



2020

ANNUAL REPORT

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Abbeyfield *Australia*



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Profile

About Abbeyfield Australia

The Abbeyfield model of assisted housing commenced in the United Kingdom in the 1950's and Abbeyfield Australia opened its first house in Melbourne in the early 1980's. For over 30 years our approach has been to assist local communities to provide a locally managed solution to a local community housing need.

Abbeyfield Australia is a national not for profit community housing provider operating 15 Abbeyfield houses and supporting a further 8 Abbeyfield Local Societies and houses across Australia. We are committed to the development of sustainable community-based housing nationally. All Abbeyfield houses are supported by local communities as a local solution to a local housing need. An Abbeyfield House is a large house but it is not an institution or a facility. It is an ordinary house in an ordinary street.

Abbeyfield Australia's head office is in Melbourne and we are supported by 300+ volunteers nationally. Together we provide a niche, cost effective community housing alternative to communities.

Abbeyfield Australia is:

- a not-for-profit company limited by guarantee and registered with the Australian Charities and Not- For-Profit Commission;
- a public benevolent institution with Deductable Gift Recipient Status; and
- not politically aligned, nor is union affiliated.

Abbeyfield Residents

Our residents are people over 55 who can no longer afford to rent a home and assisted independent living for adults with mild intellectual disabilities who wish to share with others. Our focus is on loneliness and nutrition.

An Abbeyfield House is a group house in which residents live independently within a shared supportive environment. The residents 'come and go' as they please, socialise with other residents as much as desired, enjoy the support of a housekeeper and remain engaged with the community. Abbeyfield housing is based on an 'assisted independent living' philosophy and residential concept where:

- all residents who each enjoy individual private suite comprising bedroom and ensuite
- residents share a comfortable lounge room, dining room, garden, and laundry
- nutritious meals are cooked onsite by the house keeper
- all maintenance and house costs covered by the local Abbeyfield association.



Profile

Abbeyfield Houses add value

The benefits and impact on the overall life of residents afforded by an Abbeyfield House include:

- affordable, supportive, safe and long term secure accommodation
- greater independence for older residents and increased opportunity for young adults with disabilities to leave their parents' home
- enhanced social relationships and companionship
- increased community participation and lessening of isolation for people living in areas with limited access to lifestyle and social relationship choices.
- increased capacity to make choices and be involved in decision making
- increased opportunities to increase skills and activities of daily living
- increased opportunities to access secure meaningful work (particularly for disability House residents) and participate in leisure activities
- increased ability to remain in their home town / community rather than having to relocate to another town to access appropriate accommodation
- enhanced relationships with family members who no longer have to carry the burden of care and concerns regarding the long term accommodation and support needs of loved one.

Chairman's Report

It is my pleasure on behalf of the Board to present the 2020 Annual Report. This is the 38th occasion on which Abbeyfield Australia has presented a report to members on activities during a financial year.

Development of Abbeyfield projects

Koorinal NSW

Construction and fit out of this complex of units in Wagga Wagga will be completed early in the 2020/2021 year with suitable arrangements made for management of the units and oversight of the residents. When opened this house it will be the 17th Branch of Abbeyfield Australia.

Bungendore NSW

In last year's report members were advised that development of this project was advanced with detailed planning commenced. Unfortunately, the NSW Government has announced that the land intended for a house for older people will now be used as the site for a new school. This caused a major delay in the project, but both the Government and Council are assisting in the search for a new site and compensating for funds spent towards the initial proposal.

National organisation restructure

The restructuring of Abbeyfield Australia process, unfortunately, was delayed principally due to restrictions imposed by Government following the outbreak of Covid-19 virus. However, the last operating day for the merging societies was June 30, 2020 and the merger was completed on 1 July 2020. The twelve merging societies were Abbeyfield North/West Melbourne, the Founding Merger Society, and the following Abbeyfield societies at Burnie, Dandenong, Frankston, Goulburn, Huon Valley, Malvern St Joseph's, Marion, Mount Gambier, Narrabri, Orange and Waverley. These Societies joined the Abbeyfield Berriedale/Glenorchy and Croydon houses whose operations had been transferred to Abbeyfield Australia following termination of the Management and Affiliation Agreements.

Relocation of the National Office

With the merger progressing it became apparent that the office at Mitcham would not be adequate for the anticipated additional staff numbers required for the unified operations and organisation. At the beginning of 2020 our new office at Suite 4/ 860 Doncaster Road, Doncaster East was opened. In addition to providing suitable working space for the staff, the office has a Board Room which will eliminate the need for hiring premises for Board and other meetings.

Operational activities

To enable the restructured organisation to operate more efficiently there has been an ongoing development of the relationship between Governance and Management thereby enabling many issues to be addressed by the staff without the need to continually refer matters to the Board. With a Board Charter being prepared this will clarify roles and ensure the efficient operation of the organisation.

Our staff have been diligent in maintaining communications with houses and ensuring that all issues raised are dealt with in a prompt and efficient manner. This was particularly evident with the outbreak of the COVID-19 virus in Australia with detailed policies, information and procedures issued to all Houses which were, in almost all houses, prompt action was taken resulting in no residents or staff members being infected by the virus to date.

Abbeyfield International

The restructured International organisation has continued to provide support and encouragement through the meetings of International Council of Chairs and a similar gathering of CEOs.

Chairman's Report

In addition to these meetings both our CEO Dimitri Kiriacoulacos and myself have been assisting and participating on strategic review committees. As a result of the COVID 19 virus all International meetings since October 2019 have been held virtually and I expect this practice to continue into the future both as a means of reducing costs and lessening the time required to participate in such meetings.

Abbeyfield Australia Board Members

At the 2019 Annual General Meeting Andrew Moylan retired from the Board after serving for 6 years as a Director and National Treasurer. In appreciation of his contribution Andrew was awarded Life Membership of Abbeyfield Australia.

Following the Annual Meeting, Rob Spralja and Serena Wilson were appointed to the Board joining Jacquelyn Landos (First Vice Chair), The Hon David Hawker (Second Vice Chair) Nandi Segbedzi (Company Secretary) and myself as Directors of the Company.

Consistent with a decision made in 2018 that the Board was not increased to its numerical capacity until the outcome of the merger proposal was finalised. With this now achieved the Board has appointed a recruitment consultant to assist with Board review and renewal. It is envisaged that early in 2021 a number of new Directors will be appointed to the Board.

Abbeyfield Australia personnel

The management team during the year under review has been Dimitri Kiriacoulacos CEO, Nancy Trajcevski Administration and Member Services, Karen Trachternach Bookkeeper and Rob Spralja, Finance Controller.

All members of the team have increased their hours during to year to ensure that the high standard of services provided to the organisation in recent years has been maintained with the increased work load associated with the merger and issues surrounding the Covid 19 virus. These issues have been compounded by the number of Houses experiencing operational difficulties.

On behalf of the Board I thank them all for their dedication and commitment.

Conclusion

With the merger completed on 1 July 2020, we have achieved the first stage of restructuring the organisation in Australia and I thank all those who have contributed for their consideration and adoption of the proposal. The coming year will be a time of consolidation of the new structure and advancing the organisation as an effective, unified agency to provide an alternative form of safe and secure accommodation at a realistic cost to people in need across our country.



David Kay
Chairman

CEO's Report

During the 2020 financial year, Abbeyfield Australia and twelve Abbeyfield local societies executed merger documentation and although the COVID-19 pandemic provided its challenges and delayed our process, the merger completed on 1 July 2020 establishing a new, unified Abbeyfield Australia.

Our gratitude and thanks to the merged local societies and house committee members during this period and now, as we continue to work together implementing the transition and integration plan following merger completion.

Operationally:

- impact of the pandemic has been significant on all aspects of our operations, governance, compliance and people, in particular committee members, our housekeepers and management team who demonstrated exceptional capacity to plan and work in response to the difficult issues presented by COVID-19 to help and protect Abbeyfield residents
- final construction and fit-out of the Abbeyfield Koorlingal units for adults with mild disabilities was also delayed due to the pandemic, but we expect to welcome new Abbeyfield residents shortly
- following the termination of affiliation and management agreements, the operations and management of Abbeyfield Croydon and Abbeyfield Berriedale (Glenorchy) houses were transitioned and taken over by Abbeyfield Australia without disruption to residents and housekeepers
- relocated the Abbeyfield Australia office from Mitcham to Doncaster East at the end of January 2020 to larger premises which will allow the room and scope for additional resources as implementation of the merger transition and integration plan progresses
- our submission was made to assist the Royal Commission into the aged care sector setting out the benefits of the Abbeyfield model.

My thanks to the Abbeyfield Australia management team of Nancy, Karen and Rob for your support, drive and dedication to our Board, house committee members, housekeepers, volunteers and residents.

Finally, thank you to all house committee members, housekeepers, branch local committees, affiliated local societies, the many Abbeyfield volunteers and supporters and our Board for your commitment and tireless effort helping make our Abbeyfield residents lives better.



Dimitri Kiriacoulacos
Chief Executive Officer

Treasurer's Report

The Company's Financial Statements give members and other stakeholders a transparent view of Abbeyfield Australia's financial position. Abbeyfield Australia's key focus during the 2020 financial year was the progression of its restructure and merger to establish a new unified Abbeyfield Australia.

The Income Statement (Page 2 of the financial Statements) shows a profit for the year of \$33,259 (2019: \$1,998,225 profit).

The last two financial years contain a number of one off items that reflect the impact of the progression towards the restructure and merger. This includes:

- Affiliation fees (2020 \$78,674, 2019 \$169,113) were not issued to local societies in 2020 that were intending to merge
- Malvern development (2020 \$20,000 loss, 2019 \$787,977) one off additional cost was paid to the builder in 2020 and shared with the developer
- Extraordinary Gains (2020 \$149,865, 2019 \$1,180,000). Future developments for Bungendore and Bayside were previously held as liabilities but have now been taken up as a one of revenue as any future developments will now be conducted in the name of Abbeyfield Australia. The 2019 gain was the result of the realisation of the Curtin property onto our balance sheet
- Local society distribution (2020 \$185,947, 2019 \$0). The East Malvern local society disbanded and distributed the remaining funds to Abbeyfield Australia
- The operations at Glenorchy and Croydon were taken on by Abbeyfield Australia which resulted in resident fees collected of \$158,849 with related costs
- Abbeyfield Australia restructure costs (2020 \$187,643, 2019 \$115,976).

The narrative above demonstrates just how much has occurred in the last two financial years and despite this and the increased related expenses, it is encouraging that in both years a profit has been realised especially considering a large part of the main revenue source (Affiliation Fees) was waived in 2020.

The balance sheet is very healthy and includes just over \$3,093,894 in cash reserves and an Investment Fund with a balance of \$261,997. The Board remains committed to the prudent growth of the Abbeyfield Australia Investment Fund and will seek professional advice on how to invest the cash reserves.

Finally, many thanks to the management team for the valuable contribution made to the organisation during this most unusual year and especially our bookkeeper, Karen Trachternach.



Robert Spralja B Bus, CPA, CTA
Abbeyfield Australia Treasurer

Thank You

Abbeyfield Australia greatly appreciates donations and grants to assist our work. The following list of donors is not complete as it does not include those many donors who so generously support Abbeyfield Australia at the local level. We take this opportunity to thank you for their kindness and support for Abbeyfield Australia.

ACT Housing	Joanne Quinn	Riverina Water
Andrew Moylan	John and Jacqui Landos	Rotary Club of Wagga Wagga
B & M Osborne	Maxwells Services Pty Ltd	Sally Saunders
David Kay	McPherson Estate	The Peggy Charitable Foundation
Frankston Charitable Fund	Nandi Segbedzi	Universal Charitable Fund
Freemasons	Pethard Tarax Charitable Trust	Vincent Fairfax Family Foundation
Garth Mansfield	Queanbeyan-Palerang Regional Council	
Irene Oerman		
J Hawker		
Jan Boyce		

Corporate and Government Support

Abbeyfield Australia is small organisation providing a national service in a multifaceted environment. We cannot achieve this alone and so we are immensely grateful for the many corporate supporters who assist our work. Amongst them is Corrs Chambers Westgarth who offer extensive pro-bono legal services across many disciplines to Abbeyfield Australia each year. To all at Corrs, thank you. Ansell Strategic who assisted us with the strategic restructure of Abbeyfield Australia. To all at Ansell Strategic, we thank you.

Good relationships with government departments in all jurisdictions are vital so we appreciate the open and constructive relationships enjoyed with all the Ministers and departmental officers with whom we work. In particular, we recognise and thank:

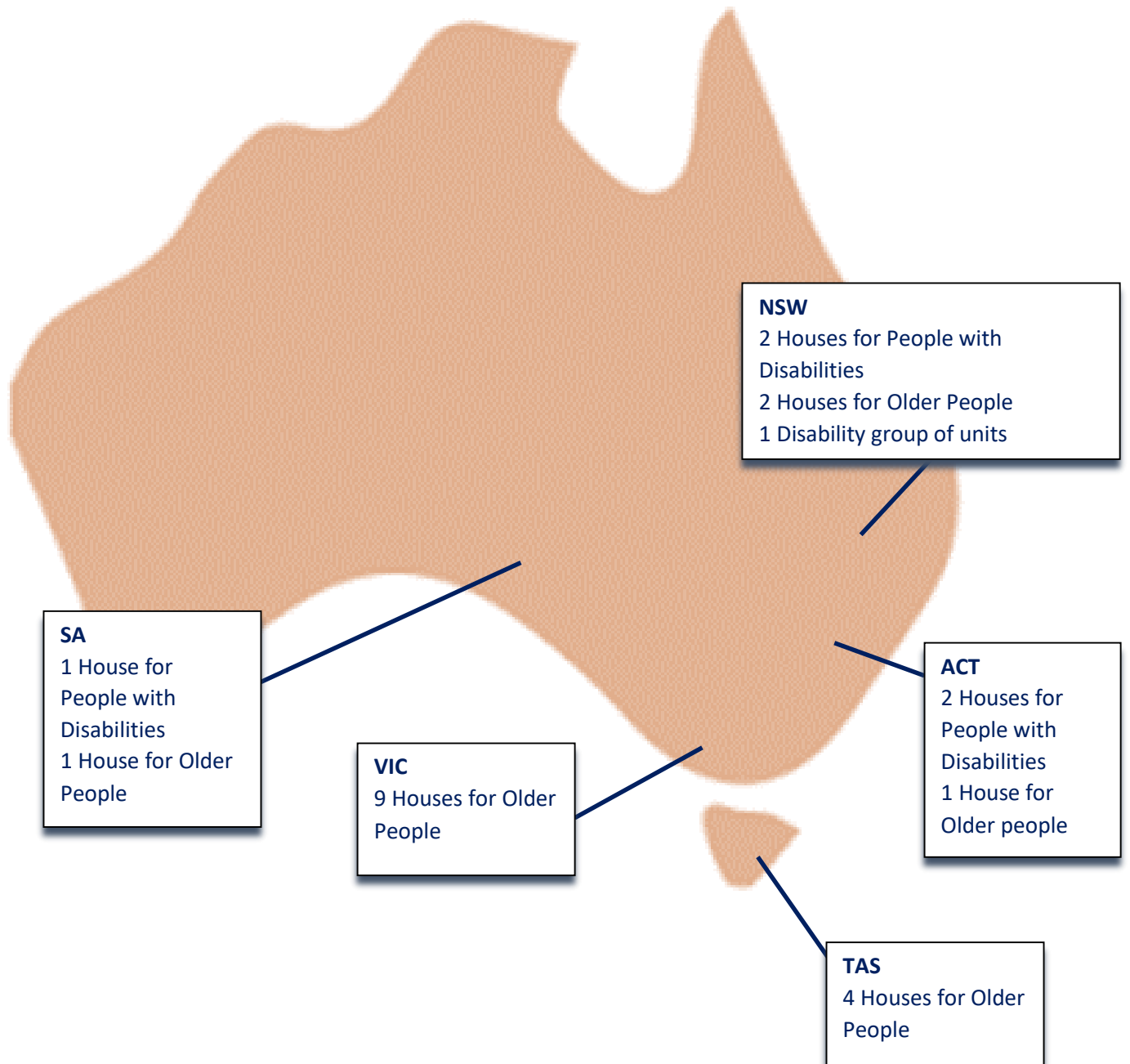
- The NSW Department of Family and Community Services
- The Victorian Department of Human Services (DHS)
- The Tasmanian Department of Health and Human Services (DHHS)
- Housing ACT
- The NSW Registrar of Community Housing

Industry body memberships

Abbeyfield Australia maintains membership of industry bodies across the community housing, aged care, not for profit and disability services sectors. These include:

- National Disability Services
- Community Housing Industry Association
- The Community Housing Federation of Victoria
- The Federation of NSW Housing Associations
- Volunteering Victoria

Where we are



Abbeyfield Local Societies

Australian Capital Territory

- Abbeyfield Curtin Inc., 31 Throssell Street, Curtin 2605
- Abbeyfield Society (ACT) Inc., 75 Wakefield Gardens, Ainslie 2602
- Abbeyfield Garran Inc., 15 Stephens Place, Garran 2605

New South Wales

- Abbeyfield Australia Society Goulburn Inc., PO Box 38, Goulburn 2580 *
- Abbeyfield Narrabri Inc., Doyle Street, Narrabri 2390 *
- Abbeyfield Society (Orange) Inc., 19 Hill Street, Orange 2800 *
- Abbeyfield Society (Wagga Wagga) Inc., 29 Wiradjuri Crescent, Wagga Wagga 2650
- Abbeyfield Bungendore Branch

South Australia

- Abbeyfield Society (Marion) Inc., 5 St Lawrence Avenue, Edwardstown 5039 *
- Abbeyfield Society (Mt Gambier & District) Inc., 15 Francis Street, Mt Gambier 5290 *

Tasmania

- Abbeyfield Society (Burnie) Inc., 125 View Road, Burnie 7320 *
- Abbeyfield Society (Hull Street) Inc., 7 Hull Street, Glenorchy 7010
- Abbeyfield Society Huon Valley Inc., 75 Wilmot Road, Huonville 7109 *

Victoria

- Abbeyfield Society (Dingley Village) Inc., 267 Spring Road, Dingley Village 3172
- Abbeyfield Society (Frankston) Inc., 6 Nukara Court, Frankston 3199 *
- Abbeyfield Society (St Joseph's Community) Inc., 41-43 Stanhope Street, Malvern 3144 *
- Abbeyfield Society (Mauritian Golden Age) Inc., Menzies Avenue, Dandenong Nth 3175 *
- Abbeyfield Society (Melton) Inc., 66-68 Brooklyn Road, Melton South 3338
- Abbeyfield Society (Nth/West Melbourne) Inc., 17 Brougham St., North Melbourne 3054*
- Abbeyfield Society (Richmond) Inc., 269 Burnley Road, Richmond 3121
- Abbeyfield Society (Waverley) Inc., 48 Salisbury Road, Ashwood 3147 *

* On 1 July 2020, this Abbeyfield Local Society merged with Abbeyfield Australia.

Abbeyfield Houses

Ainslie

The Ainslie Abbeyfield House is occupied under a Sub Lease and Operating Agreement between the Commissioner for Housing (ACT) and Abbeyfield Australia.

- Lease Started 31/12/98 for 25 years
- Expires 30/12/23

Burnie

The Burnie Abbeyfield House is occupied pursuant to a lease between the Burnie City Council and Abbeyfield Australia

- Lease Started 1/08/97 for 40 years
- Lease extended to 31/07/37

Berriedale

The construction of the Berriedale Abbeyfield House was funded in 1994 by the Commonwealth Government under its Community Housing Program. The premises are owned by the Glenorchy City Council and leased to Abbeyfield Australia.

- Lease Started 29/06/18 for 5 +5 years
- Expires 28/06/28

Croydon

The Croydon Abbeyfield House was developed in conjunction with the Director of Housing (Vic.). The premises are owned by the Maroondah City Council and leased to Abbeyfield Australia.

- Lease Started 01/03/00 for 50 years
- Expires 28/02/50

Curtin

Abbeyfield Australia is the registered proprietor of the Curtin Abbeyfield House under a long term lease from the Commonwealth Government.

- Lease Started 11/05/05 for 99 years

- Expires 11/05/2104

Dingley Village

The Dingley Village Abbeyfield House was developed in conjunction with the Director of Housing (Vic.) The premises are occupied under a sublease between the Kingston City Council, the Director of Housing (Vic.) and Abbeyfield Australia.

- Lease Started 16/12/94 for 50 years
- Expires 15/12/44

Frankston

The Frankston Abbeyfield House was developed in conjunction with the Director of Housing (Vic.). The premises are occupied under a lease between the Frankston City Council and Abbeyfield Australia.

- Lease Started 28/02/06 for 15 years
- Expires 27/02/21

Garran

The Garran Abbeyfield House is occupied under a Sub Lease and Operating Agreement between the Commissioner for Housing (ACT) and Abbeyfield Australia.

- Lease Started 1/12/98 for 25 years
- Expires 30/11/23

Goulburn

The development of the Goulburn Abbeyfield House was predominantly funded by the NSW Government (Department of Aged Disability and Home Care.) supplemented by generous community donations via the Goulburn Abbeyfield Australia Society Inc. The premises are owned Abbeyfield Australia and the Department takes a financial interest proportional to its capital contribution. (For full financial details refer the Notes to the financial statements.)

Abbeyfield Houses

Hull Street (Glenorchy)

The Hull Street Abbeyfield House is leased by the Tasmanian Government (Southern Regional Health Board) to Abbeyfield Australia.

- Lease Started 01/04/96 for 10+10 years
- Expired 31/03/16

(Over holding pending new long term peppercorn lease from the Tasmanian Government.)

Huon Valley

The development of the Huonville McMullen Abbeyfield House was part funded by the Tasmanian Government, supplemented by community support and a very substantial bequest from the McMullen Estate. The premises are owned by Abbeyfield Australia, though subject to the conditions within the Tasmanian Government capital funding agreement. (Full financial details are shown in the Notes to the financial statements.)

Koorinal

The development of the Abbeyfield Koorinal units has been completed. The premises are owned by Abbeyfield Australia, though subject to the conditions within the Government capital funding agreement. (Full financial details are shown in the Notes to the financial statements.)

Marion

The construction of the Marion Abbeyfield House was funded by the Commonwealth Government under its Community Housing Program. The premises are owned by the Marion City Council and leased to Abbeyfield Australia.

- Lease Started 28/06/91
- Expires 30/06/26

Mauritian, Dandenong

The Mauritian (Dandenong) Abbeyfield House was developed in conjunction with the Director of Housing (Vic.). The premises are owned by

Abbeyfield Australia, though subject to the conditions within the Victorian Government capital funding agreement. (Full financial details are shown in the Notes to the financial statements.)

Melton

The Melton Abbeyfield House was developed in conjunction with the Director of Housing (Vic.). The premises are owned by the Melton Shire Council and occupied subject to a lease between the Shire of Melton and Director of Housing (Vic), and sublease between the Director of Housing (Vic) and Abbeyfield Australia.

- Lease Started 08/11/93 for 50 years
- Expires 06/11/43

Mt. Gambier

The Mount Gambier Abbeyfield House was funded in 1990 under the Local Government Community Housing Program (LGCHP), supplemented by extensive local community support. The premises are owned by Abbeyfield Australia.

Narrabri

The development of the Narrabri Abbeyfield House is being was predominantly funded by the NSW Government (Department of Aged Disability and Home Care.) supplemented by generous community support. The premises are owned Abbeyfield Australia and the Department takes a financial interest proportional to its capital contribution. (For full financial details refer the Notes to the financial statements.)

North Melbourne

The North Melbourne Abbeyfield House was developed in 1996 in conjunction with the Director of Housing (Vic.). The premises are owned by the Director of Housing (Vic) and leased to Abbeyfield Australia.

- Lease Started 01/04/96 for 25 years
- Expires 31/03/21

Abbeyfield Houses

Orange

The Orange Abbeyfield House was developed on land contributed by the Orange City Council and constructed with a capital grant from the NSW Land & Housing Corporation. The premises are occupied subject to a lease between the Orange City Council and the NSW Land & Housing Corporation, and a sublease between the NSW Land & Housing Corporation and Abbeyfield Australia.

- Lease Started 10/10/91 for 30 years
- Expires 09/10/21

Richmond

The Richmond Abbeyfield House was developed in conjunction with the Director of Housing (Vic.) The premises are occupied subject to a sublease between the Uniting Church in Australia, the Director of Housing (Vic), and Abbeyfield Australia.

- Lease Started 02/02/93 for 55 years
- Expires 31/01/48

St. Joseph's

Abbeyfield St Joseph's Malvern was developed in conjunction with the Director of Housing (Vic.). The premises are occupied subject to a lease between the Roman Catholic Trusts Corporation and the Director of Housing (Vic), and a sublease between the Director of Housing (Vic), and Abbeyfield Australia.

- Lease Started 03/06/96 for 55 years
- Expires 02/06/51

Wagga Wagga

The Wagga Wagga Abbeyfield House was developed on land contributed by the Wagga Wagga City Council and constructed with a capital grant from the NSW Land & Housing Corporation. The premises are occupied subject to a lease between the Wagga Wagga City Council and the NSW Land & Housing Corporation, and a sublease

between the NSW Land & Housing Corporation and Abbeyfield Australia.

- Lease Started 01/07/97 for 25 years Opts. 25 +25+24
- Expires 30/06/22

Waverley

The Waverley Abbeyfield House was developed in conjunction with the Director of Housing (Vic.). The premises are occupied subject to a lease between the Monash City Council and the Director of Housing (Vic), and a sublease between the Director of Housing (Vic), and Abbeyfield Australia.

- Lease Started 15/12/89 for 50 years
- Expires 14/12/39

Governance and Leadership

Our Board of Directors

Our independent, non-executive Board serve on a voluntary basis, without remuneration, generously committing considerable time and energy to meeting their responsibilities. Together they provide a blend of experience, technical knowledge and expertise, strategic nous and wisdom. In addition to the 6 Board meetings, they participated in Board Committees, workshops, informal meetings, provided advice outside of meetings, facilitated connections and involved themselves in the life of Abbeyfield wherever possible.

The Board of Directors is responsible for directing Abbeyfield Australia's activities towards achieving our vision and fulfilling our mission. The Board is responsible for driving Abbeyfield Australia's strategic direction, monitoring its progress and fulfilling stakeholder expectations. It is accountable for Abbeyfield Australia's overall performance, compliance with relevant laws, codes of conduct and relevant regulatory requirements.

Our Board of Directors and management team set the culture and ensure we are accountable to all our stakeholders – residents, staff, funders, volunteers and the communities which we work. We are always conscious of our role as stewards of the Abbeyfield history, good name, assets and the important role we play in the Community.



David Kay
Chairman
(Since 1998)

David is a Foundation Member Abbeyfield Burnie 1995. Burnie Representative on Abbeyfield Tasmania 1995-1998. Chairman of the Abbeyfield Tasmania Society 1996-1998 (Abbeyfield Tasmania was disbanded in 1998 as part of a National restructure)

David has represented Abbeyfield Australia in all negotiations relating to the development of the Burnie, Huonville and Hull Street Abbeyfield Houses. Member of the Joint Executive Committee of Abbeyfield Australia 1997-1998. Elected to the restructured Board of Abbeyfield Australia 1998 – current. Elected Treasurer Abbeyfield Australia 2000 –2012. Elected Chairman of the Abbeyfield Australia 2012-current

Other Activities:

Former Member, Tasmanian Chairman, and National Director of the Australian Institute of Credit Management. Former Member of Tasmanian Ministerial Housing Advisory Committee. Former Director and Chairman Roland Children's Services Inc

Governance and Leadership



Jacqui Landos
First Vice Chair
(Since 2010)

Jacqui was a Hospital (Respiratory) Scientist (Retired), former Secretary and past Chair, Current Vice Chair of Abbeyfield Curtin Inc., past member of Australian and New Zealand Society of Respiratory Science, and The Australian Institute of Medical Scientists.

Member of NDS Supportive Housing Advisory group.

Foundation member of Abbeyfield Curtin. Assisted with the development of the other houses for PWD over the last 10 years. Attended NDIS meetings on AAL's behalf

Qualifications

B App Sc, Grad Dip (Neuroscience)

Australian Institute of Company Directors (2016)



Hon. David Hawker AO
Second Vice Chair
(Since 2011)

The Hon David Hawker AO was appointed to the Board on 9 July 2011. He has 27 years' experience as the Member for Wannon in the Commonwealth Parliament, including two years as Deputy Chairman of the Joint Standing Committee on Foreign Affairs Defence and Trade, and four years as Speaker of the House of Representatives.

Qualifications

Bachelor of Engineering (1971) from the University Melbourne.

Company Directors Course, Australian Institute of Company Directors (2012)



Nandi Segbedzi
Company Secretary
(Since 2014)

Nandi has over 17 years of experience in employment and workplace relations law, as a solicitor in private practice and also as a member of the Victorian Bar. Currently holds the position of Principal, Emplex Lawyers & Consultants.

Qualifications

Bachelor of Arts (Hons), LLB.

Australian Institute of Company Directors (2013)

Governance and Leadership



Robert Spralja

Treasurer

Robert was appointed to the Board on 16 November 2019. Robert is a qualified CPA and has achieved Chartered Tax Advisor status with The Tax Institute of Australia. He has operated his own accountancy and business services practice for almost 20 years and maintains tax agent and ASIC agent licences. Prior to this he worked as an accountant including managerial roles for various multi-national corporations in Australia and for several years in Slovenia, Romania and the Netherlands. His previous honorary work spans almost 15 years and includes terms as President and Treasurer for Altona Tennis Club, Treasurer for Wyndham Lodge Aged Care and Treasurer for Somers Parade Kindergarten.

Qualifications

Bachelor of Business (Accounting) – Victoria University, Certified Practising Accountant – CPA Australia, Chartered Tax Advisor – The Tax Institute



Serena Wilson, PSM

Serena was appointed to the Board on 16 November 2019. She is a former Commonwealth public servant whose career focused on social policy and, in particular, social security policy. Serena worked across many Australian Public Service Departments including Health, Social Security, Employment, Family and Community Services and the Department of the Prime Minister and Cabinet where she headed the Social Policy Division. She retired as Deputy Secretary in the Department of Social Services with responsibility for Social Security and housing policy in September 2018.

Qualifications

Bachelor of Arts (Political Science) degree with honours from the University of Melbourne and a Graduate Diploma in Administrative Studies from the Chisholm Institute of Technology (Monash University).

Directors' Report

The Directors of Abbeyfield Australia Ltd present their report on the company for the financial year ended 30 June 2020.

Directors

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

Director (In alphabetical order)	Last appointed / elected
The Hon David Hawker AO	Re-elected 18 November 2017
David Kay	Re-elected 17 November 2018
Jacquelyn Landos	Re-elected 17 November 2016
Nandi Segbedzi	Re-elected 18 November 2017
Robert Spralja	Appointed 16 November 2019
Serena Wilson	Appointed 16 November 2019
Andrew Moylan	Retired on 16 November 2019

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

Company secretaries

Nandi Segbedzi was appointed company secretary on 17 November 2018.

Principal activities

The principal activity of Abbeyfield Australia during the financial year was to coordinate activities of its member Abbeyfield local societies and provide support services to its member societies involved in the provision of housing solutions based on an 'assisted independent living' philosophy to provide affordable, secure and supportive group housing for people in need; and more specifically to provide and manage housing and accommodation of all kinds for the relief, maintenance, care and welfare of persons who are older, but may be of any age, underprivileged, socially disadvantaged, living with a disability, in circumstances of social need or otherwise in necessitous circumstances.

Other than Abbeyfield Australia taking over the operations of 2 houses, there has been no significant change in the nature of these activities occurred during the year.

Business review

Operating Results

The Income Statement shows a profit from all activities of \$33,259 and a loss from operational activities for the year of \$228,827.

Directors' Report

Dividends

No dividends were paid or declared since the start of the financial year. The company is a company limited by guarantee and is therefore unable to pay or declare dividends.

Other items

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is enclosed with these financial statements.

Significant Changes in State of Affairs

No significant changes in Abbeyfield Australia state of affairs occurred during the financial year.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory

Meetings of Directors

The directors held 6 Board meetings during the financial year. Attendance by each director during the year was as follows.

Directors	Board meetings eligible to attend	Board meetings attended
The Hon. David Hawker AO	6	6
David Kay	6	6
Jacquelyn Landos	6	6
Andrew Moylan	2	2
Nandi Segbedzi	6	6
Robert Spralja	4	4
Serena Wilson	4	3

Directors' Report

Indemnifying Officers

During or since the end of the financial year the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure each of the directors 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 director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report. The company is a company limited by guarantee and is therefore unable to pay or declare dividends.

Proceedings on behalf of Abbeyfield Australia

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.



David Kay Chairman,

21 October 2020



Rob Sprajla, Treasurer,

21 October 2020

Financial Statements

ABBNEYFIELD AUSTRALIA LIMITED

ABN 91 005 954 905

For the year ended 30 June 2020

Prepared by Inform Business Accounting

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Income Statement

ABBEYFIELD AUSTRALIA LIMITED For the year ended 30 June 2020

	NOTES	2020	2019
Income			
Revenues from ordinary activities	2	386,189	257,797
Other Non- Recurrent revenue	3	158,924	274,825
Total Income		545,112	532,622
Total Income			
		545,112	532,622
Expenses			
Occupancy expenses		32,422	24,418
Administrative expenses		74,527	45,097
Travel and accommodation		20,910	3,365
Personnel expenses		296,746	191,463
Consultant expenses		20,418	11,370
Depreciation and amortisation expenses	4	2,296	1,758
AAL Restructure		187,643	115,976
Local Society Disbursements		49,874	97,944
House expenses		89,103	-
Total Expenses		773,939	491,391
Surplus / (Deficit) from operational activities			
		(228,827)	41,231
Investment activities			
Investment income	5	(1,566)	11,687
Investment expenses	6	(52,160)	(22,670)
Malvern Development			
Malvern development sales		-	11,782,151
Malvern development costs		(20,000)	(10,994,174)
Total Malvern Development		(20,000)	787,977
Total Investment activities		(73,726)	776,994
Surplus / (Deficit) from all activities			
		(302,553)	818,225
Extraordinary items			
Extraordinary Gain	7	149,865	1,180,000
Local Society Distributions		185,947	-
Surplus / (Deficit) attributable to members			
		33,259	1,998,225

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Balance Sheet

ABBEYFIELD AUSTRALIA LIMITED

As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
Assets			
Current Assets			
Cash and cash equivalents	8	3,093,894	3,599,198
Trade and other receivables	9	19,228	2,799
Financial assets	10	261,697	263,263
Total Current Assets		3,374,819	3,865,260
Non Current Assets			
Financial Assets	11	18,823	12,782
Property, plant and equipment	12	5,554,921	5,600,813
Total Non Current Assets		5,573,744	5,613,595
Total Assets		8,948,563	9,478,854
Liabilities			
Current Liabilities			
Trade and other payables	13	55,533	173,363
Provisions	14	30,600	17,809
Personnel-related items	15	4,127	4,233
Other current liabilities	16	48,788	90,691
Total Current Liabilities		139,048	286,096
Non-current liabilities			
Trade and other payables	17	3,355,420	3,355,420
Provision for long service leave		1,960	2,392
Other non-current liabilities	18	158,326	574,397
Total Non-current liabilities		3,515,706	3,932,209
Total Liabilities		3,654,755	4,218,305
Net Assets		5,293,808	5,260,549
Equity			
Reserves	19	2,085,401	2,085,401
Accumulated surplus		3,208,408	3,175,148
Total Equity		5,293,808	5,260,549

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement of Changes in Equity

ABBEYFIELD AUSTRALIA LIMITED

For the year ended 30 June 2020

	NOTE	RETAINED EARNINGS	CAPITAL PROFITS RESERVE	ASSET REALISATION RESERVE	GENERAL RESERVES	TOTAL
2020						
Balance at 1 July 2019	-	3,175,148	481,215	1,604,187	-	5,260,550
Profit / (Loss) attributable to members of the entity	-	33,259	-	-	-	33,259
Equity stake increment (decrement)	-	-	-	-	-	-
Sub-total	-	33,259	-	-	-	33,259
Balance as at 30 June 2020	-	3,208,407	481,215	1,604,187	-	5,293,809

	NOTE	RETAINED EARNINGS	CAPITAL PROFITS RESERVE	ASSET REALISATION RESERVE	GENERAL RESERVES	TOTAL
2019						
Balance at 1 July 2018	-	1,176,923	481,215	1,604,187	-	3,262,325
Profit / (Loss) attributable to members of the entity	-	1,998,225	-	-	-	1,998,225
Equity stake increment (decrement)	-	-	-	-	-	-
Sub-total	-	(1,998,225)	-	-	-	1,998,225
Balance as at 30 June 2019	-	3,175,148	481,215	1,604,187	-	5,260,550

Statement of Cash Flows

ABBEYFIELD AUSTRALIA LIMITED For the year ended 30 June 2020

	2020	2019
Cash from operating activities:		
Receipts from customers excluding GST	761,169	353,295
Payments to suppliers & employees excluding GST	(738,865)	(522,071)
Interest / Investment returns received	30,633	65,074
Net cash provided in (used in) operating activities	52,937	(103,702)
	2020	2019
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(6,231)	-
Net cash used by investing activities	(6,231)	-
	2020	2019
Cash flows from financing activities:		
Proceeds from sale of property	(20,000)	2,487,977
Loans from / (to) local societies	(532,010)	(1,062,482)
Net cash used by financing activities	(552,010)	1,425,495
	2020	2019
Cash and cash equivalents at beginning of year		
Net increase / (decrease) in cash and cash equivalents held	(505,304)	1,321,793
Cash and cash equivalents at beginning of year	3,599,198	2,277,405
Cash & cash equivalents at end of financial year	3,093,894	3,599,198

Notes to the Financial Statements

ABBEYFIELD AUSTRALIA LIMITED For the year ended 30 June 2020

1. Summary of significant accounting policies

Basis of preparation

Abbeyfield Australia Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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 stated otherwise.

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.

The financial statements were authorised for issue on 21st October 2020 by the directors of the company.

a. Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the state of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Abbeyfield Australia Limited receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

b. Property, plant and equipment

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

Freehold property

Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuer(s) or directors' valuations, less subsequent depreciation for buildings.

These notes should be read in conjunction with the attached compilation report.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured 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(e) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised 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 basis over the asset's useful life to the entity 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	2.5%
Plant and equipment	13 – 27%
Leasehold improvements	2.5%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

c. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

d. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (that is trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified “at fair value through profit or loss” in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value (refer to Note 1(p)), amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

i. Financial assets at fair value through profit or loss

Financial assets are classified at “fair value through profit or loss” when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

iii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company’s intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised

iv. Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

v. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

De-recognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e. Impairment of assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (for example, in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

f. Employee benefits

Short-term employee benefits

Provision is made for the company'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 company's obligations for short-term employee benefits such as wages, salaries and annual leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The company 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 company'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. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company 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.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

g. 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.

h. Goods and services tax (GST)

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

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

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

i. Income tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

j. Intangibles

Software

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

k. Provisions

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

l. Comparative figures

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

m. Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

n. Critical accounting estimates and judgments

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

Key estimates

Valuation of freehold land and buildings

The freehold land and buildings were independently valued at June 2012 by All Suburb Valuers and Opteon Property Group. The valuations were based on the fair value less cost to sell. The critical assumptions adopted in determining the valuations included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties.

The directors believe there has been no significant change in the assumptions at 30 June 2020 and therefore believe the carrying amount of the land correctly reflects the fair value less cost to sell at 30 June 2020 for these remaining properties.

Key judgments

Available-for-sale investments

The company maintains a portfolio of securities with a carrying amount of \$261,697 at the end of the reporting period.

o. Economic dependence

Abbeyfield Australia Limited is not dependent on any Federal or State Government Department or Agency.

p. Fair value of assets and liabilities

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

“Fair value” is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (that is 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 (that is the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (that is 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 entity’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.

	2020	2019
2. Revenue		
Donations	104,625	21,429
Accountancy services to local societies	12,856	12,540
Interest income	30,633	53,387
Local society - affiliation levies	78,674	169,113
Membership fees collected	900	1,328
Resident Fees	158,500	-
Total Revenue	386,189	257,797

Due to the merger with many local societies, their respective affiliation levies were waived. Resident fees represents fees from operating the houses located in Glenorchy, Tasmania and Croydon, Victoria.

	2020	2019
3. Other Non- Recurrent Revenue		
Grants received	8,137	158,849
Other Income	72,096	-
Restructure Grant	78,691	115,976
Total Other Non- Recurrent Revenue	158,924	274,825

	2020	2019
4. Depreciation and amortisation expenses		
Depreciation - Office Equip.	2,296	1,758
Total Depreciation and amortisation expenses	2,296	1,758

	2020	2019
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5. Investment income

These notes should be read in conjunction with the attached compilation report.

Investment Earnings	(1,566)	11,687
Total Investment income	(1,566)	11,687
	2020	2019

6. Investment expenses

Amortisation of investments	2,334	2,344
Depreciation - Buildings	49,826	20,326
Total Investment expenses	52,160	22,670

Depreciation is net of the government's share on the related property, plant and equipment.

7. Extraordinary Gain

The 2020 amount for \$149,865 represents donations received for the potential development in Bungendore, NSW and for Bayside, Victoria activities up to 30 June 2019.

	2020	2019
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8. Cash and cash equivalents

Internal Funds

AAL Credit Card Term Deposit	50,000	-
Term deposit - Malvern development	1,000,000	1,999,953
Term Deposit no 2 - Malvern Development	-	500,000
Westpac Business One	1,062	6,949
Westpac Cash Reserve	1,730	14,372
Cash on hand	142	142
Ceo Credit Card	70	-
Commonwealth 9974	96,274	31,120
Comm Online Saver 7499	1,517,330	244,486
Bungendore Online Saver	114,877	133,155
Bungendore Transaction Account	32,000	-
Total Internal Funds	2,813,485	2,930,177

External Funds

Wagga Wagga Transaction Account	16,923	30,464
Wagga Wagga Online Saver	2	374,259
Narrabri accounts	109,548	110,548
Huon Valley Refundable	15,221	15,203
Huon Valley Non Refundable	138,715	138,546
Total External Funds	280,409	669,020

Total cash and cash equivalents	3,093,894	3,599,198
	2020	2019

9. Trade and other receivables

Advances - Houses	2,050	-
Trade debtors	13,061	2,630

These notes should be read in conjunction with the attached compilation report.

Withholding Tax	-	169
Prepayments	4,117	-
Total Trade and other receivables	19,228	2,799
	2020	2019

10. Financial Assets - current

Asgard Infinity eWrap Investment Account		
Investment - Term Deposit	261,697	263,263
Total Asgard Infinity eWrap Investment Account	261,697	263,263
Total current investments	261,697	263,263
	2020	2019

Asgard Investments comprises:

Cash at Call	12,821	21,485
Vanguard Australian Shares Index Fund	53,835	60,728
1YR FTD@1.95% Due 14/10/20 Int-Maturity (Close 11/10/19)	140,000	-
6mth FTD@2.35% Due 25/09/19 Int-Maturity (Close 22/03/19)	-	125,000
ANZPE Perpetual Capital Notes2 (ANZPE)	25,248	25,825
CBA Perls VII (CBAPD)	29,793	30,225
Total Asgard Investments comprises:	261,696	263,263
	2020	2019

11. Financial Assets - non current

Share in Frankston lease		
Frankston equity @ cost	70,000	70,000
Frankston equity accum. dep	(67,677)	(65,343)
Total Share in Frankston lease	2,323	4,657
Bonds receivable	16,500	8,125
Total non current investments	18,823	12,782

Investment assets comprise of:

\$2,323 is an investment in the Frankston local society lease of land and buildings. This amount represents the equity in the lease that is receivable on the possible sale of the assets of the Frankston local society. The amount receivable under the lease agreement is amortised over 30 years.

2020 **2019**

12. Property plant and equipment

Land & buildings		
Freehold Land at Directors Valuation		
Total freehold land	1,167,507	1,167,507
Total Freehold Land at Directors Valuation	1,167,507	1,167,507

These notes should be read in conjunction with the attached compilation report.

	2020	2019
Buildings		
At Fair Value	4,380,076	4,380,076
Less accumulated depreciation	(188,241)	(138,415)
Total Buildings	4,191,835	4,241,661
Leasehold Improvements		
At fair value	284,345	284,345
Less accumulated depreciation	(100,000)	(100,000)
Total Leasehold Improvements	184,345	184,345
Total Land & buildings	5,543,687	5,593,513
Office Equipment		
At cost	72,887	66,656
Less accumulated depreciation	(61,653)	(59,357)
Total Office Equipment	11,234	7,299
Total Property plant and equipment	5,554,921	5,600,812

An independent valuation of land and buildings was made in June 2012 on the basis of current market value based on alternative use by All Suburb Valuers and Opteon Property Group. A subsequent independent valuation of land and buildings was made in June 2015 for the Huonville property. The Dandenong North property was revalued by the directors based on the Australian Housing Construction Index published by the Australia Bureau of Statistics.

Notes to the Financial Statements

ABBEYFIELD AUSTRALIA LIMITED For the year ended 30 June 2020

	LAND	BUILDINGS & IMPROVEMENTS	OFFICE EQUIPMENT	TOTAL
(a) Movements in carrying amounts				
Carrying amount at the end of the year				
Balance at the beginning of year	1,167,507	4,426,006	7,299	5,600,812
Additions	-	-	6,231	6,231
Less disposals	-	-	-	-
Add back accumulated depreciation on disposals	-	-	-	-
Less depreciation expense	-	(49,826)	(2,296)	(52,122)
Revaluation increase / (decrease) recognised in equity	-	-	-	-
Total Carrying amount at the end of the year	1,167,507	4,376,180	11,234	5,554,921

Notes to the Financial Statements

ABBEYFIELD AUSTRALIA LIMITED For the year ended 30 June 2020

(b) Summary of land, buildings and leasehold improvements held by Abbeyfield Australia

(i) Dandenong land and buildings

On 28 March 1996 Abbeyfield Australia entered into an agreement with the Victorian Government to fund the purchase of land and buildings at Menzies Avenue, Dandenong, Victoria. Under the agreement Abbeyfield is entitled to 3% of the sale of the property and the 97% to the Victorian Government. The Victorian Government share is represented in Non-Current Liabilities (Note 17). The directors revalued the property by applying the Australian Housing Construction Index as at 30 June 2015 compared to the index as at the last valuation on 30 June 2012.

	2020	2019
Dandenong		
Fair value of land	444,797	444,797
Fair value of buildings	584,131	584,131
Less accumulated depreciation	(3,584)	(3,136)
Less Government share	(1,001,810)	(1,001,810)
Total Dandenong	23,534	23,982

(ii) Huon Valley land and buildings

On 24 June 1998 Abbeyfield Australia entered into an agreement with the Tasmanian Government to fund the buildings at 75 Wilmot Road, Huonville, Tasmania. Under the agreement Abbeyfield is entitled to 70% of the sale of the property and the 30% to the Tasmanian Government. The Tasmanian Government share is represented in Non-Current Liabilities (Note 17). An independent valuation of land and buildings was made on 30 June 2015 by Opteon Property Group.

	2020	2019
Fair value of Abbeyfield's share		
Land	220,000	220,000
Fair value of buildings	928,038	928,038
Less accumulated depreciation	(128,101)	(112,088)
Less Tas Government share	(344,411)	(344,411)
Net fair value of Abbeyfield's share	675,526	691,539

(iii) Ainslie (ACT) land and buildings

On 31 December 1998 Abbeyfield Australia entered into a 25 year lease and operating agreement with the ACT Government to fund the purchase of land and buildings at Wakefield Gardens, Ainslie, ACT Under the agreement Abbeyfield is entitled to 16% of the sale of the property and the 84% to the ACT Government represented in Non-Current Liabilities (Note 17).

	2020	2019
Fair value of land and buildings		
Fair value of land and buildings	184,345	184,345
Total	184,345	184,345

(iv) Goulburn land and buildings

In June 2009 and May 2010 Abbeyfield Australia entered into capital funding agreements with the NSW Government to fund the purchase of land and buildings at Cowper Street, Goulburn NSW, and the subsequent development of the Goulburn Abbeyfield House. Under the agreement, the NSW Government (Department of Aged Disability and Homecare) will have an equitable interest in the property equivalent to the proportion the Government's contribution bears to the final project development cost. The Goulburn Abbeyfield House was officially opened on Wednesday 27 June 2012. The equitable interest for Abbeyfield Australia is 9.16%. The NSW Government share is represented in Non-Current Liabilities (Note 17).

	2020	2019
Fair value of Abbeyfield's share		
Land	502,710	502,710
Buildings	1,687,908	1,687,908
Grant offset	-	-
Accumulated depreciation	(27,057)	(23,192)
Less Government share	(2,009,198)	(2,009,198)
Net fair value of Abbeyfield's share	154,363	158,228

(v) Narrabri land and buildings

On 30 June 2011 Abbeyfield Australia entered into a capital funding agreement with the NSW Government to fund the purchase of land and construction of an Abbeyfield House at 35 – 37 Doyle Street, Narrabri, NSW. Under the agreement, the NSW Government (Department of Aged Disability and Homecare) will have an equitable interest in the property equivalent to the proportion the Government's contribution bears to the final development cost of the project. The total cost of the house has been covered by the capital provided by the NSW Government.

	2020	2019
Narrabri		
Land	323,675	323,675
Buildings	2,353,275	2,353,275
Grant offset	(2,676,950)	(2,676,950)
Total	-	-

(vi) Wagga Wagga land and buildings

On 28 June 2013 Abbeyfield Australia entered into a \$1,650,000 (inclusive of GST) capital funding agreement with the NSW Government to fund the purchase of land and construction of an Abbeyfield House in Wagga Wagga, NSW. On 29 June 2018 we received additional funding of \$148,500 (inclusive of GST). Under the agreement, the NSW Government (Department of Aged Disability and Homecare) will have an equitable interest in the property equivalent to the proportion the Government's contribution bears to the final development cost of the project. In December 2013, a parcel of land was purchased at the corner

of Stanley and Paull Streets, Koorungal. In June 2018 we entered into a contract with Ladex Construction for the construction of six 2 bedroom units at a cost of \$1,423,997 (excluding GST). Construction was completed in 2020 and an occupancy certificate was received in June 2020.

	2020	2019
Wagga Wagga		
Land	273,695	273,695
Buildings	1,718,820	1,259,939
Grant offset	(1,992,515)	(1,533,634)
Total Wagga Wagga	-	-

(vii) Curtin buildings

During a recent due diligence of various properties and a subsequent title search, it has been determined that Abbeyfield Australia is the registered proprietor of the property located at 31 Trossell Street, Curtin, Australian Capital Territory. Opteon Property Group Pty Ltd conducted a valuation of the property as at 30 June 2019 and determined a building valuation of \$1,180,000. Due to the concessional nature of the Crown Lease and restrictive purpose of the land within the clauses of the Crown Lease, the land has been rendered at nil value to the broader market.

	2020	2019
Curtin		
Land	-	-
Buildings	1,180,000	1,180,000
Accumulated depreciation	(29,500)	-
Total Curtin	1,150,500	1,180,000

	2020	2019
13. Trade and other Payables		
Accounts Payable New	31,275	109,814
PAYG Tax	12,512	16,040
GST	(10,079)	(128,993)
Deposits	5,000	5,000
Refundable portion HV contribs	16,825	16,638
Donations: Franston	-	5,000
Payable to Bayside Branch	-	16,710
Payable to Bungendore Branch	-	133,155
Total Trade and other payables	55,533	173,363

	2020	2019
14. Provisions		
Current Long Service Leave	2,566	-

Provision for Annual Leave	28,034	17,809
Total Provisions	30,600	17,809
	2020	2019

15. Personnel related items

Superannuation payable	4,127	4,233
Total Personnel related items	4,127	4,233
	2020	2019

16. Other current liabilities

Accrued Expenses	8,000	12,000
Glenorchy Grants	40,788	-
Income Received in Advance	-	78,691
Total Other current liabilities	48,788	90,691
	2020	2019

17. Trade and other payables

Payable to gov't on realisation of asset - Huon Valley (McMullen House)	344,411	344,411
Payable to gov't on realisation of asset - Dandenong (Mauritian House)	1,001,811	1,001,811
Payable to gov't on realisation of asset - Goulburn	2,009,198	2,009,198
Total Trade and other payables	3,355,420	3,355,420
	2020	2019

18. Other non-current liabilities

Narrabri Sinking Fund	107,219	110,548
Koorringal Funding Provision	51,108	463,849
Total Other non-current liabilities	158,326	574,397
	2020	2019

19. Reserves

Capital Grants Reserve	481,216	481,216
Asset revaluation reserve	1,604,185	1,604,185
Total Reserves	2,085,401	2,085,401
	2020	2019

20. Reconciliation of Cash Flow from Operations with Profit after Income Tax

Cashflow from operations		
Net loss/income for the period	33,259	1,998,225
Non-cash flows in profit		
Depreciation and amortisation	54,456	24,427
Profit on disposal of property	20,000	(787,977)
Extraordinary gain - property	-	(1,180,000)

	2020	2019
changes in operating assets and liabilities:		
(Increase)/decrease in trade and term receivables	(97,497)	(114,253)
(Increase)/decrease in prepayments and other current assets	(2,382)	(11,856)
Increase/(decrease) in trade payables and accruals	(82,539)	84,109
Increase/(decrease) in other liabilities	115,280	(124,602)
Increase/(decrease) in provisions	12,359	8,224
Cashflow from operations	52,936	(103,703)

	2020	2019
21. Auditor's remuneration		
- Auditing or reviewing the financial report	8,000	4,000

22. Director's remuneration

Robert Spralja has been employed by Abbeyfield Australia since 02 July 2012 as part time financial controller and was appointed to the board as Treasurer on 16 November 2019. The below figures represent amount paid to Robert Spralja for financial controller services as an employee and to his accounting practice for BAS, superannuation and other general accounting services. The short to medium term objective is to have Mr Spralja fulfil only one of the roles.

	2020	2019
Director's remuneration		
- Wages & superannuation benefits paid	13,066	17,874
- Payments to related entities	5,752	3,419
Total Director's remuneration	18,818	21,293

23. Subsequent events

In July 2020, Abbeyfield Australia completed the merger with 12 Abbeyfield local societies establishing a new, unified Abbeyfield Australia.

Directors Declaration

ABBEYFIELD AUSTRALIA LIMITED For the year ended 30 June 2020

The directors of the company declare that:

1. The financial statements and notes, present fairly the company's financial position as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Signed,

David Kay

Chairman

Abbeyfield Australia Limited

21st October 2020



Independent auditor's report to the members of Abbeyfield Australia Limited

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Abbeyfield Australia Limited, which comprises the Balance Sheet as at 30 June 2020, the Income Statement, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the financial report of Abbeyfield Australia Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including;

- a. Giving a true and fair view of the registered entity's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the ACNC Act and the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or cease operations, or have 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 registered entity'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 registered entity'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 registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



John Vincent Anderson
Anderson & Associates
22nd October 2020
Suite 102, 17 Heatherdale Road
RINGWOOD, VIC 3134

Auditor's Independence Declaration to the Directors of Abbeyfield Australia Limited

In relation to our audit of the financial report of Abbeyfield Australia Limited for the financial year ended 30 June 2020, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

A handwritten signature in black ink, appearing to read 'J. Anderson', with a long horizontal flourish underneath.

John Vincent Anderson
Anderson & Associates
16th October 2020
Suite 102, 17 Heatherdale Road
RINGWOOD, VIC 3134

Abbeyfield
Australia