WINTRINGHAM

ABN 97 007 293 478

AND CONTROLLED ENTITY

FINANCIAL STATEMENTS

30 JUNE 2023

WINTRINGHAM
and Controlled Entity

NAPS ID 1715

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DIRECTORS' REPORT

The Directors present their report on the company and its controlled entity for the financial year ended 30 June 2023.

DIRECTORS

The names of Directors in office at any time during, or since the end of the financial year are:

Gerard Mansour PSM
Netty Horton
Dr Richard Rosewarne
Arthur Apted
Jane Boag
Michele Lewis (appointed 16 November 2022)
Sabine Phillips AM
Bryan Lipmann AM
Ian Davidoff
Kym Goodes (resigned 7 December 2022)
Patricia Sparrow (resigned 16 November 2022)
Jenny Smith (appointed 18 September 2023)

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

PRINCIPAL ACTIVITIES

The principal activity of the consolidated group is the provision of aged care, housing and support services to the elderly homeless or those at risk of homelessness. There has been no change in the nature of the group's principal activity during the year.

OPERATING RESULTS

The underlying consolidated deficit for the year ended 30 June 2023 was $1,059,033. Accounting standards require that capital grants be included in revenue even though these grants are used to fund the construction and refurbishment of buildings and not used to fund operational expenses. After including capital grant income of $15,552,195, the consolidated surplus for the year was $14,493,162. Note 3 to the financial statements provides a reconciliation of the result including the underlying deficit for the year.

DIVIDENDS

The Constitution expressly prohibits the distribution of any surplus to the members of the company and accordingly no dividend shall be paid.

MEMBERS

The company is a company limited by guarantee. If the company is wound up, the Constitution states that:
Every member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while he or she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding twenty dollars ($20.00), for the payment of the debts and liabilities of the company contracted whilst the member or past member as the case may be was a member of the company, and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves.
At 30 June 2023 the number of members was 42 (2022: 46) and the total amount that the members of the company are liable to contribute if the company is wound up is $840 (2022: $920).

OBJECTIVES AND STRATEGIC DIRECTION

The company's objectives include:

- Increase the supply of housing aged care and support options for the elderly homeless
- Deliver high quality outcomes reflecting the particular needs of elderly homeless men and women
- Maintain the financial viability of Wintringham
- Advocate for the rights of the elderly homeless

OBJECTIVES AND STRATEGIC DIRECTION (continued)

Wintringham will endeavour to achieve these objectives by:
- Increasing the breadth of Wintringham's residential aged care services.
- Providing a range of sustainable and affordable housing options for elderly people who are homeless or at risk of becoming homeless but who do not require the levels of care associated with residential aged care services.
- Further developing the range of community and home based aged care services.
- Widening the geographical range of outreach services.
- Ensuring that the management of all services provided by Wintringham maximises the use of our physical, financial and human resources.
- Promoting the work of Wintringham with government so as to further develop Wintringham's ability to be a reliable and informed advocate for the elderly homeless.
- Increasing the level of non-government funding.
- Undertaking relevant research projects that assist with the development of a validated knowledge base relating to the needs of the elderly homeless and how to best address those needs.

The Board of Directors reviews the company's performance at regular board meetings by reviewing financial and non-financial information and reports from executive management.

REVIEW OF OPERATIONS

The 2023 financial year was highlighted by the opening of new services in Hobart and Shepparton as we continue to grow and work to meet the goals in our strategic plan.

Our five-year strategic plan that spans 2019-2024, reflects the mission that has driven our work over the past 34 years and is translated into actions and services via the following four pillars:

- Increase the supply of housing aged care and support options for the elderly homeless
- Deliver high quality outcomes reflecting the particular needs of elderly homeless man and women
- Maintain the financial viability of Wintringham
- Advocate for the rights of the elderly homeless

Our organisation continues to operate an innovative and integrated range of programs providing a continuum of care for older men and women experiencing homelessness, and those at risk of homelessness. At year-end our services included assertive outreach, supported social housing (813 units), in-home aged-care (940+ packages), National Disability Insurance Scheme (NDIS) core supports and support coordination, a registered Supported Residential Service (SRS), and eight residential aged-care facilities (353 beds). With over 1,000 dedicated staff, Wintringham supports more than 2,000 clients each day across metropolitan Melbourne, regional Victoria and Southern Tasmania. We continue to be the largest provider of aged care and related support services to older disadvantaged Australians.

Our first interstate residential aged care home opened in Hobart in October 2022, developed with the support of the Tasmanian State Government. The service provides a home for 40 vulnerable elderly Tasmanians experiencing homelessness or at risk of homelessness and is located adjacent to our office in Bellerive where housing and homelessness support teams are providing support to our tenants as well as providing assertive outreach services. We are pleased to be working with the Tasmanian State Government to develop a similar model in Northern Tasmania.

We also opened our first regional Victoria residential aged care home in Shepparton in May 2023. This facility, built with the support of the Commonwealth Department of Health and Aged Care, provides a home for 20 older people from the Shepparton community and is co-located with 28 purpose built social housing units. The housing units were delivered through a partnership with the Victorian State Government, the Ian Potter Foundation, the John T Reid Charitable Trust and the Victorian branch of the Australian Nursing and Midwifery Federation.

REVIEW OF OPERATIONS (continued)

Our housing and homelessness support (HHS) services in Victoria continue to grow and deliver vital support to vulnerable Victorians. The commencement of the Commonwealth Care finder program resulted in our services expanding across Melbourne and Regional Victoria and our teams continued to support clients through the Victorian State Government's innovative From Homelessness to a Home (H2H) program.

As noted above, our new housing in Shepparton is now providing 28 homes for older marginalised and disadvantaged members of the Shepparton community. The construction of housing in Melbourne and Bendigo is progressing with the 49 units in Coburg, Melbourne expected to be completed in the coming weeks and the 35 housing units in Bendigo expected to be completed in early 2024. During the year we were successful in securing funding to build 12 housing units in Lancefield in partnership with the Macedon Ranges Shire Council. Construction of the units is expected to commence in early 2024.

The aged care environment in which we operate is undergoing fundamental change with the implementation of the residential aged care reforms by the Commonwealth Government. We support the principles of the reforms and we are working closely with the Department of Health and Aged Care as we manage the impact of the reforms on the work we do supporting older people who are experiencing homelessness, or at risk of homelessness. Through our strong, collaborative relationship with the department, we are maintaining our innovative model of care which has been designed to support the care needs of our client cohort.

We continue to monitor the development of the Support at Home program whilst managing the reforms introduced during the year for the current home care program. Our advocacy is directed at ensuring the new Support at Home model recognises the higher cost of providing services to older men and women who have experienced homelessness or are at risk of homelessness.

Our company-wide Digital Transformation project progressed during the year with all our residential aged care services transitioning to a new software system. Our community programs will complete the implementation of a new client management system during the 2024 financial year. This multi-year project is supported by the J.O. & J.R. Wicking Trust and the Australian Department of Health and Aged Care and focuses on building capacity and creating scalable, sustainable, efficient and effective processes.

Residential Aged Care
Total operating revenue for our residential services was $42,833,777 (2022: $33,820,975) with the increase attributable to the introduction of the new funding model the Australian National Aged Care Classification (AN-ACC) and our new services in Hobart and Shepparton. The result for the residential facilities was a deficit after depreciation of $834,426 (2022: deficit of $3,674,383). The deficit result highlights the on-going challenge of providing residential aged care services for elderly men and women experiencing homelessness or at risk of homelessness, and we expect the 2024 result will further deteriorate as we implement the mandatory care minute requirements commencing on 1 October 2023.

Community Aged Care
We continue to find the home care environment challenging for our client cohort who don't have family and friends to assist with navigating the system and gaining access to services. Revenue from our Home Care programs was $26,367,983 up from $22,848,274 in the prior year, driven by an increase in the number of packages highlighting the importance of our specialist service for older at-risk individuals. The result for the year was a deficit of $1,088,460, compared with a deficit of $983,475 in 2022. The deficit result highlights the impact of the continued staff shortages across the sector and the on-going challenge of managing a financially viable service that is designed for clients that do not meet the attributes of our cohort. We welcome the delay in the commencement of the new Support at Home program to allow further work to be undertaken to ensure the program is suitable for our at-risk and marginalised clients.

Housing
The recently opened housing in Shepparton has provided 28 housing units and our three housing projects currently under development will provide an additional 96 homes for the elderly disadvantaged. Excluding grants for capital projects, revenue for the year was $9,226,698, up from $8,673,925 the prior year.

REVIEW OF OPERATIONS (continued)

Homelessness and Client Support
A key element of our service delivery model is our Homelessness and Housing Support programs. Wintringham provides support through various programs funded by the Victorian and Tasmanian State Government and the Commonwealth Government including vital funding to enable us to assist clients who have been assessed as requiring a home care package but are waiting to be allocated a package. Our NDIS program continued to grow, however clients continue to be challenged by the complicated process of applying for support and the intersect between Aged Care and NDIS services. Revenue for the year for all programs was $16,008,125 up from $14,582,311 in the prior year, driven by a full year of funding for our new Audrey Rainsford Supportive Housing program and our new Care finder services in Melbourne and regional Victoria.

STATE OF AFFAIRS

There has been no significant change in the state of affairs of the company during the year.

AFTER BALANCE DATE EVENTS

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

FUTURE DEVELOPMENTS

The company expects to maintain the present principal activities and it will endeavour to grow the existing operations and develop strategies to expand the business in a financially and operationally viable manner.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 10 of the financial statements.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

INFORMATION ON COMPANY SECRETARIES

Michael Deschepper	Bachelor of Business, Member of the Institute of Chartered Accountants in Australia, Deputy Chief Executive Officer of Wintringham. Appointed August 2008
Elizabeth Davis	Bachelor of Business, Member of CPA Australia, Chief Financial Officer of Wintringham. Appointed February 2021

MEETINGS OF DIRECTORS

During the financial year, six meetings of Directors, five executive committee meetings, four finance and audit committee meetings and five clinical governance committee meetings were held. Attendances were:

	Director's meetings		Executive committee meetings		Finance and audit committee meetings		Clinical governance committee meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Gerard Mansour PSM	6	6	5	5	-	-	-	-
Sabine Phillips AM	6	6	5	5	-	-	-	-
Netty Horton	6	5	-	-	3	2	-	-
Bryan Lipmann AM	6	5	5	4	4	4	5	4
Dr Richard Rosewarne	6	5	-	-	-	-	5	5
Ian Davidoff	6	6	-	-	4	4	-	-
Arthur Apted	6	5	-	-	4	4	-	-
Jane Boag	6	5	-	-	-	-	5	5
Kym Goodes (resigned 7 December 2022)	3	2	-	-	-	-	-	-
Patricia Sparrow (resigned 16 November 2022)	3	2	-	-	-	-	-	-
Michele Lewis (appointed 16 November 2022)	4	4	-	-	-	-	2	2
Jenny Smith (appointed 18 September 2023)	-	-	-	-	-	-	-	-

INFORMATION ON DIRECTORS

Gerard Mansour PSM	Former Commissioner for Senior Victorians, Former Ambassador for Elder Abuse Prevention, Former Chair Senior Victorians Advisory Group, Master of Arts (Research), Former CEO of Leading Age Services Australia (LASA) & former CEO of Aged Community Care Victoria (ACCV). Bachelor of Arts, Diploma of Youth Work. Appointed Director June 2015. President. Member: Executive Committee.
Sabine Phillips AM	Chief Legal Counsel, TLC Healthcare, Master of Law, Master of Business (Organisational Behaviour), Bachelor of Applied Science (Advanced Nursing), Registered Nurse, Fellow of Australian Institute of Company Directors (FAICD). Appointed Director June 2019. Vice-President. Member: Executive Committee.
Netty Horton	Former CEO, CatholicCare Melbourne, Former Territorial Social Programme Director, The Salvation Army, Former CEO of Council to Homeless Persons, Bachelor of Arts (Hons) Politics and Society, Masters in Public Policy, Graduate of Australian Institute of Company Directors (GAICD). Appointed Director May 1998. Member: Finance and Audit Committee.

INFORMATION ON DIRECTORS (continued)

Bryan Lipmann AM	Chief Executive Officer. Bachelor of Economics, Bachelor of Social Work. Distinguished Alumni of La Trobe University. Appointed Director November 2002. Member: Executive Committee. Member: Finance and Audit Committee. Member: Clinical Governance Committee.
Dr Richard Rosewarne	Director, Applied Aged Care Solutions, Bachelor of Science (Honours), PhD, Member of the Australian Psychological Society. Appointed Director February 2013. Member: Clinical Governance Committee.
Ian Davidoff	CEO/Director, Journal Student Living, Director, Citiplan Pty Ltd, Bachelor of Arts, Bachelor of Commerce, Masters in Public Policy (Frank Knox Fellow) Harvard University. Appointed Director November 2015. Member: Finance and Audit Committee.
Arthur Apted	Independent member NGS Super Investment Committee and BlackRock (Australia) Compliance Committee, Chair (Victoria) Suburban Rail Loop Authority Procurement Oversight Committee, Director Port of Hastings Development Authority. Bachelor of Economics, Masters of Business Administration, Graduate Diploma of Applied Finance and Investment, Diploma of Financial Services. Appointed Director February 2020. Member: Finance and Audit Committee.
Jane Boag	Principal Advisor, What's the Plan, Former Head of Enterprise Risk Advisory, VMIA, Bachelor of Applied Science (Occupational Therapy), Graduate Diploma of Community Health, Graduate of Australian Institute of Company Directors (GAICD) Member of Institute of Community Directors Australia. Appointed Director February 2020. Member: Clinical Governance Committee.
Kym Goodes	Director, 3P & Associates, Former CEO of Tasmanian Council of Social Services, Strategic Leadership in the NFP Sector, Harvard Business School, Bachelor of Social Science, Graduate of Australian Institute of Company Directors (GAICD). Appointed Director February 2020. Resigned December 2022.
Patricia Sparrow	Former CEO of Vision 2020 Australia, Former CEO of Aged & Community Services Australia (ACSA), Former Aged Care Advisor, Australian Government, Bachelor of Arts (Social Sciences), Graduate of Australian Institute of Company Directors (GAICD). Appointed Director November 2021. Resigned November 2022.
Michele Lewis	CEO of Mecwacare, Master of Business, Graduate Diploma of Organisational Dynamics, member of the Australian College of Nursing, Graduate of Australian Institute of Company Directors (GAICD) and Australian Institute of Management. Appointed Director November 2022. Member: Clinical Governance Committee.
Jenny Smith	Former CEO of Council to Homeless Persons, Master of Public Policy and Management, Master of Social Work (Honours), Bachelor of Social Work, Bachelor of Arts, Graduate of Australian Institute of Company Directors (GAICD), Chair Industry Advisory Committee, Social Work, School Global, Urban and Social Studies, RMIT University, Clinical Associate, School of Global, Urban and Social Studies, RMIT University Appointed Director September 2023.

ENVIRONMENTAL ISSUES

The Group's operations are not subject to significant environmental regulations under the laws of the Commonwealth and State.

INDEMNIFYING OFFICER OR AUDITOR OF THE GROUP

The Group has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Group or of a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred by an officer or auditor for the costs or expenses to defend legal proceedings.

With the exception of the following matters:
During the financial year the Group has insured Directors and officers of the Group against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of officers of the Group, other than conduct involving a wilful breach of duty in relation to the Group. Details of the premium are not disclosed as required under the terms and conditions of the insurance policy.

Signed in accordance with a resolution of the Board of Directors pursuant to s.60.15 of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Gerard Mansour PSM – Director

Sabine Phillips AM – Director

Dated this 18th day of October 2023
Melbourne

Accountants & Advisors

Take the lead

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF WINTRINGHAM AND CONTROLLED ENTITY

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

i. No contraventions of the auditor independence requirements as set out in *the Australian Charities and Not-for-profits Commission Act 2012*, in relation to the audit, and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

SW

SW Audit (formerly ShineWing Australia)
Chartered Accountants

Hayley Underwood
Partner

Melbourne, 18 October 2023

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WINTRINGHAM AND CONTROLLED ENTITY

Opinion

We have audited the financial report of Wintringham (the Company) and its controlled entity (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company and the Group is 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 and the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended, and

b. complying with Australian Accounting Standards – Simplified Disclosures 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 Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional & 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 and the Group's annual report for the year ended 30 June 2023, 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.

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Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company and the Group 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 and/or the Group or to cease operations, or has no realistic alternative but to do so.

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 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 and the Group'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 and/or the Group'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 and/or the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

SW

SW Audit (formerly ShineWing Australia)
Chartered Accountants

Hayley Underwood
Partner

Melbourne, 18 October 2023

WINTRINGHAM
and Controlled Entity

DIRECTORS' REPORT

DIRECTORS' DECLARATION

In the opinion of the Board of Directors the financial report as set out on pages 15 to 46:

1. Presents a true and fair view of the financial position of Wintringham and controlled entity as at 30 June 2023 and its performance for the year ended on that date in accordance with Australian Accounting Standards – General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities of the Australian Accounting Standards Board, the *Australian Charities and Not-for- profits Commission Act 2012*, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board;

2. At the date of this statement, there are reasonable grounds to believe that Wintringham and controlled entity 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 Directors by:

Gerard Mansour PSM – Director

Sabine Phillips AM – Director

Dated this 18th day of October 2023
Melbourne

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$
Revenue	2	92,921,269	80,935,701	84,939,751	73,726,956
Other income	2	1,476,684	689,084	3,430,500	2,425,551
Employee benefits expense		(69,130,324)	(61,584,480)	(66,908,703)	(59,482,412)
Finance costs		(97,433)	(66,480)	(83,921)	(55,275)
Resident and client services		(12,846,101)	(12,387,316)	(11,627,743)	(10,739,701)
Property maintenance, utilities and insurance		(5,999,372)	(4,302,496)	(3,537,760)	(2,438,709)
Administration and other expenses		(3,092,440)	(2,710,543)	(3,218,588)	(3,710,656)
Depreciation & amortisation		(4,291,316)	(4,200,193)	(3,172,413)	(3,083,655)
Net operating deficit		**(1,059,033)**	**(3,626,723)**	**(178,877)**	**(3,357,901)**
Capital grant income	2	15,552,195	16,673,687	4,333,803	3,574,968
Expense recognised on an asset transferred at nil cost		-	-	-	(5,716,310)
Net surplus / (deficit) for the year	3	**14,493,162**	**13,046,964**	**4,154,926**	**(5,499,243)**
Total comprehensive income for the year		**14,493,162**	**13,046,964**	**4,154,926**	**(5,499,243)**

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4	10,554,279	13,837,151	7,332,244	9,807,270
Trade and other receivables	5	7,206,154	8,037,911	7,602,955	3,532,924
Inventories	6	44,870	106,125	44,870	106,125
Financial assets	7	11,105,071	9,045,751	11,105,071	9,045,751
Assets held for sale	10	498,632	-	498,632	-
Other current assets	8	422,067	542,975	327,646	295,023
TOTAL CURRENT ASSETS		**29,831,073**	**31,569,913**	**26,911,418**	**22,787,093**
NON-CURRENT ASSETS					
Investment property	9	451,892	460,942	451,892	460,942
Property, plant and equipment	10	128,097,345	117,043,324	54,128,744	53,288,591
Intangible assets	11	1,091,278	726,239	1,091,278	726,239
Right of use assets	12	2,146,048	1,184,490	2,146,048	1,184,490
TOTAL NON-CURRENT ASSETS		**131,786,563**	**119,414,995**	**57,817,962**	**55,660,262**
TOTAL ASSETS		**161,617,636**	**150,984,908**	**84,729,380**	**78,447,355**
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	13	11,746,636	13,091,253	9,839,236	10,820,610
Contract liabilities	14	4,007,722	10,400,888	3,218,152	3,962,460
Borrowings	15	8,634,207	7,199,134	8,627,666	7,187,256
Lease liability	16	530,267	407,860	530,267	407,860
Provisions	17	12,766,543	11,369,789	12,508,068	11,143,609
TOTAL CURRENT LIABILITIES		**37,685,375**	**42,468,924**	**34,723,389**	**33,521,795**
NON-CURRENT LIABILITIES					
Borrowings	15	200,521	203,881	-	-
Lease liability	16	1,688,467	730,301	1,688,467	730,301
Provisions	17	468,439	500,130	463,336	495,997
TOTAL NON-CURRENT LIABILITIES		**2,357,427**	**1,434,312**	**2,151,803**	**1,226,298**
TOTAL LIABILITIES		**40,042,802**	**43,903,236**	**36,875,192**	**34,748,093**
NET ASSETS		**121,574,834**	**107,081,672**	**47,854,188**	**43,699,262**
EQUITY					
Reserves	18	3,507,554	3,507,554	3,507,554	3,507,554
Retained Earnings		118,067,280	103,574,118	44,346,634	40,191,708
TOTAL EQUITY		**121,574,834**	**107,081,672**	**47,854,188**	**43,699,262**

WINTRINGHAM
and Controlled Entity

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

Consolidated Group	**Retained Earnings**	**Asset revaluation reserve**	**Total**
	$	**$**	**$**
Balance at 1 July 2021	90,527,154	3,507,554	94,034,708
Surplus for the year	13,046,964	-	13,046,964
Balance at 30 June 2022	**103,574,118**	**3,507,554**	**107,081,672**
Surplus for the year	14,493,162	-	14,493,162
Balance at 30 June 2023	**118,067,280**	**3,507,554**	**121,574,834**

Parent Entity	**Retained Earnings**	**Asset revaluation reserve**	**Total**
	$	**$**	**$**
Balance at 1 July 2021	45,690,951	3,507,554	49,198,505
Surplus for the year	(5,499,243)	-	(5,499,243)
Balance at 30 June 2022	**40,191,708**	**3,507,554**	**43,699,262**
Surplus for the year	4,154,926	-	4,154,926
Balance at 30 June 2023	**44,346,634**	**3,507,554**	**47,854,188**

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts in the course of operations		92,194,279	81,059,832	84,017,734	74,597,947
Interest received		409,020	38,484	386,391	35,059
Cash payments in the course of operations		(90,753,442)	(80,890,765)	(84,117,249)	(75,957,877)
Borrowing costs		(97,433)	(66,480)	(83,921)	(55,275)
Net cash provided by / (used in) operating activities	21 (b)	1,752,424	141,071	202,955	(1,380,146)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds on sale of non-current assets		194,093	-	194,093	-
Payments for property, plant and equipment		(15,625,337)	(16,834,105)	(4,292,566)	(4,530,392)
Purchase of financial assets		(2,059,321)	(2,869,702)	(2,059,321)	(5,370,818)
Net cash (used in) investing activities		(17,490,565)	(19,703,807)	(6,157,794)	(9,901,210)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings		(323,434)	(395,324)	(314,736)	(383,961)
Net proceeds from capital grants		11,314,154	12,653,000	2,330,000	2,443,200
Net receipt of accommodation bonds		1,464,549	68,166	1,464,549	68,166
Net cash provided by financing activities		12,455,269	12,325,842	3,479,813	2,127,405
Net (decrease) in cash held		(3,282,872)	(7,236,894)	(2,475,026)	(9,153,951)
Cash at the beginning of the financial year		13,837,151	21,074,045	9,807,270	18,961,221
Cash at the end of the financial year	21 (a)	**10,554,279**	**13,837,151**	**7,332,244**	**9,807,270**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover the consolidated group (the “Group”) of the parent, Wintringham and its controlled entity, incorporated and domiciled in Australia. The parent entity, Wintringham (the “Parent entity/Company”), is a public company limited by guarantee.

The financial statements were authorised for issue on 18 October 2023 by the Board of Directors.

Basis of preparation

These consolidated financial statements are the general purpose financial statements prepared in accordance with *Australian Accounting Standards – Simplified Disclosures* and the *Australian Charities and Not-for-Profits Commission Act 2012*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

Accounting policies

(a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent, Wintringham, and its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Details of the subsidiary are provided in Note 23. The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(b) Company status

The Australian Securities and Investments Commission pursuant to Section 150 of the *Corporations Act 2001* has authorised Wintringham to be registered as a company with limited liability without the addition of the word "Limited" to its name.

(c) Income tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Revenue

Revenue recognition
Revenue arises mainly from government grant, subsidies, donations, resident fees, daily accommodation payments, rental income, interest and dividends on investments and other income.

When the Group receives income, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15. When both these conditions are satisfied, the Group uses the following 5-step process to determine when revenue is recognised, in line with AASB 15 *Revenue from Contracts with Customers*:

1. Identifying the contracts with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customer.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Group recognises income immediately in profit or loss.

Client revenue
Client revenue relates to basic daily fees received as a contribution for the provision of care and accommodation services. Client revenue is recognised over time on either a daily or monthly basis as services are provided.

Government operating subsidies and grants
Government operating subsidies reflect the Group's entitlement to receive payments from the Commonwealth and State Governments to support the specific ongoing care and accommodation needs of the individual residents.

The subsidies comprise basic amounts calculated in accordance with the Aged Care Funding Instrument ('ACFI'), Home Care Packages, Outreach grant funding and other government payments.

Government operating subsidies are derived under the Group's contracts with customers and recognised over time as services are provided on either a daily or monthly basis.

Government operating grants are provided to the Group by Commonwealth and State Governments based on defined activities or services plans required to be fulfilled by the Group such as the provision of aged care services to "at-risk" populations, providing home care services and the expansion of service areas.

Revenue arising from grants that are not subject to conditions is recognised when the Group obtains control of the funds, economic benefits are probable, and the amount can be reliably measured. Where conditions are attached to the grants which must be satisfied before the Group is eligible to receive the contribution, the recognition of revenue is deferred until those conditions are satisfied.

Grants received in advance are recognised as contract liabilities when received and revenue is recognised as the Group satisfies its obligations under the transfer based on the input method which measures progress towards satisfaction of performance obligations based on costs incurred.

Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent the conditions remain unsatisfied. Unless prohibited by contract terms, if grant monies remain unspent after programs are completed or the program completion date is reached, these unspent funds are immediately recognised as revenue.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Revenue (continued)

Accommodation bond charges
Accommodation bond charges relate to other fees charged to residents in respect of care and accommodation services provided by the Group and include Daily Accommodation Payments ('DAP') / Daily Accommodation Contribution ('DAC') payments and other accommodation charges. Accommodation bond charges are recognised over time as services are provided.

Other operating and other non-operating revenue
Other operating revenue comprises payments received for aged care or homeless services provided to external clients, reimbursements, and various sundry items. Revenue is recognised over time as services are provided by output method.

Interest Income
Interest income is recognised using the effective interest method.

Donations
Donations are recognised only when received by the Group in accordance with AASB 1058. Bequests are recognised when the Group receives confirmation from the solicitor that entitlement to the funds is uncontested, or when the legacy is received, whichever occurs earlier.

Capital Grants
When the Group receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards when the following conditions are satisfied:

(a) The grant requires the entity to use that financial asset to acquire or construct a recognisable nonfinancial asset to identified specifications;
(b) the grantor does not require the entity to transfer the non-financial asset to the transferor or other parties; and
(c) the fund transfer occurs under an enforceable agreement

The Group recognises a liability under AASB 1058 when a capital grant is received to enable the Group to construct a non-financial asset. The Group recognises income in profit or loss when or as the Group satisfies its obligations under terms of the grant. The liability is reduced for the amount recognised as income.

Contributed assets
The Group receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the Group recognises related amounts being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.
The Group recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

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

(e) Inventories

Inventories are measured at cost, adjusted when applicable for any loss of service potential.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment

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

Property
Freehold land and buildings are measured on a cost basis. The Group has applied the election available under AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards and elected to use a previous GAAP revaluation of land and buildings undertaken at 30 June 2000 as the deemed cost of land and buildings for the purposes of transition to AIFRS. The revaluation was, at the date of the revaluation, broadly comparable to fair value.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Plant and equipment
Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(j) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Depreciation
The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line or diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of fixed asset	**Depreciation rate**
Buildings	1.67 - 2.50%
Office equipment	6 – 50%
Fixtures and fittings	9 – 18%
Motor vehicles	18.75 – 22.50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated funds.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Intangible assets

Intangible assets with a finite life are amortised based on the following amortisation rates:

Intangible asset	Amortisation rate
Software	20%

These intangible assets have a finite useful life and are carried at cost less, where applicable, any accumulated amortisation and impairment losses. Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of the intangible assets, from the date that they are available for use.

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

(h) Investment property

Investment property is measured on the cost basis less depreciation and impairment losses. The carrying amount of investment properties is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation
The depreciable amount of investment property, but excluding freehold land components, is depreciated on a straight line basis over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for investment property is 2.5%.

(i) Leases

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee.

However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:
- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leases (continued)

measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases
For leases that have significantly below-market terms and conditions principally to enable the Group to further its objectives (commonly known as peppercorn/concessionary leases), the Group has adopted the temporary relief under AASB 2018-823 and measures the right-of-use assets at cost on initial recognition.

(j) Financial instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in *AASB 15: Revenue from Contracts with Customers.*

Classification and subsequent measurement
Financial liabilities
Financial liabilities are subsequently measured at:
- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:
- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:
- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Financial instruments (continued)

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets
Financial assets are subsequently measured at:
- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss

Measurement is on the basis of two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:
- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Group initially designates a financial instrument as measured at fair value through profit or loss if:
- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Financial instruments (continued)

Derecognition of financial liabilities
A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets
A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:
- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

The Group recognises a loss allowance for expected credit losses on:
- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:
- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Impairment

The Group uses the following approaches to impairment, as applicable under AASB 9:
- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

General approach
Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and:

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Financial instruments (continued)

- if the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach
The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:
- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit-impaired approach
For financial assets that are considered to be credit-impaired (not on acquisition or originations), the Group measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:
- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach
If a financial asset is determined to have low credit risk at the initial reporting date, the Group assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance equal to the 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the Group applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:
- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements
At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.
The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Financial instruments (continued)

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(k) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

Where an impairment loss on a revalued individual asset is identified, this is recognised 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 class of asset.

(l) Employee benefits

Short-term employee benefits
Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

Long-term employee benefits
The Group classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Group's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Employee benefits (continued)

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

(m) Accommodation bonds and refundable accommodation payments

In accordance with the Commonwealth Department of Health (DOH) guidelines, aged care providers are entitled to retain a portion of a resident's accommodation bond. The amount which may be retained depends on the amount of the contribution and the length of time the resident has stayed with the provider. Accommodation bond liabilities represent that sum of accommodation bonds payable to residents at year end should they leave the aged care facility. DOH guidelines stipulate accommodation bonds must be refunded to the resident within 14 days should they leave the facility, as such, accommodation bonds are classified as current liabilities. From 1 July 2014, when a resident enters aged care, the lump sum they may pay is now called a refundable accommodation payment. Reference to accommodation bonds in this report includes accommodation bonds and refundable accommodation payments.

(n) 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, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(o) Trade and other receivables

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(i) for further discussion on the determination of impairment losses.

(p) Goods and services tax (GST)

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

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

(q) Economic dependence

Wintringham is dependent upon the Department of Health and Aged Care for the majority of its revenue used to operate the business. At the date of this report the Board of Directors have no reason to believe the Department of Health and Aged Care will not continue to support Wintringham.

(r) Comparative figures

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge based on the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained externally and within the Group.

Key estimates – impairment
The Group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. When the impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement costs calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key judgements – Performance obligations under AASB 15
To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

Key estimates – employee provisions
As the Group expects that a portion of their employees will not use their long service leave entitlements until employment termination, the Group has calculated the salary on-costs portion of the long service liability based on historical data relating to long service leave paid on termination.

(t) Fair value of assets and liabilities

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

"Fair value" is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. To the extent possible, market information is extracted from the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the Group at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs). For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the Group's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

NOTE 2: REVENUE AND OTHER INCOME

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$
Operating activities					
Client revenue		13,678,385	12,695,826	7,295,896	6,701,515
Government operating subsidies and grants		77,029,836	65,444,891	74,883,961	63,307,836
Accommodation bond charges		385,362	251,299	385,362	251,299
Other operating revenue		1,827,686	2,543,685	2,374,532	3,466,306
		92,921,269	80,935,701	84,939,751	73,726,956
Non-operating activities					
Interest		409,020	38,484	386,391	35,059
Donations		227,928	275,005	227,928	275,005
Other non-operating revenue		839,736	375,595	2,816,181	2,115,487
		1,476,684	689,084	3,430,500	2,425,551
Capital grant income					
Government capital grants - housing & other projects	2 (a)	10,378,863	10,054,946	2,638,603	3,209,768
Non-government capital grants - housing & other	2 (a)	5,173,332	6,618,741	1,695,200	365,200
		15,552,195	16,673,687	4,333,803	3,574,968
Total revenue and other income	3	**109,950,148**	**98,298,472**	**92,704,054**	**79,727,475**

(a) Accounting Standards require that capital grants be included in revenue. These grants are not part of the underlying revenue of the group as they are non-recurring. The grants are being used to fund construction and refurbishment projects and have not been used for operational expenses.

(b) The Group's revenue disaggregated by pattern of revenue recognition is as follows:

	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Services transferred to customers:				
over time	93,761,005	81,311,296	87,755,932	75,842,443
at a point in time	-	-	-	-
	93,761,005	81,311,296	87,755,932	75,842,443
Interest recognised under AASB 9	409,020	38,484	386,391	35,059
Donations recognised under AASB 1058	227,928	275,005	227,928	275,005
Capital grant revenue recognised under AASB 1058	15,552,195	16,673,687	4,333,803	3,574,968
Total revenue	**109,950,148**	**98,298,472**	**92,704,054**	**79,727,475**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 3: SURPLUS FOR THE YEAR

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$

The following tables are relevant in explaining the financial performance of the company:

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Total Revenue	2	109,950,148	98,298,472	92,704,054	79,727,475
Less:					
Government capital grants - housing & other projects	2	(10,378,863)	(10,054,946)	(2,638,603)	(3,209,768)
Non-government capital grants - property and other	2	(5,173,332)	(6,618,741)	(1,695,200)	(365,200)
Underlying total revenue		**94,397,953**	**81,624,785**	**88,370,251**	**76,152,507**
Net surplus for the year		14,493,162	13,046,964	4,154,926	(5,499,243)
Less:					
Government capital grants - housing & other projects	2	(10,378,863)	(10,054,946)	(2,638,603)	(3,209,768)
Non-government capital grants - property and other	2	(5,173,332)	(6,618,741)	(1,695,200)	(365,200)
Add back:					
Expense recognised on an asset transferred at nil cost		-	-	-	5,716,310
Underlying (deficit) for the year		**(1,059,033)**	**(3,626,723)**	**(178,877)**	**(3,357,901)**

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Revenue					
Rental income from investment property		61,548	34,893	30,836	34,893
Profit on disposal of property, plant and equipment		109,732	-	109,732	-

Significant items of revenue

The following significant revenue items are relevant in explaining the financial performance:

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Government capital grants	2	10,378,863	10,054,946	2,638,603	3,209,768
Non-government capital grants	2	5,173,332	6,618,741	1,695,200	365,200

The nature of significant items of revenue and profit are disclosed in Note 2.

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Expenses					
Auditors remuneration					
- auditing accounts		80,000	84,875	61,000	66,875
- other services		20,000	-	20,000	-
Borrowing costs - external		97,433	66,480	83,921	55,275
Direct operating expense arising from investment property		16,418	12,147	16,418	12,147

Significant items of expense

The following significant expense item is relevant in explaining the financial performance:

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Expense recognised on an asset transferred at nil cost		-	-	-	5,716,310

During the prior year, property was transferred from parent entity Wintringham to subsidiary Wintringham Housing at no cost. This transfer resulted in the parent entity recognising an expense of $5,716,310 on the transfer.

NOTE 4: CASH AND CASH EQUIVALENTS

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$
Cash on hand and at bank		9,422,253	12,772,706	6,235,541	8,776,955
Resident trust funds		902,229	829,305	896,163	825,115
Cash held on behalf of others		229,797	235,140	200,540	205,200
	21 (a)	**10,554,279**	**13,837,151**	**7,332,244**	**9,807,270**

NOTE 5: TRADE AND OTHER RECEIVABLES

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Trade receivables		2,251,189	5,477,199	1,910,267	1,279,370
Provision for impairment of receivables	5 (a)	(201,819)	(252,136)	(188,418)	(226,044)
Operating subsidies receivable		4,520,746	2,256,473	4,520,746	2,256,473
Reimbursement receivable from PLSA	5 (b)	288,938	-	268,793	-
Sundry receivables		276,246	235,917	241,397	52,375
GST refund due		70,854	320,458	-	170,750
Amounts receivable from associated entity		-	-	850,170	68,242
		7,206,154	**8,037,911**	**7,602,955**	**3,532,924**

(a) Provision for impairment of receivables

Movement in the provision for impairment of receivables is as follows:

	Consolidated Group	Parent Entity
	$	$
Provision for impairment as at 1 July 2021	230,912	204,136
Charge for year	45,857	31,809
Provision for impairment as at 30 June 2022	**252,136**	**226,044**
Charge for year	97,024	90,737
Written off	(147,341)	(128,363)
Provision for impairment as at 30 June 2023	**201,819**	**188,418**

(b) Reimbursement receivable from PLSA

The Victorian Long Service Benefits Portability Act 2018 came into effect on 1 July 2019 with the purpose of ensuring eligible workers in community service, contract cleaning and security industries can build up long service benefits based on the service rendered to the industry rather than service to a single employer. Consequently, the Portable Long Service Authority (PLSA) was created to administer the scheme. The Group falls under the definition of community service and thus a group of its employees are eligible and included in the scheme. Participant employers are required to pay a quarterly levy to the PLSA. Under the scheme rules, participant employers remain legally responsible for long service leave obligations (Note 17) and PLSA has an obligation to pay them benefits as a reimbursement for leave paid or payable to their employees.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 6: INVENTORIES

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	$	$	$	$
Raw materials - at cost	**44,870**	**106,125**	**44,870**	**106,125**

NOTE 7: FINANCIAL ASSETS

Term deposits - at amortised cost	9,097,995	9,045,751	9,097,995	9,045,751
Managed investments - at fair value through profit or loss	2,007,076	-	2,007,076	-
	11,105,071	**9,045,751**	**11,105,071**	**9,045,751**

NOTE 8: OTHER CURRENT ASSETS

Prepayments	**422,067**	**542,975**	**327,646**	**295,024**

NOTE 9: INVESTMENT PROPERTY

Land and buildings - at cost	562,000	562,000	562,000	562,000
Less accumulated depreciation on buildings	(110,108)	(101,058)	(110,108)	(101,058)
Net carrying value	**451,892**	**460,942**	**451,892**	**460,942**
(a) Reconciliation of carrying amount:				
Balance at the beginning of the year	460,942	466,943	460,942	466,943
Additions / adjustments	-	-	-	-
Depreciation	(9,050)	(6,001)	(9,050)	(6,001)
Balance at the end of the year	**451,892**	**460,942**	**451,892**	**460,942**
(b) Fair value at balance date	1,025,000	1,025,000	1,025,000	1,025,000

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	$	$	$	$
Current				
Assets held for sale - at cost	844,410	-	844,410	-
Less accumulated depreciation	(345,778)	-	(345,778)	-
Net carrying value	**498,632**	**-**	**498,632**	**-**
Non-current				
Land - at cost or deemed cost	24,791,886	24,924,886	15,746,134	15,879,134
Buildings - at cost or deemed cost	101,797,462	88,149,218	46,291,921	41,107,729
Less accumulated depreciation	(22,502,097)	(20,843,491)	(13,818,302)	(13,026,510)
	79,295,365	67,305,727	32,473,619	28,081,219
Plant and equipment - at cost	19,683,620	17,684,640	16,952,726	15,297,952
Less accumulated depreciation	(12,803,372)	(10,956,394)	(11,521,481)	(9,926,591)
	6,880,248	6,728,246	5,431,245	5,371,361
Assets under construction - at cost	17,129,846	18,084,465	477,746	3,956,877
Net carrying value	**128,097,344**	**117,043,323**	**54,128,744**	**53,288,591**

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (continued)

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	$	$	$	$
Reconciliation of carrying amounts:				
Current				
Assets held for sale				
Balance at the beginning of the year	-	-	-	-
Transfer from Land / Buildings / Plant & equipment	498,632	-	498,632	-
Balance at the end of the year	**498,632**	**-**	**498,632**	**-**
Non-current				
Land				
Balance at the beginning of the year	24,924,886	24,089,180	15,879,134	21,595,445
Additions / adjustments	-	835,706	-	-
Transfer (to) assets held for sale	(133,000)	-	(133,000)	-
Disposals	-	-	-	(5,716,311)
Balance at the end of the year	**24,791,886**	**24,924,886**	**15,746,134**	**15,879,134**
Buildings				
Balance at the beginning of the year	67,305,727	68,456,007	28,081,219	28,556,674
Additions / adjustments	-	(3,462)	-	4,508
Transfer from Assets under construction	14,300,304	742,063	5,836,251	566,167
Transfer (to) assets held for sale	(351,688)	-	(351,688)	-
Depreciation	(1,958,978)	(1,888,881)	(1,092,163)	(1,046,130)
Disposals	-	-	-	-
Balance at the end of the year	**79,295,365**	**67,305,727**	**32,473,619**	**28,081,219**
Plant and equipment				
Balance at the beginning of the year	6,728,245	7,423,654	5,371,361	6,259,213
Additions / adjustments	852,805	370,733	796,440	269,368
Transfer from assets under construction	932,027	795,445	644,185	430,579
Transfer from right-of-use assets	98,650	29,938	98,650	29,938
Transfer (to) assets held for sale	(13,944)	-	(13,944)	-
Depreciation	(1,633,174)	(1,891,524)	(1,381,085)	(1,617,737)
Disposals	(84,361)	-	(84,361)	-
Balance at the end of the year	**6,880,248**	**6,728,245**	**5,431,245**	**5,371,361**
Assets under construction				
Balance at the beginning of the year	18,084,465	2,881,492	3,956,877	1,044,519
Additions / adjustments	14,277,711	16,740,481	3,001,305	3,909,104
Transfer (to) Buildings / Plant & equipment	(15,232,330)	(1,537,508)	(6,480,436)	(996,745)
Balance at the end of the year	**17,129,846**	**18,084,465**	**477,746**	**3,956,877**

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (continued)

The Williamstown Hostel is built on land owned by the Victorian Government. Wintringham was appointed as Committee of Management for the Williamstown Homes for the Aged Reserve under Section 14 of the Crown Land (Reserves) Act 1978 effective from 1 March 1990. The amount included in the balance at the end of the year for buildings is $2,838,457 for the consolidated group and parent entity.

The Ron Conn Nursing Home and the Jack Gash housing units are built on land owned by the Victorian Government and leased to Wintringham under a 40 year peppercorn lease. The housing units in Geelong and regional Victoria are built on land owned by the Alexander Miller Estate and leased by Wintringham Housing under a 99 year peppercorn lease. The amount included in the balance at the end of the year for buildings built on this land is $45,128,180 for the consolidated group and $5,524,064 for the parent entity.

Due to the inherent restrictions of leasehold land holdings, combined with government funding deed conditions, Wintringham's ability to dispose of these assets is restricted.

NOTE 11: INTANGIBLE ASSETS

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	$	$	$	$
Computer Software - at cost	868,135	49,661	868,135	49,661
Less accumulated amortisation	(139,656)	(9,873)	(139,656)	(9,873)
Total Computer Software	728,479	39,787	728,479	39,787
Assets under development - at cost	362,799	686,452	362,799	686,452
Net carrying value	**1,091,278**	**726,239**	**1,091,278**	**726,239**
Reconciliation of carrying amounts:				
Computer Software				
Balance at the beginning of the year	39,787	34,339	39,787	34,339
Additions / adjustments	-	13,815	-	13,815
Amortisation	(129,782)	(8,367)	(129,782)	(8,367)
Transfers from Assets under development	818,475	-	818,475	-
Disposals	-	-	-	-
Balance at the end of the year	**728,479**	**39,787**	**728,479**	**39,787**
Assets under Development				
Balance at the beginning of the year	686,452	352,856	686,452	352,856
Additions / adjustments	494,822	333,596	494,822	333,596
Transfers (to) Computer software	(818,475)	-	(818,475)	-
Balance at the end of the year	**362,799**	**686,452**	**362,799**	**686,452**

NOTE 12: RIGHT OF USE ASSETS

The Group's lease portfolio includes motor vehicles, office buildings and land.
Wintringham holds motor vehicles leases of which there are forty-four, commencing between 2018 and 2023 and are 3 to 5 year leases all with a residual payment at the end of the period.
Wintringham holds office building leases of which there are five, commencing between 2020 and 2023 and are 1 to 7 year leases.
The Group's lease portfolio for land comprises concessionary leases that allow for the exclusive use of land (and in certain circumstances buildings) for furthering the entity's objectives. The Group may not use the underlying asset for any other purpose during the lease term without prior consent of the lessor. The leases are measured at cost in accordance with the Group's accounting policy as outlined in Note 1, as such, as no payments have been made, no cost is included in the balance sheet for the underlying assets. Where Wintringham Housing has built social housing, the housing asset is recognised on the balance sheet. The Group is dependent on each lease to further its objectives in this area. Without these concessionary leases, it would be unlikely for the Group to service the specific geographic area without additional funding support due to existing market rates in the area.

(a) AASB 16 related amounts recognised in the balance sheet

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	$	$	$	$
Leased motor vehicles	1,275,252	1,385,189	1,275,252	1,385,189
Less accumulated depreciation	(385,319)	(486,384)	(385,319)	(486,384)
	889,933	898,805	889,933	898,805
Leased office buildings	1,726,239	550,218	1,726,239	550,218
Less accumulated depreciation	(470,124)	(264,533)	(470,124)	(264,533)
	1,256,115	285,685	1,256,115	285,685
Total Right of use asset	**2,146,048**	**1,184,490**	**2,146,048**	**1,184,490**
Reconciliation of carrying amounts:				
Leased motor vehicles				
Balance at the beginning of the year	898,805	534,998	898,805	534,998
Additions / adjustments	444,519	620,905	444,519	620,905
Transfer to property, plant and equipment	(98,650)	(29,938)	(98,650)	(29,938)
Depreciation	(354,741)	(227,160)	(354,741)	(227,160)
Disposals	-	-	-	-
Balance at the end of the year	**889,933**	**898,805**	**889,933**	**898,805**
Leased office buildings				
Balance at the beginning of the year	285,685	411,655	285,685	411,655
Additions / adjustments	1,176,020	52,290	1,176,020	52,290
Depreciation	(205,591)	(178,260)	(205,591)	(178,260)
Disposals	-	-	-	-
Balance at the end of the year	**1,256,115**	**285,685**	**1,256,114**	**285,685**

(b) AASB 16 related amounts recognised in the statement of profit or loss

	Consolidated Group 2023	Consolidated Group 2022	Parent Entity 2023	Parent Entity 2022
Depreciation charge related to right-of-use assets	560,332	405,420	560,332	405,420
Interest expense on lease liabilities	50,152	34,282	50,152	34,282
Short-term leases expense	1,030,100	1,896,686	-	-

Short-tem leases are for housing units head leased for twelve months.

NOTE 13: TRADE AND OTHER PAYABLES

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$
Trade and construction payables		2,966,144	3,933,628	1,308,659	1,632,809
Other payables and accruals		2,772,873	1,412,687	2,734,152	1,375,331
GST payable		-	-	-	-
Residents' fees received in advance		196,264	143,922	20,392	5,641
CDC subsidies unspent by clients		4,679,329	6,536,571	4,679,329	6,536,571
Funds in trust held on behalf of others		1,132,026	1,064,445	1,096,704	1,030,315
Amounts payable to associated entity		-	-	-	239,943
		11,746,636	**13,091,253**	**9,839,236**	**10,820,610**

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

	Note	Consolidated Group 2023	Consolidated Group 2022	Parent Entity 2023	Parent Entity 2022
Trade and other payables					
- Total current		11,746,636	13,091,253	9,839,236	10,820,610
Less: subsidies received in advance / unspent by clients		(4,679,329)	(6,536,571)	(4,679,329)	(6,536,571)
Financial liabilities as trade and other payables	26	**7,067,307**	**6,554,682**	**5,159,907**	**4,284,039**

NOTE 14: CONTRACT LIABILITIES

The group has recognised the following contract liabilities from contracts with customers. This relates to the performance obligations from existing contracts that are unsatisfied or partially unsatisfied as at 30 June 2023. All deferred revenue is expected to be recognised in the 2024 year.

	Consolidated Group 2023	Consolidated Group 2022	Parent Entity 2023	Parent Entity 2022
Subsidies received in advance	2,284,478	3,019,260	2,284,478	3,019,260
Capital grants received in advance	1,723,244	7,381,628	933,674	943,200
	4,007,722	**10,400,888**	**3,218,152**	**3,962,460**
Subsidies received in advance				
Contract liability comprised of Deferred Revenue				
Balance at the beginning of the year	3,019,260	3,437,863	3,019,260	3,434,210
Recognition of revenue from contract liabilities	(2,839,658)	(3,437,863)	(2,839,658)	(3,434,210)
Revenue received in advance	2,104,876	3,019,260	2,104,876	3,019,260
Balance at the end of the year	**2,284,478**	**3,019,260**	**2,284,478**	**3,019,260**
Capital grant received in advance				
Contract liability comprised of Deferred Revenue				
Balance at the beginning of the year	7,381,628	6,376,238	943,200	1,209,768
Recognition of revenue from contract liabilities	(14,057,918)	(2,924,542)	(2,839,526)	(582,768)
Revenue received in advance	8,399,534	3,929,932	2,830,000	316,200
Balance at the end of the year	**1,723,244**	**7,381,628**	**933,674**	**943,200**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 15: BORROWINGS

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Current					
Bank loans secured	15 (b)	6,541	11,878	-	-
Accommodation bonds	15 (c)	8,545,666	7,105,256	8,545,666	7,105,256
Retirement Village ingoing contributions	15 (d)	82,000	82,000	82,000	82,000
		8,634,207	**7,199,134**	**8,627,666**	**7,187,256**
Non-current					
Bank loans secured	15 (b)	200,521	203,881	-	-
		200,521	**203,881**	**-**	**-**
(a) The carrying amount of assets pledged as security:					
First mortgage over freehold land and buildings		6,520,265	6,993,345	6,520,265	6,993,345
Floating charge over assets		65,541,902	59,928,039	65,541,902	59,928,039
		72,062,167	**66,921,384**	**72,062,167**	**66,921,384**

(b) The bank overdraft facility, loan and chattel mortgages are secured by registered mortgages over certain freehold properties as well as a floating charge over the assets of the parent company.

(c) Under the Aged Care Act 1997 (as amended), Wintringham, as an approved provider, guarantees the repayment of all accommodation bond and refundable accommodation deposit payments.

(d) Under the Retirement Villages Act 1986 (Vic), Wintringham guarantees the repayment of all ingoing contribution payments.

NOTE 16: LEASE LIABILITIES

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $	Parent Entity 2023 $	Parent Entity 2022 $
Current					
Motor vehicle leases	16 (a)	280,656	251,789	280,656	251,789
Office building leases		249,611	156,071	249,611	156,071
		530,267	**407,860**	**530,267**	**407,860**
Non-current					
Motor vehicle leases	16 (a)	655,483	565,862	655,483	565,862
Office building leases		1,032,984	164,439	1,032,984	164,439
		1,688,467	**730,301**	**1,688,467**	**730,301**

(a) Motor vehicle lease liabilities are secured by the underlying leased assets.

NOTE 16: LEASE LIABILITIES (continued)

Consolidated Group & Parent Entity

The maturity analysis of lease liabilities is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in the Statement of Financial Position
2023					
Motor vehicle leases	318,594	683,761	-	1,002,355	936,139
Office building leases	249,611	633,707	399,277	1,282,595	1,282,595
	568,205	**1,317,468**	**399,277**	**2,284,950**	**2,218,734**

NOTE 17: PROVISIONS

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	$	$	$	$
Current				
Employee entitlements - annual leave	6,240,476	5,613,618	6,106,764	5,486,331
Employee entitlements - long service leave	6,526,067	5,756,171	6,401,304	5,657,278
	12,766,543	11,369,789	12,508,068	11,143,609
Non-current				
Employee entitlements - long service leave	468,439	500,130	463,336	495,997
	13,234,982	**11,869,919**	**12,971,404**	**11,639,606**

Analysis of total provisions:

	Consolidated Group Employee Entitlements	Parent Entity Employee Entitlements
	$	$
Opening balance at 1 July 2022	11,869,919	11,639,606
Additional provisions	6,959,274	6,766,955
Amounts used	(5,594,211)	(5,435,157)
Balance at 30 June 2023	**13,234,982**	**12,971,404**

NOTE 17: PROVISIONS (continued)

Employee entitlements

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

Current

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Non-current

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service. Provision for employee benefits represents amounts accrued for annual leave and long service leave.

Portable long service leave scheme

From 1 July 2019 the Group commenced making contributions for certain eligible employees to Victoria's new portable long service leave scheme, pursuant to the Long Service Benefits Portability Act 2018. A levy of 1.65% of eligible salaries is paid to the Portable Long Service Leave Authority (PLSA). Under the scheme rules, participant employers remain legally responsible for long service leave obligations and PLSA has an obligation to pay them benefits as a reimbursement for leave paid or payable to their employees (Note 5 (b)).

NOTE 18: RESERVES

Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets.

NOTE 19: MEMBERS' GUARANTEE

The company is a company limited by guarantee. If the company is wound up, the Constitution states that:

Every member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while he or she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding twenty dollars ($20.00), for the payment of the debts and liabilities of the company contracted whilst the member or past member as the case may be was a member of the company, and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves.

At 30 June 2023 the number of members was 42 (2022: 46).

NOTE 20: CONTINGENT LIABILITIES

(a) On 18 September 1996 the Director of Housing gifted land valued at $720,000 to Wintringham as part of the Victorian Government's contribution to the construction of the Port Melbourne Hostel. As part of this contribution, on 30 January 1997 a first mortgage was created over the property located at Port Melbourne by the Director of Housing, which will become payable should Wintringham cease to provide for the needs of frail older people who are homeless or at risk of homelessness.

(b) The Group's wholly controlled subsidiary, Wintringham Housing Limited is recognised as a registered agency under the *Housing Act 1983*. The Housing Act provides a regulatory regime that is overseen by the Housing Registrar and allows the Registrar to intervene in the affairs of a registered agency in limited circumstances as set out in subsection 130 (1) of the Act. The types of intervention are designated by the Act but can include an instruction to wind up and distribute the assets of an agency. The Directors are not aware of any circumstances that may require such an intervention.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 21: CASH FLOW INFORMATION

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$
(a) Reconciliation of cash					
Cash at the end of the financial year is reconciled as follows:					
Cash and cash equivalents	4	**10,554,279**	**13,837,151**	**7,332,244**	**9,807,270**
(b) Reconciliation of cash flow from operating activities with operating surplus:					
Operating Surplus		14,493,162	13,046,964	4,154,926	(5,499,243)
Non-cash or non-operating items:					
Depreciation		4,291,317	4,200,193	3,172,413	3,083,655
(Profit) on sale of non-current assets		(109,532)	-	(109,532)	-
Capital grants		(15,552,195)	(16,673,687)	(4,333,803)	(3,574,968)
Expense recognised on an asset transferred at nil cost		-	-	-	5,716,310
Changes in assets and liabilities:					
(Increase) / decrease in trade, operating subsidies and other receivables		(3,148,191)	(3,068,443)	(4,635,360)	(2,900,996)
(Increase) / decrease in other current assets		120,907	430,862	(32,621)	(67,327)
(Increase) / decrease in inventories		61,255	(10,855)	61,255	(10,855)
Increase / (decrease) in provisions		1,365,063	387,253	1,331,798	376,557
Increase / (decrease) in trade and other payables		564,645	1,826,398	927,886	1,494,335
Increase / (decrease) in funding received in advance		(334,007)	2,386	(334,007)	2,386
Net cash provided by / (used in) operating activities		**1,752,424**	**141,071**	**202,955**	**(1,380,146)**

NOTE 22: CAPITAL COMMITMENTS

Capital expenditure commitments contracted for:				
Capital expenditure projects	6,224,886	16,888,863	-	1,434,087

Capital expenditure project commitments includes contracts with builders for housing developments in Melbourne and Bendigo.The year end capital commitments will be funded by capital grants.

NOTE 23: KEY MANAGEMENT PERSONNEL

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that Group is considered key management personnel.

The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:

	Consolidated Group	
	2023	**2022**
	$	**$**
Total compensation	**2,546,115**	**2,259,629**

Total compensation includes all short-term and long-term benefits paid or provided for key management personnel. The Directors act in an honorary capacity and receive no compensation for their role as a Director. Mr Lipmann's remuneration for his role as Chief Executive Officer of the company is included in the total remuneration paid to key management personnel disclosed in this note.

The increase in the total compensation reflects the additional key management personnel on the executive management team.

NOTE 24: CONTROLLED ENTITY

Controlled Entity Consolidated

	Country of Incorporation	Percentage Controlled *	
		2023	**2022**
Wintringham Housing Limited	Australia	100%	100%

* Percentage of voting power in proportion to control.

Wintringham Housing Limited is a company limited by guarantee. Wintringham is the only member of this entity and the Directors of Wintringham are also the Directors of Wintringham Housing Limited.

NOTE 25: RELATED PARTY TRANSACTIONS

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

	Consolidated Group	
	2023	**2022**
	$	**$**
Amounts receivable from associated entity		
Wintringham Housing	**850,170**	**-**
Amounts payable to associated entity		
Wintringham Housing	**-**	**239,943**
Other transactions with associated entity		
Fees received from Wintringham Housing for services provided by Wintringham staff *		
Administration, management and shared services	1,231,265	1,175,280
Maintenance management services	428,966	293,637
Housing support services	767,278	747,841
	2,427,509	**2,216,758**

* Services are provided at pre-agreed rates that are measured against industry benchmarks.

NOTE 26: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, short-term investments, managed investments, accounts receivable and payable and leases.

The company does not have any derivative instruments at 30 June 2023.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		$	$	$	$
Financial assets					
Financial assets at amortised cost:					
Cash and cash equivalents	4	10,554,279	13,837,151	7,332,244	9,807,270
Trade and other receivables	5	7,206,154	8,037,911	7,602,955	3,532,924
Term deposits	7	9,097,995	9,045,751	9,097,995	9,045,751
Financial assets at fair value:					
Managed Investments	7	2,007,076	-	2,007,076	-
		28,865,505	**30,920,813**	**26,040,270**	**22,385,945**
Financial liabilities					
Financial liabilities at amortised cost:					
Trade and other payables	13	7,067,307	6,554,682	5,159,907	4,284,039
Contract liabilities	14	4,007,722	10,400,888	3,218,152	3,962,460
Bank loans	15	207,062	215,759	-	-
Accommodation bonds	15	8,545,666	7,105,256	8,545,666	7,105,256
Retirement Village ingoing contributions	15	82,000	82,000	82,000	82,000
Lease liability	16	2,218,734	1,138,161	2,218,734	1,138,161
		22,128,491	**25,496,746**	**19,224,459**	**16,571,916**

NOTE 27: EVENTS SUBSEQUENT TO BALANCE DATE

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

NOTE 28: COMPANY DETAILS

The registered office of the company is 136 Mt Alexander Road, Flemington, Victoria, Australia.

The principal places of business as at 18 October 2023 are:

Head Office & Shared Services Centre	136A Mt Alexander Rd, Flemington Victoria 3031
Southern Community Care & Housing Office	372 South Road, Moorabbin Victoria 3189
Northern Community Care & Housing Office	1/310 Mt Alexander Road, Ascot Vale Victoria 3032
Western Community Care & Housing Office	97 Charles Street , Seddon Victoria 3011
South East Community Care & Housing Office	22/3 Fiveways Bld, Keysborough Victoria 3173
Barwon Community Care & Housing Support Office	35/3 Cranwell Court, Highton Victoria 3218
Hume Maude St Comm. Care & Housing Support Office	37/48-60 Maude Street, Shepparton Victoria 3632
Hume Wyndham St Comm. Care & Housing Support Office	1/29 Wyndham Street, Shepparton Victoria 3632
Grampians Community Care & Housing Support Office	606 Sturt Street, Ballarat Victoria 3350
Southern Tasmania Comm. Care & Housing Support Office	18 Wentworth St, Bellerive Tasmania 7018

NOTE 28: COMPANY DETAILS (continued)

Aged Care Facility – McLean Lodge	1-2 Little Princes Street, Flemington Victoria 3031
Aged Care Facility – Port Melbourne	79 Swallow Street, Port Melbourne Victoria 3207
Aged Care Facility – Williamstown	2-20 Wintringham Road, Williamstown Victoria 3016
Aged Care Facility – Eunice Seddon Home	32 Potter Street, Dandenong Victoria 3175
Aged Care Facility – Ron Conn Home	33 Westminster Drive, Avondale Heights Victoria 3034
Aged Care Facility & Retirement Village – Gilgunya Village	23-25 Harding Street, Coburg Victoria 3034
Aged Care Facility – Hobart	66 Alexandra Esplanade, Bellerive Tasmania 7018
Aged Care Facility – Tom Fitzgerald	55 Wyndham Street, Shepparton Victoria 3630
Supported Housing – Angus Martin House	382-384 Nepean Highway, Frankston Victoria 3199
Supported Housing – Audrey Rainsford	18-20 Lincoln Street North, Carlton Victoria 3053
Independent Living Units – Lionsville	100 Park Crescent, Williamstown Victoria 3016
Independent Living Units – East Bentleigh	363 Chesterville Road, East Bentleigh Victoria 3165
Independent Living Units – Delahey	5 Kayak Course, Delahey Victoria 3037
Independent Living Units – Atkins Terrace	11 Devon Street, Kensington Victoria 3031
Independent Living Units – Jack Gash	33 Westminster Drive, Avondale Heights Victoria 3034
Independent Living Units – Shepparton	48-60 Maude Street, Shepparton Victoria 3630
Independent Living Units – Manifold Heights	4-10 Malvern Grove, Manifold Heights Victoria 3218
Independent Living Units – Highton	35/3 Cranwell Court, Highton Victoria 3218
Independent Living Units – Ballarat	29 Bradbury Street, Ballarat Victoria 3350
Independent Living Units – Belmont	7 Culbin Avenue, Belmont Victoria 3216
Independent Living Units – Benalla	76-80 Church Street, Benalla Victoria 3672
Independent Living Units – Castlemaine	76 Lyttleton Street, Castlemaine Victoria 3450
Independent Living Units – Euroa	6 Clifton Street, Euroa Victoria 3666
Independent Living Units – St Arnaud	2 Howitt Street, St Arnaud Victoria 3478
	22 Grant Street, St Arnaud Victoria 3478
Independent Living Units – Maryborough	1-6 / 14 Campbell St, Maryborough Victoria 3465
Independent Living Units – Heathcote	48 High Street, Heathcote Victoria 3523
	12 & 14 Fairy Dell Court, Heathcote Victoria 3523
Independent Living Units – Park St	22a Park St, Geelong Victoria 3220
Independent Living Units – Patrick Walsh	136a Mt Alexander Rd, Flemington Victoria 3031
Independent Living Units – Lyndell White House	41-43 Hudson Street, Coburg Victoria 3058
Independent Living Units – Tasmania	170 Bathurst Street, Hobart Tasmania 7000
	64 Alexandra Esplanade, Bellerive Tasmania 7018
	8 Douglas Street, New Town Tasmania 7008
	26 Windsor Street, Glenorchy Tasmania 7010
	23 Shoreline Drive, Howrah Tasmania 7019
Independent Living Units – Jimmy Kennedy	61 Wyndham Street, Shepparton Victoria 3630

Wintringham has nomination rights at the following principal places of business:

Independent Living Units – Guildford Lane	10 Guildford Lane, Melbourne Victoria 3000
Independent Living Units – Ebsworth House	538-542 Little Collins Street, Melbourne Victoria 3000