



Manor Court
WERRIBEE AGED CARE LTD



Annual report 2020-21

103

residents supported



60

NDIS hours



29,584

days of care provided



Chair's message

Emily Keogh

It certainly has been a dynamic year in the aged care sector not just with the ongoing pandemic but also with the release of the Final Report of the Royal Commission into Aged Care Quality and Safety. We are very supportive of the spotlight being shone on the sector as well as the understanding that the sector does need to have more investment to ensure older Australians get the level of care and support, they need. Manor Court remains deeply rooted in the Wyndham community, as we have done so for the last 42 years, and we continue to grow and evolve to meet the needs of our community.

Thanks to all our staff who have implemented the pandemic response processes and protocols with rigour, who have adopted all the changes and worked tirelessly throughout the last 12 months. Significant changes have seen staff only able to work from one site as well as the recent requirement for mandatory COVID vaccination for all staff. These requirements did impact on some staff, and we thank them

for adapting to these changes. For our residents the impact has been the restrictions around visitations through the long-lasting lockdowns. I acknowledge this has been a big adjustment and although talking through windows or via an iPad has its advantages, it's not the same as being able to have a big hug. I would like to thank all our residents, families, and friends for being so supportive over this very difficult time. The planned refurbishments have moved ahead in stops and starts due to the lockdowns but look out for the launch in 2022.

Manor Court recorded a surplus of \$1,300,716 for 2020/21. Our solid performance, even with a challenging environment, can largely be attributed to our success in securing increased grant funding and sound non-operating activities during the year. This positive result supports Manor Court going forward in new programs for residents, redevelopments and allows Manor Court to reinvest back into the facility to ensure we are providing optimal care against the standards and for our residents.

I would like to acknowledge and thank my fellow Board Directors as well as the excellent work of the Executive team, steering the organisation through the changing environment. To all our wonderful staff, I thank you for your ongoing commitment to providing a supportive and caring environment for our residents. To our residents, families, and friends, it is because of you we are here so your feedback and input into our organisation is very valuable. I would also like to acknowledge our volunteers for your positive impact for our residents.

I am excited about the year ahead with less lockdowns as Victoria navigates through the pandemic and as we finally see the completion of much of the work we have in the pipeline.





156

games of bingo played

130

hours of exercise
delivered



330

residents' nails painted



2

residents celebrated
their 100th Birthday

1 July 2020

69.5%

female residents

30.5%

male residents

30 June 2021

65.5%

34.5%



1

resident celebrated
their 102nd Birthday

101

staff members at 30 June

7

full time

77

part time

17

casual

82%
women

18%
men

5

average
length of
tenure

40.6

Average age of
employees



Financials

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Directors' Report 30 June 2021

The directors present their report on Manor Court Werribee Aged Care Ltd for the financial year ended 30 June 2021.

(a) General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Ms E C Keogh

Qualifications Bachelor of Arts (Journalism), Bachelor of Laws, Diploma of Frontline Management

Experience Wyndham City, Manager Corporate Affairs; 8 years experience in residential aged care

Special responsibilities Chairperson of the Board since 01 December 2017

Dr C Scott

Qualifications BSc (Hons) Chem Eng, GDipEd, GDipCInfSc, Msc, PhD, BA, AMFBAA, QPIA

Experience 11 years experience in residential aged care

Special responsibilities Deputy Chairperson of the Board since 01 December 2017

Mrs K Munton

Qualifications BNurs, GradCertAdvNurs, CertIVWkTrainAssess, Graduate Certificate in Management (Health Leadership)

Experience 25 years in Hospitals and Aged Care incorporating clinical nursing, staff development and hospital management, 5 years experience in residential aged care

Mr I S Knight OAM

Qualifications Investor

Experience 40 years experience in residential aged care

Mr N Tsardakis

Experience 19 years experience as a director in residential aged care and 30 years experience in Banking, Capital Markets and Financial Services

Mrs N Whiting

Qualifications Peri Operative Educator - Registered Nurse

Mr S Taylor

Qualifications (Appointed 4 February 2021)
Post Grad. Dip. Business, Organisational Change & Development

Experience 30 years cross industry experience including entertainment, sport, ageing & disability services, education & training. Expertise in business troubleshooting, planning for growth, service delivery and customer engagement.

Mr I Ahmed

Qualifications (Appointed 4 February 2021)
Business and financial acumen

Experience 25 years' experience in agricultural business, sustainability, development and diversification. Past and current governance experience on the Victorian Farmers Federation Board as both a Director and President of a commodity group.

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Directors' Report

30 June 2021

(a) General information

Information on directors

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Manor Court Werribee Aged Care Ltd during the financial year was the provision of residential aged care services.

No significant changes in the nature of the Company's activity occurred during the financial year.

Short term objectives

The Company's short term objectives are to:

- continue to market our facility, and achieve and maintain full occupancy.
- ensure the financial viability of the business.
- meet the requirements of the Aged Care Act 1997, for accreditation of the facility and its buildings.

Long term objectives

The Company's long term objectives are to:

- maintain and upgrade our buildings to meet the demands of the next generation of residents.
- ensure the financial viability of the business.

Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- focus on retention and continuity of our senior management staff.
- alliances with training organisations to train nursing and care staff at our facility. This gives us access to a regular supply of quality staff.
- continuous review of improvement in processes and policies, and ensuring work for residents and staff continue to align to our values and community.

Performance measures

The following measures are used within the Company to monitor performance:

- financial performance to budgets.
- compliance with the 8 aged care accreditation standards.

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Directors' Report

30 June 2021

(a) General information

Performance measures

- internal audits of processes and practices.
- feedback from residents and families about the quality of the services provided.
- achieving and maintaining full occupancy.
- measurement against aged care indicators, clinical and non-clinical, and industry reporting.

Members guarantee

Manor Court Werribee Aged Care Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 0.50, subject to the provisions of the company's constitution.

At 30 June 2021 the collective liability of members was \$ 35 (2020: \$ 35).

(b) Operating results and review of operations for the year

Operating results

The profit of the Company after providing for income tax amounted to \$ 103,468 (2020: \$ 334,388).

(c) Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

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

Manor Court Werribee Aged Care Ltd

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Directors' Report

30 June 2021

(c) Other items

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Meetings of directors

During the financial year, 11 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Ms E C Keogh	11	9
Dr C Scott	11	11
Mrs K Munton	11	10
Mr I S Knight OAM	11	10
Mr N Tsardakis	11	11
Mrs N Whiting	11	8
Mr S Taylor	6	6
Mr I Ahmed	6	5

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Manor Court Werribee Aged Care Ltd.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Directors' Report

30 June 2021

Auditor's independence declaration

The lead auditor's independence declaration in accordance with Section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2021 has been received and can be found on page 6 of the financial report.

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

Director:
Ms E C Keogh

Director:
Dr C Scott

Dated this 30th day of September 2021

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713 NAPS ID: 823

Auditor's Independence Declaration under Subdivision 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Directors of Manor Court Werribee Aged Care Ltd and Controlled Entity

As lead audit partner for the audit of the financial statements of Manor Court Werribee Aged Care Ltd for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.



Nexia Melbourne Audit Pty Ltd
Melbourne



Geoff S. Parker
Director

Dated this 30th day of September 2021

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

		2021	2020
	Note	\$	\$
Revenue	4	7,917,582	7,854,575
Other income	4	823,536	341,807
		8,741,118	8,196,382
Employee benefits expense	5	(6,651,712)	(6,093,616)
Depreciation expense	5	(395,566)	(389,780)
Catering expense		(337,014)	(344,487)
Medical supplies		(267,999)	(236,190)
Insurance		(43,778)	(39,537)
Repairs and maintenance		(129,415)	(104,033)
Occupancy		(169,730)	(173,310)
Telephone expenses		(31,841)	(27,881)
Cleaning expenses		(85,057)	(60,669)
Accounting & compliance costs		(48,067)	(34,863)
Other expenses		(462,057)	(323,739)
Finance costs	5	(15,413)	(33,889)
Total Expenses	5	(8,637,649)	(7,861,994)
Surplus for the year		103,469	334,388
Items that will not be reclassified subsequently to profit or loss			
Revaluation of financial assets		892,526	154,445
Profit / (Loss) on disposal of financial assets		304,721	(20,650)
Other comprehensive income for the year, net of tax		1,197,247	133,795
Total comprehensive income for the year		1,300,716	468,183

The accompanying notes form part of these financial statements.

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Statement of Financial Position As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	875,870	2,514,591
Trade and other receivables	7	203,790	112,723
Other financial assets	8	-	151,632
Other assets	9	122,616	780,556
TOTAL CURRENT ASSETS		1,202,276	3,559,502
NON-CURRENT ASSETS			
Property, plant and equipment	10	14,006,921	13,282,158
Other financial assets	9	5,059,693	3,669,257
TOTAL NON-CURRENT ASSETS		19,066,614	16,951,415
TOTAL ASSETS		20,268,890	20,510,917
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	8,334,325	10,114,189
Employee benefits	12	988,657	696,631
TOTAL CURRENT LIABILITIES		9,322,982	10,810,820
NON-CURRENT LIABILITIES			
Employee benefits	12	177,633	232,538
TOTAL NON-CURRENT LIABILITIES		177,633	232,538
TOTAL LIABILITIES		9,500,615	11,043,358
NET ASSETS		10,768,275	9,467,559
EQUITY			
Reserves		6,521,422	5,324,175
Retained earnings		4,246,853	4,143,384
TOTAL EQUITY		10,768,275	9,467,559

The accompanying notes form part of these financial statements.

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Retained Earnings	Capital Surplus Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2020	4,143,384	1,138,693	4,185,482	9,467,559
Total other comprehensive income for the year	-	-	1,197,247	1,197,247
Profit attributable to members of the parent entity	103,469	-	-	103,469
Balance at 30 June 2021	4,246,853	1,138,693	5,382,729	10,768,275

2020

	Retained Earnings	Capital Surplus Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2019	3,808,996	1,138,693	4,051,687	8,999,376
Total other comprehensive income for the year	-	-	133,795	133,795
Surplus for the year	334,388	-	-	334,388
Balance at 30 June 2020	4,143,384	1,138,693	4,185,482	9,467,559

The accompanying notes form part of these financial statements.

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	8,249,324	7,922,052
Payments to suppliers and employees	(7,876,462)	(8,104,644)
Interest received	36,975	85,684
Government COVID-19 relief	425,456	62,500
Interest paid	(28,955)	(22,655)
Net cash provided by operating activities	<u>806,338</u>	<u>(57,063)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of financial assets	535,491	142,450
Dividends received	231,323	164,048
Purchase of property, plant and equipment	(440,936)	(239,184)
Purchase of financial assets	(728,679)	(421,229)
Net cash used in investing activities	<u>(402,801)</u>	<u>(353,915)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net accommodation deposits received/(paid)	<u>(2,193,890)</u>	<u>1,053,576</u>
Net cash provided by/(used in) financing activities	<u>(2,193,890)</u>	<u>1,053,576</u>
Net increase/(decrease) in cash and cash equivalents held	(1,790,353)	642,598
Cash and cash equivalents at beginning of year	<u>2,666,223</u>	<u>2,023,625</u>
Cash and cash equivalents at end of financial year	6 <u><u>875,870</u></u>	<u><u>2,666,223</u></u>

The accompanying notes form part of these financial statements.

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713

Notes to the Financial Statements For the Year Ended 30 June 2021

The financial report covers Manor Court Werribee Aged Care Ltd as an individual entity. Manor Court Werribee Aged Care Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Manor Court Werribee Aged Care Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 30 September 2021

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

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

2 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Government subsidies

Revenue received from government subsidies is recognised at fair value when the right to receive the income is established.

Provision of services

Revenue from the provision of accommodation and care services (resident fees) is recognised upon delivery of the services to the resident.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Donations

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest is recognised using the effective interest method.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and buildings are measured using the revaluation model.

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	7.5 - 33.3%
Motor Vehicles	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gains and losses on disposals are determined by comparing 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 retained earnings.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

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

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Fair value through other comprehensive income

Equity instruments

The Company has a number of investments in listed entities over which they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the nominal amount.

(i) Accommodation bonds

The liability for accommodation bonds is carried at the amount that would be payable on exit of the resident. This is the amount received on entry of the resident less deductions for fees and retentions pursuant to the *Aged Care Act 1997*. These liabilities are considered to be current as the entity does not have an unconditional right to defer settlement of the liability for at least 12 months after balance sheet date. The obligation to settle could occur any time.

This includes Refundable Accommodation Deposits which are held in accordance with the Living Longer Living Better amendments to the *Aged Care Act 1997*.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(j) Fair value of assets and liabilities

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

(k) Adoption of new and revised accounting standards

The Company has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

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

Notes to the Financial Statements

For the Year Ended 30 June 2021

3 Critical Accounting Estimates and Judgments

Key estimates - receivables

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

4 Revenue and Other Income

	2021 \$	2020 \$
Revenue		
- Care funding government contribution	5,848,847	5,750,645
- Daily care fees	1,824,633	1,933,371
- Other revenue	244,102	170,558
	7,917,582	7,854,574
Other income		
- Dividend income	242,182	182,907
- Interest received	32,940	75,191
- Donations	20,639	21,209
- Government COVID-19 relief payments	425,456	62,500
- Government grants	102,319	-
Total other income	823,536	341,807
Total Revenue and Other Income	8,741,118	8,196,381

5 Result for the Year

The result for the year was derived after charging the following items:

Finance Costs

Financial liabilities measured at amortised cost:

- Interest paid	15,413	33,889
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The result for the year includes the following specific expenses:

Other expenses:

Employee benefits expense	6,651,712	6,093,616
Depreciation expense	395,566	389,780
Bad debts	114	1,295

Notes to the Financial Statements

For the Year Ended 30 June 2021

6 Cash and Cash Equivalents

	2021	2020
Note	\$	\$
Cash at bank and in hand	875,870	2,514,591

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	875,870	2,514,591
Term deposits	8 -	151,632
Balance as per statement of cash flows	875,870	2,666,223

7 Trade and Other Receivables

CURRENT

Trade receivables	28,614	22,100
GST receivable	25,061	1
Other receivables	150,115	90,622
	203,790	112,723

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Other financial assets

CURRENT

Term deposits	6 -	151,632
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9 Other Assets

CURRENT

Prepayments	122,616	780,556
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Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Property, plant and equipment

		2021 \$	2020 \$
LAND AND BUILDINGS			
Freehold land			
At fair value	15	5,370,049	4,820,000
Buildings			
At cost		10,941,409	10,750,715
Accumulated depreciation		(3,502,083)	(3,264,335)
Total buildings		7,439,326	7,486,380
Total land and buildings		12,809,375	12,306,380
PLANT AND EQUIPMENT			
Plant and equipment			
Plant and Equipment		1,105,250	993,606
Accumulated depreciation		(827,296)	(707,219)
Total plant and equipment		277,954	286,387
Furniture, fixtures and fittings			
At cost		1,813,214	1,545,271
Accumulated depreciation		(893,622)	(855,880)
Total furniture, fixtures and fittings		919,592	689,391
Motor vehicles			
At cost		52,060	52,060
Accumulated depreciation		(52,060)	(52,060)
Total motor vehicles		-	-
Total plant and equipment		1,197,546	975,778
Total property, plant and equipment		14,006,921	13,282,158

(a) Land and Building valuation

The Company's land and buildings were revalued at 18 May 2018 by independent valuers. Valuations were made using the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date. The revaluation surplus was credited to an asset revaluation reserve in equity. The valuations were performed by PP&E Valuations Pty Ltd..

Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Property, plant and equipment

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land \$	Buildings \$	Plant and Equipment \$	Furniture, Fixtures and Fittings \$	Total \$
Year ended 30 June 2021					
Balance at the beginning of year	4,820,000	7,486,380	286,387	689,391	13,282,158
Additions	550,049	190,694	111,643	267,943	1,120,329
Depreciation expense	-	(237,748)	(120,076)	(37,742)	(395,566)
Balance at the end of the year	5,370,049	7,439,326	277,954	919,592	14,006,921

11 Trade and other payables

	2021 \$	2020 \$
CURRENT		
Trade payables	200,746	80,105
Sundry payables and accrued expenses	319,238	233,557
Accommodation bonds	7,503,646	9,748,053
Income received in advance	310,695	52,474
	8,334,325	10,114,189

(a) Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:

- total current 8,334,325 10,114,190

Less:

- amounts received in advance (310,695) (52,474)

Financial liabilities as trade and other payables 8,023,630 10,061,716

No collateral has been pledged for any of the trade and other payable balances.

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

Notes to the Financial Statements

For the Year Ended 30 June 2021

12 Employee Benefits

	2021	2020
	\$	\$
Current liabilities		
Annual leave	567,345	410,922
Long service leave	421,312	285,709
	988,657	696,631
Non-current liabilities		
Long service leave	177,633	232,538

13 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 0.50 each towards meeting any outstandings and obligations of the Company. At 30 June 2021 the number of members was 70 (2020: 70).

14 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Company is \$ 744,527 (2020: \$ 641,625).

15 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Property, plant and equipment
- Financial assets

16 Contingencies and commitments

In the opinion of the Directors, the Group did not have any contingencies at 30 June 2021 (30 June 2020: None).

17 Capital Commitment

At the 30 June 2021, the Company had entered into a contract of sale for the purchase of a residential dwelling. The transaction was settled on 19 July 2021.

Notes to the Financial Statements

For the Year Ended 30 June 2021

18 Related Parties

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

Key management personnel - refer to Note 14.

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

(b) Transactions with related parties

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

The following transactions occurred with related parties:

	Purchases	Balance outstanding Owed by the company
	\$	\$
Director related entities		
Supply of goods and services		
L.T's Egg Farm	2,268	378

19 Operating Segments

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of product category and service offerings as the diversification of Manor Court Werribee Aged Care Ltd's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Notes to the Financial Statements

For the Year Ended 30 June 2021

19 Operating Segments

Segment performance

	Residential Aged Care		Rental Properties		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Revenue and other income	8,589,180	7,992,437	151,938	141,441	8,741,118	8,196,382
Depreciation expense	(377,697)	(377,734)	(17,869)	(12,046)	(395,566)	(389,780)
Employees benefits expense	(6,651,712)	(6,035,586)	-	-	(6,651,712)	(6,093,616)
Repairs and maintenance	(124,358)	(99,629)	(5,057)	(4,408)	(129,415)	(104,033)
Other expenses	(1,423,994)	(1,301,236)	(36,962)	(31,351)	(1,460,956)	(1,274,565)
Segment results	11,419	178,252	92,050	93,636	103,469	334,388

Segment assets

Segment assets	16,485,876	17,465,149	3,783,014	3,045,000	20,268,890	20,510,149
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Segment liabilities

Segment liabilities	9,500,615	11,042,596	-	-	9,500,615	11,042,596
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20 Events after the end of the Reporting Period

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

21 Company Details

The registered office of and principal place of business of the company is:

Manor Court Werribee Aged Care Ltd
5 Hogan Grove
Werribee VIC 3030

Manor Court Werribee Aged Care Ltd


ABN: 51 088 301 713

Directors' Declaration

The directors of the Company declare that, in their opinion:

1. The financial statements and notes, as set out on pages 7 to 25, are in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*; and
 - b. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company.
2. There are reasonable grounds to believe that the Company is able to pay all of its debts, as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and Regulation 60-15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Director

Ms E C Keogh

Director

Dr C Scott

Dated this 30th day of September 2021

Manor Court Werribee Aged Care Ltd

ABN: 51 088 301 713 NAPS ID: 823

Independent Auditor's Report to the Members of Manor Court Werribee Aged Care Ltd**Report on the Audit of the Financial Report*****Opinion***

We have audited the financial report of Manor Court Werribee Aged Care Ltd (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Manor Court Werribee Aged Care Ltd is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Company 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*, has been given to the directors of the Company.

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

Directors' responsibility for the financial report

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

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

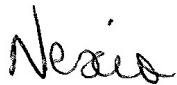
Auditor's responsibility for the audit of the financial report

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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.



Nexia Melbourne Audit Pty Ltd
Melbourne



Geoff S. Parker
Director

Dated this 30th day of September 2021



Contact Us
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