

ANNUAL REPORT 2024



VASEY | RSL
Care



REPORT

VASEY | RSL
Care



ABN 88 109 464 360

Provider ID 4040000607

Directors & Financial Statements

FOR THE TWELVE MONTHS ENDED
30 JUNE 2024

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Vasey RSL Care Limited
Directors' report
30 June 2024

The Directors present their report, together with the financial statements, on Vasey RSL Care (the 'Company') for the year ended 30 June 2024.

Board of Directors

The names and details of the Directors during the year and the date of this report are:

Mr. Michael Peter O'Meara OAM MAICD (Chair) Director since 22 April 2015.

Mr. O'Meara is a former Deputy Commissioner, Victoria, with the Commonwealth Department of Veterans' Affairs. In a 44-year career with the Department he held various executive positions, including Director Health & Client Services, Victoria, and National Manager Community Health. Mike retired from DVA in 2012. He is an Honorary Life Member of the RSL and is a Life Governor and immediate past Chair of the Weary Dunlop Foundation.

Mr. Barry Lowe (Deputy Chair), Director since 15 November 2017.

Mr. Lowe served in the Royal Australian Signals corps and has been a member of the Mentone RSL for 5 decades. He was elected to the committee in 2006 and served two years as Vice President and Seven years as President up to 2019. He has served on the state Executive of RSL Victoria and was Chairman of the Property committee. Mr. Lowe is a member of the Governance Institute of Australia and has run his own Building Construction and Development company for many years.

Ms. Tracey Bannan FCAA GAICD, Director since 19 November 2020.

Ms. Tracey Bannan's career spans over 30 years across the private, not-for-profit and public sectors. Following a career providing audit and consulting services, and National Finance and Quality & Risk roles within Deloitte, Ms. Bannan has applied her commercial skills and experience for purpose, initially as Chief Financial Officer of World Vision Australia & AMES Australia and recently as Chief Operating Officer of the Victorian Catholic Education Authority (VCEA). In addition to her Executive role Ms. Bannan is also a Director of Carinya Society.

Mr. Tony Carr, Director since 16 November 2016.

Mr. Carr worked in a range of managerial positions during his 37-year career within the (Commonwealth) Department of Veterans' Affairs (DVA). He also worked for some years as veteran sector adviser to the Victorian Veterans' Council, served on the Veterans' Children Education Schemes' Board (DVA) and was a member of the War Widows' Guild of Australia (Vic) management committee.

Dr. Vanda Fortunato FAICD, Director since 20 November 2019.

For the past twenty plus years, Dr. Vanda Fortunato has had a career in executive and strategic leadership across both domestic and international landscapes. Her extensive expertise spans various sectors, including public and private health, primary care, non-profit organisations, medical education, academia, pharmaceuticals, health insurance, and consultancy. She has been CEO for two prominent non-profit entities. Furthermore, her professional journey encompasses pivotal senior executive positions within a Private Equity Firm, Medibank, a clinical research organisation, and Accenture. Dr. V Fortunato has also made impactful contributions during her tenure at esteemed institutions such as the World Bank and the Asian Development Bank. Presently, Dr. V Fortunato serves as the Chair of the Board for the Southern Metropolitan Cemeteries Trust and Early Childhood Management Services. She also holds the position of Chair at Integrated Living and is a board member on BreastScreen Victoria. Dr. V Fortunato commenced as Chair of the Board of AMES Australia on 11 September 2023.

Ms. Laureen Grimes, Director since 19 November 2020.

Ms. Laureen Grimes is the former Chair of the Victorian Veterans Council and is the Deputy Chair of the Weary Dunlop Foundation. She has enjoyed successful careers in Personnel Management and Business Support and as a current serving Lieutenant Colonel in the Australian Army Reserve she has amassed over 40 years of service including support to Operation VIC Bushfire Assist and more recently Operation COVID-19 Assist. The combination of Defence service & tenure with the Victorian Veterans Council has resulted in an excellent understanding of issues and concerns of Veterans of all ages and their families. Ms. L Grimes is a 2020 inductee to the Victorian Honour Roll of Women and in 2022 and 2023 she was a Mentor for the Joan Kirner Emerging Leaders Program.

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Ms. Lucy Saaroni, Director since 17 November 2022.

Ms. Lucy Saaroni is a proud veteran and member of Victoria's Culturally and Linguistically diverse community. As a qualified risk manager and community engagement professional with 15 years' experience in the public sector, Ms. L Saaroni has held executive and statutory positions in local and state government. Lucy is currently the Executive General Manager Strategy, Mission & Innovation at the St Vincent de Paul Society Victoria. Ms. L Saaroni also sits on the boards of Victorian Veterans Council and Scouts Victoria.

Commissioned as a Specialist Service Officer in the Australian Army, Ms. L Saaroni was deployed on warlike military operations in Afghanistan and Iraq and has also supported politico-military missions in the Gulf States and North West Africa.

Working in the Office of the Defence Attaché at the Australian Embassy in Paris, France, between 2008-2013, Ms. L Saaroni had the privilege of supporting large scale multinational military commemorative ceremonies including the reburial of 250 Australian and British World War I soldiers at the Fromelles Military Cemetery and planning the ANZAC Centenary Commemorations in France.

In 2018, Ms. L Saaroni was awarded the Australia Day Medallion for service to Defence and Indigenous Communities.

Ms. Michele Lewis, MBA MAICD MRACN, Director since 16 November 2023.

Ms Michele Lewis is an experienced chief executive and consultant working in health, aged and disability care, including management at clinical and strategic levels within the acute, sub-acute, aged and community sectors for more than five decades. She has held executive roles at Mecwacare, catholic homes, Melbourne City mission and Eastern Health. Ms. Lewis is also a Director of Wintringham and Wintringham Housing.

Company secretary

The name and details of the company Secretary as at the date of this report is:

Ms. Tanu Goyal, Appointed on 12 September 2022

Ms. Tanu Goyal supported the Board and Management with Company Secretariat and Governance requirements.

Principal activities

The principal activities of the company in the course of the reporting period were the promotion of charitable activities connected with the administration of Independent Living Units, Residential Facilities and Community Care for the aged.

Reporting structure

Vasey RSL Care Limited for the financial year has operated as a single, autonomous entity.

Results and review of operations

Vasey RSL Care Limited is a company limited by guarantee and is a charitable, Not-For-Profit entity and a patriotic fund under the Veterans Act. For the financial year ending 30 June 2024, Vasey RSL Care Limited recorded a surplus of \$2,347,070 (30 June 2023: deficit of \$2,790,609)

Vasey RSL Care Limited continues its commitment to the Veteran Community with 4 modern aged care facilities incorporating 378 beds & 294 units used as Ex-Service Accommodation located across Melbourne, Geelong and regional areas of Victoria. The Organisation also supports over 320 Veterans and families in their own homes via Community Aged Care Packages and Veteran Home Care Services.

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Significant events during the financial year

Introduction of the V-Centre

The V Centre was launched in January 2024 with the aim to support veterans who are homeless or at risk of homelessness. Vasey RSL Care has supported 13 participants as at 30 June 2024.

Veterans' Home Care

In December 2023, the Veterans Home Care service was launched after a competitive tender process, signifying a major advancement in our dedication to veterans' support. As of June 30, 2024, we are proud to provide support to 93 clients under this initiative. This expansion underscores our ongoing commitment to improving the lives of veterans and their families by ensuring they receive the compassionate care they deserve.

Ivanhoe Affordable Housing Units

The organisation completed the purchase of 27 affordable housing units on Bell Street, Ivanhoe and completed the sale of properties located at 48-56 Edwin Street and 1-12 Huntingfield Place in August 2023.

IT Transformation Project

Vasey RSL Care has implemented a major digital transformation program this year to upgrade its core financial, HR management, home care and risk management systems.

Significant events after balance date

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration is set out immediately after this Directors' report.

Contributions on winding up

In the event of the Company being wound up, members are required to contribute a maximum of \$10 each.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each Director were:

	Full Board		Governance Committee		Finance & Audit Committee	
	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend
Mr M O'Meara (Board Chair)	9	9	4	4	6	6
Ms T Bannan (Chair Finance & Audit Committees)	8	9	-	-	5	6
Mr T R Carr (Chair Clinical Quality & Risk and Enterprise Quality & Risk Committees)	8	9	-	-	6	6
Dr V Fortunato (Chair Governance Committee)	7	9	4	4	-	-
Ms L Grimes	5	9	-	2	-	-
Ms M Lewis	4	5	-	-	1	2
Ms L Saaroni	9	9	2	2	-	-
Mr B Lowe	9	9	4	4	5	6

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	Clinical Quality & Risk Committee		Enterprise Quality & Risk Committee	
	Attended	Eligible to attend	Attended	Eligible to attend
Mr M O'Meara (Board Chair)	4	4	4	4
Mr T R Carr	4	4	4	4
Dr V Fortunato (Chair Governance Committee)	-	-	3	4
Ms L Grimes (Chair Enterprise Quality and Risk Committee)	2	4	2	4
Ms M Lewis (Chair Clinical Quality and Risk Committee)	3	3	-	-
Ms L Saaroni	-	-	1	2
Mr B Lowe	4	4	4	4

On behalf of the Directors



Mr M P O'Meara
 Chair, Director

10 October 2024



Mr B Lowe
 Deputy Chair, Director

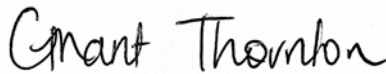
Grant Thornton Audit Pty Ltd

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Auditor's Independence Declaration

To the Directors of Vasey RSL Care Limited

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Vasey RSL Care Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



J D Vasiliou
Partner - Audit & Assurance

Registration No. 538595

Melbourne, 10 October 2024

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Vasey RSL Care Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Total revenue and other income	4	71,228,423	51,765,174
Gain on financial assets at fair value through profit or loss	9	4,957,782	8,480,540
Total revenue and fair value movements on financial assets		<u>76,186,205</u>	<u>60,245,714</u>
Expenses			
Employee benefit expenses		(45,119,192)	(34,258,808)
Repairs and maintenance expenses		(3,390,343)	(2,947,181)
Consumable expenses		(1,330,504)	(1,484,803)
Contractor expenses		(5,407,871)	(5,316,582)
Catering food expenses		(1,574,104)	(1,113,163)
Consultant expenses		(1,658,903)	(1,140,731)
Management fees on investments		(487,863)	(445,165)
Other expenses		(6,101,499)	(6,736,974)
		<u>(65,070,279)</u>	<u>(53,443,407)</u>
Surplus before interest, taxes, depreciation & amortisation ("EBITDA")		<u>11,115,926</u>	<u>6,802,307</u>
Depreciation and amortisation expenses	5	(2,146,796)	(1,622,525)
Finance costs	5	(6,622,060)	(5,157,891)
Impairment of bed licences	5	-	(2,812,500)
Surplus/(loss) for the year attributable to the members of Vasey RSL Care Limited		<u>2,347,070</u>	<u>(2,790,609)</u>
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year attributable to the members of Vasey RSL Care Limited		<u><u>2,347,070</u></u>	<u><u>(2,790,609)</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Vasey RSL Care Limited
Statement of financial position
As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	6	8,194,192	16,974,004
Trade and other receivables	7	3,839,596	2,445,009
Other assets	8	1,980,363	1,086,241
Total current assets		<u>14,014,151</u>	<u>20,505,254</u>
Non-current assets			
Financial assets at fair value through profit or loss	9	103,800,982	94,172,522
Property, plant and equipment	10	178,960,928	172,866,245
Total non-current assets		<u>282,761,910</u>	<u>267,038,767</u>
Total assets		<u>296,776,061</u>	<u>287,544,021</u>
Liabilities			
Current liabilities			
Trade and other payables	11	5,096,980	2,698,461
Accommodation Bonds/Refundable Accommodation Deposits	12	86,022,688	81,897,510
Employee benefits	13	6,780,070	6,481,327
Total current liabilities		<u>97,899,738</u>	<u>91,077,298</u>
Non-current liabilities			
Employee benefits	13	210,738	148,208
Total non-current liabilities		<u>210,738</u>	<u>148,208</u>
Total liabilities		<u>98,110,476</u>	<u>91,225,506</u>
Net assets		<u>198,665,585</u>	<u>196,318,515</u>
Equity			
Asset revaluation reserve		143,974,778	154,974,778
Retained surplus		54,690,807	41,343,737
Total equity		<u>198,665,585</u>	<u>196,318,515</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Vasey RSL Care Limited
Statement of changes in equity
For the year ended 30 June 2024

	Asset revaluation reserve \$	Retained surplus \$	Total equity \$
Balance at 1 July 2022	168,904,126	30,204,998	199,109,124
Adjustment for reclassification (note 3)	<u>(11,116,848)</u>	<u>11,116,848</u>	<u>-</u>
Balance at 1 July 2022 - restated	157,787,278	41,321,846	199,109,124
Deficit for the year	-	(2,790,609)	(2,790,609)
Other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive loss for the year	-	(2,790,609)	(2,790,609)
<i>Transactions with members in their capacity as members:</i>			
Transfer or bed licenses reserve to retained surplus	<u>(2,812,500)</u>	<u>2,812,500</u>	<u>-</u>
Balance at 30 June 2023	<u><u>154,974,778</u></u>	<u><u>41,343,737</u></u>	<u><u>196,318,515</u></u>
	Asset revaluation reserve \$	Retained surplus \$	Total equity \$
Balance at 1 July 2023	154,974,778	41,343,737	196,318,515
Surplus for the year	-	2,347,070	2,347,070
Other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	-	2,347,070	2,347,070
<i>Transactions with members in their capacity as members:</i>			
Transfer to retained surplus on disposal of non-current asset	<u>(11,000,000)</u>	<u>11,000,000</u>	<u>-</u>
Balance at 30 June 2024	<u><u>143,974,778</u></u>	<u><u>54,690,807</u></u>	<u><u>198,665,585</u></u>

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

Vasey RSL Care Limited
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from residents, clients and other sources		15,383,841	17,746,912
Receipts from the Government		42,918,512	24,864,514
Payments to suppliers and employees		(62,675,883)	(52,764,609)
Interest and other finance costs paid		(237,040)	(113,353)
		<u>(4,610,570)</u>	<u>(10,266,536)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Payments for property, plant and equipment		(8,102,221)	(4,329,059)
Proceeds from disposal of investment property		-	15,619,071
Payments for purchases of financial assets	9	(15,808,449)	-
Proceeds from disposal of financial assets	9	11,137,771	6,481,396
Dividends, distributions and interest from investments received (net of amounts reinvested)		4,355,553	2,153,738
		<u>(8,417,346)</u>	<u>19,925,146</u>
Net cash from/(used in) investing activities			
Cash flows from financing activities			
Accommodation bonds / refundable deposits received		31,494,477	29,760,138
Accommodation bonds / refundable deposits refunded		(27,246,373)	(26,014,000)
		<u>4,248,104</u>	<u>3,746,138</u>
Net cash from financing activities			
Net increase/(decrease) in cash and cash equivalents		(8,779,812)	13,404,748
Cash and cash equivalents at the beginning of the financial year		16,974,004	3,569,256
		<u>8,194,192</u>	<u>16,974,004</u>
Cash and cash equivalents at the end of the financial year	6		

The above statement of cash flows should be read in conjunction with the accompanying notes

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 1. General information and material accounting policy information

General information

The financial statements cover Vasey RSL Care Limited (the 'Company') as an individual entity. The financial statements are presented in Australian dollars, which is Vasey RSL Care Limited's functional and presentation currency.

Vasey RSL Care Limited is incorporated and domiciled in Australia.

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 10 October 2024. The Directors have the power to amend and reissue the financial statements.

The registered office and principal place of business of the Company is 172 Burwood Road, Hawthorn, Victoria 3122.

Background

On the 6th of July 2004 RSL Veterans and Widows Trust Limited trading as RSL Care Victoria merged with Vasey Housing Limited and a new corporation Vasey RSL Care Limited was formed. Within the Vasey RSL Care Limited constitution various rights and responsibilities were assigned to the parent organisations of the two merged entities, being the War Widows' Guild of Australia (Victoria) Limited and the Returned & Services League of Australia (Victoria Branch) Inc.

On the 24th of February 2021, the War Widows' Guild of Australia (Victoria) Inc. (the 'Guild') had their 2020 AGM. At this meeting the Guild members voted to wind up the Guild. All rights and responsibilities the Guild had within the Vasey RSL Care Ltd's constitution were transferred to Returned & Services League of Australia (Victoria Branch) Inc.

Material accounting policy information

The accounting policies that are material to the Company are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

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

Going concern

The financial statements have been prepared on a going concern basis. This contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 30 June 2024 the Company had a net working capital deficiency, being current assets less current liabilities, of \$83,885,587 (2023: \$70,572,044) and for the year ended 30 June 2024 had net cash used in operating activities of \$4,610,570 (2023: \$10,266,536). In addition, the Company is dependent on subsidies from the Government for the majority of its revenues.

The Directors have considered the performance and position of the Company and consider that the going concern basis is appropriate for the preparation of the financial report due to the following factors:

- The net working capital deficiency is significantly impacted by Accommodation Bonds/Refundable Accommodation Deposits liabilities, totalling \$86,022,688 (2023: \$81,897,510) as at 30 June 2024 which are classified as current liabilities on the basis that they are repayable to residents when they leave the facility, which can be at any time. The directors of the Company view the Accommodation Bonds/Refundable Accommodation Deposit liabilities as part of the long term funding of the Company on the basis that the directors do not expect Accommodation Bonds/Refundable Accommodation Deposit liabilities to reduce significantly on an annual basis;
- The Company had net assets at 30 June 2024 totalling \$198,665,585 (2023: \$196,318,515);
- For the year ended 30 June 2024 the Company recorded a surplus before interest, taxes, depreciation and amortisation expenses of \$11,115,926 (2023: \$6,802,307) and a surplus of \$2,347,070 (2023: deficit of \$2,790,609); and

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 1. General information and material accounting policy information (continued)

- At the date of this report the directors have no reason to believe that Government funding will not continue to be received for the Company's provision of aged care services.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Commission Act 2012, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Income tax

The Company is a charitable institution and is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Fair value measurement

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 1. General information and material accounting policy information (continued)

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Asset revaluation reserve

The asset revaluation reserve is to segregate both the net incremental fair value movements in the fair value of land and buildings and the fair value of any assets received for \$nil consideration.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 1. General information and material accounting policy information (continued)

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent experience and historical collection rates.

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Fair value measurement hierarchy

The Company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Impairment of assets

The Company assesses impairment of its assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 13, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Restatement of comparatives

Nature of reclassification

During the current period, the Company identified that amounts previously recognised in the Company's asset revaluation reserve up to 30 June 2022 were overstated by \$11,116,848, resulting in a corresponding understatement of the Company's retained earnings. The amounts have been corrected to the earliest possible period consistent with the requirements of AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The impact of the reclassification had \$nil impact on total equity, with the difference being isolated only to the split between the asset revaluation reserve and retained profits as per the below:

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 3. Restatement of comparatives (continued)

Statement of financial position and statement of changes in equity (extract)

	Previously reported \$	Adjustments \$	Restated \$
30 June 2022			
Net assets	199,109,124	-	199,109,124
Asset revaluation reserve	168,904,126	(11,116,848)	157,787,278
Retained profits	30,204,998	11,116,848	41,321,846
Total equity	199,109,124	-	199,109,124

Note 4. Revenue and other income

	2024 \$	2023 \$
<i>Revenue from contracts with customers</i>		
Residential aged care revenue (Government and residents) - over time	49,316,023	35,379,206
Homecare revenue (Government and care recipients) - over time	5,880,825	5,247,704
Rent revenue (social/affordable housing units) - over time	2,646,857	2,270,516
Other operating revenue - over time	6,385,020	5,044,538
	<u>64,228,725</u>	<u>47,941,964</u>
<i>Other income</i>		
Gain on sale of non-current assets	139,258	46,154
Donations income	164,977	503,889
Dividends, distributions and interest from investments income	4,884,279	2,153,738
Other income	1,811,184	1,119,429
	<u>6,999,698</u>	<u>3,823,210</u>
Total revenue and other income	<u><u>71,228,423</u></u>	<u><u>51,765,174</u></u>
<i>Disaggregation of revenue from contracts with customers - by source</i>		
Government	44,803,314	31,949,700
Non-government	19,425,411	15,992,264
Total revenue from contracts with customers	<u><u>64,228,725</u></u>	<u><u>47,941,964</u></u>

Accounting policy for revenue and other income

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 4. Revenue and other income (continued)

Aged care and home care

The Company recognises revenue from aged care and home care services over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily or monthly basis. Revenue arises from discretionary and non-discretionary services, as agreed in a single contract with the resident. Fees received in advance of aged care and home care services performed are recognised as contract liabilities.

Aged care and home care revenue comprises government grants & subsidies and resident & client fees.

Government funding - aged care

Revenue reflects the Company's entitlement to revenue from the Australian Government based upon the specific care and accommodation needs of the individual residents.

Comprises of basic subsidy amounts calculated in accordance with the Australian National Aged Care Classification funding model ('AN-ACC'), accommodation supplements, funding for short-term 'respite' residents and other Government incomes.

Revenue is recognised over time as services are provided. Funding claims are submitted/ updated daily and Government revenue is usually payable within approximately one month of services having been performed.

Residents - residential aged care

Residents are charged a basic daily fee as a contribution to the provision of care and accommodation. The quantum of resident basic daily fees is regulated by the Government and typically increases in March and September each year. Resident basic daily fee revenue is recognised over time as services are provided. Residents are invoiced on a monthly basis and revenue is usually payable within 30 days.

Other resident revenue represents other fees charged to residents in respect of care and accommodation services provided by the Company and includes means tested care fees, Daily Accommodation Payment (DAP)/Daily Accommodation Contribution (DAC) revenue, additional services revenue and other income.

Other resident revenue is recognised over time as services are provided. Residents are invoiced on a monthly basis and revenue is usually payable within 30 days.

Rent revenue (social/affordable housing units)

Rent revenue is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Other operating revenue

For residential aged care accommodation arrangements where the resident has elected to pay a Refundable Accommodation Deposit ('RAD') or Accommodation Bonds (prior to July 2014), the Company receives a financing benefit, being non-cash consideration, in the form of an interest free loan. The fair value of this non-cash consideration is required, under AASB 16 and AASB 9 to be recognised as rental income (to reflect the resident's occupancy of the room) and corresponding interest expense (to record the financial liability associated with RADs and bonds at fair value) with no net impact on profit or loss.

This is calculated based on average RAD/Accommodation Bond balances, excluding any RADs/Accommodation Bonds awaiting refund/probate and the Maximum Permissible Interest Rate ("MPIR"), which is a Commonwealth Government set interest rate used to calculate the Daily Accommodation Payment ("DAP") to applicable residents. This resulted in the Company recognising additional rental income and interest expense for year ended 30 June 2024 of \$6,385,020 (2023: \$5,044,538).

Where residents have elected to pay a DAP, the DAP is recognised as resident fees as disclosed above.

Donations income

Donations income is recognised when the funds are received, unless the receipt of funds gives rise to a contractual obligation with specific performance obligations.

Dividends, distributions and interest from investments income

Dividends, distributions and interest from investments income is recognised at the time the right to receive payment is established.

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 4. Revenue and other income (continued)

Other income

Other income is recognised when it is received or when the right to receive payment is established, when the income does not give rise to an obligation.

The Company, a private sector not-for-profit entity, has elected not to recognise the financial impact of any volunteer services provided.

Note 5. Expenses

	2024	2023
	\$	\$
Surplus/(loss) includes the following specific expenses:		
<i>Impairment</i>		
Bed licenses	-	2,812,500
<i>Depreciation and amortisation</i>		
Depreciation of property, plant and equipment	2,146,796	1,622,525
<i>Finance costs</i>		
Interest on RADs/bonds - departed residents	237,040	113,353
Interest on RADs/bonds (non-cash)	6,385,020	5,044,538
Finance costs expensed	6,622,060	5,157,891
<i>Superannuation expense</i>		
Defined contribution superannuation expense	3,701,822	2,729,630

Note 6. Cash and cash equivalents

	2024	2023
	\$	\$
<i>Current assets</i>		
Cash on hand	6,400	5,900
Cash at bank	5,096,480	12,986,708
Cash held in investments	3,091,312	3,981,396
	<u>8,194,192</u>	<u>16,974,004</u>

Accounting policy for cash and cash equivalents

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

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 7. Trade and other receivables

	2024	2023
	\$	\$
<i>Current assets</i>		
Trade receivables	3,860,539	1,159,272
Less: Allowance for expected credit losses	<u>(741,366)</u>	<u>(251,151)</u>
	<u>3,119,173</u>	<u>908,121</u>
Other receivables	<u>720,423</u>	<u>1,536,888</u>
	<u><u>3,839,596</u></u>	<u><u>2,445,009</u></u>

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 8. Other assets

	2024	2023
	\$	\$
<i>Current assets</i>		
Prepayments	713,635	694,206
Other assets	<u>1,266,728</u>	<u>392,035</u>
	<u><u>1,980,363</u></u>	<u><u>1,086,241</u></u>

Note 9. Financial assets at fair value through profit or loss

	2024	2023
	\$	\$
<i>Non-current assets</i>		
FVTPL - investments in securities, managed funds and other non-cash financial assets	<u>103,800,982</u>	<u>94,172,522</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current year are set out below:

	2024
	\$
Opening balance	94,172,522
Additions (including investment returns reinvested)	15,808,449
Disposals	(11,137,771)
Gain on financial assets at fair value through profit or loss	<u>4,957,782</u>
	<u><u>103,800,982</u></u>

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 9. Financial assets at fair value through profit or loss (continued)

Accounting policy for financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Note 10. Property, plant and equipment

	2024	2023
	\$	\$
<i>Non-current assets</i>		
Land - at valuation	140,460,717	145,096,532
Land - at cost 'Warleigh Apartments'	1,852,103	1,852,103
	<u>142,312,820</u>	<u>146,948,635</u>
Buildings & building improvements - at valuation	29,525,718	18,125,252
Building & building improvements - at cost 'Warleigh Apartments'	3,867,212	3,819,520
Less: Accumulated depreciation	(2,346,834)	(1,345,695)
	<u>31,046,096</u>	<u>20,599,077</u>
Plant and equipment - at cost	5,421,908	4,942,933
Less: Accumulated depreciation	(3,191,976)	(2,737,255)
	<u>2,229,932</u>	<u>2,205,678</u>
Fixtures and fittings - at cost	3,629,256	2,586,557
Less: Accumulated depreciation	(1,526,195)	(1,254,623)
	<u>2,103,061</u>	<u>1,331,934</u>
Motor vehicles - at cost	1,024,534	940,808
Less: Accumulated depreciation	(500,913)	(534,746)
	<u>523,621</u>	<u>406,062</u>
Computer equipment - at cost	1,146,154	1,184,793
Less: Accumulated depreciation	(760,952)	(549,969)
	<u>385,202</u>	<u>634,824</u>
Work in progress - at cost	360,196	740,035
	<u>178,960,928</u>	<u>172,866,245</u>
The Company's Brighton facility is subject to a lease arrangement with external parties. The lease expires in 2026 and has an additional option term of 20 years. The terms of the lease arrangement places restrictions on the use of the premises by the Company. The rental charge for the lease is \$1.		
Included in the above buildings & building improvements line item: Right-of-use (carrying value)	<u>6,080,000</u>	<u>6,240,000</u>

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 10. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land \$	Buildings & improv. \$	Plant and equipment \$	Fixtures and fittings \$	Motor vehicles \$	Computer equipment \$	Work in progress \$	Total \$
Balance at 1 July 2023	146,948,635	20,599,077	2,205,678	1,331,934	406,062	634,824	740,035	172,866,245
Opening balance reclassification correction	-	(319,062)	(14,465)	(64,428)	(909)	(160,501)	559,365	-
Additions (net of transfers)	6,364,185	11,767,554	542,256	1,131,810	358,652	121,862	(939,204)	19,347,115
Disposals	(11,000,000)	-	(16,801)	(11,410)	(77,425)	-	-	(11,105,636)
Depreciation expense	-	(1,001,473)	(486,736)	(284,845)	(162,759)	(210,983)	-	(2,146,796)
Balance at 30 June 2024	<u>142,312,820</u>	<u>31,046,096</u>	<u>2,229,932</u>	<u>2,103,061</u>	<u>523,621</u>	<u>385,202</u>	<u>360,196</u>	<u>178,960,928</u>

Valuations of land and buildings

The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued in the 2022 financial year based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The Directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

Accounting policy for property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Due to their nature (temporary accommodation whilst refurbishing or developing other sites), the land and buildings for Warleigh Apartments are accounted for as a separate class of land and buildings, which are carried at cost less any accumulated depreciation and impairment.

Plant and equipment, fixtures & fittings, motor vehicles and computer equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each asset over their expected useful lives as follows:

Buildings	40 years
Building improvements, plant & equipment and fixtures & fittings	10 years
Motor vehicles	4 Years
Computer equipment	4 Years

The right-of-use asset is depreciated over the shorter of the assets useful life and the remaining lease period including extension options.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 11. Trade and other payables

	2024 \$	2023 \$
<i>Current liabilities</i>		
Trade payables	2,054,581	-
Sundry creditors and accruals	3,042,399	2,698,461
	<u>5,096,980</u>	<u>2,698,461</u>

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 12. Accommodation Bonds/Refundable Accommodation Deposits

	2024 \$	2023 \$
<i>Current liabilities</i>		
Accommodation Bonds/Refundable Accommodation Deposits	<u>86,022,688</u>	<u>81,897,510</u>

From 1 July 2007, pursuant to the Aged Care Act 1997, interest is paid on Refundable Accommodation Deposits ("RAD's") and Accommodation Bonds following departure (or death) of a resident until RAD repayment. Interest is required to be paid at two different rates, which are legislated on a quarterly basis:

- base interest rate for the period between the date of the refunding event and the earlier of the date the balance is refunded and the date the legislated timeframe for the refund of the balance expires; and
- the maximum permissible interest rate for the period after the end of the legislated timeframe (or the time set out in the Formal Agreement) until the balance is refunded.

Rates are amended quarterly. For the year ended 30 June 2024 base rates were 2.25% (2023: 2.25%) and the maximum permissible rate varied from 7.90% to 8.34% (2023: 5.00% to 7.46%).

Note 13. Employee benefits

	2024 \$	2023 \$
<i>Current liabilities</i>		
Annual leave	3,083,543	2,708,770
Long service leave	3,696,527	3,772,557
	<u>6,780,070</u>	<u>6,481,327</u>
<i>Non-current liabilities</i>		
Long service leave	<u>210,738</u>	<u>148,208</u>
	<u>6,990,808</u>	<u>6,629,535</u>

Accounting policy for employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 13. Employee benefits (continued)

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 14. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Company is set out below:

	2024 \$	2023 \$
Aggregate compensation	<u>2,055,253</u>	<u>2,161,576</u>

Note 15. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the Company, Grant Thornton Audit Pty Ltd (2023: Charterhouse & Co Auditors Pty Ltd):

	2024 \$	2023 \$
<i>Audit services -</i>		
Audit of the financial statements	<u>51,500</u>	<u>50,000</u>
<i>Other services -</i>		
Compilation of the financial statements	8,755	-
Other compliance audits	<u>7,210</u>	<u>-</u>
	<u>15,965</u>	<u>-</u>
	<u>67,465</u>	<u>50,000</u>

Note 16. Contingent liabilities

The Company had no contingencies as at 30 June 2024.

Note 17. Commitments

	2024 \$	2023 \$
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	<u>-</u>	<u>2,771,490</u>

Vasey RSL Care Limited
Notes to and forming part of the financial statements
30 June 2024

Note 18. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 14.

Transactions with related parties

There were no transactions with related parties in the current and previous reporting periods.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 20. General information

The financial statements cover Vasey RSL Care Limited (the 'Company') as an individual entity. The financial statements are presented in Australian dollars, which is Vasey RSL Care Limited's functional and presentation currency.

Vasey RSL Care Limited is incorporated and domiciled in Australia.

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 10 October 2024. The Directors have the power to amend and reissue the financial statements.

Registered office and principal place of business

172 Burwood Road
Hawthorn, Victoria 3122

Background

On the 6th of July 2004 RSL Veterans and Widows Trust Limited trading as RSL Care Victoria merged with Vasey Housing Limited and a new corporation Vasey RSL Care Limited was formed. Within the Vasey RSL Care Limited constitution various rights and responsibilities were assigned to the parent organisations of the two merged entities, being the War Widows' Guild of Australia (Victoria) Limited and the Returned & Services League of Australia (Victoria Branch) Inc.

On the 24th of February 2021, the War Widows' Guild of Australia (Victoria) Inc. (the 'Guild') had their 2020 AGM. At this meeting the Guild members voted to wind up the Guild. All rights and responsibilities the Guild had within the Vasey RSL Care Ltd's constitution were transferred to Returned & Services League of Australia (Victoria Branch) Inc.

Vasey RSL Care Limited
Directors' declaration
30 June 2024

The Directors of the Company declare that the financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:

- comply with Accounting Standards - Simplified Disclosures and the Australian Charities and Not-for-Profits Commission Regulation 2022; and
- give a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the year ended on that date.

In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors and subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulations 2022.

On behalf of the Directors



Mr M P O'Meara
Chair, Director



Mr B Lowe
Deputy Chair, Director

10 October 2024

Independent Auditor's Report

To the Members of Vasey RSL Care Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Vasey RSL Care Limited (the "Company"), which comprises the statement of financial position as at 30 June 2024, and 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 material accounting policy information and the Directors' declaration.

In our opinion, the financial report of Vasey RSL Care Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the 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.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial report

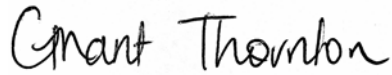
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that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

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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



J D Vasiliou
Partner – Audit & Assurance

Registration No. 538595

Melbourne, 10 October 2024