

# **Sapphire Coast Community Aged Care Ltd**

ABN: 34 002 554 636

## **Financial Statements**

For the Year Ended 30 June 2022

# Sapphire Coast Community Aged Care Ltd

ABN: 34 002 554 636

## Directors' Report 30 June 2022

The directors present their report on Sapphire Coast Community Aged Care Ltd for the financial year ended 30 June 2022.

### Information on directors

Philip MOFFITT

Qualifications	Business proprietor
Date of appointment	16 August 2005

Robert HARTEMINK

Qualifications	Retired Surgeon
Date of appointment	18 July 2017

Catherine BATEMAN

Qualifications	Registered Nurse / Research Project Officer
Date of appointment	21 September 2021

Kate IRELAND

Qualifications	Retail / Engineer
Date of appointment	21 September 2021

Alexander LANGWORTHY

Qualifications	Retired engineer
Date of appointment	23 October 2001

Ross RITCHIE

Qualifications	Business proprietor
Date of appointment	16 August 2005

Gae RHEINBERGER

Qualifications	Consultant
Date of appointment	18 May 2010

Philip CALLAN

Qualifications	Consultant
Date of appointment	14 November 2017

Daniel MURPHY

Qualifications	Manager Economic Development, Bega Valley Shire Council
Date of appointment	19 February 2019

### Principal activities and significant changes in nature of activities

The principal activities of Sapphire Coast Community Aged Care Ltd during the financial year were the provision of aged care services. There were no significant changes in the nature of Sapphire Coast Community Aged Care Ltd's principal activities during the financial year.

## Sapphire Coast Community Aged Care Ltd

ABN: 34 002 554 636

### Directors' Report

30 June 2022

#### Members' guarantee

Sapphire Coast Community Aged Care Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person who ceased to be a member in the year prior to the winding up, is limited to \$50 for members subject to the provisions of the company's constitution.

At 30 June 2022 the collective liability of members was \$1,400 (2021: \$1,800).

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

Director:  .....  
Philip Callan

Director:  .....  
Philip MOFFITT

Dated 27 October 2022

## Sapphire Coast Community Aged Care Ltd

ABN: 34 002 554 636

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue	4	19,206,159	17,734,324
Finance income	5	138,057	179,458
Other income	4	4,777	19,314
Employee benefits expense		(13,798,856)	(13,324,078)
Contract labour expenses		(1,275,384)	(851,513)
Depreciation expense		(1,315,354)	(1,337,324)
Impairment losses on financial assets		(5,739)	(3,214)
Administrative expenses		(849,227)	(622,783)
Client and resident expenses		(586,620)	(516,518)
Food provisions		(675,364)	(698,628)
Repairs, maintenance and property expenses		(1,402,365)	(1,270,482)
Interest - Resident bonds and deposits		(43,313)	(35,467)
<b>(Deficit) before income tax</b>		<b>(603,229)</b>	<b>(726,911)</b>
Income tax expense	2(a)	-	-
<b>(Deficit) from continuing operations</b>		<b>(603,229)</b>	<b>(726,911)</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(603,229)</b>	<b>(726,911)</b>

The accompanying notes form part of these financial statements.

## Sapphire Coast Community Aged Care Ltd

ABN: 34 002 554 636

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 16 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company was \$432,370.

#### 17 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (30 June 2021: None).

#### 18 Related Parties

**(a) The Company's main related parties are as follows:**

Key management personnel - refer to Note 16.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

**(b) Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

#### 19 Events after the end of the Reporting Period

The financial report was authorised for issue on 27 October 2022 by the Directors.

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

#### 20 Financial Reporting Segments

**Identification of reportable segments**

The Company has identified its operating segments in accordance with the Aged Care Act 1997 and underlying Principles, the Company is deemed to operate within five business segments being:

1. Residential Aged Care – Hillgrove House (high level aged care) located in Hill Street, Bega, New South Wales, Australia.
2. Community Care Packages – Services provided in various client homes operated within the Bega Valley, New South Wales, Australia.
3. Residential Aged Care – Imlay House (high level aged care) located in Merigan Street, Pambula, New South Wales, Australia.
4. Retirement Village – The Oaks Country Village located in Tarraganda Lane & East Street, Bega, New South Wales, Australia.

## Notes to the Financial Statements

For the Year Ended 30 June 2022

## 20 Financial Reporting Segments

## (a) Accounting policies adopted

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of accounts payable, employee entitlements, accrued expenses and provisions.

## (b) Inter-segment transfers

Segment revenues, expenses and result include transfers between segments. The prices charged on inter-segment transactions are the same as those charged for similar goods to parties outside of the Company entity at an arm's length. These transfers are eliminated on consolidation.

## (c) Segment performance

	Hillgrove House		Sapphire Coast Home Services		Imlay House	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>						
Government subsidies	6,195,018	6,451,906	-	1,311,005	4,638,732	4,164,962
Resident charges	2,240,395	2,083,496	2,530,686	504,601	1,796,809	1,682,728
Interest received	18,922	3,790	-	494	5,240	4,909
Donations	75,085	69,311	191	-	73,871	123,539
Other external income	157,172	270,580	11,492	-	268,796	195,660
Inter-segment revenue	74,804	139,943	-	-	36,307	62,093
<b>Total segment revenue</b>	<b>8,761,396</b>	<b>9,019,026</b>	<b>2,542,369</b>	<b>1,816,100</b>	<b>6,819,755</b>	<b>6,233,891</b>
Depreciation and amortisation	789,719	819,709	-	-	419,894	417,636
Employee expenses	7,174,082	6,842,621	1,621,243	1,125,413	5,270,172	5,123,563
Interest expense - bonds	35,047	29,032	-	-	8,266	6,435
Other external expenses	1,654,355	1,561,102	376,398	288,678	1,018,212	976,340
Inter-segment expenses	298,392	411,362	180,000	180,000	223,084	283,800
<b>Total segment expenses</b>	<b>9,951,595</b>	<b>9,663,826</b>	<b>2,177,641</b>	<b>1,594,091</b>	<b>6,939,628</b>	<b>6,807,774</b>
<b>Segment result before Net Assets Transferred in</b>	<b>(1,190,199)</b>	<b>(644,800)</b>	<b>364,728</b>	<b>222,009</b>	<b>(119,873)</b>	<b>(573,883)</b>

# Sapphire Coast Community Aged Care Ltd

ABN: 34 002 554 636

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 20 Financial Reporting Segments

#### (c) Segment performance

	The Oaks Country Village		Corporate / Eliminations		Total	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>						
Government subsidies	-	-	-	-	10,833,750	11,927,873
Resident charges	664,124	283,786	-	-	7,232,014	4,554,611
Interest received	-	6,816	113,895	152,529	138,067	168,538
Donations	-	-	704	171	149,851	193,021
Other external income	13,921	46,382	543,940	158,659	995,321	671,281
Inter-segment revenue	49,714	92,890	(160,825)	(294,926)	-	-
<b>Total segment revenue</b>	<b>727,759</b>	<b>429,874</b>	<b>497,714</b>	<b>16,433</b>	<b>19,348,993</b>	<b>17,515,324</b>
Depreciation and amortisation	80,000	80,000	25,742	19,979	1,315,355	1,337,324
Employee expenses	89,526	-	897,406	752,098	15,052,429	13,843,695
Interest expense - bonds	-	-	-	-	43,313	35,467
Other external expenses	156,628	49,453	371,706	186,014	3,577,299	3,061,587
Inter-segment expenses	59,490	30,657	(797,140)	(941,658)	(36,174)	(35,838)
<b>Total segment expenses</b>	<b>385,644</b>	<b>160,110</b>	<b>497,714</b>	<b>16,433</b>	<b>19,952,222</b>	<b>18,242,235</b>
<b>Segment result before Net Assets Transferred in</b>	<b>342,115</b>	<b>269,764</b>	<b>-</b>	<b>-</b>	<b>(603,229)</b>	<b>(726,911)</b>

# Sapphire Coast Community Aged Care Ltd

ABN: 34 002 554 636

## Notes to the Financial Statements For the Year Ended 30 June 2022

### 20 Financial Reporting Segments

#### (d) Segment assets and liabilities

	Hillgrove House		Sapphire Coast Home Services		Imlay House	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
<b>Segment assets</b>						
- Current assets	11,804,812	11,358,740	2,561,479	2,686,247	3,957,713	1,988,075
- Non-current assets	22,432,952	23,215,092	-	-	8,135,030	8,360,218
	<b>34,237,764</b>	<b>34,573,832</b>	<b>2,561,479</b>	<b>2,686,247</b>	<b>12,092,743</b>	<b>10,348,293</b>
<b>Segment liabilities</b>						
- Current liabilities	(16,899,123)	(16,044,991)	(481,452)	(970,948)	(9,385,805)	(7,521,482)
<b>Total segment assets</b>	<b>17,338,641</b>	<b>18,528,841</b>	<b>2,080,027</b>	<b>1,715,299</b>	<b>2,706,938</b>	<b>2,826,811</b>
	<b>The Oaks Country Village</b>		<b>Corporate / Eliminations</b>		<b>Total</b>	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
<b>Segment assets</b>						
- Current assets	3,812,633	4,330,204	(2,601,960)	(1,640,285)	19,534,678	18,722,981
- Non-current assets	14,301,136	13,689,856	3,047,492	2,280,247	47,916,610	47,545,413
	<b>18,113,769</b>	<b>18,020,060</b>	<b>445,532</b>	<b>639,962</b>	<b>67,451,288</b>	<b>66,268,394</b>
<b>Segment liabilities</b>						
- Current liabilities	(9,365,364)	(9,613,770)	(445,532)	(639,962)	(36,577,276)	(34,791,153)
<b>Total segment assets</b>	<b>8,748,405</b>	<b>8,406,290</b>	<b>-</b>	<b>-</b>	<b>30,874,012</b>	<b>31,477,241</b>



# Sapphire Coast Community Aged Care Ltd

ABN: 34 002 554 636

## Statement of Financial Position

As At 30 June 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	18,250,943	15,925,312
Trade and other receivables	7	1,072,545	489,791
Loans and advances	8	-	2,250,000
Prepayments		211,191	57,878
<b>TOTAL CURRENT ASSETS</b>		<b>19,534,679</b>	<b>18,722,981</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	47,841,752	47,493,679
Intangible assets	10	74,857	51,734
<b>TOTAL NON-CURRENT ASSETS</b>		<b>47,916,609</b>	<b>47,545,413</b>
<b>TOTAL ASSETS</b>		<b>67,451,288</b>	<b>66,268,394</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	33,589,496	31,375,252
Employee benefits	13	2,660,438	2,665,118
Unearned income	12	327,342	750,783
<b>TOTAL CURRENT LIABILITIES</b>		<b>36,577,276</b>	<b>34,791,153</b>
<b>TOTAL LIABILITIES</b>		<b>36,577,276</b>	<b>34,791,153</b>
<b>NET ASSETS</b>		<b>30,874,012</b>	<b>31,477,241</b>
<b>EQUITY</b>			
Retained earnings		30,874,012	31,477,241
<b>TOTAL EQUITY</b>		<b>30,874,012</b>	<b>31,477,241</b>

The accompanying notes form part of these financial statements.

## Sapphire Coast Community Aged Care Ltd

ABN: 34 002 654 636

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 4 Revenue and Other Income

##### Revenue from continuing operations

	2022 \$	2021 \$
Revenue from contracts with customers (AASB 15)		
- Government subsidies	10,833,750	10,616,868
- Government subsidies - additional ACFI/RSS/BIF funding	365,500	203,749
- Government subsidies - additional COVID-19 income	284,135	205,248
- Resident and client contributions	6,811,403	5,814,512
- Retained contributions - villas	224,553	242,536
- Management fees income	106,664	-
- Other revenue	18,304	31,711
	<u>18,644,309</u>	<u>17,114,624</u>
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Capital gain on sale of villas	196,059	41,250
- Rent	64,842	56,873
- Donations and fundraising income	149,851	193,021
- Insurance recoveries	-	39,710
- ATO Cash Flow Boost income	-	50,000
- Wage subsidies	11,598	85,849
- Wage subsidies - COVID-19 funding	139,500	152,997
	<u>561,850</u>	<u>619,700</u>
<b>Total Revenue</b>	<u>19,206,159</u>	<u>17,734,324</u>
Other Income		
- net gain on disposal of property, plant and equipment	-	18,182
- net gain on disposal of other financial assets	4,777	1,132
	<u>4,777</u>	<u>19,314</u>

##### Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated into Operating and Non-Operating income, the following table shows this breakdown:

##### Operating and Non-Operating

- Operating revenue	17,976,370	16,673,916
- Non-Operating - Additional subsidies and sundry income	667,939	440,708
<b>Revenue from contracts with customers</b>	<u>18,644,309</u>	<u>17,114,624</u>

## Sapphire Coast Community Aged Care Ltd

ABN: 34 002 554 636

### Directors' Declaration

The directors declare that in the directors' opinion:

- there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

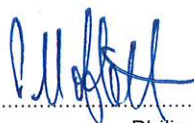
Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director: .....



Philip Callan

Director: .....



Philip Moffitt

Dated 27 October 2022