



HAVILAH HOSTEL INC.
Annual report and financial statement

2022

HAVILAH HOSTEL INC.

report of the members of the board



The Members of the Havilah board herewith submit the Annual Report and Financial Statements of Havilah Hostel Inc for the financial year ended 30th June 2022.

Principal Activities

The principal continuing activities during the financial year were the provision of residential aged care and retirement living.

Significant Change in Operations

No significant change in the nature of these activities occurred during the year.

Operating Result

The deficit for the year amounted to \$1,180,767.

Board Member Benefits

Since the end of the previous financial year, no board member has received or become entitled to receive a benefit as a result of their position as board member of Havilah Hostel Inc.

MEMBERS OF THE BOARD

PRESIDENT	Danny Tatchell
VICE PRESIDENT	Craig Bell
TREASURER	Shane Dellavedova
BOARD	David Bucknall Jacqueline Durbridge Randall Edwards Robyn Jennings Lenette McKnight Gail Price

MANAGEMENT PROFILE

CHIEF EXECUTIVE	Craig Young
DIRECTOR CARE HARKNESS	Kelsey Hooper
DIRECTOR CARE PALMERSTON	Jo O'Shea
DIRECTOR FINANCE	Luke Mclelland
AUDITOR	Michael Ryan
BANKERS	CBA

Signed on behalf of the board of Havilah Hostel Inc.

Danny Tatchell
PRESIDENT

Shane Dellavedova
TREASURER



PRESIDENT'S REPORT



Welcome to our 2022 Annual General Meeting. It is great we are able to gather together this year with COVID-19 restrictions now easing.

Havilah continues to strive to be one of the most respected aged care facilities in Victoria. After we outgrew Harkness Street, and on accepting an offer from Council, we have overseen a multi-million-dollar expansion at Palmerston Street, with many impressive independent living units, along with the higher care Raglan House.

At the time of writing, the finishing touches of our new facility are underway. We are proud and excited to announce our new facility known as the 'Terrace' is scheduled for completion in late October and we look forward to welcoming residents in November. This will be an opportunity to come together and acknowledge all those involved.

The new facility will feature an additional 24 Aged Care beds, helping to meet the growing needs of the local and broader community. The project has experienced some delays resulting from the ongoing

effects of COVID-19 with supply chain issues and staffing shortages in the construction industry. The board wishes to thank our former CEO Barb Duffin for her tireless effort to realise these projects.

During the year we again faced challenges with the ongoing COVID-19 disruptions and uncertainty. This year has been a year of transition with the retirement of our long serving CEO Barb Duffin. We have also experienced significant change in our leadership group during the past 12 months, including welcoming our new CEO Craig Young and the establishment of our new executive team.

Immense credit goes to our executive team (past & present) who have provided their support through this transition, as well as the broader Havilah team who delivered the continuity of service across our organisation. We have now begun the process of positioning Havilah to adapt and be ready for future challenges in an environment of increasing compliance obligations.

During this year our team have worked to prevent and manage

COVID-19 outbreaks whilst maintaining a focus on the wellbeing of our residents, and employees. We are all still learning to live with COVID-19 and have all had to adjust in some way. The impact has been no greater than for our staff who must be thanked for the way in which they live the values of the organisation day in day out. They continue to respond to the ongoing changing requirements and we thank them for their continued commitment to protecting our Havilah community.

The Board and the executive are very appreciative of their dedication and their excellent work. This is a credit to all those working in aged care in our community and also, to our GP's and the Health Service for their continued contributions.

We also recognise that our residents have been resilient beyond belief, as have their families and I thank them for their co-operation and patience.



PRESIDENT'S REPORT

Staffing continues to be a challenge we are facing, which is further impacted by the lack of affordable accommodation in our region.

"Workforce Challenges and workforce shortages are a major issue facing aged care providers and the health sector more broadly. The spread of the COVID-19 Omicron variant has placed additional strain on a workforce that had already been experiencing significant pressure."

CompliSpace Aged Care
Workforce Report 2022

With the ever-increasing compliance and greater clinical and financial reporting now required, we have begun to further develop our strategic plan to execute and underpin robust processes, strong governance and evolving of our systems to meet these obligations and deliver enhanced monitoring and reporting on our performance.

Capital Projects this year

It has been another challenging year in delivering Capital Projects due to supply chain issues and periods where only essential contractors were allowed on site.

The Construction works continued on the terrace which was also impacted by COVID-19. Thanks to the hard work of our team, Bowden Group and local contractors involved in the Terrace project we are now excited to be opening in late October 2022.

As reported last year, Havilah secured federal grant funding for a further 24 beds at our Harkness Street site (Burns Street Project). While the project is vital in providing access to residential aged care it will also have a very positive effect on the local community stimulating employment growth and business activity.

Our forward planning has put Havilah in a very strong position to service the growing needs of our community going forward. In addition, we continued upgrading resident rooms. This ongoing project of renewal is to maintain a high-quality environment for residents.

Royal Commission and Government Reform Agenda

Change has and is still coming to the industry in the wake of the Royal Commission into Aged Care Quality and Safety. During

the year we have continued to embrace and deliver the reforms.

In addition to the star rating system mandated care minutes, we have been preparing for the new funding model which commenced on October 1. While we expect aged care funding pressures to continue over the near term, we hope that the new funding model will enable a sustainable aged care system that supports all older Australians to live their best life as they age.

Havilah supports the priority areas identified by the Royal Commission as workforce, funding, governance, quality and safety, and system reform. We have a proud history of providing high-quality care to our community, and we welcome this opportunity for change.

"Regulations, expectations and competition in aged care will continue to increase. It's up to providers to also raise the bar in their management of high-quality, sustainable services, throughout much-needed but disruptive reforms"

PWC- Transforming Ageing and Aged Care in Australia

PRESIDENT'S REPORT



Havilah is very supportive of the creation of the new aged care peak body, the Aged & Community Care Providers Association (ACCPA), which came into effect from 1 July 2022. This new peak body is open to all providers. A single, unified peak body was a key recommendation of the Royal Commission, which the aged care sector has delivered to lobby on behalf of aged care providers.

Undoubtedly, the year ahead will continue to be one of complexity as we implement the reforms arising from the Royal Commission into Aged Care Quality and Safety. However, it is also a time for hope as we look toward a better aged care system for all Australians.

Consumer Experience Interviews Age Care Star Rating Program

Part of the Australian Government's response to the Royal Commission into Aged Care Quality and Safety included adopting a comprehensive approach to quality measurement and reporting. This involves introducing a star rating system

to help senior Australians, and their families, make more informed and confident decisions about the aged care services they access. The program is designed to capture feedback by interviewing a sample of residents receiving care in every government-funded Residential Aged Care Facility.

External Resident Survey

Havilah residents at both Harkness and Palmerston Street facilities were interviewed by an independent agency for the department of health in July 2022 as part of the star rating system.

Internal Resident Survey

Prior to the external resident survey initiatives, Havilah has been undertaking internal resident surveys for some time to gauge residents' satisfaction. With the questions asked varying from month to month, survey questions cover many areas where residents are asked; if their meals meet their expectations; Is the equipment in their room in good working order; are they given sufficient emotional support; do staff respond to the call bells in a

timely manner.

These internal surveys inform our culture of continuous improvement of service delivery for our residents.



PRESIDENT'S REPORT

Quality and Compliance

Clinical and governance risk is measured and controlled through a comprehensive system of reporting.

The Board Quality and Safety Committee provides oversight in clinical risk areas. This Committee reports monthly to the full Board so that we can be confident that the Board is informed and is meeting the requirements under Standard 8 of the Quality Standards - Organisational Governance. At each Board Meeting the results over the previous period are considered in comparison to Havilah's key performance indicators and also as trends over the past 12 months.

This year, additional oversight measures have been implemented, consistent with the age care quality and safety commission clinical governance framework. The Directors of care meet with the CEO to discuss and ensure timely responses to any identified clinical risk areas, prior to the report being sent to the Board Quality and Safety Committee.

Mandatory reporting is

required through My Aged Care which includes amongst other things Pressure Areas, Weight Loss and Physical Restraint.

The Serious Incident Response Scheme was introduced in April 2021 with reporting of Priority 1 incidents. Priority 2 incident reporting commenced 1 October 2021.

This legislation is strongly linked to incident management. The Board has increased its overview of incidents since the introduction of the Scheme with all incidents reported by type and tracked month on month. Externally, monitoring and control is conducted by the Aged Care Quality Agency.

Clinical Care GP's & Allied Health

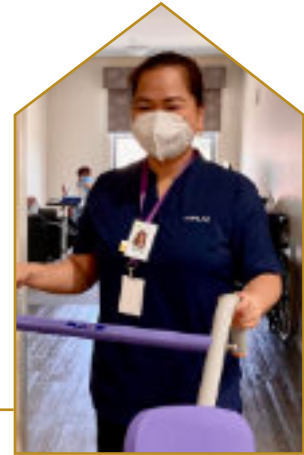
Quality clinical outcomes are driven by the Directors of Care, together with our team of Registered Nurses. During the year, with the planned opening of The Terrace, a new position of Director of Care Palmerston was created. In addition, they are very well supported by allied health, psycho geriatric and GP Services and our own

care and lifestyle staff.

I acknowledge and thank all of the Doctors and their Practice Staff for their commitment in providing on site clinics and services for our residents and also to the MDHS Urgent Care and Infection Control staff for their valued assistance and co-operation.

We are also grateful to our Pharmacies for their prompt attention to our many requests. To Priceline again this year for onsite flu vaccinations for our staff. Havilah is so well supported by its business partners.

To all of our allied health and psycho geriatric providers who continue to provide wonderful service, we wish to acknowledge and extend our thanks to you.



PRESIDENT'S REPORT

COVID-19 OUTBREAKS/ EXPOSURES

This year has been extremely challenging with the increase of COVID-19 cases throughout Victoria including in Maryborough and surrounding areas. No local government area escaped this wave.

The Board supports Havilah's Infection Prevention Control Leads in their decisions around the current level of testing and other infection control measures in place at Havilah.

Our current policy of RAT testing staff before every shift has been a very successful, if expensive (in \$'s) policy to date. We use approximately 1000 Rapid Antigen Tests a week for this level of testing. At \$12 a test this is around \$50,000 each month. To keep everyone safe we think it is worth it. This was initially funded by Havilah until late February 2022 at which point funding was provided by the Department of Health through the national stockpile.

The CEO has advised that feedback from the public health unit during outbreak periods has been complimentary, noting that

daily RAT tests combined with staff wearing N95 masks has mitigated the extent of the outbreak.

Our staff are working in N95 masks for all shifts. Whilst very uncomfortable, we are grateful for their ongoing commitment to keeping every-one safe.

Again, my thanks to our staff who have worked extremely hard to prevent further outbreaks.

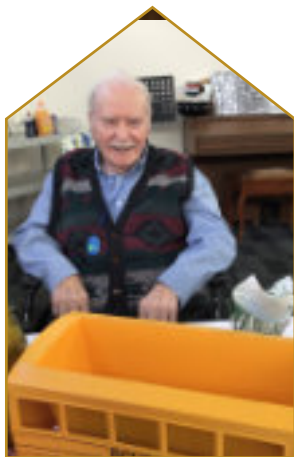
VACCINATIONS

All of our staff were required to have had their three COVID-19 Vaccinations by the 12th of March 2022. All staff have had their required booster vaccinations. Our staff have been fantastic in staying up-to-date with their COVID-19 and influenza vaccinations.

The majority of our residents have received their booster vaccinations, as not all elected to receive the vaccine. We applaud our staff and residents for a great effort to keep our community safe.

COVID-19 TREATMENTS

Havilah has been supplied with anti-viral medications at both of its services via the government stockpile. The medication must be given in consultation with the GP and our GP's have been advised of the medications we are holding and has been discussed through the Medication Advisory Committee Meeting. These medications have since been approved under the Pharmaceutical Benefits Scheme so in future they will be available through Pharmacies on prescription.



PRESIDENT'S REPORT

Cultural Spiritual & Lifestyle

It is with great joy that we have returned to more frequent social events with some wonderful functions celebrating the special days, as well as some great new themes along the way. We remained agile as the pandemic restrictions evolved, continually reviewing, and adjusting our approach, taking into account the latest expert advice, and feedback from residents and those they love.

The board also acknowledges the work of the activity staff, and our catering team. Thank you all for your exceptional contribution to enhancing our strong community connections within our organisation.

Listed below are some comments from newsletters.

Our facilities were once again beautifully decorated for the festive season. The Christmas festivities started at Havilah with the Residents family and friends BBQ. With COVID-19 restrictions in place residents were still able to have 5 guests for lunch for the event and also for Christmas day lunch.

Everyone had a great time at both functions, with many positive comments about the meal and the ambience throughout the facility. Residents enjoyed the traditional Christmas Lights Tour of Maryborough and District.

Havilah's Christmas BBQ which was well attended by retirement living residents and their families or friends, the weather was warm and balmy and started to get very windy toward the end of the evening, everyone thoroughly enjoyed themselves dining out in the courtyard. Staff worked hard to achieve this setting up for social distancing. It has been immensely satisfying to see family groups visiting on Christmas day.

In February the Diners' Club enjoyed an evening at the local Chinese restaurant, Peach Village. Everyone who attended the evening enjoyed themselves in a casual relaxed atmosphere.

Easter was a special time at Raglan House, residents enjoyed gathering together to

celebrate the Easter festivities and had fun with having their photos taken with the Easter Bunny and wearing the rabbit ears. Several staff got into the mood of dressing up on Good Friday. The displays throughout the building were something to talk about by residents and their visitors.

Residents enjoyed turning green to celebrate St Patrick's day recently, fooling around for the camera, a great Irish orientated lunch was served for all to indulge and if they were game could have a Guinness to follow.

As the Irish would say:

"May you have all the happiness and luck that life can hold - and at the end of your rainbow may you find a pot of gold"

To all our local businesses that have assisted in the lifestyle program this year, and there have been many, we are very grateful for your support and your continued thoughtful generosity towards Havilah and our residents.

PRESIDENT'S REPORT



Communication Marketing & Occupancy

I wish to commend our marketing team. It has again been a very busy year developing our resources for our new accommodation 'The Terrace' ahead of our opening in October. We thank them for their excellent work and I encourage everyone to visit the Havilah website and view the information there including the various resident newsletters. They are a very good read thanks to Andrew and the team.

We receive wonderful feedback on our Facebook posts from within the community and beyond. You can view our Facebook page from a link on the website. It is a real positive to be getting the good news stories out there and keeping friends and family up to date on the happenings at Havilah. Thank you also to graphic artist Tiff for her continued assistance in the presentation of quality promotional material and update of our website.

Communication via electronic media has now become the norm for our community. It is important and necessary for marketing success that we continue to develop expertise in this area. We have continued our solid work keeping residents and families informed via a weekly bulletin. Where appropriate mid-week messages are sent out.

Our four bulletins are a valued resource to keep our families up to date on what is happening at Havilah.

Havachat -

Community newsletter for residential aged care at Havilah on Harkness

Havachat -

Community newsletter for independent living units at Havilah on Harkness

HOP Topics -

Community newsletter for independent living units at Havilah on Palmerston

Tattler -

Community newsletter for residential aged care at Havilah on Palmerston

They are a very good read thanks to Andrew and the team.

We also facilitated individual electronic communications to residents and resident families during COVID -19 outbreaks.

The electronic communication to residents and family members provided up to date information during periods of COVID outbreak and exposures advising of any changes to visiting schedules and any restrictions advised by the public health unit. The bulletins are also to keep families up to date on what is happening at Havilah.

I express our appreciation and thanks for the contributions of our Directors of Care (Kelsey and Jo) and the administration team in keeping our residents and families informed.



PRESIDENT'S REPORT

Retirement Living

The Board remains cognisant of the importance of maintaining Havilah's retirement living options as affordable to our community. We remain able to achieve this by the range of unit choices and pricing.

Demand for retirement living remains strong with units becoming available quickly taken up. We continue to actively support residents to enable them to remain living independently as long as possible. Where residential care is required, priority is given.

We offer flexible payment options to people wishing to enter our villages who may not be able to pay the full capital sum on entry.

"The State has a responsibility to ensure people can age safely and appropriately in their own local communities, so that they can be near to family and friends."
July 2022 Mr Richard Riordan
Shadow Minister for Housing

We had expected to commence the multi storey retirement complex at Havilah on Palmerston in early 2022.

This has been delayed by the planned construction of the new RACF at Harkness Street, for which capital funding has been received. It is proposed that stage 3 will commence within the timeline of the planning permit which expires in 2025.

With the easing of COVID restrictions, we have recently been able to recommence on site activities such as our Happy Hour.

We appreciate each and every one of our retirement communities in contributing with the sharing of ideas and supporting each other. Thank you.

Fundraising, Volunteering & Community

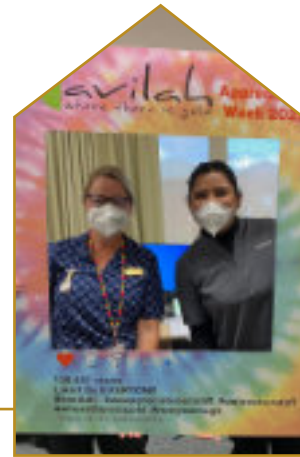
Our Major Raffle was again well received with solid popularity, an amazing result with all tickets sold. We extend our best wishes and our gratitude to Raeleen Brooker who leaves us after a long association and many years of continued contribution to Havilah. We take this opportunity to thank Raeleen who was also supported by Andrew Earl for their effort this year.

Our volunteers are our backbone, giving of their time to help enhance the daily lives of our residents. Whether it's assisting with the lifestyle and leisure activities program, driving the bus for an outing (COVID permitting), selling raffle tickets or raising funds, entertaining with songs and music or just spending some one-on-one time with residents who need a chat, they are a much-valued part of our community at Havilah.

Now that restrictions are relaxing, we recently commenced a local advertising campaign to re-engage with our much-valued volunteers. We are most looking forward to all of our volunteer groups returning to an active first half of 2023.

To our volunteers, on behalf of the Board we welcome your return and thank you all for your ongoing generous support.

PRESIDENT'S REPORT



Our Staff

Our staff have continued to give exceptional service and commitment. More and more they are giving of their own time, I wish to acknowledge this with our sincere thanks.

Aged Care Employee Day is a national day to thank the entire aged care workforce. We thanked our staff for caring by recognising their achievements in local media and by a gift to each staff member. The day was a celebration, there were lots of treats around for those working on the day. As a way of saying thank you to our staff board members, CEO and former CEO cooked a BBQ lunch for staff at both facilities.

This year was the perfect day to pay tribute to our staff during a particularly challenging time. While it is our residents who are usually rightly in the spotlight, we felt that this year, it was appropriate to pay tribute to our 200 staff members. From our nursing and care staff, administration and finance, food and domestic, laundry, lifestyle, gardening and maintenance, staff as well as managers and executive, to all, we say thank you. – we couldn't

do it without you and we sincerely thank you for your continued care above and beyond of our residents, and your support and care for each other.

Attracting and retaining people at Havilah has been a significant challenge throughout the year and will continue to be a huge focus for us. Due to the opening of our new facility and the proposed government mandate of increased staffing hours, 2023 will see an increase in demand or qualified personal care workers. Havilah commenced planning for this by offering 12 months on the job traineeships program.

In August 2021 we welcomed a new intake of trainees. This is a great way for those interested in the aged care and health industry to make a start with a hands-on learning approach and to ensure we continue to renew staff when long serving staff retire.

There is certainly more competition for labour in the Maryborough region at present with a strong and growing residential aged care and home care sectors and a strong

disability sector. So, the workforce is a challenge but also a great opportunity for our community.

During the year a staff survey was undertaken to gain invaluable feedback as to how we can continue to support our staff.

A staff consultative committee was formed to provide regular feedback to the management team.

I would like to acknowledge long standing staff who retired/resigned during the year who have made significant contributions to Havilah: Barb Duffin, Sandra Wilson, Kelsey Hooper and Raeleen Brooker.



PRESIDENT'S REPORT

Governance

At a governance level, Havilah had several changes in the Board during 2021/22. At the last AGM we farewelled Brian O'Connor and in March we welcomed two new board members Gail Price and David Bucknall.

We have achieved much in what has been a challenging year. Financially the result was a larger operating deficit than we would have liked but COVID has had a significant impact on occupancy and our operating costs during a period where government assistance has been reducing. At a time of increasing compliance obligations and whilst battling COVID, our revenue was impacted, and our operating costs increased.

We would have naturally preferred a surplus however there have been factors more important than the bottom line this year and in the last two years. I am proud of the effort and the important decisions we have made in caring for our residents and staff and for the future of aged services for our community.

However, any potential impacts will continue to be closely monitored.

The oversight of care provided, and legislative compliance is a significant responsibility for each Board Member at Havilah. The Board is provided with excellent reporting which enables it to comply with its obligations. This reporting has continued to grow over the past 12 months in relation to legislation compliance and clinical monitoring.

The coming years will certainly see lots of changes to the way we work, and these will unfold in the areas of Quality and Safety, Workforce, and Governance.

Achievement of our strategic goals remains a solid focus for us all. This is what Havilah is all about. With this comes the spinoff of increased employment as well as economic benefits for our community. Havilah is an integral part of our community, which must continue to grow and adapt through change. I know Havilah is well positioned for the challenges ahead. I would also like to thank my fellow Board Directors for their

valued contributions and commitment over the last 12 months.

It has been a pleasure and a privilege to serve as your President during this past 12 months, and together with the Board. I proudly present the 2021-2022 annual review.

Thank you

**President
Danny Tatchell**



OUR STAFF & BOARD MEMBERS

Staff

Havilah acknowledges the dedication and achievements of staff, who during the year to June 30 have reached employment milestones of ten, fifteen, twenty and twenty five years of service. These awards add to Havilah's annual "Years of Service Voucher" which is presented to all staff in appreciation at Christmas each year.

This year, we recognize 10 staff, who have achieved 10, 15, 20, and 25 years of service. Congratulations on achieving these milestones. You have now joined an elite group with greater than 10 years of service.

Each of these staff support our mission every day. Each has contributed by dedicated effort to the tradition of Havilah and have helped to keep Havilah vibrant and moving forward. We are immensely grateful for your hard work, accomplishments and dedication.

Staff Service Awards

25 years

Raeleen Brooker

20 years

Sue Edmondson
Leanne Hubble
Karen Chapman
Helen Kennedy

15 Years

Jacque Phillips

10 Years

Karen Cain
Catherine Corcoran
Micheal Tucker

Current Staff with greater than 10 Years Service

20+ Years

Karen Chapman
Sue Edmondson
Leanne Hubble
Helen Kennedy

15+ Years

Dawn Flood
Dianne Jackson
Kerri McInnes
Rhonda Treloar
Heather Watts
Joanne Ashcroft
Sarah Pattison
Jacque Phillips

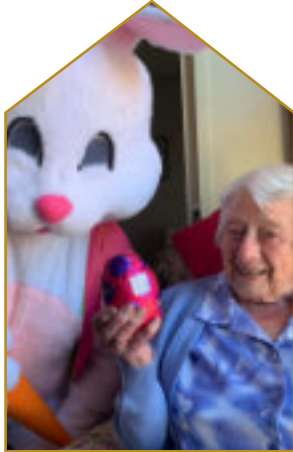
10+ Years

Annette Bond
Vicki Crutchley
Anne Jardine
Heather Johnson
Joan Limbrick
Lesley Mackay
Debra Matthews
Barb Nicholls
Janelle Peart
Colleen Rowles
Susan Stephens
Leanne Adam
Lianne Astbury
Karen Howden
Phil O'Shea
Karen Cain

Catherine Corcoran
Micheal Tucker

Board Member Elections

In accordance with Havilah's constitution, an advertisement was placed in the Maryborough Advertiser.



LIFE GOVERNORS

INDIVIDUALS

ALLEN Esme
 ALEXANDER Wendy
 ARBUTHNOT Neil
 BELL Craig
 BACON Jenifer
 BAXTER June
 BROWN Mr. T G
 BUCKNALL Eric
 CAMPBELL Shirley
 CARSON Jenny
 CARSON Robert
 CHAPMAN N
 CHAPMAN M
 COLLINS N
 COLMAN Robert
 CONSTABLE Annie
 COWAN Yvonne
 CUPIDO Alherne
 CUPIDO Anthea
 DAVIES Audrey
 DAVIES Daisy
 DAVIES Derek E
 DAVIES Harold
 DAVIES Rosemary
 DE FEGELY Richard
 DELLAVEDOVA Colin
 DELLAVEDOVA Elaine
 DELLAVEDOVA Jacki
 DELLAVEDOVA Shane
 DODGSHUN John
 DODGSHUN Shirley

DUFFIN Alan
 DUFFIN Barbara
 EDWARDS Randall
 EMERSON Lorraine
 EMERSON Ron
 FORBES Jean Lloyd
 FREEMANTLE Mr. R W
 FREEMANTLE Mrs. M J
 GALLOWAY Ann
 GAY Merv
 GILES Ron
 GIANACOLOUS W
 GLIDDON Alison
 GROGAN Brendan
 HADWEN Chris
 HADWEN Geoff
 HARRISON Margaret
 HAYWARD Alan
 HAYWARD Lorna
 HAYWARD May
 HAYWOOD Bronwyn
 HAYWOOD Peter
 HEDERICS Lou
 HINES Doug
 HINES Siggys
 HOLLAND Fred
 HUGHES Brian
 HUGHES Wendy
 HURSE Audrey
 JACKSON Bert
 JENNINGS Robyn

JOHNS Brian
 KEIFER Dr. John
 KEIFER Mrs.
 LEAN Harry
 LIND Judith
 MACKAY Olive
 MACKAY William Jeff
 MAFFESCIONI Daryl
 MAFFESCIONI Lou
 MAHER Dr. P
 MAHER Mrs. J
 MALONE Eddie
 MALONE Marie
 MARSHALL Jill
 MARSHALL Peter
 MILLER David
 McKNIGHT Alan
 McKNIGHT Gary
 McKNIGHT Lenette
 McKNIGHT Peter
 McMILLAN Ian
 O'CONNOR Brian
 O'HALLORAN Win
 O'KEEFE Fiona
 O'KEEFE Frank
 OSBORNE Robert OAM
 PALMER Alexander
 PARSONS Barry
 PECK Mavis
 PHELAN Cliff
 PHELAN Nancy

RITCHIE Bill
 RITCHIE Ruby
 ROBINS John H
 ROOTES Fred
 ROOTES Grace
 ROOTES Jeffrey
 ROOTES W T
 ROSS Miss L
 ROWE Ann E
 ROWE Doug
 SAUL Moira
 SELMON Alma
 SELMON John
 SISSON Inga
 SMITH Clarrie
 TEESE Kent
 THOMPSON Ethel
 TOWNSING Charles
 TOWNSING Faye
 TRENGOVE M
 TRENGOVE S
 TYNAN David
 TYNAN Glenis
 VOLK Graham
 VOLK Wendy
 WAIXEL Bernie
 WELLSTEED Jenny
 WHITMORE David
 WILLIAMS Ray

LIFE GOVERNORS



TRUSTS, FOUNDATIONS, COMPANIES, ORGANISATIONS

ANGLICAN BALL COMMITTEE

ANZ BANK

AUSTRALIAN PRINT GROUP

CENTRAL GOLDFIELDS SHIRE COUNCIL

CENTRAL VICTORIAN FROZEN FOODS

COLLIER CUSTODIAN CORPORATION

EQUITY TRUSTEES & EXECUTORS

FREEMASONS PUBLIC CHARITABLE

ORGANISATION

GEORGE BROOK HUTCHINGS BEQUEST

HAVILAH HOSTEL AUXILIARY

HELEN M SCHUTT TRUST

HELEN MACPHERSON SMITH TRUST

IAN ROLLO CURRIE ESTATE FOUNDATION

JACK BROCKHOFF FOUNDATION

LIONS CLUB OF CARISBROOK

LIONS CLUB OF MARYBOROUGH

LLOYD WILLIAMS TRUST

MARYBOROUGH APEX CLUB

MARYBOROUGH & DIST VIETNAM VETERANS ASSOCIATION

MARYBOROUGH CIVIC GROUP

MARYBOROUGH FOOTBALL CLUB

MARYBOROUGH LEGACY

MARYBOROUGH MATERNAL CHILD HEALTH

AUXILIARY

MARYBOROUGH POLICE

MARYBOROUGH REGIONAL NEWSPAPER PL

MARYBOROUGH RSL & RSL AUXILIARY

MARYBOROUGH SOFTBALL ASSOCIATION

MOREY AND HURFORD PL

NESTLE CONFECTIONERY PL

PETER EGAN RETRAVISION

PRATT FOUNDATION

RE ROSS TRUST

ROTARY CLUB OF MARYBOROUGH

SIDNEY MYER FUND

SIR JOHN MINOGUE BEQUEST

SUTTON TOOLS PTY LTD

TREBLE JEWELLERS

WILLIAM BUCKLAND FOUNDATION



TREASURER'S REPORT

Treasurer's Report for 2021/2022 – Shane Dellavedova

As noted in the President's report the 2021/22 financial year was one of transition. The operating deficit for the year after depreciation was \$1,180,767.

This financial year saw the retirements of a number of the executive and as part of the transition the organisation incurred a number of 'one off' costs, including but not limited to recruitment fees and additional salaries with staff transitioning into their new roles.

Our current CEO, Craig Young, commenced on 14 February 2022 as CEO Designate and moved into the CEO role on 1 April 2022, following Barb Duffin's retirement on 31 March 2022.

The financial year result was again significantly impacted by COVID impacting our revenue through reduced occupancy levels and increasing our operational costs (refer notes 4 – 8).

At all times the board, management and staff have had as their focus the protection of our residents and I would also like to acknowledge the ongoing efforts of our staff.

The Aged Care Royal Commission and then COVID has resulted in ongoing compliance obligations which in turn means additional time required to meet these compliance obligations. In last year's Treasurer's report, it was noted that funding concerns facing providers needed to be met. This continues to be an issue and our CEO has raised these issues with the new aged care peak body ACCPA which came into being on 1 July 2022.

The ACCPA representative noted that CEO's from around the country were highlighting similar issues and we can only hope the new Labour Government will address the funding issues.

We continue to benchmark our financial activities with Stewart Brown Aged Care Financial Services. Participating in the benchmarking has allowed us

to compare our contract service provider costs as part of our continuous improvement initiatives.



TREASURER'S REPORT

In summary for the year for all operations:

	2022	2021
Income	15,372,101	14,930,290
Expenditure before depreciation and interest	15,053,632	13,619,311
Surplus before depreciation and interest	318,469	1,310,979
Depreciation	1,264,443	1,268,580
Interest Expense	234,793	214,950
Total depreciation & interest	1,499,236	1,483,530
Total Comprehensive Result	(1,180,767)	(172,551)

Our main sources of income are shown in the table below:

Income Type	2022	%	2021	%
Government Subsidies	10,063,981	65	9,323,522	62
Resident Fees	3,868,438	25	3,666,985	25
Other Sources (inc. pandemic support)	1,439,682	10	1,939,783	13



TREASURER'S REPORT

- The main item of expense for the year is employee costs of \$11.6 million representing 77% of total expenditure and 75 % of total revenue.
- Fundraising and donations continue to provide valuable resources to Havilah
- As noted in our cash flow statement, the net cash inflow from operations for the year was 247k compared to 473k last year. Our cash flow statement shows how Havilah sources its funds (operating, investing and financing activities).
- During the year Havilah invested a further \$6.5 million in property, plant and equipment, the bulk of which relates to The Terrace.

The complete General Purpose Financial Report (GPFR) can be found in the Annual Report from pages 22 to 48. The GPFR is preceded by the audit report on pages 19 – 21.

Acknowledgements

I would like to thank our auditor, Mr Michael Ryan for his audit of our 2021/2022 financial statements. Michael undertook a very thorough and professional audit.

I would like to recognise the great contribution of Sandra Wilson over many years and the finance and administration team who have supported the transition of the CEO and Director of Finance.

Shane Dellavedova
Treasurer

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HAVILAH HOSTEL INC.

I have audited the accompanying financial report, being a general purpose financial report, of Havilah Hostel Inc., which comprises the balance sheet as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by members of the committee.

Board's Responsibility for the Financial Report

The Board is responsible for the preparation and of the financial report, and has determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Associations Incorporation Reform Act 2012, and is appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as it determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view, 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

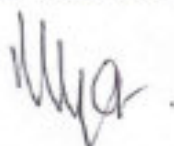
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have met the independence requirements of Australian professional ethical pronouncements.

Auditors Opinion

In my opinion, the financial report of Havilah Hostel Inc. presents fairly, in all material aspects, the financial position of Havilah Hostel Inc. as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and Associations Incorporation Reform Act 2012 (Vic), and gives a true and fair view of the Havilah Hostel Inc. financial position as at 30 June 2022, and of their performance for the year ended on that date.



Michael W Ryan FCA
Registered Company Auditor 7562

7 October 2022

Auditors Independence Declaration

Section 99(2) of the Associations Incorporation Reform Act 2012

To the Members of Havilah Hostel Inc.

I declare that, to the best of my knowledge and belief, in relation to the audit of Havilah Hostel Inc. for the year ended 30 June 2022 there have been:

- a) No contraventions of the auditor independence requirements as set out in the Associations Incorporation Reform Act 2012 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.



Michael W Ryan FCA
Chartered Accountant
Registered Company Auditor no 7562

Dated 26th September 2022

Michael Ryan Pty Ltd
ABN 16 158 096 222
ACN 158 096 222
Registered Company Auditor 7562

Liability limited by a scheme approved under Professional Standards Legislation



HAVILAH HOSTEL INC.
Income Statement
for the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Income			
Revenue from Operating Activities	2	13,230,916	13,101,038
Revenue from Non Operating Activities	3	2,141,185	1,829,252
Total income		<u>15,372,101</u>	<u>14,930,290</u>
Expenses			
Employee Expenses	4	11,641,142	10,805,505
Materials and Contracts	5	2,283,490	1,822,208
Depreciation and Amortisation	6	1,264,443	1,268,580
Repairs and Maintenance	7	255,554	201,906
Minor Purchases	8	212,012	147,138
Finance Costs	9	234,793	214,950
Other Expenses	10	661,434	642,554
Total expenses		<u>16,552,868</u>	<u>15,102,841</u>
Surplus/(deficit) for the year		<u>(1,180,767)</u>	<u>(172,551)</u>
Other Comprehensive Income			
Items that may be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	21	0	0
Total Comprehensive Result		<u>(1,180,767)</u>	<u>(172,551)</u>

The above comprehensive income statement should be read in conjunction with the accompanying notes.

HAVILAH HOSTEL INC.
Balance Sheet
as at 30 June 2022

		2022	2021
	Note		
Current Assets			
Cash	11	2,931,233	2,702,482
Prepayments		306,846	223,952
Accounts Receivable	12	695,806	551,220
Stocks		586,740	802,000
Accrued Income		412,938	4,465
		<u>4,933,563</u>	<u>4,284,119</u>
Non Current Assets			
Fixed Assets	13	59,623,477	54,305,653
		<u>59,623,477</u>	<u>54,305,653</u>
Intangible Assets			
Bed Licences	13	5,830,000	5,830,000
		<u>5,830,000</u>	<u>5,830,000</u>
TOTAL ASSETS		<u>70,387,040</u>	<u>64,419,772</u>
Current Liabilities			
Accrued Wages	14	287,398	245,850
Accounts Payable	15	1,403,462	502,212
Employee Benefits	16	1,636,051	1,590,054
Residents	17	2,794,860	357,848
Loans	20	3,305,860	678,773
		<u>9,427,631</u>	<u>3,374,737</u>
Non Current Liabilities			
Loan CBA	20	5,334,096	5,409,096
ZRIL Melaleuca (Government)	20	0	0
ZRIL Raglan (Government)	20	0	0
ZRIL Correa Extension (Government)	20	1,356,875	1,454,375
Residents	18	31,312,868	30,107,480
Employee Benefits	19	266,659	204,406
		<u>38,270,498</u>	<u>37,175,357</u>
TOTAL LIABILITIES		<u>47,698,129</u>	<u>40,550,094</u>
NET ASSETS		<u>22,688,911</u>	<u>23,869,678</u>
EQUITY			
Retained Earnings		3,869,248	5,050,015
Asset Capitalisation Surplus		7,327,946	7,327,946
Reserves			
Future Works & Maintenance		0	0
Asset Revaluation	21	11,491,717	11,491,717
TOTAL EQUITY		<u>22,688,911</u>	<u>23,869,678</u>

The above balance sheet should be read in conjunction with the accompanying notes.

HAVILAH HOSTEL INC.
Statement of Changes in Equity
for the Year Ended 30 June 2022

2021	Note	Asset Capitalisation Reserve	Revaluation Reserve	Retained Earnings	Total Equity
Balance at beginning of the financial year		7,327,946	11,491,717	5,222,566	24,042,229
Surplus/(deficit) for the year		0	0	(172,551)	(172,551)
Net asset revaluation increment/(decrement)	21	0	0	0	0
Bed licence increment		0	0	0	0
Transfer to/from other reserves		0	0	0	0
Balance at end of the financial year		7,327,946	11,491,717	5,050,015	23,869,678

2022	Note	Asset Capitalization Reserve	Revaluation Reserve	Retained Earnings	Total Equity
Balance at beginning of the financial year		7,327,946	11,491,717	5,050,015	23,869,678
Surplus/(deficit) for the year		0	0	(1,180,767)	(1,180,767)
Net asset revaluation increment/(decrement)	21	0	0	0	0
Bed licence increment		0	0	0	0
Transfer to/from other reserves		0	0	0	0
Balance at end of the financial year		7,327,946	11,491,717	3,869,248	22,688,911

The above statement of changes in equity should be read in conjunction with the accompanying notes.

HAVILAH HOSTEL INC.
Cash Flow Statement
for the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Cash Flows from Operating Activities			
Receipts from operations		14,347,016	14,897,489
Net GST refund/payment		873,374	506,404
Payments to suppliers and employees		(14,973,259)	(14,931,053)
Net Cash Flows from Operating Activities	28	<u>247,131</u>	<u>472,840</u>
Cash Flows from Investing Activities			
Payments for property, furniture & fittings, plant & equipment		(6,501,975)	(2,495,002)
Cash Flows from Financing Activities			
Proceeds from borrowings		3,058,360	0
Repayment of borrowings		(603,773)	(796,227)
Licences, accommodation bonds & deposits		4,029,008	727,891
Net Increase (Decrease) in Cash Held	27	<u>228,751</u>	<u>(2,090,498)</u>
Cash & cash equivalents at the beginning of the financial year	27	2,702,482	4,792,980
Cash & cash equivalents at the end of the financial year	27	<u>2,931,233</u>	<u>2,702,482</u>

The above cash flow statement should be read with the accompanying notes.

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of preparation

The financial report is a general purpose financial report, prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (Vic) 1981 and Associations Incorporation Reform Act 2012 (Vic).

These financial statements are a general purpose financial report that consists of a Statement of Profit or Loss and other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes accompanying these financial statements. The General Purpose Report complies with the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

(b) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also into future periods that are affected by the revision. Judgements and assumptions made by management in the application of accounting standards that have significant effects on the financial statements and estimates relate to:

- the determination of depreciation for buildings, infrastructure, plant and equipment and furniture and fittings
- the determination of employee provisions
- other areas requiring judgements.

(c) Accounting policies

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

(d) Changes in accounting policies

Internal labour contributions to asset construction or implementation have been recognised as a cost in bringing the asset to operational status. This contribution, where applicable has been raised at a rate of 10% of the direct costs.

(e) Income tax

Havilah Hostel Inc. is exempt from income tax under Section 50-10 of the IncomeTax Assessment Act 1997.

(f) Goods and services tax

Revenues, 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated exclusive of GST.

The amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are presented in the Statement of Cash Flow on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

(g) Employee Benefits

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and leave loading expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current liability - unconditional LSL is disclosed as a current liability even when Havilah does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value - component that is not expected to be wholly settled within 12 months.
- nominal value - component that is expected to be wholly settled within 12 months.

Classification of employee costs

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred. Provision is made for 10.5% SGL and 3.7740% workcover on all employee benefits recognised at balance date.

(h) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs include interest on bank overdrafts and interest on borrowings, both private and Government Zero Real Interest Loans.

(j) 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 association during the reporting period, which remain unpaid.

The balance is recognised as a current liability when the amounts are normally paid within 30 days of recognition of the liability.

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

(k) Leases

All lease payments are for operating leases, where substantially all the risks and benefits remain with the lessor, and are charged as expenses in the periods in which they are incurred. Associated costs, such as maintenance and insurance, are expensed as incurred.

(l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(m) Investments

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or an expense.

(n) Receivables

Trade Debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of collectability of debts and are reviewed on an ongoing basis. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

(o) Inventories

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. Inventories are measured at the lower of cost and net realisable value.

All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

2021/2022 saw a reduction in inventories of \$215,260. This reduction was in the area of PPE and infection control where stocks were reduced by \$183,300 and laundry and general hostel supplies by \$30,000. Stock levels were consciously raised in 2020/2021 due to market shortages at the time. These stock levels have since returned to more normal levels.

(p) Recognition and measurement of property, plant and equipment and intangibles

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by the Association, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, direct marketing costs and an appropriate share of directly attributable variable and fixed overheads.

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

Valuation of land and buildings

Where the assets are revalued, the revaluation increments are recognised in other comprehensive income and are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

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

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

Depreciation

Buildings, land improvements, plant and equipment and other assets having limited useful lives are systematically depreciated over their useful lives on a straight-line basis. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

The assets' carrying amount and useful lives are reviewed and adjusted, if appropriate, at each balance date. 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.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss with other income or other expenses.

Major depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

	2020-2021	2021-2022
Land	-	-
Buildings - RACFs	80 years	80 years
Other Structures	10 to 20 years	10 to 20 years
Furniture & Fittings - Hostel	5 to 50 years	5 to 50 years
Equipment - Hostel	3 to 50 years	3 to 50 years
Office Furniture & Equipment	8 to 25 years	8 to 25 years
Plant & Equipment (Grounds)	8 to 20 years	8 to 20 years
Vehicles	15 years	15 years
Buildings - Independent Living Units	80 years	80 years
Furniture & Equipment - Independent Living Units	5 to 15 years	5 to 15 years

(q) Repairs and maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

(r) Impairment of assets

At each reporting date, Havilah reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash generating unit to which the asset belongs.

The May 2021 Federal budget indicated that bed licences for aged care providers would be ceased at 1 July 2024. The Department of Health undertook consultation in October/November 2021 and no further information has been provided yet.

There was and is uncertainty about this change and the possible impact on rural and regional providers and no definitive indications have been received to date.

There is insufficient public information regarding the scrapping of bed licences at 1 July 2024, and therefore any changes to amortisation periods on bed licences, and/or possible impairment, are non-adjusting events, and therefore disclosed, but not accounted for in the 30 June 2022 financial reports.

(s) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Havilah are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited.

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

(t) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(u) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Revenue from the sale of goods and services is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each activity has been met.

Interest revenue is recognised as it accrues.

Donations collected, including cash, are recognised as revenue when Havilah gains control, economic benefits are probable and the amount of the donation can be measured reliably.

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

(v) Operating Expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

(w) Grants

If conditions are attached to a grant which must be satisfied before Havilah is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end, a liability is recognised until the service is delivered.

Havilah have adopted AASB1058 Income of Not-for-profit entities.

(x) Key Estimates – Impairment

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

(y) New Accounting Standards for Application in Future Periods

Certain new Accounting Standards have been issued that are not mandatory for the 30 June 2022 reporting period. Havilah has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

(z) COVID-19

Where items of income and expense that relate to COVID-19 were able to be distinguished from normal operations, they have been separately disclosed in the notes to these accounts.

(aa) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest dollar. Figures in the financial statement may not equate due to rounding.

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

		2022	2021
	Revenue	\$	\$
Note 2	Revenue from Operating Activities		
a	Fees From Residents	3,013,194	2,764,917
b	Government Subsidies for Care	9,423,561	8,456,601
c	JobKeeper Revenue	0	1,055,568
d	Cash Boost Revenue	0	50,000
e	COVID-19 Funding Support	0	325,436
f	Other Income	794,161	448,516
		<u>13,230,916</u>	<u>13,101,038</u>
Note 3	Revenue from Non Operating Activities		
a	Proceeds from Fundraising	20,046	25,454
b	Interest on Investments	9,837	29,968
c	Retention on Resident Licences	279,796	246,792
d	Resident Fees	575,448	655,276
e	Government Accommodation Supplements	820,420	866,921
f	Donations	11,946	4,841
g	Capital Grants	423,692	0
h	Other Income	0	0
		<u>2,141,185</u>	<u>1,829,252</u>
	Expenses		
Note 4	Employee Expenses (including JobKeeper)		
a	Salaries & Wages	8,676,066	8,199,154
b	Annual, Long Service & Sick Leave	1,500,680	1,297,826
c	Superannuation	992,981	865,270
d	Workcover	236,640	258,746
e	Training	111,734	92,676
f	Other Employee Oncosts	123,041	91,833
		<u>11,641,142</u>	<u>10,805,505</u>
Note 5	Materials & Contracts		
a	GP Costs	13,363	12,409
b	Activities	6,513	5,102
c	Food and Hand Care	15,723	12,356
d	Direct care	389,214	299,715
e	Catering	985,820	825,528
f	Laundry	142,489	98,455
g	Cleaning	45,144	48,007
h	Grounds	6,155	1,777
i	Allied Health Costs	210,783	211,446
j	General Hostel	44,788	13,696
k	Administration Expenses	150,562	123,013
l	COVID-19 Costs	259,500	158,979
m	Agency expenses	0	0
n	ILU's	13,436	11,725
		<u>2,283,490</u>	<u>1,822,208</u>

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

	2022	2021
	\$	\$
Note 6 Depreciation and Amortisation		
a Buildings - General Hostel	390,791	390,032
b Other Structures - General Hostel	61,264	60,269
c Furniture & Fittings - General Hostel	146,152	149,585
d Plant & Equipment - General Hostel	341,194	332,058
e Office Furniture & Equipment	37,940	40,256
f Plant & Equipment - Grounds	7,324	7,783
g Vehicles	11,568	11,568
h Buildings ILU's	151,811	151,543
i Furnishings & Equipment ILU's	45,659	54,872
j Other Structures ILU's	32,314	32,300
k Buildings - Community Centre	18,366	18,341
l Furniture & Fittings - Community Centre	5,738	5,730
m Plant & Equipment - Community Centre	13,751	13,747
n Office Furniture & Equipment ILU's	571	496
	<u>1,264,443</u>	<u>1,268,580</u>
Note 7 Repairs & Maintenance		
a Clinical	22,870	15,598
b Catering	39,991	23,367
c Laundry	1,394	261
d Cleaning	0	6
e Grounds	1,477	1,592
f General Hostel	33,037	35,066
g General Hostel Equipment	36,270	25,234
h Emergency Systems & OH&S	44,768	45,710
i Transport	8,802	10,125
j Office Equipment	55,431	39,435
k ILU Buildings	10,358	5,168
l ILU Grounds	1,156	344
	<u>255,554</u>	<u>201,906</u>
Note 8 Minor Purchases		
a Activities	0	0
b Catering	12,824	11,988
c Laundry	1,936	1,706
d Cleaning	3,148	3,274
e Grounds	2,798	1,985
f Clinical	3,799	5,803
g Resident	3,945	7,006
h General Hostel	12,019	13,482
i OH&S	908	313
j Infection Control	126,670	56,951
k Administration	41,963	43,822
l ILU Buildings	1,783	752
m ILU Grounds	219	56
	<u>212,012</u>	<u>147,138</u>

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

	2022	2021
	\$	\$
Note 9 Financial		
Bank Overdraft Charges	0	0
Interest - Borrowings CBA	147,972	143,495
Interest - Borrowings ZRIL	58,060	17,552
Interest - Bond Settlement	46,240	53,903
	<u>252,272</u>	<u>214,950</u>
Less capitalised borrowing costs on qualifying assets	(17,479)	0
	<u>234,793</u>	<u>214,950</u>

Note 10 Other		
a Activities	26,051	20,410
b Catering	4,598	2,267
c Gas	65,333	61,848
d Power	171,165	180,957
e Rates & Charges	32,317	34,178
f Waste Disposal	74,967	74,594
g Telephone, Internet, Security and Call System	52,779	48,101
h Resident Transport	2,201	2,531
i Other Resident Expenses	28,854	21,547
j Emergency Systems & OH&S	0	1,642
k Accreditation	14,231	11,802
l Benchmarking	700	700
m Insurances	85,245	73,586
n Administration	7,694	9,117
o Audit Fees	5,660	4,590
p Public Relations	3,861	8,930
q Unclassified	99	67
r Volunteer	9,645	6,182
s ILU Insurances	26,920	23,300
t ILU Rates, Charges and Utilities	42,214	49,605
u ILU Administration	6,900	6,600
v ILU Other	0	0
	<u>661,434</u>	<u>642,554</u>

Current Assets

Note 11 Cash and cash equivalents		
a Cash on hand	8,250	8,250
b Cash at bank	2,922,983	2,694,232
c Term deposits	0	0
Total cash and cash equivalents	<u>2,931,233</u>	<u>2,702,482</u>

Havilah's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

- Trust funds and deposits (note 15d)	67,040	63,749
- Prepaid Grants + Income (note 15f)	0	5,665
	<u>67,040</u>	<u>69,414</u>

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

	2022	2021
Note 12 Accounts Receivable	\$	\$
a Sundry Debtors	415,609	183,967
B Workcover Debtor	7,224	4,010
c Taxation GST & PAYG	139,889	91,138
d Resident Fees	53,835	210,025
e Resident Fees ILU	3,907	1,572
f Government Subsidy Due	75,342	60,508
	<u>695,806</u>	<u>551,220</u>

Note 13 Fixed Assets

	2022	2021
General Hostel	\$	\$
a Land at cost	263,784	263,784
Land at fair value as at 1 August 2017	5,779,000	5,779,000
	<u>6,042,784</u>	<u>6,042,784</u>

Valuation of land was undertaken by a qualified independent valuer, S Eishold, API, Certified Practising Valuer. The value of land revalued is at fair value based on the Direct Comparison Approach, comparing the subject property with sales of other similar properties, as there is an active and liquid market for this asset type.

b Buildings at cost	8,517,161	8,516,959
Buildings at Fair Value at 1 August 2017	22,742,490	22,742,490
less Depreciation & Amortisation	<u>(2,434,786)</u>	<u>(2,044,032)</u>
	<u>28,824,865</u>	<u>29,215,417</u>

Valuation of buildings was undertaken by a qualified independent valuer, S Eishold, API, Certified Practising Valuer. The value of buildings revalued is at fair value based on the Depreciated Replacement Cost Approach as there is no active and liquid market for this asset type.

c Other Structures at cost	1,151,567	1,169,445
less Accumulated Depreciation	<u>(691,420)</u>	<u>(648,956)</u>
	<u>460,147</u>	<u>520,489</u>

d Furniture & Fittings - Hostel at cost	1,968,710	2,256,585
less Accumulated Depreciation	<u>(1,009,410)</u>	<u>(1,259,595)</u>
	<u>959,300</u>	<u>996,990</u>

e Equipment - Hostel at cost	5,205,151	5,360,103
less Accumulated Depreciation	<u>(2,876,596)</u>	<u>(3,098,393)</u>
	<u>2,328,555</u>	<u>2,261,710</u>

f Office Furniture & Equipment at cost	467,936	469,153
less Accumulated Depreciation	<u>(249,247)</u>	<u>(259,026)</u>
	<u>218,689</u>	<u>210,127</u>

g Plant & Equipment (Grounds) at cost	100,238	120,704
less Accumulated Depreciation	<u>(71,752)</u>	<u>(85,614)</u>
	<u>28,486</u>	<u>35,090</u>

h Vehicles at cost	193,438	193,438
less Accumulated Depreciation	<u>(112,123)</u>	<u>(100,555)</u>
	<u>81,315</u>	<u>92,883</u>

i Work in Progress - at cost	7,945,623	2,019,225
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Total General Hostel	<u>46,889,764</u>	<u>41,394,715</u>
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HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

	2022	2021
Independent Living Units	\$	\$
j Buildings at cost	45,781	40,348
Buildings at Fair Value at 1 August 2017	12,091,956	12,091,956
less Accumulated Depreciation	(1,803,117)	(1,651,306)
	<u>10,334,620</u>	<u>10,480,998</u>

Valuation of Independent Living Unit Buildings was undertaken by a qualified independent valuer, S Eishold, API, Certified Practising Valuer. The value of buildings revalued is at fair value based on the highest and best use of that asset using the Direct Comparison Approach, comparing the subject property with sales of other similar properties, as there is an active and liquid market for this asset type.

k Other Structures at cost	961,759	960,549
less Accumulated Depreciation	(258,055)	(225,740)
	<u>703,704</u>	<u>734,809</u>
l Furniture & Equipment at cost	756,265	674,508
less Accumulated Depreciation	(489,574)	(443,915)
	<u>266,691</u>	<u>230,593</u>

	2022	2021
High School Centre	\$	\$
m Buildings at cost	2,600	2,600
Buildings at Fair Value at 1 August 2017	1,466,583	1,466,583
less Accumulated Depreciation	(126,136)	(107,770)
	<u>1,343,047</u>	<u>1,361,413</u>

Valuation of buildings was undertaken by a qualified independent valuer, S Eishold, API, Certified Practising Valuer. The value of buildings revalued is at fair value based on the Depreciated Replacement Cost Approach as there is no active and liquid market for this asset type.

n Furniture & Equipment at cost	74,034	73,790
less Accumulated Depreciation	(65,728)	(59,990)
	<u>8,306</u>	<u>13,800</u>
o Plant & Equipment at cost	193,249	192,907
less Accumulated Depreciation	(121,956)	(108,205)
	<u>71,293</u>	<u>84,702</u>
p Office Furniture & Equipment at cost	6,747	6,747
less Accumulated Depreciation	(2,695)	(2,124)
	<u>4,052</u>	<u>4,623</u>
Total ILU & High School Centre	<u>12,733,713</u>	<u>12,910,938</u>
	<u>59,623,477</u>	<u>54,305,653</u>

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

Note 13 Reconciliation of Carrying Values of all Asset Classes

2022	Carrying Amount 30/06/2021	Non Cash Contributions	Write off Assets Disposed	Additions	Transfers from WIP	Depreciation Expense	Carrying Amount 30/06/2022
<i>a</i> Land	6,042,784	0	0	0	0	0	6,042,784
<i>b</i> Buildings	29,215,417	0	0	239	0	(390,791)	28,824,865
<i>c</i> Other Structures	520,489	0	0	922	0	(61,264)	460,147
<i>d</i> Furniture & Fittings - Hostel	996,990	0	0	108,462	0	(146,152)	959,300
<i>e</i> Equipment - Hostel	2,261,710	80,292	0	327,747	0	(341,194)	2,328,555
<i>f</i> Office Furniture & Equipment	210,127	0	0	46,502	0	(37,940)	218,689
<i>g</i> Plant & Equipment (Grounds)	35,090	0	0	720	0	(7,324)	28,486
<i>h</i> Vehicles	92,883	0	0	0	0	(11,568)	81,315
<i>i</i> Work in Progress	2,019,225	0	0	5,926,398	0	0	7,945,623
	41,394,715	80,292	0	6,410,990	0	(996,233)	46,889,764
<i>j</i> Buildings - ILUs	10,480,998	0	0	5,433	0	(151,811)	10,334,620
<i>k</i> Other Structures - ILUs	734,809	0	0	1,209	0	(32,314)	703,704
<i>l</i> Furniture & Equipment - ILUs	230,593	0	0	83,757	0	(45,659)	268,691
<i>m</i> Buildings - High School Centre	1,361,413	0	0	0	0	(18,366)	1,343,047
<i>n</i> Furniture & Fittings - High School Ctr	13,800	0	0	244	0	(5,738)	8,306
<i>o</i> Plant & Equipment - High School Ctr	84,702	0	0	342	0	(13,751)	71,293
<i>p</i> Office Furn & Equip - High School Ctr	4,623	0	0	0	0	(571)	4,052
	12,910,938	0	0	90,985	0	(268,210)	12,733,713
TOTAL FIXED ASSETS	54,305,653	80,292	0	6,501,975	0	(1,264,443)	59,623,477
Intangible Assets							
<i>q</i> Bed Licences	5,830,000		0	0		0	5,830,000
TOTAL INTANGIBLE ASSETS	5,830,000	0	0	0	0	0	5,830,000

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

		2022	2021
		\$	\$
Note	Current Liabilities		
14	Accrued Wages		
a	Accrued Wages	287,398	245,850
		<u>287,398</u>	<u>245,850</u>
Note	15 Accounts Payable		
a	Taxation - PAYG	0	0
b	Employee Sundry Creditors	724	1,396
c	Sundry Creditors	1,252,860	380,062
d	Trust Accounts	67,040	63,749
e	Superannuation	82,838	71,340
f	Prepaid Grants + Income	0	5,665
		<u>1,403,462</u>	<u>502,212</u>
Note	16 Employee Benefits		
a	Annual Leave & Annual Leave Loading	900,333	824,970
b	Accrued Days Off	7,546	2,206
c	Long Service Leave	728,172	762,878
		<u>1,636,051</u>	<u>1,590,054</u>
Note	17 Residents - Current		
a	Refundable Deposits & Bonds	2,794,860	357,848
		<u>2,794,860</u>	<u>357,848</u>
	Non Current Liabilities		
Note	18 Residents Non Current		
a	Refundable Deposits & Bonds	21,499,657	20,480,300
b	Licence Fees - Independent Living Units	9,613,211	9,627,180
		<u>31,312,868</u>	<u>30,107,480</u>
Note	19 Employee Benefits		
a	Long Service Leave	266,659	204,406
		<u>266,659</u>	<u>204,406</u>
Note	20 Loan Funds		
	Loan Funds are secured against the Assets of the Association		
	<i>Current</i>		
	CBA	150,000	150,000
	CBA Bridging Finance (The Terrace)	3,058,360	0
	Government ZRIL	97,500	528,773
		<u>3,305,860</u>	<u>678,773</u>
	<i>Non-Current</i>		
	CBA	5,334,096	5,409,096
	Government ZRIL	1,356,875	1,454,375
		<u>6,690,971</u>	<u>6,863,471</u>
	Total Loan Funds	9,996,831	7,542,244

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

Note 21 Reserves

Asset revaluation reserves	Carrying Amount 30/06/2021	Increment (decrement)	Carrying Amount 30/06/2022
2022			
Land	1,890,958	0	1,890,958
RACF Buildings	9,188,733	0	9,188,733
ILU Buildings	326,218	0	326,218
HSC Buildings	85,808	0	85,808
	<u>11,491,717</u>	<u>0</u>	<u>11,491,717</u>
Asset revaluation reserves	Carrying Amount 30/06/2020	Increment (decrement)	Carrying Amount 30/06/2021
2021			
Land	1,890,958	0	1,890,958
RACF Buildings	9,188,733	0	9,188,733
ILU Buildings	326,218	0	326,218
HSC Buildings	85,808	0	85,808
	<u>11,491,717</u>	<u>0</u>	<u>11,491,717</u>

The asset revaluation reserve is used to record the increased (net) value of Havilah's assets over time

Note 22 Contingent Liabilities and Contingent Assets

There were no contingent assets or liabilities (other than approved loans not drawn down and bank guarantee as below) at the date of this report to affect the financial statements.

	2022	2021
Contingent Liabilities	\$	\$
Bank Guarantee	0	0
Loans not drawn down		
Overdraft Facility	1,000,000	1,000,000
Bridging Finance Loan	1,441,640	0
Market Rate Loan	228,404	228,404

Note 23 Commitment to Expenditure

At Balance Date Havilah Hostel Inc. has contracted Capital Commitments as follows (ex GST).

	2022	2021
	\$	\$
Four 18 Architecture	320,017	228,475
GeoTech Engineering	0	129,385
JHA	0	320,270
SPA Consulting	12,731	17,606
TGM Group	3,964	15,740
Bowden Corp	513,258	5,773,300
Palmer Electrical	<u>21,418</u>	<u>50,885</u>
	<u>871,388</u>	<u>6,535,661</u>

Note 24 Subsequent Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

Note 25 Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet and notes to the financial statements.

There are no material credit risk exposures to any single debtor or group of debtors under financial instruments entered into by the economic entity.

Note 26 Financial Instrument Composition and Maturity Analysis
2022

Financial Instrument	Floating Interest Rate	Fixed Interest Rate Maturing in			Non Interest Bearing	Weighted Average Effective Interest Rate
		1 Year or less	1-5 Years	Over 5 years		
Financial Assets						
Cash Assets	2,931,233	0				0.01%
Receivables					1,108,744	N/A
Financial Liabilities						
Payables					1,403,462	N/A
Bonds & Licences					34,107,728	N/A
Loan Funds CBA	8,542,456					2.56%
Loan Funds ZRIL	1,454,375					2.22%

2021

Financial Instrument	Floating Interest Rate	Fixed Interest Rate Maturing in			Non Interest Bearing	Weighted Average Effective Interest Rate
		1 Year or less	1-5 Years	Over 5 years		
Financial Assets						
Cash Assets	2,702,482	0				0.24% & 1.77%
Receivables					555,685	N/A
Financial Liabilities						
Payables					502,212	N/A
Bonds & Licences					30,465,328	N/A
Loan Funds CBA	5,559,096					3.32%
Loan Funds ZRIL	1,983,148					1.74%

Net Fair Values

The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the balance sheet. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The Association does not have any unrecognised financial instruments at the year end.

Note 27 Reconciliation of Cash

	2022	2021
	\$	\$
Cash at Bank and on Hand at beginning	2,702,482	4,792,980
Cash at Bank and on Hand at end	2,931,233	2,702,482
Increase/(Decrease) in Cash Held	<u>228,751</u>	<u>(2,090,498)</u>

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

Note	28 Reconciliation of Net Cash Provided by Operating Activities	2022 \$	2021 \$
	Operating Surplus	(1,180,767)	(172,551)
	Items not involving Cash		
	Depreciation	1,264,443	1,268,580
	Bond retentions, interest and fee payments	(386,608)	(345,896)
	Gifted assets	(80,292)	0
	Written down value on disposal of assets	0	600
	Change in Operating Assets & Liabilities		
	(Increase)/Decrease in Debtors	(144,586)	(224,645)
	(Increase)/Decrease in Accrued Income	(408,473)	573,805
	Increase/(Decrease) in Long Service Leave Provision	62,253	(36,355)
	(Increase)/Decrease in Prepaid Expenses	(82,894)	(12,395)
	Increase/(Decrease) in Creditors	939,507	(309,302)
	Increase/(Decrease) in Deposits/Trusts	3,291	(31,656)
	Increase/(Decrease) in Accrued Expenditure	45,997	292,155
	(Increase)/Decrease in Stocks	215,260	(529,500)
	Increase in Cash resulting from Operating Activities	247,131	472,840

Note 29 Statement of Oncost

Account Description	2022 \$	2021 \$
Oncost Income	3,176,447	2,746,576
Expenditure		
Annual Leave and Annual Leave Loading	958,994	836,401
Sick Leave	361,778	287,002
Long Service Leave	179,908	174,423
Workcover Premium	236,640	255,988
Workcover Medical	0	277
Accident Leave	0	3,149
Return to Work	0	2,482
Injury Management	11,880	11,880
Superannuation	992,981	865,270
Training & Meetings	111,734	152,220
Training Orientation	82,765	88,684
Protective Clothing	69,518	20,835
Other	170,249	47,965
	<u>3,176,447</u>	<u>2,746,576</u>
Oncost Surplus/Deficit	0	0

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

Note 30 Related Party Disclosures

Key management personnel are the people with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.'

Responsible Persons

The following persons were responsible persons of Havilah during the year:

Danny Tatchell	President
Craig Bell	Vice President
Shane Dellavedova	Treasurer
Robyn Jennings	Board Member
Lenette McKnight	Board Member
Randall Edwards	Board Member
Jacqueline Durbridge	Board Member
Gail Price	Board Member
David Bucknall	Board Member
Brian O'Connor	Board Member (retired during year)

No remuneration or retirement benefits are payable to Responsible Persons as the positions are voluntary.

Senior Staff

Income Range:	2022 No.	2021 No.
\$20,000 - \$29,999	1	0
\$30,000 - \$39,999	1	0
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	1	0
\$60,000 - \$69,999	1	0
\$70,000 - \$79,999	0	1
\$80,000 - \$89,999	0	1

	2022 \$	2021 \$
Transactions with related parties		
During the period Havilah entered into the following transactions with related parties		
- Country Trends 18 transactions	17,529	12,638
- Daniell Tatchell (3 transactions)	1,570	0
- Visat (11 transactions)	118,122	81,100

Outstanding balances with related parties

There are no outstanding balances with related parties	0	0
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Loans to/from related parties

There are no loans to or from related parties	0	0
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Commitments to/from related parties

There are no commitments to or from related parties	0	0
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HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

Note 31 Segment Reporting

The Association operates both residential aged care and unit accommodation.

The financial reports are segmented to incorporate separate operating outcomes for each activity.

(i) REVENUE & EXPENSES	2022	2021
	\$	\$
A. RESIDENTIAL AGED CARE (Havilah Hostel - 3181 & Havilah on Palmerston - 3951)		
Income		
Residents	3,397,227	3,229,897
Government	10,243,981	9,323,522
Other	<u>1,259,682</u>	<u>1,939,783</u>
	<u>14,900,890</u>	<u>14,493,202</u>
Expenditure		
Salaries & Oncosts	11,541,892	10,720,312
Materials & Contracts	2,270,054	1,810,483
Repairs & Maintenance	244,040	196,394
Minor Purchases	210,010	146,330
Other	<u>585,400</u>	<u>563,049</u>
	<u>14,851,396</u>	<u>13,436,568</u>
RAC Surplus/(Def) Pre Depn and Int Exp	49,494	1,056,634
Interest	164,610	172,378
RAC Operating Surplus/(Def) pre Depn	(115,116)	884,256
Depreciation	996,233	991,551
RAC Total Operating Surplus/(Def) post Depn	(1,111,349)	(107,295)
Other Comprehensive Income	0	0
RAC Total Comprehensive Result	(1,111,349)	(107,295)
B. HIGH SCHOOL CENTRE		
Income		
Other	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Expenditure		
Salaries & Oncosts	23,360	21,030
Materials & Contracts	0	0
Repairs & Maintenance	0	68
Minor Purchases	0	0
Other	<u>5,573</u>	<u>9,241</u>
	<u>28,933</u>	<u>30,339</u>
HSC Surp/(Def) pre Depn and Int Exp	(28,933)	(30,339)
Depreciation	38,426	38,314
Interest	0	0
HSC Surplus/(Def) post Depreciation	(67,359)	(68,653)
Other Comprehensive Income	0	0
HSC Total Comprehensive Result	(67,359)	(68,653)

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

C. RETIREMENT VILLAGES (ILUs)

Income		
Residents	471,211	437,088
Other	0	0
	<u>471,211</u>	<u>437,088</u>
Expenditure		
Salaries & Oncoasts	75,890	64,163
Materials & Contracts	13,436	11,725
Repairs & Maintenance	11,514	5,444
Minor Purchases	2,002	808
Other	70,461	70,264
	<u>173,303</u>	<u>152,404</u>
ILU Surpl/(Def) pre Depn and Int Exp	297,908	284,684
Depreciation	229,784	238,715
Interest	70,183	42,572
ILU Surplus/(Def) post Depreciation	(2,059)	3,397
Transfer from ILU Maintenance Reserve	0	0
Other Comprehensive Income	0	0
ILU Total Comprehensive Result	(2,059)	3,397
 Surplus/Deficit All Operations	 (1,180,767)	 (172,551)
 Total Comprehensive Result	 (1,180,767)	 (172,551)

(ii) ASSETS & LIABILITIES

	2021-2022			2020-2021		
	Assets	Liabilities	Net Assets	Assets	Liabilities	Net Assets
Residential Aged Care	54,987,917	34,161,918	20,825,999	49,137,262	27,199,914	21,937,348
High School Centre	1,397,179	0	1,397,179	1,464,538	0	1,464,538
Independent Living Units	14,001,944	13,536,211	465,733	13,817,972	13,350,180	467,792
	<u>70,387,040</u>	<u>47,698,129</u>	<u>22,688,911</u>	<u>64,419,772</u>	<u>40,550,094</u>	<u>23,869,678</u>

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

Note 32 Retirement Villages

HARKNESS RETIREMENT VILLAGE STATEMENT
for the Year Ended 30 June 2022

Statement by the Owner

Retirement Villages Act 1986
Part 6 Section 34

- (1) (a) All refundable in-going contributions which fell to be refunded to residents of the village during the prescribed period have been refunded.
- (1) (b) The Owners are not aware of any material matter which may prevent the owner from meeting debts as and when they will fall due in the period of 12 months from the end of the prescribed period.
- (3)(a&b) Source of income received and details of expenditure on provision of goods and services for the village

HARKNESS RETIREMENT VILLAGE	2022	2021
	\$	\$
Income		
Residents	70,884	59,359
Other	0	0
	<u>70,884</u>	<u>59,359</u>
Expenditure		
Salaries & Oncosts	28,536	14,260
Materials & Contracts	1,963	2,283
Repairs & Maintenance	3,539	2,445
Minor Purchases	752	411
Other	7,112	7,588
Interest	0	0
Depreciation	<u>29,336</u>	<u>29,700</u>
	71,238	56,687
Harkness Retirement Village Surplus/(Deficit)	(354)	2,672

Provision for future extra ordinary or major works

There has/has not been any provision made for future extra ordinary or major works in respect of the period of 12 months beginning immediately after the prescribed period ends.

In respect of the period of 12 months beginning immediately after the prescribed period ends -

- (3) (c) Anticipated expenditure on goods and services for the village is

Salaries & Oncosts	18,664
Materials & Contracts	380
Repairs & Maintenance	6,180
Minor Purchases	580
Other	30,812
Interest	0
Depreciation	<u>37,336</u>
	93,952

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

(3) (d) Proposed increases in maintenance charges to be paid by residents are:

Maintenance fees for 2021/2022 per week	\$ 71.45
Proposed increase for 2022/2023	5.50% [from 1 October at estimated CPI]
Proposed fees for 2022/2023 per week	\$ 75.40

(3) (e) There are no special levies proposed for the 12 months beginning immediately after the prescribed period ends



Craig Young
Chief Executive Officer

Dated this 19th day of October 2022

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022
PALMERSTON RETIREMENT VILLAGE STATEMENT
for the Year Ended 30 June 2022

Statement by the Owner

Retirement Villages Act 1986
Part 6 Section 34

- (1) (a) All refundable in-going contributions which fell to be refunded to residents of the village during the prescribed period have been refunded.
- (1) (b) The Owners are not aware of any material matter which may prevent the owner from meeting debts as and when they will fall due in the period of 12 months from the end of the prescribed period.
- (3)(a&b) Source of income received and details of expenditure on provision of goods and services for the village

	2022 \$	2021 \$
PALMERSTON RETIREMENT VILLAGE		
Income		
Residents	398,647	376,289
Other	1,680	1,440
	<u>400,327</u>	<u>377,729</u>
Expenditure		
Salaries & Oncosts	47,354	49,903
Materials & Contracts	11,473	9,442
Repairs & Maintenance	7,975	2,999
Minor Purchases	1,250	397
Other	63,349	62,676
Interest	70,183	42,572
Depreciation	<u>200,448</u>	<u>209,015</u>
	402,032	377,004
Palmerston Retirement Village Surplus/(Deficit)	(1,705)	725

Provision for future extra ordinary or major works

There has/has not been any provision made for future extra ordinary or major works in respect of the period of 12 months beginning immediately after the prescribed period ends.

In respect of the period of 12 months beginning immediately after the prescribed period ends -

- (3) (c) Anticipated expenditure on goods and services for the village is

Salaries & Oncosts	58,826
Materials & Contracts	0
Repairs & Maintenance	2,910
Minor Purchases	960
Other	64,528
Interest	103,280
Depreciation	<u>193,124</u>
	423,628

HAVILAH HOSTEL INC.
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2022

(3) (d) Proposed increases in maintenance charges to be paid by residents are:

Maintenance fees for 2021/2022 per week	\$ 71.45
Proposed increase for 2022/2023	5.50% [from 1 October at estimated CPI]
Proposed fees for 2022/2023 per week	\$ 75.40

(3) (e) There are no special levies proposed for the 12 months beginning immediately after the prescribed period ends



Craig Young
Chief Executive Officer

Dated this 19th day of October 2022

Note 33 Registered Office/Principal Place of Business

The registered office and principal place of business is 11 Harkness Street, Maryborough, Victoria, 3465.
ABN 88 982 661 608

HAVILAH HOSTEL INC.
Board Declaration

HAVILAH HOSTEL INC.
Board Declaration

Certificate by Members of the Board

Associations Incorporation Reform Act 2012

Sections 94(2)(b), 97(2)(b) and 100(2)(b)

**ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF
FINANCIAL POSITION OF INCORPORATED ASSOCIATION**

In the opinion of the Board the financial report attached to this declaration:

- a. The financial statements and notes of the association are in accordance with the Associations Incorporation Reform Act 2012 (Vic).
- b. Present fairly the financial position of Havilah Hostel Inc. as at 30 June 2022 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- c. Since January 2020, the consequences of the COVID-19 pandemic have adversely affected the financial results for Havilah and Government support payments have not been adequate. Therefore 2021/2022 operating results have been negatively impacted by the virus however there is not expected to be any adverse affect on 2022/2023 results.
- d. At the date of this statement, there are reasonable grounds to believe that Havilah Hostel Inc. will be able to pay its debts as and when they fall due.

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



Daniel Leigh Tatchell
PRESIDENT



Shane Walton Dellavedova
TREASURER

Dated this 27th day of October, 2022



DONATIONS & BEQUESTS

Your interest in quality care and accommodation for our frail aged and superior lifestyle choices for retirees can live on in a bequest to Havilah. Please consider Havilah as part of your giving program.

All donations are tax deductible.

