



SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST
ABN: 51 104 269 221

FINANCIAL REPORT - 30 JUNE 2025

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SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2025**

	Note	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	61,251,902	54,405,110
Trade and other receivables	7	258,491,950	259,617,175
Financial assets	8	11,769,678	11,193,990
<i>Total current assets</i>		<u>331,513,530</u>	<u>325,216,275</u>
Non-current assets			
Plant and equipment	9	2,654,957	2,232,399
Intangible assets	10	920,749	963,870
<i>Total non-current assets</i>		<u>3,575,706</u>	<u>3,196,269</u>
TOTAL ASSETS		<u>335,089,236</u>	<u>328,412,544</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	5,928,213	4,872,526
Employee benefits	12	3,244,629	2,955,282
Refundable loans	13	297,070,586	292,434,271
<i>Total current liabilities</i>		<u>306,243,428</u>	<u>300,262,079</u>
Non-current liabilities			
Employee benefits	12	355,141	300,534
<i>Total non-current liabilities</i>		<u>355,141</u>	<u>300,534</u>
TOTAL LIABILITIES		<u>306,598,569</u>	<u>300,562,613</u>
NET ASSETS		<u><u>28,490,667</u></u>	<u><u>27,849,931</u></u>
FUNDS			
Denominational funds		<u>28,490,667</u>	<u>27,849,931</u>
TOTAL FUNDS		<u><u>28,490,667</u></u>	<u><u>27,849,931</u></u>

The accompanying notes form part of these financial statements

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 \$	2024 \$
Revenue	4	55,659,387	52,010,751
Other income	4	174,746	126,626
		<u>55,834,133</u>	<u>52,137,377</u>
Expenses			
Administration expenses		(2,865,646)	(2,332,067)
Capital gains provision	5	(1,941,840)	(1,767,534)
Catering and food supplies		(1,003,678)	(868,101)
Cleaning and laundry expenses		(284,881)	(238,202)
Depreciation and amortisation	5	(738,242)	(613,448)
Finance costs	5	(147,807)	(104,282)
Insurances		(1,140,805)	(1,057,057)
Lease fee		(5,063,259)	(4,911,391)
Maintenance and property costs		(1,560,807)	(1,378,559)
Marketing and consultants expenses		(553,451)	(374,524)
Resident and client expenses		(3,703,741)	(3,100,841)
Salaries and employee benefits		(34,614,297)	(31,667,117)
Utilities		(1,574,943)	(1,352,166)
		<u>(55,193,397)</u>	<u>(49,765,289)</u>
Surplus before income tax		640,736	2,372,088
Income tax expense		-	-
Surplus for the year		640,736	2,372,088
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>640,736</u></u>	<u><u>2,372,088</u></u>

The accompanying notes form part of these financial statements

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2025**

	Denominational Funds	Total
	\$	\$
Balance at 1 July 2023	25,477,843	25,477,843
Comprehensive income		
Surplus for the year	2,372,088	2,372,088
Other comprehensive income	-	-
Total comprehensive income for the year	<u>2,372,088</u>	<u>2,372,088</u>
Balance at 30 June 2024	<u>27,849,931</u>	<u>27,849,931</u>
Balance at 1 July 2024	27,849,931	27,849,931
Comprehensive income		
Surplus for the year	640,736	640,736
Other comprehensive income	-	-
Total comprehensive income for the year	<u>640,736</u>	<u>640,736</u>
Balance at 30 June 2025	<u>28,490,667</u>	<u>28,490,667</u>

The accompanying notes form part of these financial statements

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers and government		45,894,026	42,264,224
Payments to suppliers and employees		(48,882,980)	(41,511,854)
Interest and investment income received		3,209,556	2,756,465
Interest paid		(147,807)	(104,282)
<i>Net cash flows from operating activities</i>		<u>72,795</u>	<u>3,404,553</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		37,975	7,061
Purchase of financial assets		(418,289)	(35,211)
Purchase of property, plant and equipment - residential		(694,890)	(523,954)
Purchase of property, plant and equipment - non residential		(298,501)	(381,381)
Purchase of intangible assets - residential		(144,916)	(465,689)
Contribution to business acquisition		-	(16,950,000)
Payment of loans to denominational entities		(3,827,483)	(8,162,427)
<i>Net cash flows from investing activities</i>		<u>(5,346,104)</u>	<u>(26,511,601)</u>
Cash flows from financing activities			
Proceeds from refundable accommodation deposits		15,270,847	19,711,045
Proceeds from refundable entry contributions		18,773,451	13,141,780
Repayment of refundable accommodation deposits		(10,175,239)	(8,893,916)
Repayment of refundable entry contributions		(11,748,958)	(8,824,058)
<i>Net cash flows from financing activities</i>		<u>12,120,101</u>	<u>15,134,851</u>
Net increase (decrease) in cash and cash equivalents		6,846,792	(7,972,197)
Cash and cash equivalents at the beginning of the financial year		<u>54,405,110</u>	<u>62,377,307</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>61,251,902</u></u>	<u><u>54,405,110</u></u>

The accompanying notes form part of these financial statements

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2025**Note 1 - Corporate information**

The financial report includes the financial statements and notes of Seventh-day Adventist Aged Care (North New South Wales) Trust ("the Trust"). The Trust is a not-for-profit entity domiciled in Australia.

The Trustee of Seventh-day Adventist Aged Care (North New South Wales) Trust is Seventh-day Adventist Aged Care (North New South Wales) Limited ("the Trustee").

Scope of activities

The Seventh-day Adventist Aged Care (North New South Wales) Trust, a purpose driven trust, reflects the interest of the North New South Wales Conference of the Seventh-day Adventist Church in the activities of Seventh-day Adventist Aged Care (North New South Wales Conference) Limited (the company) which is a public company limited by guarantee, incorporated in Australia and responsible for the operational activities as delegated by the Executive Committee of the North New South Wales Conference of the Seventh-day Adventist Church.

The Trust was established to facilitate the mission of the North New South Wales Conference of the Seventh-day Adventist Church relative to aged care services. It acts as the Approved Provider and employs staff associated with the following facilities and lifestyle communities:

- Avondale Lifestyle Community
- Alstonville Lifestyle Community
- Wye Point Lifestyle Community
- Jewells Lifestyle Community
- Tweed Heads Lifestyle Community
- Sugar Valley Lifestyle Community

The registered address and principal place of business of the Trust is:

10 University Drive
Cooranbong NSW 2265

The financial statements were approved by the Directors of the Trustee on 24 September 2025.

Note 2 - Basis of preparation***Statement of compliance***

These general purpose financial statements have been prepared in compliance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Accounting Standards - Simplified Disclosures*. The Trust is a not-for-profit entity for the purposes of preparing these financial statements.

Basis of measurement

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

Comparatives

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the Trust has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 2 - Basis of preparation (continued)

Critical accounting estimates and judgements

The Directors of the Trustee evaluate estimates and judgements incorporated into the financial statements 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 the Trust.

Key estimates

Impairment

The Directors of the Trustee assess impairment at the end of each reporting period by evaluation of conditions and events specific to the Trust that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Refundable entry contributions

The amounts repayable to residents upon their exit from the Trust's retirement villages changes with time and movements in the value of the underlying property. The amounts that will be deducted from the original amount deposited by the resident are a function of time. The amount that may be added to the original amount deposited by the resident is a function of the movement in the underlying property value. For the purposes of these financial statements, these refundable loans have been designated as current liabilities. As a result of this classification the calculation of the amount payable is based on the variables as they stand at balance date.

New and revised standards that are effective for these financial statements

Several amendments and clarifications to Australian Accounting Standards and interpretations are mandatory for the 30 June 2025 reporting period. These include:

- *AASB 2020-1, AASB 2022-6 and AASB 2023-3: Amendments to AASB 101 – Classification of Liabilities as Current or Non-current*
- *AASB 2023-1: Amendments to AASB 7 and 107 – Supplier Finance Arrangements*
- *AASB 2024-1: Amendments to AASB 1060 – Supplier Finance Arrangements: Tier 2 Disclosures*

The application of these amendments and clarifications have not had a material impact on the carrying values of the Trust's asset, liability or equity balances; nor a material impact on the disclosures in the financial report nor the recognition and measurement of the Trust's revenue or expenses.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2025 reporting periods and have not been early adopted by the Trust. These include:

- *AASB 18 – Presentation and Disclosure in Financial Statements* (applicable for the year ending 30 June 2028)
- *AASB S1 – General Requirements for Disclosure of Sustainability-related Financial Information* (applicable for the year ending 30 June 2026, depending on criteria qualification outcomes)
- *AASB S2 – Climate-related Disclosures* (applicable for the year ending 30 June 2026, depending on criteria qualification outcomes)

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2025**Note 2 - Basis of preparation (continued)*****New standards and interpretations not yet adopted (continued)***

It is not expected that AASB 18, AASB S1 or AASB S2 will have a material impact on the Trust in future reporting periods. AASB S1 and AASB S2 will only have mandatory application to entities required to report under Chapter 2M of the *Corporations Act 2001* for annual reporting periods commencing on or after 1 July 2025. The Trust is currently assessing whether there will be any material change to disclosures in financial reporting in future years as a consequence of sustainability reporting requirements. As at the date of this financial report AASB S1 and AASB S2 do not have mandatory application to the trust as the Trust prepares its financial report under the *Australian Charities and Not-for-profits Commission Act 2012* financial reporting framework.

Note 3 - Accounting policies (continued)***Income tax***

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

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Revenue recognition

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Resident fees, daily accommodation payments and recurrent government subsidies

Revenue from residents' fees, daily accommodation payments and related government subsidies are recognised on a proportional basis to take account of the delivery of service to or occupancy by residents.

Grants, donations and bequests

Income arising from the contribution of an asset (including cash) is recognised when the following conditions have been satisfied:

- (a) the Trust obtains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the Trust; and
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

Interest and dividends

Revenue from interest and dividends is recognised on an accrual's basis.

Retentions from entry contributions

The retention income earned from resident entry contributions is recognised as revenue as the Trust becomes entitled to receive the retention under the terms of the resident agreement.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value and bank overdrafts.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 3 - Accounting policies (continued)

Trade receivables

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment in relation to doubtful receivables is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of receivables.

Plant and equipment

Recognition and measurement

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by the Directors of the Trustee 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 asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation and amortisation

The depreciable amount of all plant and equipment is depreciated on a straight line basis over the asset's useful life to the Trust commencing from the time the asset is held ready for use.

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

Plant and equipment	10% - 33.3%
Furniture, fixtures and fittings	10% - 20%
Motor vehicles	15% - 20%
Computer equipment	16.67% - 33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Intangible assets

Software

Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of between one and six years.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2025**Note 3 - Accounting policies (continued)*****Impairment of assets***

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Leases

The Trust does not recognise leases that have a lease term of 12 months or less or meet the definition of a "peppercorn" lease. The lease payments associated with these leases are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term.

Financial instruments**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the Trust commits itself to either purchase or sell the asset. Financial instruments 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 profit or loss immediately.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

Classification and subsequent measurement***Financial assets***

Financial assets other than those designated and effective as hedging instruments are classified upon initial recognition into the following categories:

- Amortised cost
- Equity instruments at fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVPL)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income or finance costs, except for impairment of trade receivables which are disclosed with other expenses.

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Trust during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Income received in advance

Income, other than government contract income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of profit or loss and other comprehensive income.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2025**Note 3 - Accounting policies (continued)*****Employee benefits***

Provision is made for the Trust's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

Refundable entry contributions

Refundable entry contributions are received from residents of self-care villages, and they are non-interest bearing and the net amount is repayable upon departure or transfer. Refundable entry contributions are measured at the principal amount net of any retentions, or any other amounts deducted from the loan at the election of the resident, plus the resident's share of the capital gains (if any) based on the market value of the underlying property at balance date.

Refundable entry contributions are classified as current liabilities because the Trust does not have an unconditional right to defer settlement for more than 12 months. However, history shows that on average a resident in a retirement village will stay for between 6 and 12 years. The repayment of contributions to residents including capital gains and net of any retention will be funded largely by contributions from incoming residents.

Refundable accommodation deposits and resident accommodation bonds

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

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025	2024
	\$	\$
<u>Note 4 - Revenue</u>		
Operating revenue		
Government subsidies and recurrent grants	23,271,498	20,894,375
Government support - COVID-19	-	1,152,094
Client fees and charges - home care	8,024,513	7,356,351
Resident fees and charges - residential aged care	7,528,372	7,119,899
Resident fees and charges - independent living units	4,837,075	4,256,519
Retentions - independent living units	7,543,522	7,465,804
Other operating revenue	228,714	172,282
	<u>51,433,694</u>	<u>48,417,324</u>
Other revenue		
Donations	-	4,874
Interest and investment income	3,271,288	2,749,105
Rental income	354,574	319,689
Other revenue	599,831	519,759
	<u>4,225,693</u>	<u>3,593,427</u>
<i>Total revenue</i>	<u>55,659,387</u>	<u>52,010,751</u>
Other income		
Net gain on disposal of property, plant and equipment	17,347	532
Fair value gain on financial assets	157,399	126,094
<i>Total other income</i>	<u>174,746</u>	<u>126,626</u>
<i>Total revenue and other income</i>	<u>55,834,133</u>	<u>52,137,377</u>
<u>Note 5 - Expenses</u>		
Depreciation and amortisation		
Plant and equipment	550,205	497,728
Software	188,037	115,720
<i>Total depreciation and amortisation</i>	<u>738,242</u>	<u>613,448</u>
Bad debts	1,920	529
Impairment - trade receivables	(12,476)	2,726
Finance costs	147,807	104,282
Capital gains provision	1,941,840	1,767,534
<u>Note 6 - Cash and cash equivalents</u>		
Cash at bank and on hand	9,775,372	12,928,953
Cash management facility at call accounts	17,454,593	15,612,208
Other short term deposits	34,021,937	25,863,949
<i>Total cash and cash equivalents</i>	<u>61,251,902</u>	<u>54,405,110</u>

In order to ensure that denominational funds in hand are always fully utilised, the South Pacific Division of the Seventh-day Adventist Church has established Seventh-day Adventist Church Limited to provide facilities for their pooling. Funds deposited in the Cash Management Facility operated by that company are unsecured but are available at call. Distributions, paid quarterly to participating denominational entities, are disclosed together with other appropriations received by the Trust.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025	2024
	\$	\$
<u>Note 7 - Trade and other receivables</u>		
<u>Current</u>		
Trade receivables	477,517	405,696
Provision for impairment	(30,497)	(42,973)
Loans to denominational entities	256,425,273	257,661,049
Other receivables	666,848	305,232
Prepayments	952,809	1,288,171
<i>Total current trade and other receivables</i>	<u>258,491,950</u>	<u>259,617,175</u>
<i>Provision for impairment</i>		
Opening net carrying amount	42,973	40,247
Increase in provision	(12,476)	2,726
Closing net carrying amount	<u>30,497</u>	<u>42,973</u>
<i>Loans to denominational entities</i>		
An at-call interest free loan has been given to North New South Wales Conference of the Seventh-day Adventist Church to assist with the construction of buildings, used by the entity, on land held by Australasian Conference Association Limited on behalf of the conference.		
	2025	2024
	\$	\$
<u>Note 8 - Financial assets</u>		
<u>Current</u>		
Financial assets at fair value through profit or loss		
Managed funds	11,769,678	11,193,990
<i>Total financial assets</i>	<u>11,769,678</u>	<u>11,193,990</u>
<i>Movements in carrying amount</i>		
Opening net carrying amount	11,193,990	11,032,685
Additions	418,289	35,211
Fair value movement	157,399	126,094
Closing net carrying amount	<u>11,769,678</u>	<u>11,193,990</u>
<u>Note 9 - Plant and equipment</u>		
<u>Plant and equipment</u>		
Cost	9,488,509	8,661,966
Accumulated depreciation	(6,833,552)	(6,429,567)
<i>Net carrying amount</i>	<u>2,654,957</u>	<u>2,232,399</u>
<i>Movements in carrying amounts</i>		
Opening net carrying amount	2,232,399	1,831,321
Additions - residential	694,890	523,954
Additions - non residential	298,501	381,381
Disposals	(20,628)	(6,529)
Depreciation charge for the year	(550,205)	(497,728)
Closing net carrying amount	<u>2,654,957</u>	<u>2,232,399</u>

Land and buildings used by the Trust are owned by Australasian Conference Association Limited on behalf of the North New South Wales Conference of the Seventh-day Adventist Church. That company, at the request of the North New South Wales Conference of the Seventh-day Adventist Church, has permitted Seventh-day Adventist Aged Care (North New South Wales) Limited to use the property for an agreed fee in conjunction with the activities of the Trust.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

Note 10 - Intangible assets

	Software \$	WIP \$	Total \$
At 30 June 2024			
Cost	1,238,779	485,595	1,724,374
Accumulated depreciation and impairment	(760,504)	-	(760,504)
<i>Net carrying amount</i>	<u>478,275</u>	<u>485,595</u>	<u>963,870</u>
Movements in carrying amounts			
Opening net carrying amount	478,275	485,595	963,870
Additions	79,154	65,762	144,916
Reclassification	455,077	(455,077)	-
Amortisation charge for the year	(188,037)	-	(188,037)
Closing net carrying amount	<u>824,469</u>	<u>96,280</u>	<u>920,749</u>
At 30 June 2025			
Cost	1,773,010	96,280	1,869,290
Accumulated depreciation and impairment	(948,541)	-	(948,541)
<i>Net carrying amount</i>	<u>824,469</u>	<u>96,280</u>	<u>920,749</u>

Intellectual property used by the Trust are owned by Australasian Conference Association Limited on behalf of the North New South Wales Conference of the Seventh-day Adventist Church. That company, at the request of the North New South Wales Conference of the Seventh-day Adventist Church, has permitted Seventh-day Adventist Aged Care (North New South Wales) Limited to use the property for an agreed fee in conjunction with the activities of the Trust.

While intellectual property contained in intangible assets is owned by Australasian Conference Association Limited, intangible assets such as business/trading names and computer software are held in the name of Seventh-day Adventist Aged Care (North New South Wales) Limited.

	2025 \$	2024 \$
Note 11 - Trade and other payables		
<u>Current</u>		
Trade payables	1,338,417	1,331,475
Income in advance	391,252	517,201
Funds held in trust	654,925	492,446
Other payables	3,543,619	2,531,404
<i>Total current trade and other payables</i>	<u>5,928,213</u>	<u>4,872,526</u>

Note 12 - Employee benefits

<u>Current</u>		
Annual leave	2,154,912	1,885,901
Long service leave	1,089,717	1,069,381
<i>Total current employee benefits</i>	<u>3,244,629</u>	<u>2,955,282</u>
<u>Non-current</u>		
Long service leave	355,141	300,534
<i>Total non-current employee benefits</i>	<u>355,141</u>	<u>300,534</u>

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 \$	2024 \$
Note 13 - Refundable loans		
Current		
Capital gains provision	36,892,591	36,644,392
Refundable accommodation deposits		
- estimated to be payable within 12 months	8,431,409	7,646,266
- estimated to be payable later than 12 months	44,264,896	40,142,894
	<u>52,696,305</u>	<u>47,789,160</u>
Refundable entry contributions		
- estimated to be payable within 12 months	10,374,085	10,400,036
- estimated to be payable later than 12 months	197,107,605	197,600,683
	<u>207,481,690</u>	<u>208,000,719</u>
<i>Total refundable loans</i>	<u>297,070,586</u>	<u>292,434,271</u>
Movement in capital gains provision		
Opening net carrying amount	36,644,392	6,970,767
Payments	(1,693,641)	(1,352,126)
Additional provision recognised	1,941,840	1,767,534
Increase due to business acquisition	-	29,258,217
Closing net carrying amount	<u>36,892,591</u>	<u>36,644,392</u>
Movement in refundable accommodation deposits		
Opening net carrying amount	47,789,160	37,117,652
RADs received	15,270,847	19,711,045
Allowable deductions	(188,463)	(145,621)
RADs refunded	(10,175,239)	(8,893,916)
Closing net carrying amount	<u>52,696,305</u>	<u>47,789,160</u>
Movement in refundable entry contributions		
Opening net carrying amount	208,000,719	159,914,481
Contributions received	18,773,451	13,141,780
Retentions	(7,543,522)	(7,465,804)
Contributions refunded	(11,748,958)	(8,824,058)
Increase due to business acquisition	-	51,234,320
Closing net carrying amount	<u>207,481,690</u>	<u>208,000,719</u>

Terms and conditions

Refundable accommodation deposits (loans) are repayable on the following basis: -

- (i) If the resident gives notice more than 14 days prior to departure then the loan is payable on the date of departure;
- (ii) If the resident gives notice less than 14 days prior to departure the loan is payable within 14 days after notice is given;
- (iii) If the resident gives no notice the loan is repayable 14 days after departure; and
- (iv) If the resident dies, the loan is repayable within 14 days from the date that notice is received of the granting of probate or letters of administration.

Resident entry contributions are non-interest bearing and have an average repayment term of 6 months.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025	2024
	\$	\$
Note 14 - Commitments		
Operating lease commitments		
Non-cancellable operating leases contracted for but not recognised in the financial statements as follows:		
Within one year	128,776	129,664
Later than one year but not later than five years	248,840	160,226
	<u>377,616</u>	<u>289,890</u>

The Trust is committed to a number of short-term and low-value leases in relation to office equipment and other operational assets.

Note 15 - Key management personnel**Remuneration of key management personnel**

The aggregate amount of compensation paid to Directors and other key management personnel during the year was:

1,879,643	1,440,625
<u>1,879,643</u>	<u>1,440,625</u>

Note 16 - Auditor's remuneration

Fees paid to StewartBrown, Chartered Accountants:

Audit of the financial report	43,500	41,500
Preparation of the financial report	3,900	3,700
Other advisory services	20,000	3,825
<i>Total auditor's remuneration</i>	<u>67,400</u>	<u>49,025</u>

Note 17 - Contingent liabilities

At balance date the Trust is not aware of the existence of any contingent liability.

Note 18 - Related party transactions**Trustees' remuneration**

A Directors Levy of \$41,328 (2024: \$39,688) was raised by the Seventh-day Adventist NNSW Conference for services rendered by the NNSW Conference. There is \$Nil outstanding at balance date (2024: \$Nil).

In accordance with the Trust Deed, the Directors of the Trustee company do not receive a remuneration for their services.

There are no other related parties other than Directors and employees. No advances were made to Directors other than employees.

Except as mentioned below all transactions with employees and Directors are made on the understanding that they will be cleared through regular payroll activity. Outstanding balances resulting from such transactions are disclosed in Notes 7 and 11.

Employees remunerated under the South Pacific division Wage Schedule are entitled, after completing a required period of employment to borrow funds from the Trust towards the purchase of a home. All loan funds advanced attract an interest rate as set by the South Pacific Division of the Seventh-day Adventist Church. Outstanding employee loans receivable are reflected in Note 7.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2025**Note 19 - Economic dependency**

The Trustees consider that the Trust is economically dependent on revenue received from the Commonwealth Government Department of Health, Disability and Ageing with respect to its residential aged care facilities. The Trustees believe that this revenue will continue to be made available to the Trust for the foreseeable future.

The total amount of recurrent government funding received during the financial year was \$23,271,498 (2024: \$20,894,375) and this represented 41.7% of total revenue (2024: 39.3%).

Note 20 - Denominational funds

The concept of ownership is not appropriate as all dispositions received by the Trust are to be applied to the charitable purposes set out in its constitution. While the constitution indicates that property and income is to be held and applied for the purposes of the company, the property and income held belongs to the company as trustee of that Trust. Hence all such dispositions received have been recorded as revenue regardless of intended use whether stipulated by the donor or not. Consequently equity has been classified as retained earnings rather than as contributed equity and is termed Denominational Equity.

When managing capital, management's objective is to ensure the Trust continues as a going concern. Management also aims to maintain a cost structure that ensures the lowest cost of capital available to the Trust.

The company has a documented Liquidity Management Strategy which assists the company in meeting the requirements of the Aged Care Act 1997 by determining the level of funding that will be required to meet expected refundable accommodation deposit and bond refunds as they fall due.

Management also monitors working capital in accordance with the recommendations as outlined in the South Pacific Division Working Policy FIN.10.10 Working Capital.

When the available working capital is less than 100% of the recommendation, the trust will make provision for covering such deficiencies in ensuing years in accordance with South Pacific Division Working Policy FIN.10.50 Financial Control.

The Trust has no other externally imposed capital management requirements and there were no changes in the Trust's approach to capital management during the year.

Note 21 - Events occurring after balance date

No significant events have occurred after balance date.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**FINANCIAL REPORT - 30 JUNE 2025****DIRECTORS OF THE TRUSTEE'S DECLARATION**

The Directors of the Trustee of Seventh-day Adventist Aged Care (North New South Wales) declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2025, and the statement of comprehensive profit or loss and other income, statement of changes in funds and statement of cash flows for the year ended on that date, and notes to the financial statements, including material accounting policy information:
 - (a) comply with *Australian Accounting Standards - Simplified Disclosures* (including Australian Accounting Interpretations); and
 - (b) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Trust.
2. In the opinion of the Directors of the Trustee, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

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



Shaun Lorentz
Treasurer

24 September 2025

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST

FINANCIAL REPORT - 30 JUNE 2025

**AUDITOR'S INDEPENDENCE DECLARATION UNDER s60-40
OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE MEMBERS OF SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been:

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



StewartBrown
Chartered Accountants



David Gallery
Partner

24 September 2025

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST

FINANCIAL REPORT - 30 JUNE 2025

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**

Opinion

We have audited the financial report of Seventh-day Adventist Aged Care (North New South Wales) Trust which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the Directors of the Trustee's Declaration.

In our opinion, the accompanying financial report of the Seventh-day Adventist Aged Care (North New South Wales) Trust is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Trust's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- b) complying with *Australian Accounting Standards - Simplified Disclosures* and 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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the Trust in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Directors of the Trustee, would be in the same terms if given to the Directors of the Trustee as at the time of this auditor's report.

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

Directors of the Trustee's Responsibility for the Financial Report

The Directors of the Trustee are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards - Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors of the Trustee determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors of the Trustee are responsible for assessing the Trust'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 Directors of the Trustee either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Directors of the Trustee are responsible for overseeing the Trust's financial reporting process.

SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST**FINANCIAL REPORT - 30 JUNE 2025****INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
SEVENTH-DAY ADVENTIST AGED CARE (NORTH NEW SOUTH WALES) TRUST*****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* and the website address is <http://www.auasb.gov.au/Home.aspx>

We communicate with the Directors of the Trustee 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.

**Stewart Brown**

Chartered Accountants

**David Gallery**

Partner

24 September 2025