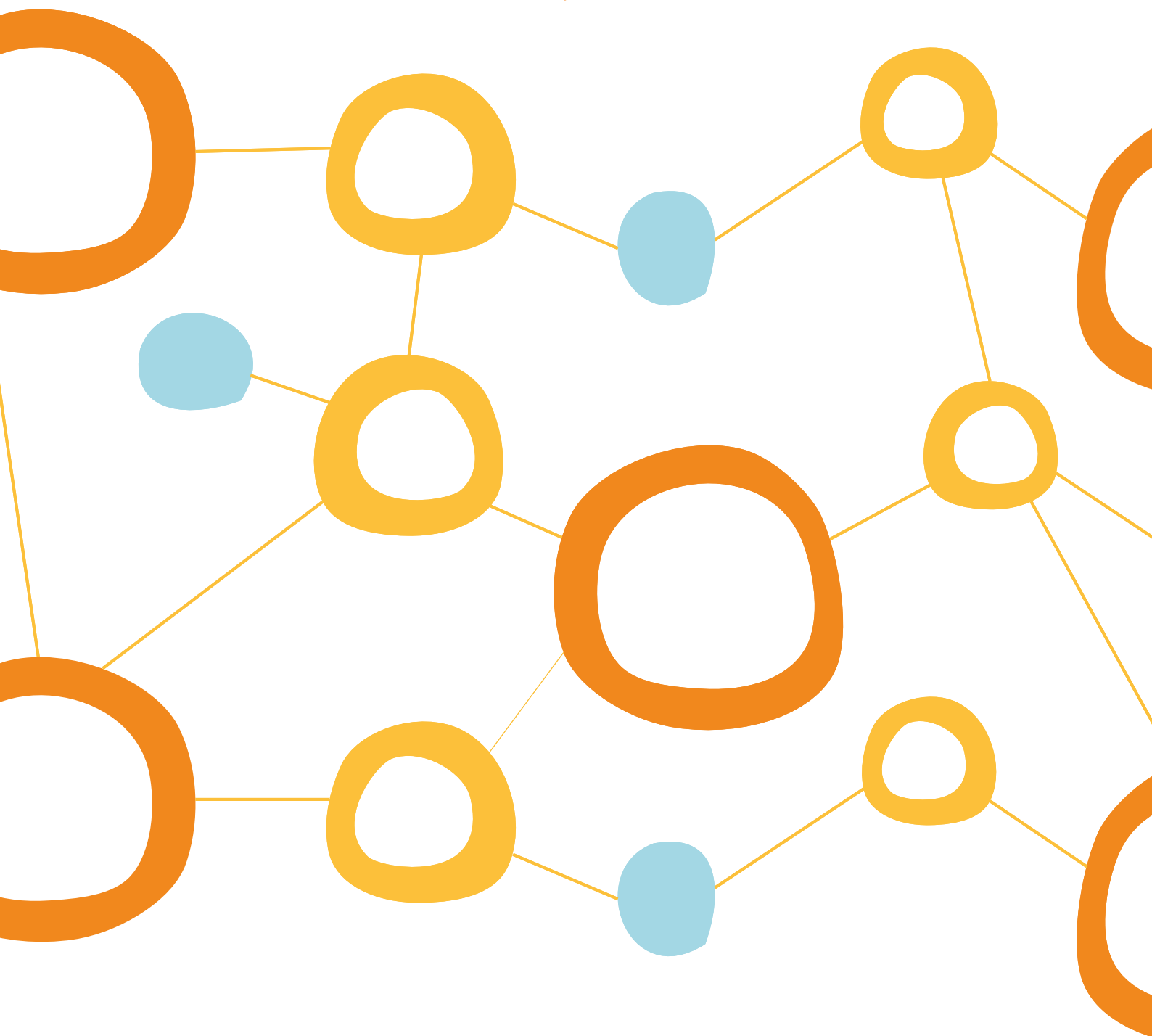




SAMARINDA

locals for locals



Annual Report
2021/22



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A brief history of Samarinda Ashburton Aged Services

In 1961 the Ashburton Elderly Citizens Club was formed as an independent community project in response to the needs of the local community, to provide services to elderly citizens in Ashburton. This included the formalised provision of home delivered meals to people in need, a service which had been informally happening since the 1950s. To fund the services, this led in 1962 to the creation and opening of the 'Golden Opportunity Shop' (now The 'Ashy' Op Shop) in the former temporary Post Office building on land owned by Victorian Railways.

In 1963, the then Camberwell Council set aside the land on the corner of Welfare Parade and High Street and fundraising began for the building of a Senior Citizens Centre. In 1966 the Ashburton & District Senior Citizens Welfare Association was formed and ultimately this led in 1967 to the opening of the Ashburton Senior Citizens Club building.

From this point in time, the Ashburton & District Senior Citizens Welfare Association (which later became known as Ashburton Support Services) became involved in many projects and services including:

- Meals on Wheels
- Social Support Services including Planned Activity Group (PAG) services
- Assisting and acquiring a 10% share in the Stocks Village Independent Living Units Development
- Involvement in the funding and development of Elsie Salter House program
- Assisting in paying for the Craig Family Centre Playground
- Operation of many centre-based activities for seniors

In short, Ashburton Support Services and its predecessors played a significant role in the building and development of the community fabric within the region, and has assisted in providing many services to people who are ageing or who have a disability.

In 1993 Ashburton & District Hostel Inc launched a fundraising appeal for the development of an aged care hostel on land provided by the Camberwell Council, on which the Ashburton RSL was located. A committee was formed, headed by the late Harold Johnston, and in 1995 Samarinda Lodge Inc was established and commenced the delivery of high quality residential aged care support services to the local community.

Over time, Samarinda continued to become more established in the local area and in 2008 it took over the management of Elsie Salter House program which provides specialised support services to persons living in the community who have varying degrees of dementia. In addition, with a clear eye on continuing to meet demand for residential aged care services in the local area, Samarinda commenced a building program in 2014 to increase its bed stock from 40 beds to a total of 92 beds, which also includes a 15 bed specialist Memory Support Unit. This building project was completed in 2018.

The merging of Ashburton Support Services and Samarinda Aged Services had been a talking point for many years and finally in 2015 it became a reality, when both Committees of Management and their Members agreed to the merger. As such, the new organisation now provides services under the name of Samarinda Ashburton Aged Services Incorporated (SAAS).

This merger has added strength to our organisation in that it now provides a sound platform to meet the needs of the ever-changing aged care environment. This means that Samarinda now has a greater ability and capacity to provide support to the local ageing and disability community across the continuum of in-home and residential supports. Furthermore, it allows Samarinda to tailor these with the consumer to meet their individual requirements.



SAMARINDA
locals for locals

Purpose. Vision. Values



Our Purpose is:

To support local people and families to remain connected to their community.

Our Vision is:

Every local individual and family deserves to remain connected, engaged and valued in the community they know and love.

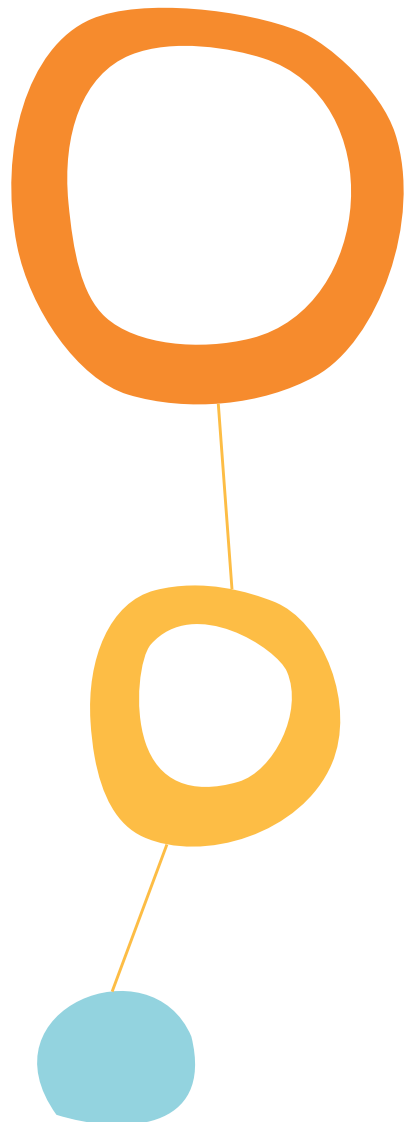
Our Values are:

Family - We believe everyone deserves the right to a sense of belonging to family, place and community. This is a universal enduring value that is held dear to all stakeholders encouraging inclusiveness respecting, welcoming and celebrating differences.

Giving - We are committed to making the world a better place for everyone. We do this by sharing what we have with others, not just financial in nature but also time, skills, experience and unique qualities. We enable others to give wherever they can, and value their contributions.

Partnership - We are a generous partner organisation to others. We foster and develop our relationships in a spirit of cooperation with our colleagues, associates and services providers, in the industry and the community.

Innovation - We are continually striving to gain and apply knowledge to achieve additional value to our organisation and create a better and more effective environment for our stakeholders.



Chair/CEO Report



Another tough year for Samarinda characterised by disease, staff shortages and sickness, and additional unanticipated expenses but brightened by the return to activities at Samarinda Community Centre and the continued growth of home care and NDIS services.

In May 2022 Samarinda Lodge finally succumbed to an official outbreak of COVID-19 its first since the COVID-19 outbreak began in 2020. The staff at the Lodge managed the outbreak very well and it only lasted 3 weeks in total. It was pleasing to see that most of the residents who were infected by COVID-19 only had minor symptoms. This was most likely due to most of them having been fully vaccinated and being put on antivirals within 24 hours of their diagnosis.

From an operational perspective Samarinda Lodge has had a challenging year. Our occupancy which normally sits above 95% has seen it drop to 80% by the end of the financial year. This decrease in occupancy and increase in expenses such as agency costs to cover staff absences, food, utilities, and COVID costs all contributed to Samarinda Lodge making a significant loss. While it is expected that additional expenses of up to \$400,000 incurred during COVID outbreak will be recovered from the Federal Government, this will not occur until 2023.



Another challenge relating to the fall in occupancy is that of balancing the outgoing Refundable Accommodation Deposits with those incoming. With many residential aged care organisations experiencing similar occupancy levels, we are all exploring ways in best to manage this temporary mismatch.

Our Community Services were also once again impacted by the COVID-19 pandemic. Many of our services were closed, reduced or modified at times in the first half of the year. Overall our team tried to maintain services to our clients as best they could by looking at innovative approaches to service delivery.

Despite some of the challenges imposed by COVID-19, both our Home Care Package Program and NDIS services continued to grow in number. This ongoing growth has occurred through word of mouth and Samarinda is looking to match ongoing growth in the 2022-23 financial year with a targeted marketing campaign.

'The Ashy' Opportunity Shop also had challenges throughout the year with closures. Despite this they managed to build up a large supply of quality goods thanks to the generosity of our locals and the team led by Susy Artico were able to generate some much needed sales.

Our organisation continues to meet the challenges put in front of it and have already been preparing for the upcoming changes coming into play from recommendations out of the Aged Care Royal Commission for the 2022-23 financial year.

It is incumbent on us to once again recognise and acknowledge the impacts that COVID-19 has had on our organisation. There is no doubt that our residents, their families and community clients have all been impacted by this pandemic in some way. We want to thank you all for your patience and support during this past 12 months.

To our volunteers who put in so many hours into delivering meals, working at the Opportunity Shop and being involved in working directly in programs, we want to thank you for your ongoing work and support of Samarinda and its clients.

To all of our staff, it has been another challenging 12 months. You have all had to endure many changes to your work practices and this has added to your already busy workloads. In addition to this, there has been a lot of movement and shortages of staff in the aged care industry and with recruitment challenges you have all had to pick up the pieces. We want to thank you all for your commitment to Samarinda and our service users and congratulate you all for displaying our values of Family, Giving, Partnership and Innovation.

Finally, we want to thank the Samarinda Board and Executive for their ongoing work in steering the organisation during these difficult times. You have all made yourselves available and put in additional time to ensure that Samarinda remains relevant and viable during these challenging times. In particular recently retired Directors, Phil Henty and Brian Bergin are being honoured for their distinguished service with Life Membership of Samarinda.



Bob Stensholt, Chair



Mark Zentgraf, CEO



Highlights for 2021/22

- **180** Employees
- **149** Volunteers
- **13,000** Delivered meals
- **98** Members of Samarinda Ashburton Aged Services Inc.
- **\$15,131,580** Annual turnover
- Continued growth of the Home Care Packages Program and NDIS
- Successful application for the Business Improvement Fund to improve Samarinda's IT.

Funded Programs

- Residential Aged Care (respite and permanent)
- Home Care Packages Program
- Commonwealth Home Support Program
- Home and Community Care Program for younger people
- NDIS Disability

Building Connections with Community

- Hall hire
- Op Shop
- Donation
- Grants

Services provided

- Personal care
- Domestic assistance
- Home and garden maintenance
- Spring cleaning
- Assistive technology and equipment
- Wellbeing exercise nutrition program
- Social activity groups
- Community outings
- Carer support and respite
- Meals
- Nursing
- Allied health
- Residential care (respite and permanent)
- Specialised dementia care (day respite)
- Fee for service arrangements
- Positive behavior support
- Case management
- Community engagement
- Advocacy
- Shopping
- Wining and dining
- Navigating the Aged Care System
- Transport

Executive Team



Chief Executive Officer

Mark Zentgraf

BN, Cert ICU, GradCertMgt, GradDipMgt, MBA

CEO - Samarinda Ashburton Aged Services

Appointed in 2015

Over 20 years of senior management experience in the Acute Health, Subacute, Aged Care, Community and Commercial sectors.



Finance Manager

Jeffrey Armstrong

BBus (Accounting), Member of the Chartered Accountants Australia & New Zealand

Appointed in 2017

Jeff's experience has seen him work in Australia and the United Kingdom for various not-for-profit organisations over the last 16 years, including for Sport England and Blind Veterans UK as well as a recent role as Corporate Services Manager for Fairview Homes for the Aged in Warragul.



Residential Services Manager

Rebekah Durik

BN, Grad Dip Nsg, Grad Dip Nsg Mgnt, Grad Dip Gerontology

Appointed in 2021

Rebekah has worked within the Aged Care sector for 28 years predominantly in senior residential management, quality management and compliance roles across the private and not for profit sectors. She has also worked in the areas of healthcare research and education.



Quality & Compliance Manager

Rita Rousso

BN, Master of Business Management

Appointed in 2022

Rita has over 20 years of experience in the health and aged care industry across the private and not-for profit sectors, both here and in the UK. With a background as an Australian Aged Care Quality Assessor, she has predominantly worked in senior management and executive positions, including clinical and non-clinical operations as well as quality, risk and compliance management.



Community Services Manager

Sandra Bygrave

GradCert Ageing & Leisure

Appointed in 2018

Sandra has over 25 years in management and consultation for the aged care and disability industries. She has extensive experience in community engagement and service development.

Board



Bob Stensholt - Chair

BA, BDiv(Hons), MIntLaw, DipPhil

Appointed 2003

A Victorian MP for over 10 years holding diverse roles, including Parliamentary Secretary for Treasury and Finance and Chair of Public Accounts & Estimates Committee, as well as senior management roles in Federal Government both in Australia and abroad. In recent years until his retirement in 2019 he has worked in the family consulting firm as well as served as Chief of Staff to Victorian State Ministers.

Bob has extensive experience in government services, international diplomacy, health and education, project evaluation, international water law, environment policy and international development. He is also involved in a wide range of local community organisations and activities. He chairs the Emergency Management Sub-Committee, is a member of the Governance Sub-Committee and as Board Chair attends other Sub-Committee meetings.



Dr Elizabeth Lanyon - Vice Chair

BA(Hon), LLM, PhD

Appointed 2008

Dr. Lanyon is a lawyer with forty years experience in Victoria. She is Company Secretary and legal counsel for Good Shepherd Australia New Zealand and independent panel chair for the Retirement Living Code of Conduct. Prior to this she was a senior Victorian government executive. Former Board roles include Preston TAFE, Korowa Anglican Girls School and Financial Ombudsman Service. Dr. Lanyon is Chair of the Governance sub-Committee and a member of the Finance & Risk Committee.



George Andreola - Treasurer

BBus(Acc), DCompSc

Appointed 2007

George has a background in professional accounting services with over thirty years of experience in accounting, audit and corporate advisory. George is a member of the Institute of Chartered Accountants in Australia & New Zealand, a member of the Australian Institute of Company Directors, is a Registered Company Auditor and has considerable expertise in the aged care industry.



Dr Elizabeth McNaughton - Member

MBBS, FRACGP

Appointed 2001

Dr. McNaughton is a General Medical Practitioner at the Glen Iris Medical Centre. She is also a member of the Governance Sub-committee, chairperson of the Clinical Governance Sub-committee, member of the Community Sub-committee and member of the Medication Advisory Committee.



Brian Bergin - Member (resigned June 2022)

Appointed 2015

Brian was President of Ashburton Support Services prior to the merger with Samarinda in 2015. He has over thirty-five years of senior general management work experience and held directorships in both Australian and Overseas companies. Brian was a Rotarian for over 25 years and is still involved with numerous community organisations. Brian is Chair of the Community Services Committee and member of the Governance Subcommittee and member of the Clinical Governance Subcommittee.



Yen Bui OAM - Member

BEd, BAppSc

Appointed 2012

Yen was previously a mathematics teacher in Vietnam, a Senior Laboratory Manager, founder and group leader of LACVIET Choir, and president of VSCA (Vietnamese Senior Cultural Association). She has extensive involvement in the Vietnamese Community in Melbourne, is a Board member and Treasurer of the Australian Vietnamese Women Association, and a member of the Eye & Ear Hospital Community Diversity Advisory Board.



Leong Lee - Member

BEng(Mech)

Appointed 2012

Leong has previously held directorships with ASX listed companies and is a business owner and an active member of community organisations. Leong is a member of the Finance & Risk Committee.



Dianne Embry - Member

BSW, MSIP

Appointed 2021

Dianne has over 17 years of senior executive leadership and Board roles within the not for profit sector spanning advocacy, social justice, health, youth homelessness, volunteering, aged care and disability. Dianne is Chair of the Community Services Committee, member of the Governance Subcommittee and member of the Clinical Governance Subcommittee.

Community Service Report

At Samarinda, Community Services means services delivered in our community for people who are ageing or living with disability, so all can participate in community life and flourish.

Following a very special Community Engagement project that was delivered in the 2020-21 financial year, we are proud to report on the progress of our transition to the co-designed service model - 'Engaged'.

'Engaged' focuses on four key outcomes:

- Living well, as healthy as you can
- Living at home, safe and secure
- Living in your community, informed and connected
- Learning, sharing and building skills, for body, mind and soul

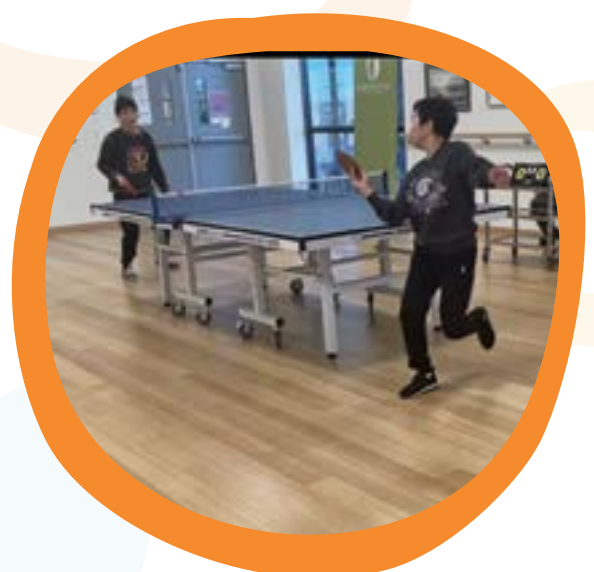
Each outcome is enabled by a team of staff and volunteers working with purpose; flexible transport options; assisted and assistive technologies; engagement and communications.

Our promise is to keep it personal by responding to individual needs, group potential and community aspirations.

The 'Engaged' Service Model development involves a series of stages from 'Beginnings' through to 'Maturity'. The 2021-22 financial year has delivered the following actions to progress this important community-led project.

Sandra Bygrave

Community Services Manager



Beginnings	Recognised that we need to do different things and in different ways – co-design of the new ‘Engaged’ Service Model	Pre-July 2021
Foundation Building	Reorganised our community service offerings within two streams: 1. Home-Based Services 2. Facility-Based Programs	July 2021
	Workforce Planning: • Identified the knowledge, skills and attitudes we needed to deliver the ‘Engaged’ Service Model • Restructure of our community services team	July 2021 August 2021
Service / Business Development	Initiated community-led activities: • Inaugural Art Show • Inaugural Table Tennis Tournament • Samarinda Octopus – Volunteer Navigators – successful grant • Community Café – Friday Community Meal • Community Café – Monday Coffee & Cake • Art Sale Wall – offered to the Art Group	July 2021 July 2021 In planning In planning In planning In planning
	Improved access and visibility of Samarinda Home-Based Services: • Community Centre Open Day and launch of the ‘Engaged’ Service Model • Relocated the Home Care Packages and NDIS teams to a shop front office at 289 High St Ashburton (next-door to the Post Office)	July 2021 April 2022
	Workforce growth & retention: Partnership with a Registered Training Organisation to attract new entrants into the aged care and disability services sector via traineeships	April 2022
Evaluation & Reflection	Annual Community Engagement Workshop 2022 To receive community feedback and group impact survey	In planning for November 2022

Residential Care

Once again we found the 2021-22 financial year a complex one with the ongoing challenges of the global pandemic and the impact that this had on the day to day operations of the residential service.

Samarinda had its first official COVID-19 outbreak in May of this year which lasted for three weeks. Fortunately the majority of our residents were fully vaccinated and any impact on their health was in the main only minor. It has been a great achievement by all to have only been impacted by COVID-19 so late in the pandemic.

During the year a major focus of ours was on maintaining stability, and supporting one another within the Samarinda Lodge community – staff, volunteers, residents, friends and families. The previous few years have seen some challenging times with residents sometimes unable to see family or friends, communities being in lockdown and staff being concerned about either bringing COVID-19 into the residential service or potentially picking it up from work and taking it home.

Our role was one of support and to look at ways in which Samarinda could better enable residents to maintain face to face contact with their families and friends even if there were outbreaks, ensure that residents were engaged and supported in activities and to support our staff who had worked under extremely difficult circumstances.

What we found was that staff and residents in particular were finding support within each other through acts of kindness throughout these emotionally difficult times. What blossomed was a story of perseverance and humanity.

We are now entering a post pandemic stage and from here our focus shifts to revival and renewal.

Revival of those aspects of our home which were inadvertently put on hold - social and individual growth opportunities and renewal as we move into the 2022-23 financial year, seeking out new opportunities and new perspectives.

I wish to express my sincere thanks to everyone within the Samarinda Lodge community for each and every contribution made to making our corner of the world today just that little bit better than it was yesterday.

A snapshot of the larger activities celebrated throughout the financial year:

In the second half of 2021

- Summer Olympics Tokyo 23rd July – Samarinda Olympic games – javelin throw, basketball, shot put and winners were presented with medals gold, silver and bronze.
- Fathers' Day event was unfortunately cancelled due to a precautionary lockdown. Coffee mug gifts were delivered to the male residents' rooms.
- RUOK day 9th September – Charles our Chef provided a large cake for staff and residents for afternoon tea.
- Remembrance Day 11th November – we all celebrated with a live service on-screen in the ground floor dining room.
- Oakes Day 4th November – the residents enjoyed a happy hour event with an entertainer. Residents were provided with fascinators.
- Christmas party was cancelled due to a precautionary lockdown.
- New Year's Eve countdown party was held with a dancer entertaining the group.

In the first half of 2022

- Australia Day 26th January was celebrated with a thong throwing competition. Charles our Chef and his team provided hot pies for the happy hour event.
- Chinese New Year 1st February – Armchair travel to China celebrations.
- Miss Galaxy Australia visited on 11th March – residents enjoyed the visit.
- St. Patrick's day celebration – afternoon tea event and a sing along
- ANZAC day 25th April – morning tea and live service on the big screen in the ground floor dining room.

Rebekah Durik

Residential Services Manager



‘The Ashy’ Op Shop

The 2021-22 financial year was once again a difficult operating year for the Op Shop as well as for many other traders, with enforced closures due to COVID-19 significantly impacting on our ability to trade.

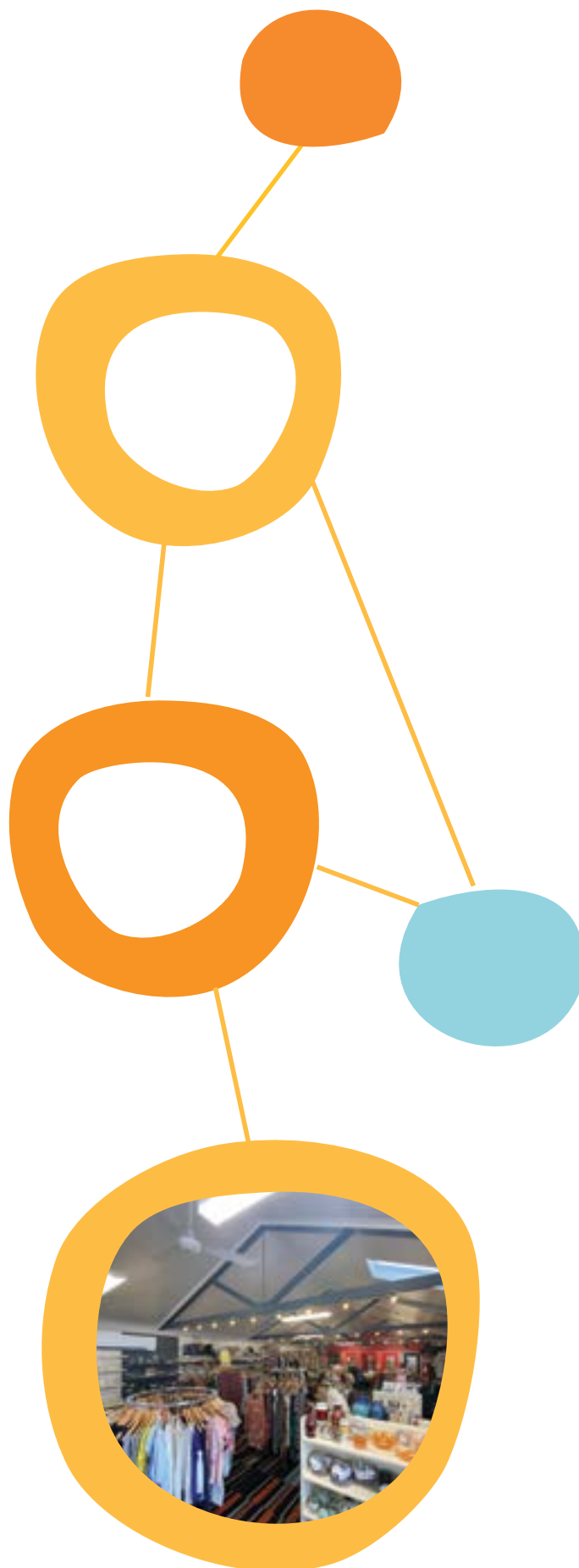
While the enforced closures had a material impact on our ability to sell goods, it did allow us to replenish our stock with many people in our local community increasing their donations to us due to cleaning out and decluttering their houses. This increase in donated goods meant that we still needed to have some staff on site to collect and sort the donated goods and to ensure that these items were safely stored away.

Once lockdowns ceased and trading recommenced ‘The Ashy’ Op Shop experienced some of its largest daily sales ever, with some days turning over close to \$5k. A testament to the support that ‘The Ashy’ receives from the local community.

I want to thank our staff and volunteers for their unwavering support of ‘The Ashy’ Op Shop and that of Samarinda. It has been a challenging few years and they have stuck by us through thick and thin. I also want to thank those members of the Community who constantly support us with their ongoing purchases and donations. It is through their generosity that funds can be raised so that Samarinda can continue to support those in need within our community.

Susy Artico

Manager, ‘The Ashy’ Op Shop



Treasurer Report



During the 2022 financial year, Samarinda Ashburton Aged Services (Samarinda) reported an overall comprehensive surplus of \$1,436,335 (2021: \$1,027,456) after taking into consideration the revaluation of our land at \$2.7 million (2021: various government financial assistance schemes of \$1,823,144). During this period, Samarinda's investment portfolio suffered a loss on realisation of \$427K (2021: profit of \$215K) following the downturn in equity markets both here in Australia and worldwide.

In the absence of this revaluation, Samarinda would have incurred a deficit of \$1,263,665 (2021: deficit of \$795,688 before financial government assistances).

Overall, whilst our resident fees and government subsidies disclosed increases of approximately \$1.5M (2021: \$1.6M), however our cost-of-service delivery namely personnel, client and administration, increased COVID infection control costs and unreimbursed COVID expenses (which constitute a significant amount of Samarinda's ordinary trading revenue base) have increased by approximately \$1.2M (2021: \$2M) which is reflective of the increment in staff costs, care giving and related activities. In terms of other material expenses, these remained ostensibly within budget expectations and prior year comparatives.

On the operational front, Samarinda faced various difficulties dealing with poor occupancy, limited workforce availability and other related complications during COVID outbreaks, insufficient government funding and the unusual higher than expected funding of resident departures.

These current difficulties are not unique to Samarinda but are a problem for the industry at large which will hopefully, in part, be addressed by the recommendations of the Aged Care Royal Commission, the adoption of these reform recommendations by the government and the current aged care reform agenda in progress, including the new government subsidy funding regime.

As of 30 June 2022, our balance sheet remains extremely strong with a positive net asset position of \$6.8m (2021: \$5.4M), with the increment being reflective of our comprehensive profit result for the year, after the revaluation of our property. Our asset base is mainly represented by cash and investments of \$5.3M (2021: \$12.3M), property, plant & equipment of \$26.6M (2021: 24.26M), off-set by total liabilities of \$26.2M (2021: \$31.6M) mainly comprising of bond liabilities of \$23.1M (2021: \$28.5M).

The cash flow for the year disclosed an outflow from operations of \$0.7M (2020: inflows \$2.15M) and an outflow from investing activities of \$1.1M (2021: \$2.47M) mainly relating to the funding of investments and property, plant & equipment. The outflow from financing activities of \$5.3M (2021: \$1.5M) is as a result of the net outflow from the repayment of bonds during the year. Overall, Samarinda's net cash position decreased by \$7.1M (2021: \$1.8M) during the year essentially from the repayment of bonds and operational cash outflows.

To my fellow Finance Sub-committee members, thank you for your significant contribution in the financial management and good governance of Samarinda.

The Finance Sub-committee would also like to note and thank JB Were for their continued support and investment advice during the difficult 2022 period as equity markets were under stress and market values for our investment portfolio diminished. Furthermore, we wish to thank all staff, volunteers and the Board for their continued dedication and support.

George Andreola

Treasurer

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Financial Statements

For the Year Ended 30 June 2022

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

BOARD REPORT FOR THE YEAR ENDED 30 JUNE 2022

The Board of Samarinda Ashburton Aged Services Inc. (**Samarinda**) submits herewith its annual financial report for the financial year ended 30 June 2022.

BOARD MEMBERS

The names and details of the Board members in office during the financial year and up to the date of this report are as follows. Members were in office for this entire period unless otherwise stated.

Bob Stensholt (Chair)
Elizabeth Lanyon (Deputy Chair)
George Andreola (Treasurer)
Brian Bergin (resigned June 2022)
Yen Bui OAM
Leong Lee (Secretary)
Elizabeth McNaughton
Dianne Embry (appointed October 2021)

PRINCIPAL ACTIVITIES

The principal activity of Samarinda during the year ended 30 June 2022 continued to be the management of a facility providing residential care for aged persons and operating a day respite service offering specialised programs for the frail and those living with dementia and their carers, and continues to provide community support services and programs, home care package services, NDIS services and the operation of an opportunity shop.

REVIEW OF OPERATIONS

The total Comprehensive surplus for the year was \$1,436,335 (2021 surplus \$1,027,459). The result for the year included a \$2.7 million revaluation of non-current assets.

Samarinda has operated in pursuing its objectives throughout the year and is in a sound financial position to support its future activities.

During the year Samarinda experienced a high level of resident separations that have resulted in significant cash outflows.

CHANGES IN STATE OF AFFAIRS

There was no significant change in the state of affairs of Samarinda other than that referred to in the financial statements or notes thereto.

LIKELY DEVELOPMENTS

Samarinda expects to maintain the present status and level of operations. The operational changes as a consequence of COVID-19 resulting from reduced residential occupancy, reduced client activity and additional COVID-19 costs, are likely to impact the timing and level of the Samarinda's surplus over the foreseeable future.

The full impact of the pandemic on Samarinda will not be fully quantifiable for some time, however, in the short term Samarinda continues to operate largely at reduced capacity, and is working with the Government, and current residents to do everything possible to adapt to the current environment.

ENVIRONMENTAL REGULATION

Samarinda's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

CORPORATE STRUCTURE

Samarinda is an Incorporated Association. The address of the registered office and principal place of business is 286 High Street, Ashburton.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Samarinda has obtained insurance in respect of all directors and officers against all liabilities to other persons that may arise from their positions as directors and officers, except where the liability arises out of conduct involving a lack of good faith.

As part of the funding agreement with the Department of Health and Human Services, the premium of this insurance was paid for by the aforementioned for Samarinda for the period from 1 July 2021 to 30 June 2022.

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

BOARD MEETINGS

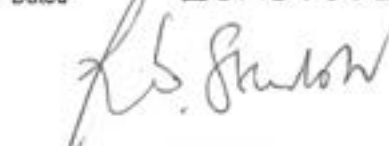
The following table sets out the number of Board and sub-committee meetings held during the financial year and the number of meetings attended by each member.

	BOARD		FINANCE SUB-COMMITTEE		GOVERNANCE SUB-COMMITTEE	
	Held	Attended	Held	Attended	Held	Attended
Bob Stensholt	11	11	9	9	3	3
Elizabeth Lanyon	11	10	9	8	3	3
George Andreola	11	9	9	8	-	-
Leong Lee	11	10	9	9	-	-
Liz McNaughton	11	11	-	-	-	-
Brian Bergin	11	8	-	-	3	2
Yen Bui	11	10	-	-	-	-
Dianne Embry	8	8	8	6	-	-

	COMMUNITY SUB-COMMITTEE		CLINICAL GOVERNANCE SUB-COMMITTEE	
	Held	Attended	Held	Attended
Bob Stensholt	5	5	10	9
Liz McNaughton	5	5	10	10
Brian Bergin	5	4	-	-
Yen Bui	5	5	-	-
Elizabeth Lanyon	5	4	10	9
Dianne Embry	4	4	7	5

Signed in accordance with a resolution of the Board

Dated 28.10.2022



BOB STENS Holt
(Chair)



ELIZABETH LANYON
(Deputy Chair)

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Auditor's Independence Declaration

For the Year Ended 30 June 2022

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.


Saward Dawson

Peter Shields

Partner

Blackburn VIC

Dated: 28 October 2022

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Statement of Surplus or Deficit and Other Comprehensive Income

For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue and other income	4	15,131,580	16,128,009
Employee benefits expense		(9,771,353)	(9,464,170)
Client expense		(3,231,510)	(2,464,507)
Property and equipment maintenance		(532,307)	(548,585)
Depreciation	5	(778,828)	(707,918)
Finance costs		(91,924)	(37,527)
RAD lease finance expense	1(k)	(1,012,920)	(1,112,791)
Interest expense on lease liabilities	11	(26,292)	(1,696)
Cost of sales (op shop)		(23,880)	(33,877)
Administrative expense		(899,931)	(757,394)
Surplus/(deficit) from ordinary activities		(1,237,365)	999,544
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Unrealised gain (loss) on investments		(26,300)	27,915
Net fair value movements for revaluation of non-current assets	9	2,700,000	-
		2,673,700	27,915
Total comprehensive surplus/(deficit) for the year		1,436,335	1,027,459

The accompanying notes form part of these financial statements

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Statement of Financial Position

As at 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,384,355	8,503,934
Trade and other receivables	7	549,201	383,486
Other financial assets	8	3,936,674	3,757,540
Other assets	10	46,326	48,130
TOTAL CURRENT ASSETS		5,916,556	12,693,090
NON-CURRENT ASSETS			
Property, plant and equipment	9	26,596,567	24,150,731
Right-of-use assets	11	464,276	112,160
TOTAL NON-CURRENT ASSETS		27,060,843	24,262,891
TOTAL ASSETS		32,977,399	36,955,981
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	1,282,123	1,464,593
Lease liabilities	11	68,427	18,828
Employee benefits	14	1,007,780	1,111,300
Other liabilities	13	23,087,025	28,505,344
TOTAL CURRENT LIABILITIES		25,445,355	31,100,065
NON-CURRENT LIABILITIES			
Lease liabilities	11	426,363	106,372
Employee benefits	14	274,860	355,058
TOTAL NON-CURRENT LIABILITIES		701,223	461,430
TOTAL LIABILITIES		26,146,578	31,561,495
NET ASSETS		6,830,821	5,394,486
EQUITY			
Reserves	15	10,999,936	8,326,236
Retained earnings		(4,169,115)	(2,931,750)
TOTAL EQUITY		6,830,821	5,394,486

The accompanying notes form part of these financial statements

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Statement of Changes in Equity

For the Year Ended 30 June 2022

2022

	Accumulated deficits \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2021	(2,931,750)	8,326,236	5,394,486
Deficit for the year	(1,237,365)	-	(1,237,365)
Revaluation increment (decrement)	-	2,673,700	2,673,700
Balance at 30 June 2022	(4,169,115)	10,999,936	6,830,821

2021

	Accumulated deficits \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2020	(3,956,941)	8,323,971	4,367,030
Surplus for the year	999,541	-	999,541
Realised profit on sale of investment	25,650	(25,650)	-
Revaluation increment (decrement)	-	27,915	27,915
Balance at 30 June 2021	(2,931,750)	8,326,236	5,394,486

The accompanying notes form part of these financial statements

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Statement of Cash Flows

For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		14,313,922	15,042,790
Payments to suppliers and employees		(15,123,389)	(13,028,521)
Dividends received		185,350	166,708
Interest received		3,355	22,553
Interest paid		(118,216)	(39,223)
Net cash provided by/(used in) operating activities	20	(738,978)	2,164,307
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		20,909	-
Purchase of property, plant and equipment		(456,979)	(165,555)
Payment for investments		(1,327,477)	(2,486,345)
Proceeds from sale of investments		695,408	178,847
Net cash provided by/(used in) investing activities		(1,068,139)	(2,473,053)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from accommodation deposits		3,290,000	2,966,275
Payments of accommodation bonds and deposits		(8,550,889)	(4,448,720)
Repayment of lease liabilities		(51,573)	(26,900)
Net cash provided by/(used in) financing activities		(5,312,462)	(1,509,345)
Net increase/(decrease) in cash and cash equivalents held		(7,119,579)	(1,818,091)
Cash and cash equivalents at beginning of year		8,503,934	10,322,025
Cash and cash equivalents at end of financial year	6	1,384,355	8,503,934

The accompanying notes form part of these financial statements

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Basis of Preparation

The financial report covers Samarinda Ashburton Aged Services Inc as an individual entity and is an association incorporated in Victoria under the *Associations Incorporations Reform Act 2012*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure Standard of the Australian Accounting Standards Board (AASB), the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profits Commission Act 2012. Samarinda is a not-for-profit entity, which is registered and domiciled in Australia for financial reporting purposes under Australian Accounting Standards.

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. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Going Concern

As at 30 June 2022, Samarinda had current liabilities greater than its current assets. The financial report has been prepared on the going concern basis as the majority of current liabilities relate to Refundable Accommodation Bonds and Refundable Accommodation Deposits (RADs) from residents. The Board believes that these liabilities are unlikely to be fully repaid within the next 12 months and Samarinda is required to maintain sufficient liquidity under the Prudential Standards to enable it to meet its liabilities as and when they become due and payable. The Liquidity Management Strategy is reviewed at least annually and the minimum level of liquidity required based on the projected bond/deposit pool at 30 June 2023 is set at a minimum of \$3.75 million or the value of bonds subject to probate and repayment at any one time, whichever is the greater.

Samarinda has funded a net outflow of RADs during the year and have had further repayments subsequent to year end. This has resulted in a significant reduction in cash reserves. The directors have realised the investment portfolio after year end to further support the operational cash requirements.

The directors are also undertaking the following steps to improve the financial performance of Samarinda:

- Monitoring separations and probates to ensure sufficient cash is available to meet repayments
- Reviewing admission strategies to increase residential occupancy and community services clients
- Restructured operations to reduce costs without impacting quality of services provided, to meet available operating cash flows

Samarinda is seeking an additional finance facility to support the ongoing cashflow for operational working capital and to finance the repayment of resident obligations.

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(a) Income Tax

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

Samarinda is a Public Benevolent Institution and charity registered with the Australian Charities and Not-for-profits Commission.

(b) Revenue

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration Samarinda expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of Samarinda have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Income streams

Revenue from the rendering of services is recognised upon the delivery of the service to the residents.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Donations without enforceable contracts are recognised upon receipt.

Daily Accommodation Payments (DAPs) are recognised as income where a resident has not paid the full balance of a refundable accommodation deposit from the date of entry into permanent care. DAPs may be drawn down from the refundable deposit or paid in cash.

Government grants are recognised on the basis that the transfer of promised goods or services to customers at an amount that reflects the consideration expected to be received in exchange for those goods or services. Each agreement is analysed to determine the revenue recognition in accordance with the five step model. Where performance obligations have not been met, it will result in unearned income at year end.

Home Care Package funding received is recorded as a liability until the point where the service has been provided to the HCP client and the right to earn revenue has been established. Where the service is provided by a third party, this is recorded as revenue and expense at the time the service is provided to the client. From September 2021, the home care package funding model changed and now reimbursements of expenditure is received in arrears which is recognised as revenue when the claim to the department has been lodged.

Other revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration Samarinda expects to receive in exchange for those goods or services.

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(b) Revenue

Income streams

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

(c) Financial instruments

Initial recognition and measurement

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

Financial instruments (except for trade receivables) are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to the profit or loss immediately. In most circumstances trade receivables are initially measured at the transaction price.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method. The subsequent measurement depends on the classification of the financial instrument as described below.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

The effective interest method is used to allocate interest income or interest expense over the relevant period.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the above, Samarinda may make the following irrevocable elections/designations at initial recognition of a financial asset:

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(c) Financial instruments

Financial assets

- Samarinda may irrevocably elect to present subsequent changes in fair value of an equity instrument in other comprehensive income if certain criteria are met; or
- Samarinda may irrevocably designate a financial asset that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is contingent consideration of an acquirer in a business combination, held for trading, or it is designated as at FVTPL.

Borrowings are classified as current liabilities unless Samarinda has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment

Samarinda recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

Samarinda recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated based on Samarinda's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

(d) 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.

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

Land

Land is measured at fair value. Fair value is determined on the basis of an independent valuation undertaken as at 30 June 2022. The fair values are recognised in the financial statements and reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not materially different from their fair values.

Any revaluation increase arising on the revaluation of land is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to the Statement of Surplus or Deficit and Other Comprehensive Income to the extent of the decrease previously

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

Land

charged. A decrease in carrying amount arising on the revaluation of land is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset. Depreciation on revalued buildings is charged to profit and loss.

Buildings, plant and equipment

Buildings, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation

Depreciation is provided on property, plant and equipment, including buildings but excluding land. Depreciation is calculated on a straight line basis to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

The expected useful lives for each class of depreciable asset are:

Fixed asset class	Useful Lives
Buildings	40 years
Plant and Equipment	3-10 years
Motor Vehicles	4 years
Leasehold improvements	1.5 years

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

Plant and equipment that has been contributed at no cost, or for nominal cost is valued at the fair value of the asset at the date it is acquired.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and in banks, short term deposits with original maturities of less than 3 months and investments in money market instruments which are readily convertible to known amounts of cash.

(f) Employee benefits

Provision is made for Samarinda's liability for employee benefits arising from services rendered by employees to balance sheet date.

Employee benefits have been measured at the amounts expected to be paid when the liability is settled plus related on costs. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(f) Employee benefits
specific to the liability.

Contributions are made by Samarinda to employee superannuation funds and are charged as expenses when incurred.

(g) 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.

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.

(h) Impairment of assets

The carrying value of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicated that the carrying value may be impaired. The recoverable amount of plant and equipment is the higher of fair value less costs to sell and the depreciated replacement cost.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

For buildings and plant and equipment, impairment losses are recognised in the Statement of Surplus or Deficit and Other Comprehensive Income. However, because land is measured at revalued amounts, impairment losses on land are treated as a revaluation decrement.

(i) Accommodation bonds and refundable accommodation deposit

Accommodation bonds and Refundable Accommodation Deposits for residents in aged care facilities are held in accordance with the Aged Care Act 1997. Retention amounts are only deducted from accommodation bonds received from residents who entered care before 30 June 2014 in accordance with the Aged Care Act 1997. Retentions are not applicable on refundable accommodation deposits for residents who entered care after 1 July 2014. Residents have a choice of paying their accommodation cost as a refundable lump sum or as a daily payment. Daily payments may be drawn down from a refundable balance or paid in cash. Daily payments are recognised as income per Note 2(b).

Annual prudential compliance statements are lodged with the Department of Health within the required time frame. The accommodation bond or deposit liability is recognised when a resident moves into a facility. The net liability is refunded according to the requirements of the Act when a resident leaves. All of these liabilities have been classified as current as the organisation does not have an unconditional right to defer settlement beyond 12 months.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(j) Contributions

Samarinda receives non-reciprocal contributions from the government and other parties for no or a nominal value. These contributions are recognised at the fair value on the date of receipt at which time an asset is taken up in the balance sheet and revenue is recognised in the statement of Surplus or Deficit and Other Comprehensive Income.

(k) Leases

At inception of a contract, Samarinda assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The organisation has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The organisation has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, Samarinda recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Samarinda believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then Samarinda's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in Samarinda's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(k) Leases

Exceptions to lease accounting

Samarinda has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Samarinda recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Lessor accounting

Contracts with customers contain provisions for accommodation, use of common areas/facilities for provision of care and other services. The organisation 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 a resident.

For residential aged care accommodation arrangements where the resident has elected to pay a RAD, the organisation 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, correspondingly, interest expense (to record the financial liability associated with RADs at fair value) with no net impact on profit or loss.

The application of AASB 16 for the year ended 30 June 2022 has been calculated based on:

- average RAD balance for the year; and
- interest rate equal to the Maximum Permissible Interest Rate (MPIR) of 4.07% applicable at 30 June 2022, which is a Government set interest rate used to calculate the Daily Accommodation Payment to applicable residents.

The organisation's Statement of Income and Expenditure and Other Comprehensive Income presents Income of \$1M and an additional Finance cost (i.e. interest expense) of \$1M, with \$nil impact to net result for the year. The accounting treatment for residential aged care accommodation arrangements where residents have elected to pay a DAP has not changed upon adopting AASB16

(l) Economic dependence

Samarinda is dependent on the Commonwealth Department of Health and Aged Care for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the Commonwealth Department of Health and Aged Care will not continue to support Samarinda.

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Critical Accounting Estimates and Judgments

The Board evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within Samarinda

The significant estimates and judgements made have been described below.

Key estimates - impairment

Samarinda assesses impairment at each reporting date by evaluating conditions specific to Samarinda that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost performed in assessing recoverable amounts incorporate a number of key estimates

Key estimates - fair value of financial instruments

Samarinda measures financial instruments (investments in listed entities) and non-financial assets (land), at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the entity takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Board engages independent experts to consult in respect of fair value judgments.

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

4 Revenue

	2022	2021
	\$	\$
Revenue from contracts with customers (AASB 15)		
- Residents and clients fees	6,911,066	5,868,053
- Sale of goods (op-shop)	315,387	378,467
- Commonwealth funding - Department of Health and Aged Care	6,937,197	6,401,698
- State funding - Department of Health	17,106	18,718
- Other funding	72,222	62,954
	14,252,978	12,729,890
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Donations	3,511	47,016
- Government stimulus payments	64,020	1,823,144
	67,531	1,870,160
Other Income		
- RAD lease finance income	2(k) 1,012,920	1,112,791
- Interest received	3,355	22,553
- Investment income	183,097	166,709
- Fair value movement on financial assets measured at fair value through profit or loss	(426,635)	215,883
- Other income	38,334	10,023
	811,071	1,527,959
Total Revenue	15,131,580	16,128,009

5 Expenses

The result for the year includes the following specific expenses:

Depreciation of property, plant and equipment	709,781	678,068
Depreciation of right-of-use assets	69,047	29,850
	778,828	707,918
Defined contribution superannuation	719,889	679,753

6 Cash and Cash Equivalents

Cash at bank and in hand	627,124	445,971
Short-term deposits	110,000	4,000,000
Deposits at call	647,231	4,057,963
	1,384,355	8,503,934

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

7 Trade and Other Receivables

	2022	2021
	\$	\$
CURRENT		
Trade receivables	244,078	150,707
Accrued income	228,445	198,618
Security deposits	25,000	-
GST receivable	49,434	32,851
Sundry debtors	2,244	1,310
	<u>549,201</u>	<u>383,486</u>

8 Other Financial Assets

(a) Financial assets at fair value

CURRENT

Financial assets - at fair value through Other Comprehensive Income	-	476,400
Financial assets - at fair value through Profit and Loss	<u>3,936,674</u>	<u>3,281,140</u>
	<u>3,936,674</u>	<u>3,757,540</u>

(b) Fair value measurement

Fair value measurement requires that financial and non-financial assets and liabilities measured at fair value be disclosed according to their position in the fair value hierarchy. This hierarchy has three levels. Level 1 is based on quoted prices in active markets for identical assets; Level 2 is based on quoted prices or other observable market data not included in level 1; while Level 3 valuations are based on inputs other than observable market data.

The Board has assessed that the fair value of land remains consistent with that determined by the independent valuation undertaken as at 30 June 2022. The asset is accordingly disclosed as a Level 3 asset in the hierarchy

Samarinda Ashburton Aged Services Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2022

9 Property, plant and equipment

	2022 \$	2021 \$
LAND AND BUILDINGS		
Land		
At fair value	11,000,000	8,300,000
Total land	11,000,000	8,300,000
Buildings		
At cost	16,725,335	16,725,335
Accumulated depreciation	(2,276,224)	(1,858,369)
Total buildings	14,449,111	14,866,966
Total land and buildings	25,449,111	23,166,966
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	2,916,611	2,549,926
Accumulated depreciation	(1,782,873)	(1,594,382)
Total plant and equipment	1,133,738	955,544
Motor vehicles		
At cost	64,459	194,703
Accumulated depreciation	(50,741)	(166,482)
Total motor vehicles	13,718	28,221
Total plant and equipment	1,147,456	983,765
Total property, plant and equipment	26,596,567	24,150,731

In the 2022 financial year, a valuation report was obtained from CIVAS dated 26 July 2022. As of that date the fair value of the land has been determined on an unimproved basis, with regard to available market evidence at \$11,000,000. The valuation of the buildings exceeded its book value however, the Directors elected not to recognise the valuer's increment to buildings. The Board review the value of the land and buildings annually in order to determine asset impairment. The Board has determined the assets were not impaired as at 30 June 2022.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

9 Property, plant and equipment

(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:

	Land \$	Buildings \$	Plant and Equipment \$	Motor Vehicles \$	Total \$
Year ended 30 June 2022					
Balance at the beginning of year	8,300,000	14,866,966	955,544	28,221	24,150,731
Additions	-	-	456,979	-	456,979
Disposals	-	-	(1,362)	-	(1,362)
Depreciation expense	-	(417,855)	(277,423)	(14,503)	(709,781)
Revaluation increase	2,700,000	-	-	-	2,700,000
Balance at the end of the year	11,000,000	14,449,111	1,133,738	13,718	26,596,567

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Notes to the Financial Statements

For the Year Ended 30 June 2022

10 Other assets

	2022	2021
	\$	\$
CURRENT		
Prepayments	46,326	48,130

11 Leases

Right-of-use assets

	2022
	\$
Year ended 30 June 2022	
Balance at beginning of year	112,160
Depreciation charge	(69,047)
Additions to right-of-use assets	421,163
Balance at end of year	464,276

The three property leases are non-cancellable leases with various terms and options. 296 High St, Ashburton property lease has a four year term ending 30 June 2024 with no further term options and fixed yearly rent payment increases of varying amounts payable annually in advance. 11 Marquis St, Ashburton property lease has a three year term ending 30 June 2022 with one further term option of three years which is expected to be exercised at this stage and fixed yearly rent payment increases of \$1,000 payable quarterly in advance. 289 High St, Ashburton property lease has a three year term ending 31 August 2024 with two further term options of three years each which is expected to be exercised at this stage and a fixed yearly rent payment increase of 3% payable monthly in advance. The discount rate (interest rate) utilised in calculation the lease liability was 4.509% for 269 High St and Marquis St and 6.14% for 289 High St.

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
2022					
Lease liabilities	95,975	306,528	213,615	616,118	494,790
2021					
Lease liabilities	31,800	103,200	-	135,000	125,200

Amounts recognised in the statement of Surplus or Deficit and Other Comprehensive Income

	2022	2021
	\$	\$
Depreciation - right-of-use assets	69,047	29,850
Interest expense on lease liabilities	26,292	1,696

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Notes to the Financial Statements

For the Year Ended 30 June 2022

12 Trade and Other Payables

	2022 \$	2021 \$
CURRENT		
Trade payables	331,344	270,855
GST payable	11,461	3,087
Grants in advance	328,180	17,000
Home care client balances	123,995	539,775
Prepaid income	50,633	197,801
Other payables	436,510	436,075
	<u>1,282,123</u>	<u>1,464,593</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

13 Other Liabilities

CURRENT		
Accommodation bonds / refundable deposits	<u>23,087,025</u>	<u>28,505,344</u>

14 Employee Benefits

CURRENT		
Annual leave	661,773	699,210
Long service leave	346,007	412,090
	<u>1,007,780</u>	<u>1,111,300</u>
NON-CURRENT		
Long service leave	<u>274,860</u>	<u>355,058</u>

15 Reserves

Asset revaluation reserve

The asset revaluation reserve records revaluations of non-current assets.

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Notes to the Financial Statements

For the Year Ended 30 June 2022

16 Financial Risk Management

	2022	2021
	\$	\$
Financial assets		
Cash and cash equivalents	1,384,355	8,503,934
Trade and other receivables	549,201	383,486
Listed investments	3,936,674	3,757,540
Total financial assets	5,870,230	12,644,960
Financial liabilities		
Trade and other payables	767,854	706,930
Resident liabilities	23,087,025	28,505,344
Total financial liabilities	23,854,879	29,212,274

Financial liabilities exceed financial assets by \$17,984,649 (2021 \$16,567,313). The directors have provided commentary in relation to their assessment in Note 1.

17 Key Management Personnel Disclosures

The remuneration paid to key management personnel of Samarinda is \$ 413,771 (2021: \$ 533,175).

There were no other related party transactions during the year.

18 Auditors' Remuneration

Remuneration of the auditor		
- audit of the financial statements	19,950	18,150
- other services	2,850	-
Total	22,800	18,150

19 Contingencies

In the opinion of those charged with governance, Samarinda did not have any contingencies at 30 June 2022 (30 June 2021:None).

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

Notes to the Financial Statements

For the Year Ended 30 June 2022

20 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	\$	\$
Surplus/(Deficit) for the year	(1,237,365)	999,544
Non-cash flows in result:		
- RAD lease finance income	(1,012,920)	(1,112,791)
- depreciation	778,823	707,919
- RAD lease finance expense	1,012,920	1,112,791
- unrealised loss/(gain) on fair value movement of investments	426,635	(227,298)
- non-cash DAP drawdowns from RADs	(157,429)	(228,653)
- net (gain)/loss on disposal of non-current assets	(19,542)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(165,715)	58,918
- (increase)/decrease in other assets	1,804	13,867
- increase/(decrease) in trade and other payables	(182,470)	500,190
- increase/(decrease) in provisions	(183,719)	339,820
Cashflows from operations	<u>(738,978)</u>	<u>2,164,307</u>

21 Events after the end of the Reporting Period

Subsequent to year end Samarinda has applied for a commercial loan facility to assist in meeting its cashflow needs in relation to prudential refund requirements.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of Samarinda, the results of those operations or the state of affairs of Samarinda in future financial years.

22 Statutory Information

The registered office and principal place of business of Samarinda Ashburton Aged Services Inc. is:

286 High Street
Ashburton, VIC 3147

Samarinda Ashburton Aged Services Inc

ABN 48 522 054 140

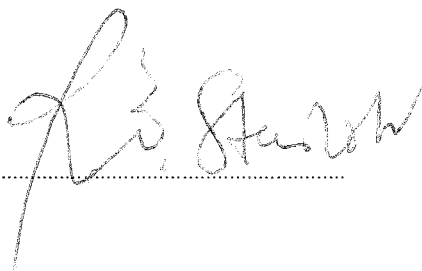
Declaration by the Board

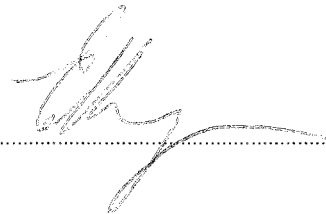
The Board has determined that Samarinda Ashburton Aged Services Inc. is a reporting entity and that this general purpose financial report (Simplified disclosure standard) should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements, the reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (VIC).

In the opinion of the Board the financial statements as set out on pages 4 to 24:

1. Presents a true and fair view of the financial position of Samarinda Ashburton Aged Services Inc. as at 30 June 2022 and of the performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Samarinda Ashburton Aged Services Inc. will be able to pay its debts as and when they fall due for the reasons set out in Note 1 of Notes to the financial statements.
3. The financial statements and notes are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, the Australian Charities and Not-for-profits Regulations 2013 and the Associations Incorporations Reform Act 2012 (VIC).

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

Chair 

Deputy Chair 

Dated 28.10.2022

Samarinda Ashburton Aged Services Inc

Independent Audit Report to the members of Samarinda Ashburton Aged Services Inc

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Samarinda Ashburton Aged Services Inc, which comprises the statement of financial position as at 30 June 2022, the statement of surplus or deficit 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 declaration by the board.

In our opinion the financial report of Samarinda Ashburton Aged Services Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Association Incorporation Reform Act 2012 (VIC)*, including:

- (i) giving a true and fair view of Samarinda's financial position as at 30 June 2022 and of its financial performance and cash flows for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* and the *Associations Incorporations Reform Act 2012 (VIC)*.

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 Samarinda in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that Samarinda's financial report is prepared on a going concern basis. Samarinda has funded a net outflow of RADs during the year and have further repayments subsequent to year end. This has resulted in a significant reductions in cash reserves. The directors have realised the investment portfolio after year end to further support the operational cashflow requirements and is seeking a finance facility to support the cashflow requirements. Samarinda also incurred a net deficit of \$(1,237,365) for the year ended 30 June 2022 and, as reported in Note 16, Samarinda's financial liabilities exceed financial assets by \$17,984,649. The matters as set forth in Notes 1 & 16, indicate that a material uncertainty exists that may cast doubt on Samarinda's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Samarinda Ashburton Aged Services Inc

Independent Audit Report to the members of Samarinda Ashburton Aged Services Inc

Board's Responsibility for the Financial Report

The board of Samarinda are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures, the *Australian Charities and Not-for-profits Commission Act 2012* and the Association Incorporation Reform Act 2012 (VIC), and for such internal control as the board members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the board members are responsible for assessing Samarinda'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 the board either intends to liquidate Samarinda or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Samarinda's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Samarinda's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.

Samarinda Ashburton Aged Services Inc

Independent Audit Report to the members of Samarinda Ashburton Aged Services Inc

- Conclude on the appropriateness of the board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Samarinda's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Samarinda 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 those charged with governance 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.


Saward Dawson

Peter Shields

Partner

Blackburn VIC

Dated: 28 October 2022

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Getting Involved



SAMARINDA *locals for locals*

There are many ways in which the community can become involved with Samarinda Ashburton Aged Services.

One of these ways is through becoming a volunteer at any of our programs and services. This includes potential volunteering opportunities at:

- ‘The Ashy’ Op-Shop
- Elsie Salter House
- The Social Support Program
- The Kitchen
- Meals on Wheels
- The Gardening Support Program
- Leisure and Lifestyle activities at Samarinda Lodge

If you are interested in volunteering some of your time please contact the SAAS Volunteer Coordinator on Ph: 1300 591 464, or email: volunteer@saas.org.au.

Another way to contribute to our organisation is through a donation. All donations assist the organisation to either improve current infrastructure or create new programs so that we can continue to provide the best outcomes to our local community.

To assist Samarinda with their work I would like to donate:

☐ \$20

☐ \$50

☐ \$100

☐ \$200

☐ \$500

☐ Other \$_____

CARD NUMBER

EXPIRY DATE

☐ MASTER CARD

☐ VISA

Please return completed form together with payment to:

SAMARINDA ASHBURTON AGED SERVICES
286 High Street, Ashburton Vic 3147
Email: admin@saas.org.au

CARD HOLDER NAME

CARD HOLDER SIGNATURE

DONOR ADDRESS

EMAIL

PHONE



SAMARINDA *locals for locals*

286 High St, Ashburton, VIC, 3147
t 1300 591 464
admin@saas.org.au
www.samarinda.org.au