TILLEY MEMORIAL HOME INCORPORATED

ABN 43 260 282 081

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Notes	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash assets	4	2,370,125	2,795,554
Receivables	5	260,663	311,333
Other Assets	6	-	2,008
Other financial assets	7	5,517,673	6,482,626
TOTAL CURRENT ASSETS		8,148,461	9,591,521
NON-CURRENT ASSETS			
Property, plant and equipment	8	25,452,351	23,662,331
Intangible Assets	9	3,600,000	3,600,000
TOTAL NON-CURRENT ASSETS		29,052,351	27,262,331
TOTAL ASSETS		37,200,812	36,853,852
LIABILITIES			
CURRENT LIABILITIES			
Payables	10	24,776,065	23,938,058
Prepaid Income	11	192,019	231,247
Provisions	12	746,750	670,115
TOTAL CURRENT LIABILITIES		25,714,834	24,839,420
NON-CURRENT LIABILITIES			
Provisions	12	182,925	238,138
TOTAL NON-CURRENT LIABILITIES		182,925	238,138
TOTAL LIABILITIES		25,897,759	25,077,558
NET ASSETS		11,303,053	11,776,294
EQUITY			
Asset Revaluation Reserve	13	5,278,515	5,278,515
Bed Licence Reserve	9	3,600,000	3,600,000
Retained surplus	15	2,424,538	2,897,779
TOTAL MEMBERS FUND		11,303,053	11,776,294

EVA TILLEY MEMORIAL HOME INCORPORATED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings	Bed Licence Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 30 June 2017	3,404,657	3,600,000	5,278,515	12,283,172
Deficit attributable to the entity	(506,878)	-	-	(506,878)
Balance at 30 June 2018	2,897,779	3,600,000	5,278,515	11,776,294
Deficit attributable to the entity	(473,241)	-	-	(473,241)
Balance at 30 June 2019	2,424,538	3,600,000	5,278,515	11,303,053

EVA TILLEY MEMORIAL HOME INCORPORATED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from residents and others		2,175,921	2,350,271
Receipts from government sources		5,999,461	5,514,286
Ingoing retentions		10,923	32,083
Donations Received		128,940	89,806
Payments to suppliers and employees		(8,396,356)	(7,998,053)
Interest received		246,300	343,801
Net cash generated from operating activities	16 (b)	<u>165,189</u>	<u>332,194</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Redeem / (Payments) for JBWere Investments		(735,047)	515,474
Redeem / (Payments) Term Deposits		1,700,000	2,868,048
Payment for property, plant and equipment		(2,431,964)	(255,107)
Net cash used in investing activities		<u>(1,467,011)</u>	<u>3,128,415</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Ingoings and loans received from residents		8,740,700	5,318,837
Ingoings and loans repaid to residents		(7,864,307)	(9,159,473)
Net cash generated from financing activities		<u>876,393</u>	<u>(3,840,636)</u>
Net increase/(decrease) in cash held		(425,429)	(380,027)
Cash at beginning of financial year		<u>2,795,554</u>	<u>3,175,581</u>
Cash and cash equivalents at end of financial year	16 (a)	<u>2,370,125</u>	<u>2,795,554</u>

EVA TILLEY MEMORIAL HOME INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, (including Australian Accounting Interpretations) and the Associations Incorporation Reform Act 2012 (Vic).

The financial report is for the entity Eva Tilley Memorial Home Incorporated as an individual entity. Eva Tilley Memorial Home Incorporated is an incorporated Association and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

(a) Revenue Recognition

Revenue is recognised when the Association is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Government revenue has been recognised in accordance with the legislation.

User Charges revenue from the rendering of a service is recognised when the service is provided. This is normally on a monthly basis.

Investment income comprises Interest and dividends. Both interest and dividend income are recognised in the period in which they are earned. In the event that the dividend or interest amount has not been received in cash or reinvested, a receivable is recognised as an asset pending payment or reinvestment of the interest or dividend amount.

Aged Care Accommodation Charges, Retentions revenue, and periodic Daily Accommodation Payment (DAP) includes accommodation charges charged to residents who are liable to pay such a fee under the Government's determination based on the Aged Care Act 1997 as well as retentions retained from accommodation bonds or refundable accommodation deposits or interest charged on unpaid bonds or refundable accommodation deposits. Aged Care Accommodation Charges, Retentions revenue and periodic DAPs are recognised when the service is provided. This is normally undertaken on a daily basis.

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

(b) Investment

Cash and cash equivalents include cash on hand and at call deposits with banks and financial institutions are measured on the cost basis.

Investments in securities are measured at fair value.

The carrying amount of investments are reviewed annually by the Board to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for securities in listed companies.

The Association has a portfolio of investments but does not have a pattern of short-term profit taking. Accordingly investments are classified as available-for-sale financial assets and are carried at fair value. Changes in the fair value of available-for-sale financial assets are recognised in the statement of income.

(c) Property, Plant and Equipment

Each class of property plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Property

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Freehold land and buildings are measured at cost, independent, Board or the fair value basis being the amount which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Plant and equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their estimated useful lives to the Association commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates and useful lives used for each class of depreciable assets are:

Class of fixed asset	Depreciation rates/useful lives	Depreciation basis
Buildings	2.5-3.33 %	Straight Line
Motor Vehicles	8.33-10 %	Straight Line
Office Equipment	5-20 %	Straight Line
Furniture Fixtures and Fittings	5-20 %	Straight Line
Computer Equipment	5-25 %	Straight Line

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

(d) Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense in profit or loss.

Financial assets at fair value through profit or loss

- (i) Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (ie gains or losses) recognised in profit or loss.

Receivables

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

- (ii) Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Held-to-maturity investments

- (iii) Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Impairment of Assets

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs of disposal and its value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(e) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits entitled to be settled within one year together with benefits arising from wages and salaries and annual leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at their current value based upon the pay rates at balance date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(f) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at call deposits with banks or financial institutions and net of bank overdrafts.

(g) General Donations

General donations and fund-raising and Government grants or subsidies in respect of operating expenses are recognised as income receipts and included in the determination of the operating result for the year. Donations for specific purposes are recognised as revenue and placed in a reserve account pending application.

(h) Aged Care Refundable Accommodation Deposits (RADs) and Accommodation Bonds

In Aged Care Residential Accommodation, in the event of death or departure of a resident, the refundable amount is calculated based on the Accommodation Bond paid less allowable retentions. For Refundable Accommodation Deposits (RADs) the full amount is refunded.

(i) Ingoing Contributions

Under the terms of Federal Government legislation applicable to the Association with effect from 1 October 1997, only fixed amounts of ingoing contributions received from residents may be retained. These amounts crystallise proportionately during the first 5 years of occupancy. Ingoing contributions in excess of these fixed amounts are refundable to residents upon their departure.

Ingoing contributions are carried at cost less revenue recognised on a straight line basis over the anticipated occupancy period of the residents.

The Association has adopted an accounting policy that recognises the Association's vested entitlement to the Bond Retention Contributions as normal income and any refundable amounts as liabilities.

(j) Capital Donations and Capital Grants

Donations, bequests and trusts of a capital nature or for capital expenditure and Government capital grants or subsidies, are recognised as operating revenue and placed in a reserve account pending application.

Amounts estimated to be refundable in the event of closure of any of the Association's facilities have been included in contingent liabilities.

(k) Income Tax

No provision for income tax has been raised as the Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(l) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(m) Going Concern

The Statement of Financial Position discloses total current assets of \$8,148,461 (2018: \$9,591,521) and total current liabilities of \$25,714,834 (2018: \$24,839,420).

This largely arises because Refundable Accommodation Deposits/Accommodation Bonds, totalling \$24,244,140 (2018: \$23,378,670), are classified in full as a current liability, whereas the assets to which the Bonds relate (land and buildings), are classified as non-current assets.

In practice, the rate at which residents vacate their aged care accommodation can be estimated. Given that the resident profile is generally consistent with prior periods, these prior periods provide a reliable estimate of future payment trends.

EVA TILLEY MEMORIAL HOME INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Refundable Accommodation Deposits/Accommodation Bonds are classified as a current liability because the Association does not have an unconditional right to defer settlement of Refundable Accommodation Deposits/Accommodation Bonds for at least 12 months after the reporting period.

The Liquidity Management Strategy of the Association has been developed after considering a number of factors including projected incoming Refundable Accommodation Deposits over the next 12 months.

The Association has a liquidity management strategy in place that requires available liquidity to be in excess of 12% of the total Refundable Accommodation Deposits/Accommodation Bond balances to ensure that refunds can be made as and when they fall due.

The current minimum liquidity level set by the Liquidity Management Strategy is \$3,000,000. This is 12.4% of the Refundable Accommodation Deposits/Accommodation Bond balances of \$24,244,140 at the 30th June, 2019.

Liquidity is monitored at least on a monthly basis to ensure that the liquidity management strategy is adhered to.

After considering all available current information, the Board has concluded that there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due and payable and the basis of preparation of the financial report on a going concern basis is appropriate.

EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 2: REVENUE AND OTHER INCOME			
Revenue from operating activities			
- rendering of services		2,151,771	2,419,777
- operating grants & subsidies		5,999,461	5,514,286
- donations		128,940	89,806
- ingoing retention		10,923	32,083
- other revenue		20,112	12,267
		<u>8,311,207</u>	<u>8,068,219</u>
Other Income			
Dividend / Distributions		95,184	100,074
Realised gain on Investment		-	-
Unrealised gain/(loss) on Investment		14,527	(13,502)
Interest received		136,589	164,284
Rental – 1104 Burke Road		4,038	11,172
		<u>250,338</u>	<u>262,028</u>
Total Revenue		<u>8,561,545</u>	<u>8,330,247</u>
NOTE 3: SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES			
Surplus/(deficit) from ordinary activities has been determined after:			
(a) Expenses			
Depreciation of non-current assets			
- Buildings		458,970	457,506
- Motor vehicles		3,919	3,919
- Plant and Equipment		179,054	180,615
Total Depreciation		<u>641,943</u>	<u>642,040</u>
Remuneration of the auditors for			
- audit or review services		<u>9,500</u>	<u>9,500</u>
NOTE 4: CASH ASSETS			
Cash on hand		455	500
Cash at bank		<u>2,369,670</u>	<u>2,795,054</u>
		<u>2,370,125</u>	<u>2,795,554</u>
NOTE 5: RECEIVABLES			
CURRENT			
Other debtors		<u>260,663</u>	<u>311,333</u>
NOTE 6: OTHER ASSETS			
Prepayment		<u>-</u>	<u>2,008</u>

EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 7: OTHER FINANCIAL ASSETS			
CURRENT			
Securities in listed corporation at market value		3,261,439	2,526,392
Term deposits		<u>2,256,234</u>	<u>3,956,234</u>
		<u>5,517,673</u>	<u>6,482,626</u>
NOTE 8: PROPERTY, PLANT AND EQUIPMENT			
LAND			
Freehold land:			
At fair value		<u>8,459,428</u>	<u>8,459,428</u>
Total freehold land		<u>8,459,428</u>	<u>8,459,428</u>
BUILDINGS			
At cost		22,203,406	19,783,752
Less accumulated depreciation		<u>(5,588,321)</u>	<u>(5,081,638)</u>
Total Buildings		<u>16,615,085</u>	<u>14,702,114</u>
Total land and buildings		<u>25,074,513</u>	<u>23,161,542</u>
PLANT AND EQUIPMENT			
(a) Motor vehicles			
At cost		56,315	56,315
Less accumulated depreciation		<u>(36,604)</u>	<u>(32,685)</u>
		<u>19,711</u>	<u>23,630</u>
(b) Plant and equipment, Furniture, fixtures and fittings, Computers			
At cost		1,388,772	1,555,332
Less accumulated depreciation		<u>(1,030,645)</u>	<u>(1,078,173)</u>
		<u>358,127</u>	<u>477,159</u>
Total plant and equipment		<u>377,838</u>	<u>500,789</u>
Total property, plant and equipment		<u>25,452,351</u>	<u>23,662,331</u>

EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
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(a) 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

	Freehold Land \$	Buildings \$	Motor Vehicles \$	Plant & Equipment \$
2019				
Balance at the beginning of the year	8,459,428	14,702,114	23,630	477,159
Additions	-	2,419,654	-	12,310
Disposals	-	-	-	-
Revaluation increment	-	-	-	-
Depreciation expense	-	(506,683)	(3,919)	(131,342)
Carrying amount at end of year	<u>8,459,428</u>	<u>16,615,085</u>	<u>19,711</u>	<u>358,127</u>

NOTE 9: INTANGIBLE ASSETS

Bed Licences at Valuation

	<u>3,600,000</u>	<u>3,600,000</u>
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Approved Provider Licences are issued by the Commonwealth Government. The Aged and Community Care Association for Victoria determines the approved licences have a valuation of \$30,000 per bed. Eva Tilley currently holds 120 bed licences.

NOTE 10: PAYABLES

CURRENT

Unsecured liabilities

Trade Creditors	290,340	329,772
Refundable Accommodation Deposits/Accommodation Bonds	24,244,140	23,378,670
Sundry creditors and accruals	<u>241,585</u>	<u>229,616</u>
	<u>24,776,065</u>	<u>23,938,058</u>

NOTE 11: PREPAID INCOME

Resident accommodation fees in advance	<u>192,019</u>	<u>231,247</u>
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EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 12: PROVISIONS			
CURRENT			
Employee benefits		<u>746,750</u>	<u>670,115</u>
NON-CURRENT			
Employee benefits		<u>182,925</u>	<u>238,138</u>
(a) Aggregate employee benefits liability		<u>929,675</u>	<u>908,253</u>
(b) Number of employees at year end		<u>128</u>	<u>120</u>
NOTE 13: RESERVES			
Assets Revaluation Reserve - Land			
Assets Revaluation Reserve – Land (2009)		<u>5,278,515</u>	<u>5,278,515</u>
Total reserves at the reporting date		<u>5,278,515</u>	<u>5,278,515</u>
NOTE 14: CAPITAL COMMITMENTS			
Capital Expenditures commitments constructed			
For:			
Air Conditioning works		410,881	-
Capital expenditure project (Building Refurbishment)		<u>1,106,882</u>	<u>3,825,000</u>
Payable		<u>1,517,763</u>	<u>3,825,000</u>
- not later than 12 months		1,517,763	3,825,000
- between 12 months and 5 years		-	-
- greater than 5 years		-	-
		<u>1,517,763</u>	<u>3,825,000</u>
NOTE 15: RETAINED SURPLUS			
Retained surplus at the beginning of the financial year		2,897,779	3,404,657
Net deficit attributable to members of the entity		<u>(473,241)</u>	<u>(506,878)</u>
Retained surplus at the end of the financial year		<u>2,424,538</u>	<u>2,897,779</u>

EVA TILLEY MEMORIAL HOME INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 16: CASH FLOW INFORMATION			
(a) Reconciliation of cash			
Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash on hand		455	500
Cash at bank		<u>2,369,670</u>	<u>2,795,054</u>
	16 (a)	<u>2,370,125</u>	<u>2,795,554</u>
(b) Reconciliation of cash flow from operations with deficit from ordinary activities after income tax			
Deficit from ordinary activities after income tax		(473,241)	(506,878)
Non-cash flows in surplus from ordinary activities			
Depreciation		641,943	642,040
Retention		(10,923)	(32,083)
Changes in assets and liabilities			
Decrease in receivables		50,670	30,660
(Increase)/decrease in other assets		2,008	5,095
Increase/(decrease) in payables		(27,462)	118,616
Increase/(decrease) in prepaid income		(39,228)	16,484
Increase in provisions		<u>21,422</u>	<u>58,260</u>
Cash flows from operations	16 (b)	<u>165,189</u>	<u>332,194</u>

EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17: FINANCIAL INSTRUMENTS

Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Fixed Interest Rate Maturing				Floating Interest Rate		Non Interest Bearing		Total	
	2019	2018	Within 1 Year		1 to 5 Years		2019	2018	2019	2018	2019	2018
	%	%	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Financial Assets:												
Cash	0.50	0.50	-	-	-	-	2,369,670	2,795,054	455	500	2,370,125	2,795,554
Term Deposit	2.50	2.56	2,256,234	3,956,234	-	-	-	-	-	-	2,256,234	3,956,234
Receivables			-	-	-	-	-	-	260,663	311,333	260,663	311,333
Investments J B Were			3,261,439	2,526,392	-	-	-	-	-	-	3,261,439	2,526,392
Total Financial Assets			5,517,673	6,482,626	-	-	2,369,670	2,795,054	261,118	311,833	8,148,461	9,589,513
Financial Liabilities:												
Trade and sundry creditors			-	-	-	-	-	-	24,244,140	23,938,058	24,244,140	23,938,058
Total Financial Liabilities			-	-	-	-	-	-	24,244,140	23,938,058	24,244,140	23,938,058

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17: FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial report.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

(b) Net Fair Values

The net fair value of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments, forward exchange contracts and interest rate swaps. Financial assets where the carrying amount exceeds net fair values have not been written down as the Association intends to hold these assets to maturity.

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

NOTE 18: GUARANTEE OF ASSOCIATION OF THE MEMBERS

The Association is incorporated under the Associations Incorporation Reform Act 2012 (Vic) and as such the members provide no guarantee to any outstanding obligations. At June 2019 the number of members was 37 (2018: 48).

NOTE 19: STATEMENT IN ACCORDANCE WITH THE AGED CARE ACT 1997

The Board state that:

- i) all residents bond balances required to be paid during the year were repaid in accordance with the Act; and
- ii) the Association has the capacity to repay in accordance with the Act all outstanding bond balances that can be expected to fall due in the following financial year; and
- iii) the Association has throughout the past year maintained enough insurance to cover losses arising from fraud, loss of earnings, fire, flood or other reasonably insurable events that may affect the ability of the provider to refund bond balances.

NOTE 20: SEGMENT REPORTING

The approved Provider delivers only Residential Aged Care Services and this General Purpose Financial Report therefore relates only to such operations.

NOTE 21: ASSOCIATION DETAILS

The registered office of the Association is:

Eva Tilley Memorial Home Incorporated
1100, Burke Road
North Balwyn Victoria 3104

EVA TILLEY MEMORIAL HOME INCORPORATED
ABN 43 260 282 081

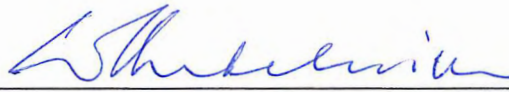
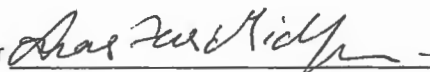
STATEMENT BY BOARD OF DIRECTORS

In the opinion of the Board of Directors the financial report:

Presents a true and fair view of the financial position of Eva Tilley Memorial Home Incorporated as at 30 June 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

At the date of this statement, there are reasonable grounds to believe that Eva Tilley Memorial Home Incorporated will be able to pay its debts as and when they fall due.

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

President  Treasurer 

Dated this 30th August 2019