

Financial Report 2023–24



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Statement by State Council



St Vincent de Paul Society
QUEENSLAND

good works

Statement by State Council

The members of the State Council declare that:

1. The consolidated financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and accompanying notes, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulation 2022*; and
 - b. give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the year ended on that date.
2. In the Councillors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the State Council.

P. McMahon

Patricia McMahon
State President

Dan Carroll

Dan Carroll
State Treasurer

8 October 2024

Independent Auditor's Report



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

To the members of St Vincent De Paul Society Queensland

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of St Vincent De Paul Society Queensland (the Society) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the Statement by the State Council.

In our opinion the accompanying financial report of St Vincent De Paul Society Queensland, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 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 Group 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.

Responsibilities of State Council for the Financial Report

The State Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the State Council determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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Independent Auditor's Report



In preparing the financial report, the State Council is responsible for assessing the Group'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 State Council either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The State Council are responsible for overseeing the Group'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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'C Henry', is written over a faint, stylized 'BDO' logo.

C Henry
Director

Brisbane, 8 October 2024

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	CONSOL 2024 \$'000			CONSOL 2023 \$'000		
	Revenue	Operating Expenses	Net surplus / (deficit)	Revenue	Operating Expenses	Net surplus / (deficit)
Community services						
Community care & health	154,925	117,987	36,938	132,764	101,430	31,334
Aged care	276,660	258,445	18,215	214,482	206,085	8,397
Private hospital	25,330	24,892	438	24,114	23,722	392
Homelessness	29,162	29,122	40	24,561	24,774	(213)
Child & family support	10,778	11,151	(373)	9,572	10,325	(753)
Help for people in crisis	3,810	12,458	(8,648)	3,327	11,656	(8,329)
Natural disaster relief	861	723	138	1,337	2,140	(803)
Community housing	5,088	5,140	(52)	4,921	4,596	325
Migrants, refugees & overseas	407	760	(353)	351	702	(351)
Youth	203	1,868	(1,665)	145	1,610	(1,465)
	507,224	462,546	44,678	415,574	387,040	28,534
Supporting services						
Retail	45,408	28,115	17,293	43,409	24,456	18,953
Operations	19,366	26,208	(6,842)	16,231	20,729	(4,498)
Fundraising	11,979	2,469	9,510	12,634	2,586	10,048
Administration	787	1,999	(1,212)	324	2,093	(1,769)
Warehouse	349	5,270	(4,921)	266	5,065	(4,799)
Membership spiritual development	-	1,644	(1,644)	-	1,263	(1,263)
	77,889	65,705	12,184	72,864	56,192	16,672
Shared services						
Finance	14,864	14,917	(53)	13,357	10,472	2,885
Human resource	-	2,623	(2,623)	-	2,549	(2,549)
Information technology	40	15,019	(14,979)	-	11,482	(11,482)
Legal & compliance	19	2,544	(2,525)	4	1,906	(1,902)
	14,923	35,103	(20,180)	13,361	26,409	(13,048)
	600,036	563,354	36,682	501,799	469,641	32,158
Total surplus			36,682			32,158

These consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Total surplus brought forward		36,682	32,158
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss:			
Change in the fair value of financial assets		10,488	1,858
Transfer of (gain)/loss on disposal of financial assets	11	(805)	(1,376)
Other comprehensive income for the year		9,683	482
Total comprehensive income for the year		46,365	32,640

These consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Current assets			
Cash and cash equivalents	5	63,895	63,012
Trade and other receivables	6	13,465	11,157
Inventories		814	676
Other assets	7	7,363	6,140
Asset held for sale	8	284	-
Total current assets		85,821	80,985
Non-current assets			
Other assets	7	2,239	1,249
Property, plant and equipment	9(a)	716,960	634,677
Right of use	9(b)	55,710	52,914
Investments at fair value through profit or loss	10	25,875	23,403
Other investments	11	296,637	205,281
Intangible assets	12	1,363	13,837
Investment property	13	139,953	134,211
Total non-current assets		1,238,737	1,065,572
Total assets		1,324,558	1,146,557
Current liabilities			
Trade and other payables	14	24,869	37,620
Provisions	17	39,118	33,459
Borrowings	15	50,722	40,802
Lease liabilities	16	26,917	23,206
Grants in advance	18	25,034	21,862
Residential liabilities	19	495,543	342,612
Deferred consideration	20	3,119	4,000
Total current liabilities		665,322	503,561
Non-current liabilities			
Borrowings	15	8,605	59,327
Lease liabilities	16	30,320	30,745
Provisions	17	9,987	7,956
Grants in advance	18	22,577	20,898
Deferred consideration	20	-	2,979
Total non-current liabilities		71,489	121,905
Total liabilities		736,811	625,466
Net assets/(liabilities)		587,747	521,091
Equity			
Reserves	21	21,582	12,969
Accumulated funds	21	566,165	508,122
Total equity		587,747	521,091

These consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Reserves			Accumulated Funds	Total
		Property Revaluation Reserve	Mission Related Reserves	Financial Asset Reserve		
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2022		6,830	11,149	(4,914)	475,386	488,451
Total comprehensive income for the period						
Net surplus for the year 30 June 2023		-	-	-	32,158	32,158
<i>Other comprehensive income</i>						
Changes in fair value of debt instruments at fair value through other comprehensive income		-	-	1,858	-	1,858
Transfer of (gain)/loss on disposal of debt instruments at fair value through other comprehensive income to profit or loss		-	-	(1,376)	-	(1,376)
Total comprehensive income for the period		-	-	482	32,158	32,640
Transfer to/from reserves		-	(578)	-	578	-
Reclassification adjustment on disposal of property		-	-	-	-	-
Balance at 30 June 2023	21	6,830	10,571	(4,432)	508,122	521,091
Total comprehensive income for the period						
Net surplus for the year 30 June 2024		-	-	-	36,682	36,682
<i>Other comprehensive income</i>						
Changes in fair value of debt instruments at fair value through other comprehensive income		-	-	10,488	-	10,488
Transfer of (gain)/loss on disposal of debt instruments at fair value through other comprehensive income to profit or loss		-	-	(805)	-	(805)
Total comprehensive income for the period		-	-	9,683	36,682	46,365
Transfer to/from reserves		-	(981)	-	21,272	20,291
Reclassification adjustment on disposal of property		(89)	-	-	89	-
Balance at 30 June 2024	21	6,741	9,590	5,251	566,165	587,747

These consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Cash flows from operating activities			
Receipts from operating activities		568,472	483,270
Payments to suppliers and employees		(517,730)	(422,902)
Interest received		18,410	9,643
Dividends received		587	995
Finance costs		(2,347)	(1,856)
Finance costs from leasing		(1,686)	(1,535)
Net cash provided by operating activities	26(b)	65,706	67,615
Cash flows from investing activities			
Proceeds – sale of property, plant and equipment		16,964	20,611
Proceeds – sale of financial assets		142,131	200,243
Payment for financial assets		(203,941)	(242,885)
Payment for property, plant and equipment		(87,068)	(113,510)
Payment for software		(544)	(1,227)
Payments for acquisitions, net of cash acquired		(2,169)	(2,992)
Net cash used in investing activities		(134,627)	(139,760)
Cash flows from financing activities			
Proceeds from borrowings		-	59,905
Repayment of borrowings		(40,802)	(858)
Lease payment (principal)		(23,417)	(18,685)
Net contributions received/(refund) of resident liabilities		134,023	48,371
Net cash provided by financing activities		69,804	88,733
Net increase/(decrease) in cash and cash equivalents		883	16,588
Cash and cash equivalents at beginning of financial year		63,012	46,424
Cash and cash equivalents at end of financial year	26(a)	63,895	63,012

These consolidated financial statements should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

About this report

Corporate information

The St Vincent de Paul Society Queensland (the Society) is a non-government charitable organisation domiciled in Queensland, Australia. The financial report covers the economic activities of the Society in Queensland. The Society is a body incorporated under letters patent and has a number of subsidiary entities which are companies limited by guarantee. The consolidated financial statements and notes represent those of the Society and its controlled entities (the "consolidated group" or "group") of which the Society is the sole member.

The group is a deductible gift recipient (DGR).

The financial statements, which are presented in Australian dollars, were authorised for issue on 8 October 2024 by the State Council.

All values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

The group is a non-profit entity for financial reporting purposes under Australian Accounting Standards.

Organisation details

The registered office of the Incorporated Organisation is:

St Vincent de Paul Society Queensland
10 Merivale Street
South Brisbane Qld 4101

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 1: General Accounting Policies

Basis of preparation

Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board, the *Aged Care Act 1997* and the *Australian Charities and Not-for-profits Commission Act 2012*. The Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards AIFRS. Due to the application of Australian specific provisions for not-for-profits entities contained only within Australian Accounting Standards, the financial report and notes thereto are not necessarily compliant with all International Financial Reporting Standards.

Adoption of new and revised accounting standards

The Society has adopted all new and revised accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. These did not have a material impact on the financial report on initial application.

New accounting standards not yet effective

There are no new / amended accounting standards or interpretations issued which are not yet effective and that are likely to have a material impact on the group's financial report on initial application. The group intends to apply new standards from their application date.

Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluations of selected financial assets, for which the fair value basis of accounting has been applied.

Key judgements and estimates

In the process of applying the group's accounting policies, management has made a number of judgements and applied estimates for future events. Judgements and estimates which are material to the financial report are found in the following notes:

Note 6	Trade and other receivables
Note 8	Assets held for sale
Note 9(a)	Property plant & equipment
Note 9(b)	Right-of-use assets
Note 10(a)	Investments at fair value
Note 12	Intangible assets
Note 13	Investment property
Note 16	Lease liability
Note 17	Provisions
Note 20	Deferred consideration
Note 24	Contingent asset and liabilities

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 1: General Accounting Policies (continued)

Bed licences

In May 2021 the Australian Government announced its intention to abolish bed licence restrictions and the Aged Care Approval Rounds ("ACAR") from 1 July 2024. As a result of announcements made in the Federal Budget and the release on 29 September 2021 by the Department of Health and Aged Care of the detailed discussion paper Improving Choice in Residential Aged Care – ACAR Discontinuation, bed licences are now considered to have a finite life that is not expected to extend beyond 1 July 2024.

In accordance with Accounting Standards and guidelines issued by the Australian Securities and Investments Commission ("ASIC") and the group's current understanding of the relevant legislation and transitional arrangements relating to the removal of bed licences, the group reassessed the useful life of its bed licences.

Consequently, the group amortised the value of bed licences on a straight-line basis over their remaining economic life to 30 June 2024.

Fair values of assets and liabilities

Fair values may be used for financial asset and liability measurement as well as for sundry disclosures.

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. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the group.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The fair value measurement of a non-financial asset takes into account the market participant's ability to generate economic benefits by using the asset at its highest and best use or by selling it to another market participant that would use the asset at its highest and best use.

In measuring fair value, the group uses valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

Inventory

Purchased inventories are valued at the lower of cost and current replacement cost. Any donated household goods received by the group and sold through our retail shops are not valued.

Income tax and Fringe benefit tax

The members of the group are not subject to Income Tax. They are entitled to a partial exemption from fringe benefits tax.

Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Subsidiary entities

As of 30 June 2024, the group had two subsidiaries, Ozcare and St Vincent de Paul Society Queensland Housing Limited, trading as Vinnies Housing. These are both companies limited by guarantee, of which the Society is the sole member.

Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (the Society) and all the subsidiaries. Subsidiaries are entities the parent controls.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the group from the date on which control is obtained by the group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity on the accounting policies adopted by the group.

Business combinations/acquisitions

Business combinations occur where an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities under common control. The business combination is accounted for from the date control is obtained, whereby the fair value of the identifiable assets acquired, and liabilities (including contingent liabilities) assumed is recognised.

All transaction costs incurred in relation to business combinations are recognised as expenses in profit or loss when incurred. In a business combination that does not involve the transfer of purchase consideration, the net assets of the subsidiary are recognised as a direct addition to equity.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 1: General Accounting Policies (continued)

Working capital

At balance date the statement of financial position discloses prima facie a deficiency in working capital, being excess of current liabilities over current assets of \$579.50m (2023: \$422.58m).

The working capital deficiency partially arises because of the requirement under Australian Accounting Standards to classify resident liabilities totalling \$495.54m, (2023: \$342.61m) (note 19) as a current liability, whereas the assets to which they relate, property, plant & equipment, investment properties and other investments are required to be classified as non-current assets.

Included in resident liabilities are Ingoing Contributions totalling \$237.83m (2023: \$120.58m), refer note 19. When a retirement village resident relinquishes the unit/apartment they occupied the entity is not required to pay the resident's exit entitlement (the Ingoing Contribution less the exit fee) until the unit/apartment has been sold to a new resident and the new Ingoing Contribution is received. Where a unit has not sold within 18 months of the resident's departure, the entity is required to buy back the unit from the outgoing resident (at market price).

The major portion of resident liabilities is accommodation bonds and Refundable Accommodation Deposits of \$257.71m (2023: \$222.03m), (note 19). The timing of the obligation of accommodation bonds and Refundable Accommodation Deposits will not practically all fall due within the next twelve months. Accommodation bonds become payable upon the departure of aged care residents. Historically, the turnover of the aged care residents has been approximately 20%-30% and it is unlikely that all residents will depart in the next twelve months to trigger a requirement to pay out the full liability.

Furthermore, the group has other financial assets valued at \$296.64m (2023: \$205.28m) (note 11), which are recognised as non-current assets, as they are not expected to be sold within the next 12 months. Whilst they are not expected to be sold within the next 12 months and are ultimately held for long term appreciation, if required, the entity can call upon these investments to fund repayments of accommodation bond (AB), Refundable Accommodation Deposits (RADs) and Ingoing Contribution liabilities.

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

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 2: Income

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Revenue			
Shop revenue	(h), (f)	47,038	44,846
Donations			
- General		11,247	12,989
- Disaster appeal	(a)	556	78
- Special appeal		677	466
	(f)	12,480	13,533
Bequests	(f)	4,163	2,825
Government funding			
- General	(b), (g)	12,689	9,747
- Contract	(c), (f)	308,671	242,230
- Capital funding	(d), (f)	1,424	1,736
- Disaster funding	(a), (g)	-	1,076
- National Disability Insurance Scheme	(g)	11,781	14,558
		334,565	269,347
Interest received on financial assets measured at amortised cost			
- Cash and cash equivalents		3,314	1,240
- Other financial assets		16,392	9,518
		19,706	10,758
Dividends received	10(b)	587	995
Contributions for service	(f)	152,144	132,416
Daily accommodation payments	(f)	9,132	7,870
Imputed revenue on RAD and bond balances	(e), (f)	10,056	6,412
Other revenue	(f)	3,147	2,499
Placement fee	(f)	25	37
Revenue		593,043	491,538
Other income			
- Gain/ (loss) on sale of property, plant and equipment		4,504	7,723
- Gain/ (loss) on financial assets at fair value through profit & loss	10(b)	2,471	2,456
- Gain on ROU assets from rent relaxation		18	82
		600,036	501,799

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 2: Income (continued)

Revenue

- (a) Included in the Disaster appeal are the funds received for the Queensland Bushfires, South East Queensland Flood and Queensland Cyclone and Flood Emergency through both the group's fundraising efforts and the State and Federal Government grant funding.
- (b) Operational general funds for government programs with "no specific performance" obligations are recognised in the period the funds are received.
- (c) Contract revenue is reported in compliance with AASB 15 for grant revenue.
- (d) Capital funding comprises capital grants received in prior periods where there are clear and specific ongoing service obligations attached to the grant, are accounted for under AASB 15.
- (e) RAD rental income (refer to Accounting policy below)
- (f) Total contract revenue in accordance with AASB15 Revenue from contracts with customers \$548.28m (2023: \$452.60m)
- (g) Total income recognised in accordance with AASB 1058 Income of not-for-profit entities \$24.479m (2023: \$27.18m)
- (h) Donated goods are a significant part of our retail operation. This can be shown in the difference between shop sales and cost of sales as follows:

	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Shop revenue	47,038	44,846
less: cost of goods sold	(2,767)	(2,258)
Gross profit	44,271	42,588

Economic dependency on government grants

In the pursuit of our work, the Society receives financial assistance from the various governments to deliver its charitable programs. Government funding makes up 56% (2023: 54%) of the total revenue. The sources of these funds are as follows:

Sources of government revenue

	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Commonwealth government		
Department of Health	59,612	49,381
Department of Social Services	211,033	157,764
National Disability Insurance Scheme	11,781	14,558
Department of Home affairs	396	336
Various other departments	233	630
Total	283,055	222,669
State government		
Department of Communities, Housing & Digital Economy	24,410	23,491
Department of Children, Youth Justice and Multicultural Affairs	7,073	6,569
Queensland Health	8,030	6,354
Queensland Corrective Services	1,697	1,298
Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts	4,461	4,359
Department of Justice and Attorney General	2,717	-
Various other departments	2,037	3,779
Total	50,425	45,850
Various local governments	1,085	828
TOTAL	334,565	269,347

Ozcare's continued operation is dependent on ongoing Government subsidies which are subject to regular contractual reviews and/or accreditation requirements.

We acknowledge that departmental names may have changed from time to time.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 2: Income (continued)

Economic dependency on government grants (continued)

Expiring contracts:

There are currently no expiring contracts that ended on 30 June 2024. Those contracts that were due to expire as at 30 June 2024 have been extended out to 30 June 2025 and 2026 respectively.

Contracts currently under negotiation:

Negotiations for a government contract renewal have commenced with the Queensland State Government Department of Communities, Housing & Digital Economy for the renewal of the State Emergency Relief funding and the Society has no reason to believe that the department will discontinue its support of the Society.

Accounting policy

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

Revenues are recognised net of the amount of GST. GST received during the financial year is stated at gross amounts in the statement of cash flows and is included in receipts from operating activities. The following specific recognition criteria must also be met before revenue is recognised:

Rendering of service

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

Sale of goods

Revenue is recognised when the control of the goods has passed to the buyer.

Donations and bequests

Revenue or capital assets arising from donations and bequests is recognised when control is obtained, as it is impossible for the group to reliably measure these prior to this time. For example, cash donations are recognised when banked and other donations are recognised when title or possession transfers to the group.

Gifts in kind and volunteers

Gifts in kind and volunteer hours including pro bono work received by the group (including from solicitors, members, volunteers, etc) cannot be reliably measured by the group, and as such, revenue from donations of these goods and services are not included in the financial statements. Volunteers contribute substantially to the operations of the Society. Total volunteers supporting our good works were 7,770 (2023: 6,471)

Accommodation bond retentions and exit fees

Accommodation bond retentions are recognised on a contractual basis and deducted from the Accommodation bond liability balance.

Exit fees on retirement village assets is earned while the resident occupies the independent living unit and is recognised as income over the residents' expected tenure. The expected tenure is calculated with reference to Australian Bureau of Statistics current data relating to life expectancy and historical trends of roll-overs within the company. Exit fee revenue earned reduces the existing Ingoing Contribution liability.

Government grants

Grants are principally of a recurrent or capital nature and intended to fund ongoing operations or asset acquisitions. Grant income arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised when control of each performance obligation is satisfied.

Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time generally revenue is recognised based on either cost or time incurred which best reflects the transfer of control.

Grant income arising from an agreement which does not contain enforceable and sufficiently specific performance obligations is recognised when the grant is received.

Capital grants received under an enforceable agreement to enable the entity to acquire or construct an item of property, plant and equipment which will be controlled by the entity once complete; and where there are no ongoing specific service obligations attached to the capital grant, are recognised as revenue as and when the obligation to construct or purchase is complete.

Interest revenue

Interest revenue is recognised on an accrual basis using the effective interest rate.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 2: Income (continued)

Dividends

Dividends are recognised when the group's right to receive payment is established.

Client contributions

Client contributions by clients who have the capacity to pay are recognised when the service is provided.

Imputed revenue on Refundable Accommodation Deposits (RAD) and bond balances

Under AASB 16 *Leases*, total revenue includes an imputed non-cash charge for accommodation in respect of residents who have chosen to pay a RAD and the corresponding finance costs representing the amount of interest expense saved on the interest-free loan. Because the RADs are interest-free only until the resident vacates the premises, the RAD balance is required to be discounted and measured at fair value. The group has determined the use of the RBA's overnight cash rate as the interest rate used in the calculation of the discounting of the RAD balance. Because the repayment of the RAD is guaranteed by the Federal Government, there is no credit risk and therefore the appropriate discount rate is the RBA's overnight cash rate.

Proceeds of non-current asset sales

The net gain from the sale of non-current assets is included as revenue when control of the asset passes to the buyer. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and net proceeds.

Note 3: Operating expenses

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Specific required disclosures are:			
Employee benefits		333,335	254,676
Defined contribution superannuation expense		31,366	25,468
Depreciation of property, plant and equipment	9(a)	17,979	17,652
Amortisation of make good provisions	9(a)	54	105
Amortisation of intangibles	12	13,018	12,252
Depreciation of investment property	13	3,009	2,802
Amortisation of right-of-use assets	9(b)	11,939	9,855
Rental expense			
- Minimum lease payments		892	772
Finance costs			
Lease interest expense		3,022	2,518
Accommodation bond/RAD interest expense	(a)	10,056	6,412
Other finance costs		1,151	1,012

(a) The group's RAD interest expense represents the amount of interest expense saved on the interest-free loan in respect of residents who have chosen to pay a RAD.

Accounting policy

Goods and services tax (GST)

Expenses are recognised net of the amount of GST. GST paid during the financial year is stated at gross amounts in the statement of cash flows and is included in payments to suppliers.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 4: Auditors' remuneration

Amount paid to BDO for:	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Audit of financial report and grant financial returns	419	440
Indirect taxation services	4	17
Other advisory services	28	-
	<u>451</u>	<u>457</u>

Other advisory services above include IT, lease and remuneration related advisory services.

Note 5: Cash and cash equivalents

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Cash on hand		120	149
Cash at bank		50,429	52,379
Term deposits		10,632	8,604
Cash at bank – Capital Replacement Fund		2,714	1,880
		<u>63,895</u>	<u>63,012</u>

(a) Cash at Bank - Capital Replacement Fund

Secured and restricted use Capital Replacement Fund accounts are established in terms of section 91 and 92 of the *Retirement Villages Act 1999* and cannot be used by the entity in its ordinary activities.

Accounting policy

Cash and cash equivalents comprise cash at bank and in hand and deposits at call or with an original maturity of less than three months, which are subject to insignificant risks of changes in their value. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Note 6: Trade and other receivables

	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Trade and other receivables	13,465	11,157
	<u>13,465</u>	<u>11,157</u>

Accounting policy

Trade and other receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Goods and services tax (GST)

Assets are recognised net of the amount of GST. Receivables in the consolidated statement of financial position are shown inclusive of GST. GST received during the financial year is included as gross amounts in the consolidated statement of cash flows and is included in receipts from operating activities.

Provision for impairment of receivables - expected credit loss

The group applies the simplified approach to providing for expected credit losses prescribed by AASB 9 *Financial Instruments*, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the days past due.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 7: Other assets

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Current			
Prepayments		5,504	4,043
Other assets		1,667	1,523
Accrued income		192	574
		7,363	6,140
Non-current			
Other assets		2,239	1,249
		2,239	1,249

Accounting policy

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after reporting date, which are classified as non-current assets.

Goods and Services Tax (GST)

Assets are recognised net of the amount of GST. GST received during the financial year is included as gross amounts in the consolidated statement of cash flows and is included in receipts from operating activities.

Note 8: Assets held for sale

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Asset held for sale		284	-
		284	-

Accounting policy

Assets held for sale are those property assets that are expected to be sold within the next 12 months.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 9: Property, plant and equipment

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Land and buildings			
At cost		567,813	539,795
Less accumulated depreciation		(109,258)	(99,073)
		458,555	440,722
Leasehold improvements			
At cost		9,082	8,240
Less accumulated depreciation		(4,733)	(4,251)
		4,349	3,989
Total land and buildings		462,904	444,711
Plant and equipment			
At cost		68,661	59,439
Less accumulated depreciation		(49,448)	(43,240)
Total plant and equipment		19,213	16,199
Work in progress		234,619	173,619
Make good leased premises			
At cost		1,086	990
Less accumulated depreciation		(862)	(842)
Total make good leased premises		224	148
Total property, plant and equipment		716,960	634,677

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 9(a): Property, plant and equipment

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Land and buildings			
Carrying amount at the beginning of the financial year		440,722	443,413
Additions		23,423	7,810
Disposals		(233)	(1,229)
Transfers		4,967	582
Less depreciation		(10,324)	(9,854)
Carrying amount at the end of the financial year		458,555	440,722
Leasehold improvements			
Carrying amount at the beginning of the financial year		3,989	3,914
Additions		54	19
Disposals		-	(13)
Transfers		788	510
Less depreciation		(482)	(441)
Carrying amount at the end of the financial year		4,349	3,989
Total land and buildings			
Carrying amount at the beginning of the financial year		444,711	447,327
Additions		23,477	7,829
Disposals		(233)	(1,242)
Transfers		5,755	1,092
Less depreciation		(10,806)	(10,295)
Carrying amount at the end of the financial year		462,904	444,711

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 9(a): Property, plant and equipment (continued)

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Plant and equipment			
Carrying amount at the beginning of the financial year		16,199	19,957
Additions		7,043	4,597
Disposals		(111)	(2,106)
Transfers		3,255	1,108
Less depreciation		(7,173)	(7,357)
Carrying amount at the end of the financial year		19,213	16,199
Work in progress			
Carrying amount at the beginning of the financial year		173,619	92,952
Additions		70,425	99,184
Disposals		(131)	(140)
Transfers		(9,643)	(2,200)
Transfers to Intangibles		-	(39)
Transfer to investment property		349	(16,138)
Carrying amount at the end of the financial year		234,619	173,619
Make good leased premises			
Carrying amount at the beginning of the financial year		148	131
Additions		146	175
Disposals		(16)	(53)
Less amortisation	3	(54)	(105)
Carrying amount at the end of the financial year		224	148
Total property, plant & equipment			
Carrying amount at the beginning of the financial year		634,677	560,367
Additions (excluding make good leased premises)		100,945	111,610
Movement in make good leased premises (non-cash)		76	17
Disposals		(475)	(3,488)
Transfer to investment property	13	-	(16,138)
Transfer to asset held for sale	8	(284)	-
Transfer to intangibles	12	-	(39)
Less depreciation	3	(17,979)	(17,652)
Carrying amount at the end of the financial year		716,960	634,677

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 9: Property, plant and equipment (continued)

Note 9(b): Right-of-use assets

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Right-of-use asset			
At cost		85,944	76,271
Less accumulated amortisation		(30,234)	(23,357)
Total		55,710	52,914
Reconciliation			
Carrying amount at the beginning of the financial year		52,914	46,291
Additions		26,720	25,887
Disposals		(11,985)	(9,409)
Less amortisation	3	(11,939)	(9,855)
Carrying amount at the end of the financial year		55,710	52,914

Accounting policy

Property plant and equipment are stated at cost less accumulated depreciation and any impairment in value.

Work-in-progress is stated at cost and not depreciated. Depreciation on work-in-progress commences when the assets are ready for their intended use and reclassified to that category.

Leasehold improvements are depreciated over the shorter of either unexpired period of the lease or the estimated useful life of the improvements.

Depreciation is calculated on a straight-line basis over the estimated useful life of assets as follows:

Class of property, plant and equipment and right-of-use assets	Depreciation Rates
<i>Buildings</i>	<i>2.5 to 5%</i>
<i>Leasehold improvements</i>	<i>Term of lease</i>
<i>Plant & equipment</i>	<i>15% to 33%</i>
<i>Right-of-use asset</i>	<i>Term of lease including options</i>
<i>Make good leased premises</i>	<i>initial lease period</i>

Right-of-use assets are amortised over the expected life of the lease.

An item of property, plant and equipment is derecognised on disposal or when there are no future economic benefits to the group. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to accumulated surplus.

Impairment

At each reporting date, management review a number of factors affecting property, plant and equipment, including their carrying values, to determine if these assets may be impaired. If an impairment indicator exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and 'value in use' is compared to the carrying value. Any excess of the asset's carrying value over its recoverable amounts is expensed in profit or loss as an impairment expense.

As the future economic benefits of the group's assets are not primarily dependent on their ability to generate net cash inflows, and if deprived of the asset, the group would replace the asset's remaining future economic benefits: 'value in use' is determined as the current replacement cost of the asset, rather than by using discounted future cash flows.

Current replacement cost is defined as the amount that would be required at the relevant time to replace the service capacity of an asset.

Goods and services tax (GST)

Assets are recognised net of the amount of GST.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 10: Investments at fair value through profit or loss

(a) Investments at fair value through profit or loss

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Listed investments – primary markets			
- Australian equities	10(c)	10,645	9,184
- International equities	10(c)	8,222	7,536
- Preference shares	10(c)	733	727
Unlisted investments			
- Unlisted international managed funds	10(c)	5,089	5,092
- Unlisted domestic managed funds	10(c)	1,186	864
		<u>25,875</u>	<u>23,403</u>
(b) Return on financial assets at fair value through profit or loss			
Recognised in surplus for the year:			
- Dividends received	2	587	995
- Gain/(loss) on fair value	2	2,471	2,456
		<u>3,058</u>	<u>3,451</u>

(c) Reconciliation of financial assets

Reconciliations of the carrying amounts of:

Listed investments – primary markets

Australian equities

Carrying amount at the beginning of the financial year	9,184	7,481
Additions	1,530	2,213
Disposals	(1,114)	(1,812)
Net revaluation increase/(decrease)	1,045	1,302
Carrying amount at the end of the financial year	<u>10,645</u>	<u>9,184</u>

International equities

Carrying amount at the beginning of the financial year	7,536	7,051
Additions	464	734
Disposals	(745)	(1,123)
Net revaluation increase/(decrease)	967	874
Carrying amount at the end of the financial year	<u>8,222</u>	<u>7,536</u>

Preference shares

Carrying amount at the beginning of the financial year	727	1,172
Additions	-	-
Disposals	-	(465)
Net revaluation increase/(decrease)	6	20
Carrying amount at the end of the financial year	<u>733</u>	<u>727</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 10: Investments at fair value through profit or loss (continued)

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Unlisted investments			
<i>Unlisted international managed funds</i>			
Carrying amount at the beginning of the financial year		5,092	4,061
Additions		762	760
Disposals		(1,216)	(270)
Net revaluation increase/(decrease)		451	541
Carrying amount at the end of the financial year		5,089	5,092
Unlisted domestic managed funds			
Carrying amount at the beginning of the financial year		864	992
Additions		320	518
Disposals		-	(365)
Net revaluation increase/(decrease)		2	(281)
Carrying amount at the end of the financial year		1,186	864
Summary			
Carrying amount at the beginning of the financial year		23,403	20,757
Additions		3,076	4,225
Disposals		(3,075)	(4,035)
Net revaluation increase/(decrease)	2	2,471	2,456
Carrying amount at the end of the financial year		25,875	23,403

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 11: Other investments

Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Non-current		
<i>Fair value through other comprehensive income:</i>		
Fixed and floating interest rate notes	296,637	205,281
	<u>296,637</u>	<u>205,281</u>

Accounting policy

Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise debt securities where the contractual cash flows are solely principal, and interest and the objective of the company's business model is achieved both by collecting contractual cash flows and selling financial assets.

Upon disposal of these debt securities, any balance within the financial asset revaluation reserve for these is reclassified to profit or loss. The amount reclassified was a gain of \$0.81m (2023: gain \$1.38m).

The fixed and floating interest rates notes are expected to be held to maturity (or close to maturity). The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments principal and interest on the principal amounts outstanding. Credit impairment losses are recognised in profit or loss and other changes in the carrying amount on remeasurement to fair value are recognised in other comprehensive income.

Classification of financial assets at amortised cost

The group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model with the objective of collecting the contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Classification of financial assets at fair value through profit or loss

Financial assets that are not measured at amortised cost or at fair value through other comprehensive income, are classified as financial assets at fair value through profit or loss. All gains and losses from these investments, and all fair value movements, are directly recognised through profit or loss.

Fair value

Financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are recognised and measured at fair value on a recurring basis.

Valuation techniques used to determine fair values.

Listed investments: the fair value is determined by reference to quoted market bid prices at the close of business on the reporting date.

Interest bearing notes: fair value is determined using quoted prices or dealer quotes for similar instruments.

Funds under management: fair value is determined by the fund manager's value calculation using the value of the underlying investments at each reporting date.

Details regarding financial risk management are disclosed in Note 27(a) and 27(b).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 12: Intangible assets

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Computer software			
At cost		11,797	12,204
Less accumulated amortisation software		(10,434)	(9,819)
		1,363	2,385
Aged care bed licences			
Fair Value on resumption of control of Ozcare		35,851	35,851
Less accumulated amortisation bed licence		(35,851)	(24,399)
		-	11,452
Total intangible assets		1,363	13,837

Reconciliations

Reconciliations of the carrying amounts of each class of intangible asset at the beginning and end of the current financial year are set out below:

Computer software

Carrying amount at the beginning of the financial year		2,385	1,954
Additions		569	1,227
Disposals		(25)	-
Transfers		-	39
Less amortisation		(1,566)	(835)
Carrying amount at the end of the financial year		1,363	2,385

Aged care bed licences

Carrying amount at the beginning of the financial year		11,452	22,869
Less amortisation		(11,452)	(11,417)
Carrying amount at the end of the financial year		-	11,452

Summary

Carrying amount at the beginning of the financial year		13,837	24,823
Additions		569	1,227
Disposals		(25)	-
Transfers	9(a)	-	39
Less amortisation	3	(13,018)	(12,252)
Carrying amount at the end of the financial year		1,363	13,837

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 12: Intangible assets (continued)

Accounting policy

Computer software

Computer software used in internal management systems, whether acquired or internally developed is stated at cost less amortisation. Computer software is amortised on a straight-line basis over its useful life.

Aged care bed licences

Aged care bed licences were recorded at cost. Prior to May 2021 aged care bed licences were assessed as having an indefinite useful life as they were issued for an unlimited period, therefore were not amortised. Following the government announcement in 2021 that aged care bed licences and the Aged Care Approval Rounds will be abolished from 1 July 2024, the carrying amount of bed licences are amortised on a straight-line basis from 1 May 2021 to 30 June 2024. This has resulted in an amortisation expense in the profit and loss for the year ended 30 June 2024 of \$11.45 (2023: \$11.45m) with no impact to the cash flows of the Society.

Impairment

The group assesses intangible assets at each reporting date by evaluating conditions specific to the group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 13: Investment property

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Land & buildings		154,006	145,254
Less accumulated depreciation		(14,053)	(11,043)
		139,953	134,211
Movement			
Carrying amount at the beginning of the financial year		134,211	118,861
Additions		8,751	2,014
Additions through asset acquisition/business combinations		-	-
Transfer from property, plant and equipment	9(a)	-	16,138
Less depreciation	3	(3,009)	(2,802)
Carrying amount at the end of the financial year		139,953	134,211

Accounting policy

Retirement living community assets are classified as investment properties as they are held to earn revenues and capital appreciation over the long-term. These assets are comprised of independent living units, common facilities and integral plant and equipment.

Investment property is measured at cost less accumulated depreciation and impairment losses, including transaction costs. The buildings component is depreciated over a useful life of 40 years.

Transfers to and from investment properties to property, plant and equipment are determined by a change in use of owner occupation. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on date of change of use.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Impairment of assets

At each reporting date, management review a number of factors affecting property, plant and equipment, including their carrying values, to determine if these assets may be impaired. If an impairment indicator exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and 'value in use' is compared to the carrying value. Any excess of the asset's carrying value over its recoverable amounts is expensed in profit or loss as an impairment expense.

Note 14: Trade and other payables

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Trade and other creditors		10,398	11,548
Client refund held		4,452	8,878
Sundry creditors		10,019	17,194
		24,869	37,620

Accounting policy

Trade and other payables represent unpaid liabilities for goods received by and services provided to the Society prior to the end of the financial year. The amounts are unsecured and are normally settled within 14-30 days. Client funds held are recognised as a liability until services are provided to the client for which funds are held or are paid to another service provider at the request of the client. Client funds held are included in cash at bank and on deposit.

Goods and services tax (GST)

Payables are shown inclusive of GST. GST paid during the financial year is included as gross amounts in the consolidated statement of cash flows and is included in payments to suppliers.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 15: Borrowings

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Current			
Borrowings		50,722	40,802
		50,722	40,802
Non-current			
Borrowings		8,605	59,327
		8,605	59,327

The carrying amounts of non-current assets pledged as security are:

Freehold land and buildings	192,173	183,801
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(a) Facility with Archdiocesan Development Fund (ADF)

The Society has approved facility limits with the ADF of \$10.38m (2023: \$11.18m). The drawn amount as at 30 June 2024 was \$9.32m (2023: \$10.13m) with an amount available to draw of \$1.06m (2023: \$1.06m).

This facility is secured by a first mortgage, held by the ADF, over certain freehold properties owned by the Society at a carrying amount of \$29.69m which are classified as property, plant and equipment. A covenant has been imposed requiring all operating funds of the Society that are surplus to the Society's normal day to day requirements, to be placed on deposit with the ADF. There has been no breach of this covenant by the Society.

(b) Market rate loan facility with Commonwealth Bank of Australia (CBA)

Ozcare entered into a market rate loan facility agreement with CBA during 2022 which offered multiple loan accounts under one limit. The loan facility gives Ozcare the option of a standard variable market interest rate or a range of interest rate risk management options to manage interest rate risk.

The agreement includes two market rate loan facilities, a contingent liability facility to assist with rental bond and bank guarantee requirements, and a corporate card facility with a total facility limit of \$50.43m. The current market rate loan facility has a carrying amount of \$50.00m, a facility limit of \$50.00m and an expiry date of 26 November 2024

Under the terms of the loan facilities, Ozcare must meet the following financial ratios:

- The interest cover ratio, calculated at the end of each quarter, must not be less than 3 times;
- The loan value ratio, calculated at the end of each quarter, must not exceed 60% of the 'as is' market value of the properties pledged as security; and
- The minimum liquidity to be at least \$55.00m at all times.

The market rate loan facility for Ozcare is secured by first mortgages over 6 aged care facilities and 2 office buildings. The carrying amount of the land and buildings which are classified as property, plant and equipment at reporting date was \$162.49m.

Borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest rate method.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

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

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 16: Lease liability

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Current			
Lease liability		26,917	23,206
		26,917	23,206
Non-current			
Lease liability		30,320	30,745
		30,320	30,745

The group has leases over buildings, vehicles and office equipment. Information relating to the leases in place and associated balances and transactions are provided below.

Accounting policy

The group, as lessee recognises assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The group recognises a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

Refer to Note 9(b) for right-of-use assets balances.

The group recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying *AASB 107 Statement of Cash Flows*.

Liabilities arising from a lease have been initially measured on a present value basis. This measurement includes non-cancellable lease payments (including inflation-linked payments) and includes payments to be made in optional periods when we were reasonably certain to exercise the option to extend the lease, or not to exercise an option to terminate the lease.

The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the company'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 the group'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.

The group has elected to apply the exceptions to lease accounting for leases of low-value assets.

For these leases, the group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Maturity analysis for lease liabilities

	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Less than 1 year	29,513	27,523
1-5 years	20,991	21,431
Over 5 years	14,872	14,342
Total undiscounted lease liabilities	65,376	63,296

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 17: Provisions

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Current			
Employee entitlements annual leave		26,034	21,968
Employee entitlements long service leave		13,084	11,491
		39,118	33,459
Non-current			
Employee entitlements long service leave		8,901	6,966
Make good leased premises		1,086	990
		9,987	7,956

Accounting policy

Employee entitlements

Sick leave is non-vesting, and no provision has been made.

The provision for annual leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to the reporting date. The liability is recognised as current and non-current provisions dependent on the unconditional right to settlement of the liability within 12 months after the reporting date. The provision is calculated using expected future increases in wage and salary rates, expected settlement dates and is discounted using the rates attaching to corporate bonds at reporting date.

The provision for long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to the reporting date, net of any amounts expected to be recovered from Q-Leave under the portable long service leave scheme. The liability for long service leave is recognised as current and non-current provisions, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Other provisions

Provisions for service warranties and make good obligations are recognised when the group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 18: Grants in advance

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Current			
Government grants in advance – operational		18,687	15,504
Government grants in advance – capital		6,347	6,358
		25,034	21,862
Non-current			
Government grants in advance – capital		22,577	20,898
		22,577	20,898

Accounting policy

Refer to note 2 for the accounting policy pertaining to grants.

Note 19: Resident liabilities

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Current			
Accommodation bonds and Refundable Accommodation Deposits		257,711	222,034
Ingoing contributions		237,832	120,578
		495,543	342,612

Accounting policy

Accommodation bonds

An accommodation bond as governed by the *Aged Care Act 1997* is an amount of money payable for entry to Ozcare by residents who enter permanent care at a low-level care; and if they are eligible to pay. It is in addition to the standard resident contribution and any income tested fee that may apply to the resident. Accommodation bonds are recognised as a liability net of retentions receivable.

Refundable accommodation deposits

A Refundable Accommodation Deposit ("RAD"), as governed by the *Aged Care Act 1997*, is an amount of money payable for entry to Ozcare by any resident who, in terms of a Commonwealth asset and income assessment, is eligible to pay. It is in addition to the standard resident contribution and any means tested care fee that may apply to the resident. RADs are recognised as a liability only upon receipt of the deposit.

Residents can choose to pay a RAD as a lump sum, a daily accommodation payment, or a combination of both. The service provider must, if instructed by the care recipient, deduct from the RAD (whether fully or partly paid), the daily accommodation payment and may, in its sole discretion and upon receiving a request from the care recipient, agree to the deduction from the RAD of any other amount.

Any deductions from the RAD bear interest at the maximum permissible interest rate as set by the Commonwealth Government. The balance of the RAD is refunded to the resident, or their estate, on departure. Service providers may also retain any interest they derive from RADs. A RAD is refundable within a maximum of 14 days of departure of the resident or, in the case of death, within 14 days of our receipt of formal notification of grant of probate.

Ingoing contributions

Retirement village residents pay an Ingoing Contribution to the entity in exchange for the exclusive use of an independent living unit. Ingoing contributions are refundable to a departed resident following sale of the respective unit and receipt of an Ingoing Contribution from the new resident. Ingoing contribution liability is recorded net of exit fees receivable.

Current classification

Accommodation bonds, RADs and Ingoing Contributions are classified as current liabilities in the statement of financial position. Based on historical trends and experience it is likely that the majority of the liability recognised will not be payable within 12 months, however there is no unconditional right to defer settlement of the liability for more than 12 months and, therefore, the liability is recognised as current in its entirety.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 20: Deferred consideration

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Current			
Deferred consideration – Canossa acquisition		3,119	4,000
		<u>3,119</u>	<u>4,000</u>
Non-current			
Deferred consideration – Canossa acquisition		--	2,979
		--	2,979
Total deferred consideration		<u>3,119</u>	<u>6,979</u>

Deferred consideration relates to the acquisition of the Canossa business on 1 December 2020. The contracted deferred consideration amounts (undiscounted) to be paid to the Canossian Sisters are as follows:

1 December 2024	<u>\$3,200,000</u>
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Accounting policy

The deferred consideration liability is the difference between the total purchase consideration, usually on an acquisition of a business combination, and the amounts paid or settled up to the reporting date, discounted to net present value. The increase in the deferred consideration liability resulting from the passage of time is recognised as a finance cost. The Ozcare borrowing rate of 5.9% has been adopted to calculate the net present value of this liability.

Note 21: Equity

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Financial asset revaluation reserve		5,251	(4,432)
Mission related reserve		9,590	10,571
Property revaluation reserve		6,741	6,830
Accumulated funds		566,165	508,122
		<u>587,747</u>	<u>521,091</u>

Accounting policy

Financial asset revaluation reserve:

The financial asset revaluation reserve records increments and decrements on the revaluation of financial assets classified as financial assets at fair value through other comprehensive income. Upon disposal of these financial assets, any balance within the financial asset revaluation reserve is reclassified to profit or loss.

Mission related reserves:

Mission related reserves have been created to fund ongoing mission in the areas of retail for fit outs of stores, children's education and additional housing stock.

Property revaluation reserve

The property revaluation reserve records increments and decrements on the revaluation of individual parcels of land and buildings when revaluations have been performed previously, and prior to the adoption of AIFRS in 2003. When individual parcels of land and buildings are sold, any balance in the revaluation reserve pertaining to those land and buildings is transferred to accumulated funds. Transfers for land and buildings sold during the year amounted to \$0.09m (2023: \$NIL).

Note 22: Interest in subsidiaries

Subsidiary entities

As of 30 June 2024, the Society had two subsidiaries: Ozcare and St Vincent de Paul Society Queensland Housing Limited, trading as Vinnies Housing. These are both companies limited by guarantee, of which the Society is the sole member.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 23: Parent note

Following is a high-level summary of key information for the parent entity on a stand-alone basis:

Note	SVDP 2024 \$'000	SVDP 2023 \$'000
Total comprehensive income for the year	11,235	11,499
Total current assets	42,080	38,152
Total non-current assets	183,489	174,072
Total assets	225,569	212,224
Total current liabilities	24,174	24,311
Total non-current liabilities	47,327	45,540
Total liabilities	71,501	69,851
Net assets/(liabilities)	154,068	142,373
Total equity	154,068	142,373

Note 24: Contingent assets and contingent liabilities

At 30 June 2024, the group had a contingent liability in relation to possible future claims made under the National Redress Scheme which the Society joined as a respondent in September 2020. Due to lack of knowledge about the likely number and value of possible claims, it is considered that any contingent liability for potential claims cannot be reliably estimated as at 30 June 2024.

At reporting date, there are no other contingent assets or contingent liabilities.

Note 25: Commitments

Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Capital commitments		
Capital expenditure projects contracted	33,473	49,315
Capital expenditure commitments		
<i>Contracted for:</i>		
Not later than one year	33,473	49,315
Later than one year but not later than 5 years	-	-
Total capital expenditure commitments	33,473	49,315

The point at which a commitment becomes a liability is generally when the intention to sacrifice future resources becomes a present obligation. This would normally occur when there is firm agreement, it is probable that either party to the agreement would suffer a loss from cancellation by the other party, and it is probable that the other party would succeed in any action to secure performance or significant compensation.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 26: Notes to the Statement of Cash Flows

(a) Reconciliation of cash

Cash at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Balance per statement of cash flows	5	63,895	63,012

(b) Reconciliation of cash flow from operations with the net surplus

Net Surplus		36,682	32,158
Non-cash flows in operating surplus			
Depreciation/(amortisation)	3	45,999	42,561
Net (gain) on sale of fixed assets	2	(4,504)	(7,723)
Rent concession on lease liabilities		(18)	(85)
Bequest received in shares		(51)	(64)
Net fair value loss/(gain) on financial assets	2	(2,471)	(2,456)
Net loss/(gain) on sale of financial assets at fair value through other comprehensive income		(805)	(1,376)
Accommodation bond retentions and exit fees		(6,883)	(4,907)
Other non-cash items		845	(567)
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		(5,051)	1,516
(Increase)/decrease in other assets		(1,413)	2,168
(Increase)/decrease in inventories		(138)	(288)
Increase/(decrease) in trade and other payables		(7,506)	1,004
Increase/(decrease) in grants in advance		5,083	4,824
Increase/(decrease) in provisions		5,937	850
Cash flows provided by operating entities		65,706	67,615

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 27: Financial risk management

General objectives, policies and processes

In common with similar organisations, the group is exposed to risks that arise from its use of financial instruments. This note describes the group's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The principal financial instruments from which financial instrument risk arises:

- Cash and cash equivalents
- Trade and other receivables
- Trade and other payables
- Government grants and loans
- Accommodation bonds
- Borrowings
- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Financial assets at amortised cost.

The State Council has overall responsibility for the determination of the group's risk management objectives and policies.

(a) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligations resulting in the group incurring a financial loss. This usually occurs when debtors or counter parties to contracts fail to settle their obligations owing to the group.

The maximum exposure to credit risk at balance date, without taking into account the value of any collateral or other security, in the event other parties fail to perform their obligations under financial instruments in relation to each class of recognised financial asset at reporting date is the carrying amount of those assets as indicated in the Statement of Financial Position and is as follows:

	Note	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Cash and cash equivalents	5	63,895	63,012
Trade and other receivables	6	13,465	11,157
Investments at fair value through profit or loss	10	25,875	23,403
Financial assets at fair value through other comprehensive income	11	296,637	205,281
		<hr/>	<hr/>
		399,872	302,853

Cash and cash equivalents

Cash and cash equivalents are deposited by members of the Group with the Commonwealth Bank of Australia and Archdiocese Development Fund.

Trade and other receivables

Within trade and other receivables, the federal and state governments are the largest debtors through GST and government funding receivables. The Society's no interest loans scheme has outstanding receivables of \$0.41m (2023: \$0.33m). Credit risk associated with trade and other receivables is monitored by the monthly review of trade debtor listings.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 27: Financial risk management (continued)

(a) Credit risk (continued)

Investments at fair value through profit or loss

The group's investments at fair value through to profit or loss are disclosed in Note 10. No one investment product is greater than 6% of the portfolio at the time of investing. Investments are diversified and are exposed to defensive and growth assets.

Listed interest rate securities consist primarily of Australian hybrid securities such as convertible notes and types of preference shares that provide a return based on quoted interest rates.

The Finance Committee manages the risk and return of the Society's financial assets in line with the National and State Investment Policies of the Society of St Vincent de Paul.

Throughout the financial year the Finance Committee employed independent advisors, who manage the Society's investments in line with State Council's approved investment policy which adheres to the National and State Investment Policies. Those advisors have reported monthly to management; and quarterly, to the Finance Committee.

Risk is managed by monthly reviews of investment holdings, policy compliance, economic updates and reviewing the long-term cash needs of the Society. The committee monitors the quality of investments taking into consideration areas such as credit ratings, returns and investment objectives.

Other investments

The Other investments consist mainly of short-term deposits and bank bills.

For the financial assets managed by Ozcare, the Board of Directors and Senior Management of Ozcare are responsible for monitoring and managing financial risks. Senior Management regularly review investments and borrowings and seek advice from an independent investment research and advisory firm. The Board reviews investments at each meeting and receives a quarterly portfolio report from the independent investment research and advisory firm.

(b) Market risk

The group does not have any material exposure to market risks other than interest rate, price and currency risks.

The policies and procedures for managing price risk are similar to those for managing credit risk as detailed in Note 27(a).

Interest rate risk

Interest rate risk arises from the use of interest-bearing financial instruments. It is the risk that fair value for future cash flows of a financial instrument will fluctuate because of changes in interest rates.

The group monitors its interest rate exposure continuously. Total financial assets that earned interest at a floating rate is \$360.53m as at 30 June 2024 (2023: \$268.29m). Total financial liabilities that are charged interest at a floating rate are \$59.33m as at 30 June 2024 (2023: \$100.13m).

Price risk

The group invests in publicly traded investments including listed equities, unlisted managed funds and bonds and in doing so it exposes itself to the fluctuations in price that are inherent in such markets. Any investment decisions must be approved by the Board/ State Council. To limit its price risk, the group holds a diversified portfolio, and the Board/ State Council makes investment decisions on advice from professional advisors.

Currency risk

The group is exposed to currency risk in relation to its investments in international investments. To limit its currency risk the group's Finance Committees monitor currency movements and the impact on fair values of investments before any redemption transactions are made.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 28: Related party transactions

The names of persons who were State Councillors/Directors at any time during the financial year are as follows:

State Council of St Vincent de Paul Queensland	Board of Directors Ozcare	Board of Directors Vinnies Housing
Patricia McMahon (State President)	John Forrest (Chair)	Gregory Coghlan (Chair)
Dan Carroll	Christine McMillan	Annette Baker
Beryl Rowan	David Masters	Gary Searle
Brian Headford	Declan Rooney	Nicholas O'Connor
Collette Brickhill (ceased February 2024)	Glynis Schulz	Philip Cranny
Dennis Innes	Peter Driver (ceased December 2023)	Dennis Innes
John Blake	Robert Baker	Pauline Thomson
John Hollamby	Dr Minjae Lee	Anthony Walsh (commenced May 2024)
John Forrest	Patrick Sherry	Nicolas Herron
John O'Gorman		
Peter Dougherty		
Susan Dann		
Shane Blakely		
Stephanie Veitch		
Veronica Innes		
Nicolas Herron (commenced November 2023)		

No State Councillor/Director has entered into a material contract with any entity within the group since the end of the previous financial year and there were no material contracts involving State Councillors'/Directors' interests existing at year end. State Councillors and directors may have family members or relatives who utilise the services that the group provides. Such transactions are conducted at arms' length.

Other than expense reimbursement State Councillors and directors do not receive any direct remuneration, however minor fringe benefits exist on motor vehicle usage, professional membership and training and is included in the figure below.

Other key management personnel as at 30 June 2024 were:

St Vincent de Paul Society Queensland	Ozcare	Vinnies Housing
Kevin Mercer <i>Chief Executive Officer</i>	Anthony Godfrey <i>Chief Executive Officer</i>	Sharon Shearsmith <i>Chief Executive Officer</i>
Jennifer Barrett <i>General Manager - Governance & Risk</i>	Dinuke Christie-David <i>Chief Financial Officer</i>	Jon Twomey <i>Executive Officer</i>
Joe Duskovic <i>General Manager - Property & Construction</i>	John De Angelis <i>Group Manager Construction & Property</i>	
Drew Eide <i>General Manager - Operations</i>	Russell Brighthouse <i>Head of Community Care</i>	
Rachel Fraser <i>General Manager - CFO & Business Services</i>	Sarah Chapman <i>Group Manager Brand & Communications</i>	
Samantha Hill <i>General Manager - Mission & Membership</i>	Anna Gorgijeski <i>Head of Retirement Living</i>	
Anthony Nowak <i>General Manager - Fundraising, Marketing and Communications</i>	Keith Lavelle (Chief Transformation Officer)	
Jackie Youngblutt <i>General Manager - Programs</i>	John Scurr <i>Chief Information Officer</i>	
	Lanna Ramsay <i>Head of Aged Care</i>	
	Joel Reading <i>Group Manager Risk & Compliance</i>	
	Brett Warhurst <i>Group Manager People</i>	

Key management personnel remuneration, including Councillors/Directors, includes reportable fringe benefits on motor vehicles supplied:

	CONSOL 2024 \$'000	CONSOL 2023 \$'000
Remuneration including reportable fringe benefits on motor vehicles	6,429	5,124

Transactions with Ozcare during the financial year include \$0.06m (2023: \$0.06m) of fund reimbursement for transitioned program's costs paid by Ozcare on the Society's behalf.

Vinnies Housing

The transactions with Vinnies Housing have been by the way of management of housing stock owned by the Society. A fee of 15% of income is paid for this service. All surplus from the Society owned housing stock is returned to the Society. Amounts of \$0.13m (2023: \$0.13m) have been received this year from Vinnies Housing for surplus from housing operations.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 28: Related party transactions (continued)

MOU between the Society, Vinnies Housing and Government

A Memorandum of Understanding has been signed by the Society & Vinnies Housing, covering the management of the housing for both Society owned and properties owned by others including the State Government.

The State Government has yet to transfer all leases to Vinnies Housing as the legal agreement is currently being reviewed.

Transactions with other St Vincent de Paul Societies within Australia

Brought to account in arriving at the surplus for the year are net payments made of \$1.37m (2023: \$0.71m) to St Vincent de Paul Society entities outside Queensland. These include payments made to National Council for Levies and Twinning, and payments of Disaster funds to National Council, NSW State Council and Canberra - Goulburn Territory Council. It also includes receipts from St Vincent de Paul Society Northern Territory for support services provided.

Note 29: Business Combinations

(a) On 1st July 2023 Ozcare acquired the business of Sarina Aged Care from Sarina Aged Care Ltd for nil consideration. Details of the acquisitions are as follows:

	\$'000
Cash and cash equivalents	3,313
Trade and other receivables	23
Other financial assets	17,483
Property, plant & equipment	3,281
Investment property	2,478
Trade and other payables	(54)
Resident liabilities	(5,812)
Employee benefits provision	(421)
Net assets acquired (recorded directly to retained earnings)	20,291
Goodwill	-
Acquisition costs expensed to profit or loss	8

(b) On 1st December 2023 Ozcare acquired the Warrina Innisfail aged care facility and The Lakes retirement village from Warrina Innisfail for a purchase price of \$5.48m (after adjustments). Details of the acquisitions are as follows:

	\$'000
Trade and other receivables	351
Property, plant & equipment	18,293
Investment property	4,650
Trade and other payables	(504)
Resident liabilities	(15,977)
Employee benefits provision	(1,331)
Net assets acquired	5,482
Goodwill	-
Acquisition date fair value of the total consideration transferred	5,482
Acquisition date fair value of the total consideration transferred (net cash paid)	5,482
Acquisition costs expensed to profit or loss	13

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 29: Business Combinations (continued)

Accounting policy for business combinations

The acquisition method of accounting is used to account for business combinations, unless it is a combination involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired.

On the acquisition of a business, the company assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the company's operating or accounting policies and other pertinent conditions in existence at the acquisition date.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill.

If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer. The difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer. In accordance with AASB 3 *Business Combinations* (AASB 3), where a business combination is achieved without the transfer of consideration, any gain on a bargain purchase shall not be recognised in the profit or loss. Instead, the fair value of the consideration is assumed to equal the fair value of the net assets being acquired, with the acquirer recognising the acquirees net assets as a direct addition to equity.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Significant estimates and judgement

Fair value of net assets acquired

Business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the company taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 30: Events subsequent to reporting date

There are no other matters or circumstances which have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the group in future financial years.

How You Can Help



To offer a financial donation or leave a gift in your will email: qld.donations@svdpqld.org.au or call **13 18 12**



For general information visit: vinnies.org.au/qld ozcare.org.au



For help to volunteer or donate furniture/goods call: **1800 VINNIES | 1800 846 643** or for help or to volunteer **1800 OZCARE | 1800 692 273**

Be part of our online community at vinnies.org.au/qld

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St Vincent de Paul Society
QUEENSLAND

good works