

# **Proserpine Nursing Home Inc.**

**ABN : 26 150 144 841**

## **Financial Statements**

**For the Year Ended 30 June 2023**

**Proserpine Nursing Home Inc.**

**ABN : 26 150 144 841**

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**For the Year Ended 30 June 2023**

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Proserpine Nursing Home Inc.

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**Statement of Profit or Loss and Other Comprehensive Income**  
For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
<b>Revenue</b>	2	13,394,237	12,100,058
<b>Expenses</b>			
Depreciation and amortisation expense		(553,580)	(545,540)
Employee benefits expense		(8,647,615)	(8,587,828)
Other operating expenses	3	(2,519,140)	(2,259,567)
Finance costs	3	(842,185)	(489,530)
<b>Surplus/(deficit) before income tax</b>		<b>831,723</b>	<b>217,594</b>
Income tax expense		-	-
<b>Surplus/(deficit) for the year after income tax</b>		<b>831,723</b>	<b>217,594</b>
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<b>831,723</b>	<b>217,594</b>

The accompanying notes form part of these financial statements.

Proserpine Nursing Home Inc.

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**Statement of Financial Position**

As at 30 June 2023

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	15,032,167	12,072,693
Trade and other receivables	5	(55,339)	171,600
<b>Total current assets</b>		<b>14,976,828</b>	<b>12,244,293</b>
<b>Non-current assets</b>			
Property, plant and equipment	6	12,575,782	12,931,606
<b>Total non-current assets</b>		<b>12,575,782</b>	<b>12,931,606</b>
<b>Total assets</b>		<b>27,552,610</b>	<b>25,175,899</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	511,901	414,233
Employee benefits	9	593,568	918,085
Other financial liabilities	8	12,554,083	11,042,737
<b>Total current liabilities</b>		<b>13,659,552</b>	<b>12,375,055</b>
<b>Non-current liabilities</b>			
Employee benefits	9	531,009	270,522
<b>Total non-current liabilities</b>		<b>531,009</b>	<b>270,522</b>
<b>Total liabilities</b>		<b>14,190,561</b>	<b>12,645,573</b>
<b>Net assets</b>		<b>13,362,049</b>	<b>12,530,326</b>
<b>Equity</b>			
Asset revaluation reserve		423,180	423,180
Retained surplus		12,938,869	12,107,146
<b>Total equity</b>		<b>13,362,049</b>	<b>12,530,326</b>

The accompanying notes form part of these financial statements.

Proserpine Nursing Home Inc.

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**Statement of Changes in Equity**

For the Year Ended 30 June 2023

**2023**

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2022</b>	<b>12,107,146</b>	<b>423,180</b>	<b>12,530,326</b>
Surplus/(deficit) attributable to operations	831,723	-	831,723
<b>Balance at 30 June 2023</b>	<b>12,938,869</b>	<b>423,180</b>	<b>13,362,049</b>

**2022**

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2021</b>	<b>11,889,552</b>	<b>423,180</b>	<b>12,312,732</b>
Surplus/(deficit) attributable to operations	217,594	-	217,594
<b>Balance at 30 June 2022</b>	<b>12,107,146</b>	<b>423,180</b>	<b>12,530,326</b>

The accompanying notes form part of these financial statements.

Proserpine Nursing Home Inc.

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**Statement of Cash Flows**

For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from residents and government subsidies	12,544,536	11,956,598
Payments to suppliers and employees	(11,143,546)	(11,343,868)
Interest received	244,894	40,453
Net cash provided by/(used in) operating activities	12 1,645,884	653,183
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(197,756)	(188,871)
Net cash provided by/(used in) investing activities	(197,756)	(188,871)
<b>Cash flows from financing activities:</b>		
Proceeds from accommodation bonds	1,511,346	(916,411)
Net cash provided by/(used in) financing activities	1,511,346	(916,411)
Net increase/(decrease) in cash and cash equivalents held	2,959,474	(452,099)
Cash and cash equivalents at beginning of year	12,072,693	12,524,792
Cash and cash equivalents at end of financial year	4 15,032,167	12,072,693

The accompanying notes form part of these financial statements.

**Proserpine Nursing Home Inc.**

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**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**1 Summary of Significant Accounting Policies**

The financial statements cover Proserpine Nursing Home Inc. as an individual entity. Proserpine Nursing Home Inc. is an association incorporated in Queensland and operating pursuant to the *Association Incorporation Act QLD 1981* and the *Australian Charities Not-for-Profits Commission Act 2012*.

The principal activities of the Association for the year ended 30 June 2023 were care of the aged and frail in safe, secure and homelike environment.

**New or amended Accounting Standards and Interpretations adopted**

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and *Association Incorporation Act QLD 1981*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards sets out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value or selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar. When required by Accounting Standards, comparative figures have been adjusted to confirm to changes in presentation for the current financial year. Significant accounting policies adopted in the preparation of these financial statements are presented below are consistent with prior reporting periods unless otherwise stated.

**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 incorporated 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 incorporated 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.

**(a) Revenue and other income**

The incorporated association recognises revenue as follows:

**Aged care and home care**

The association recognises revenue from aged care and home care services over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily or a monthly basis. Revenue arises from discretionary and non-discretionary services, as agreed in a single contract with the resident.

**Proserpine Nursing Home Inc.**

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**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**1 Summary of Significant Accounting Policies**

Under AASB 15, bond retention fees are recognised over the expected length of stay of the resident. The expected length of stay of a resident is estimated based on historical tenure data.

**Retirement Living**

The association recognises revenue from retirement living services over time as performance obligations are satisfied, which is as all the services are rendered. Revenue arises from deferred management fees and short term rentals, as agreed in a single contract with the resident.

Revenue from short term rentals is recognised on a daily basis as services are provided.

**Government revenue**

Government revenue reflects the association's entitlement to revenue from the Australian Government based upon the specific care and accommodation needs for the individual residents. Government revenue comprises of basic subsidy accounts calculated in accordance with the Aged Care Funding Instrument, accommodation supplements, funding for short term 'respite' residents and other Government incomes. Revenue is recognised over time as services are provided. Funding claims are submitted / updated daily and the Government revenue is usually payable within approximately one month of services having been preformed. Government funding received in advance or services being performed is included in fees received in advance.

**Resident basic daily fee revenue**

Residents are charged a basic daily fee as contribution to the provision of care and accommodation. The quantum of resident basic daily fees are regulated by the government and typically increase in March and September each year. Resident basic daily fee revenue is recognised over time as services are provided. Residents are invoiced on a monthly basis.

**Other operating revenue**

Other operating revenue comprises rental income, aged care bond retention amounts and other sundry revenue. Revenue is recognised over time as services are provided. Residents are typically invoiced on a monthly basis.

**Interest revenue**

Interest revenue is recognised using the effective interest method.

**(b) Income Tax**

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(c) Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.



**Proserpine Nursing Home Inc.**

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**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**1 Summary of Significant Accounting Policies**

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**(d) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, other short-term highly liquid investments and bank overdrafts. Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

**(e) Trade and other receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note (g) for further discussion on the determination of impairment losses.

**(f) Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

**Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of other the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Buildings	2.5% - 18%
Plant and Equipment	11.25% - 40%
Furniture, Fixtures and Fittings	11.25% - 40%
Motor Vehicles	18.25% - 22.5%
Medical Equipment	15% - 20%
Garden and Fencing	7.5% - 20%

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 1 Summary of Significant Accounting Policies

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate. Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

#### (g) Impairment of non-financial 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 in profit or loss.

Where the future economic benefit of the asset and 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.

#### (h) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days or recognition of the liability.

#### (i) Other liabilities

Refundable accommodation deposits and accommodation bonds are non-interest bearing deposits made by the aged care facilities residents made to the entity upon admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident. Accommodation bonds are measured at their principal amount net any retentions or any other amounts deducted from the bond at the election of the resident.

#### (j) Operating Lease Income

Contracts with customers (residents) contain provisions for accommodation, use of common areas/facilities for provision of care and other services. The Association has concluded that its contractual arrangements relating to the provision of residential aged care and retirement living accommodation are an operating lease pursuant to AASB 16, being the exclusive right to the use of a room/unit by the resident.

For residential aged care accommodation arrangements where the resident has elected to pay a RAD or Bond, the Association receives a financing benefit, being non-cash consideration, in the form of an interest free loan. On adoption of AASB 16 the fair value of this non-cash consideration is required to be recognised as income (to reflect the interest free loan financing benefit received on RADs and Bonds) and, correspondingly, interest expense (to record the financial liability associated with RADs and Bonds at fair value) with no net impact on net surplus or deficit.

**Proserpine Nursing Home Inc.**

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**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**1 Summary of Significant Accounting Policies**

The application of AASB 16 for the year has been calculated based on:

- Monthly average RAD/ Bond balances; and
- Interest rate equal to Maximum Permissible Interest Rate (MPIR) which is a Government set interest rate used to calculate the Daily Accommodation Payment to applicable residents.

The Associations Statement of Profit and Loss and Other Comprehensive Income presents income described as, operating lease income and an additional Finance Cost (i.e. interest expense) that result in an overall \$nil impact to the net surplus /(deficit) for the year.

**(k) Financial instruments**

**Initial recognition and measurement**

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

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

**Classification and subsequent measurement**

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

**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).

**Derecognition**

Financial assets are derecognised when 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. Financial liabilities are derecognised when the related obligations are discharged, cancelled or transferred to another party and fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**(l) Employee benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at their nominal value and not the present value of estimated future cash flows.

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## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 1 Summary of Significant Accounting Policies

Employee benefits are presented as current liabilities in the statement of financial position if the Association do not have an unconditional right to defer settlement of the liability for at least 12 months at the reporting date.

#### (m) Segment reporting

The association operates solely in one business and geographical segment, being Residential Aged Care.

#### (n) Critical accounting estimates and judgements

Those changes with governance make estimates and judgments during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgments are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgments made have been described below:

##### *Key Estimates - Estimation of useful lives of assets*

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite like 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 were 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.

##### *Key Estimates - Impairment of property, plant and equipment*

The association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

##### *Key Estimates - Impairment of receivables*

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at reporting date.

##### *Key Estimates - Performance obligations under AASB 15*

To identify performance obligations under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

Proserpine Nursing Home Inc.

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**Notes to the Financial Statements**

For the Year Ended 30 June 2023

**2 Revenue**

	2023	2022
	\$	\$
<b>Revenue &amp; Other Income</b>		
- Bequest income	34,000	-
- Commonwealth Government subsidies	9,710,543	8,360,711
- Fees, retentions, interest	2,693,782	2,956,879
- Operating lease income	831,746	482,868
- Other income	124,166	299,600
<b>Total revenue and other income</b>	<u>13,394,237</u>	<u>12,100,058</u>

**3 Result for the year**

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
<b>Finance costs</b>		
Interest expense	842,185	489,530
	<u>842,185</u>	<u>489,530</u>
<b>Other expenses</b>		
- Administration expenses	97,703	93,535
- Client services	176,806	212,176
- Communication expenses	102,578	98,942
- Consultancy expenses	79,992	51,309
- COVID-19 expenses	33,478	45,563
- Food	425,909	404,688
- Freight	4,447	3,652
- Housekeeping	366,483	373,688
- Insurance	367,583	289,834
- Marketing and fundraising expenses	58,887	518
- Medical supplies	262,485	236,110
- Motor vehicle expenses	5,403	5,863
- Property expenses	537,386	443,689
	<u>2,519,140</u>	<u>2,259,567</u>

**4 Cash and cash equivalents**

	2023	2022
	\$	\$
Cash on hand	1,000	1,000
Bank balances	10,231,167	7,271,693
Short-term deposits	4,800,000	4,800,000
	<u>15,032,167</u>	<u>12,072,693</u>

Proserpine Nursing Home Inc.

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**Notes to the Financial Statements**

For the Year Ended 30 June 2023

**5 Trade and other receivables**

	2023	2022
	\$	\$
Current		
Trade receivables	55,790	86,850
Less: Provision for doubtful debts	(45,723)	(35,779)
	<u>10,067</u>	<u>51,070</u>
Government subsidies receivable / (payable)	(66,270)	120,530
GST receivables	864	-
	<u>(55,339)</u>	<u>171,600</u>

**6 Property, plant and equipment**

	2023	2022
	\$	\$
<b>Land and buildings</b>		
Freehold land at fair value	<u>424,227</u>	<u>424,227</u>
Buildings		
At cost	16,179,582	16,162,053
Accumulated depreciation	(4,867,056)	(4,481,300)
	<u>11,312,526</u>	<u>11,680,753</u>
Total land and buildings	<u>11,736,753</u>	<u>12,104,980</u>
<b>Plant and equipment</b>		
Plant and equipment at cost	1,676,358	1,499,807
Accumulated depreciation	(939,079)	(787,332)
	<u>737,279</u>	<u>712,475</u>
Furniture, fixtures and fittings at cost	278,102	305,920
Accumulated depreciation	(234,028)	(256,924)
	<u>44,074</u>	<u>48,996</u>
Motor vehicle at cost	47,272	47,272
Accumulated depreciation	(21,738)	(18,102)
	<u>25,534</u>	<u>29,170</u>
Garden and fencing at cost	30,752	28,352
Accumulated depreciation	(9,686)	(7,704)
	<u>21,066</u>	<u>20,648</u>
Medical equipment at cost	44,110	42,835
Accumulated depreciation	(33,034)	(27,498)
	<u>11,076</u>	<u>15,337</u>
Total plant and equipment	<u>839,029</u>	<u>826,626</u>
<b>Total property, plant and equipment</b>	<u>12,575,782</u>	<u>12,931,606</u>

**Proserpine Nursing Home Inc.**

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**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

Land is measured at fair value. Under the Deed of Transfer dated January 2011, land at 42 Anzac Road was transferred from Whitsunday Regional Council to the Proserpine Nursing Home Inc. This land has been valued at the Committee's assessment of fair market value of the property and is re-assessed annually by the committee to ensure it remains a conservative valuation of land asset.

**7 Trade and other payables**

	<b>2023</b>	<b>2022</b>
	\$	\$
Current		
Trade payables	<b>214,975</b>	146,098
Other accrued expenses	<b>296,926</b>	268,135
	<b>511,901</b>	414,233

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

**8 Other financial liabilities**

	<b>2023</b>	<b>2022</b>
	\$	\$
Current		
Refundable accommodation deposits (RADs)	<b>12,554,083</b>	11,042,737
	<b>12,554,083</b>	11,042,737

As there are no unconditional right to defer payment for 12 months, RAD liabilities are recorded as current liabilities.

**9 Employee benefits**

	<b>2023</b>	<b>2022</b>
	\$	\$
Current		
Annual leave	<b>575,863</b>	565,473
Long service leave	<b>17,705</b>	352,612
	<b>593,568</b>	918,085
Non-current		
Long service leave	<b>317,504</b>	35,504
Sick/personal leave	<b>213,505</b>	235,018
	<b>531,009</b>	270,522

**Proserpine Nursing Home Inc.**

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**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**10 Reserves**

**(a) Asset revaluation reserve**

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

Under the Deed of Transfer dated January 2011, land at 42 Anzac Road was transferred from Whitsunday Regional Council to the Proserpine Nursing Home Inc. This land has been valued at the Committee's assessment of fair market value of the property and is re-assessed annually by the committee to ensure it remains a conservative valuation of the land asset.

**11 Contingencies liabilities and capital commitments**

In the opinion of the Committee of Management, the Association did not have any contingencies or significant capital expenditure commitments at 30 June 2023 that have not been included in the financial report. (30 June 2022:None).

**12 Cash flow information**

**(a) Reconciliation of result for the year to cashflows from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Net surplus/(deficit) attributable to operations	<b>831,724</b>	217,592
Non-cash flows in profit:		
- depreciation	<b>553,580</b>	545,540
- net (gain)/loss on disposal of equipment	-	1,986
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	<b>226,935</b>	(103,008)
- increase/(decrease) in trade and other payables	<b>97,675</b>	(6,773)
- increase/(decrease) in employee benefits	<b>(64,030)</b>	(2,154)
Cash flows from operations	<b>1,645,884</b>	<b>653,183</b>

**13 Events after the end of the reporting period**

No 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.



Proserpine Nursing Home Inc.

ABN : 26 150 144 841

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 14 Related party transactions

There were no significant transactions with related parties during the current and previous financial year. Any transactions with members were on a normal arm's length commercial basis.

#### *Loans to/from related parties*

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

### 15 Statutory information

The registered office and principal place of business of the association is:  
Proserpine Nursing Home Inc.  
42 Anzac Road  
Proserpine QLD 4800

Proserpine Nursing Home Inc.

ABN : 26 150 144 841

## Statement by Members of the Committee

In the opinion of the committee the financial report as at out on pages 1 to 16:

1. Present fairly the financial position of Proserpine Nursing Home Inc. as at 30 June 2023 and its performance for the year ended on that date in accordance with Australian Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act Qld 1981.
2. At the date of this statement, there are reasonable grounds to believe that Proserpine Nursing Home Inc. will be able to pay its debts as and when they fall due.

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

President .....

*Marie J. Dickens*

Treasurer.....



Dated: 21/09/2023

Proserpine Nursing Home Inc.

## Independent Audit Report to the members of Proserpine Nursing Home Inc.

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Proserpine Nursing Home Inc. (the Association), which comprises the statement of financial position as at 30 June 2023, 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 statement by members of the committee.

In our opinion, the accompanying financial report of Proserpine Nursing Home Inc. has been prepared in accordance with Div. 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 30 June 2023 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Div. 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

#### 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 Registered Entity's in accordance with the ACNC Act, the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 opinion.

#### Responsibilities of the Committee for the Financial Report

The committee of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the Registered Entity'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 intends to liquidate the Registered Entity or to cease operations, or has no realistic alternative but to do so.

Proserpine Nursing Home Inc.

## Independent Audit Report to the members of Proserpine Nursing Home Inc.

### Auditors 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatement 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 judgment 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 Registered Entity's internal control.
- Conclude on the appropriateness of the committee's use of going concern basis or 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 Registered Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to it in our auditor's report to the related disclosures in the financial report, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Registered Entity's 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 committee and 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.



Paul Hinton CA  
Director

Date: 21/09/2023