

The Good Shepherd Homes Charitable Trust

ABN 33 905 968 697

NAPS ID: 3417

Financial Statements

For the year ended 30 June 2025

The Good Shepherd Homes Charitable Trust

ABN: 33 905 968 687

Council's report For the year ended 30 June 2025

The Council present their report, together with the financial statements, on The Good Shepherd Homes Charitable Trust for the year ended 30 June 2025.

Council

The names of the council members during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ms Tracey Holmes (Chair)
Mr Owen Stanley
Mr Patrick Driscoll
Mr William Evans
Reverend Stephanie Patching
Ms Rebecca Seymour
Ms Virginia McKendrick

Principal activities and significant changes in nature of activities

The principal activities of Good Shepherd Homes Charitable Trust during the financial year were the operation of an aged care home.

There were no significant changes in the nature of The Good Shepherd Homes Charitable Trust's principal activities during the financial year.

Signed in accordance with a resolution of the Council:

Chair: *Tracey Holmes*

Dated this 7 day of October 2025



PKF North Queensland Audit
ABN 33 873 151 348
Suite 3a, 41 Sturt Street
Townsville City, QLD 4810
Australia

+61 7 4766 8368
nq@pkf.com.au
pkf.com.au

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF THE GOOD SHEPHERD HOMES CHARITABLE TRUST

I declare that, to the best of my knowledge and belief, during the year ended Monday, 30 June 2025, there have been no contraventions of:

- (a) the auditor independence requirements as set out in *section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

This declaration is in respect of The Good Shepherd Homes Charitable Trust.

PKF NORTH QUEENSLAND AUDIT

A handwritten signature in black ink, appearing to read 'Tim Follett', written over a light blue horizontal line.

TIM FOLLETT
PARTNER

TOWNSVILLE
7 October 2025

The Good Shepherd Homes Charitable Trust

ABN: 33 905 968 687

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For the Year Ended 30 June 2025

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The Good Shepherd Homes Charitable Trust

ABN: 33 905 968 687

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

| | Note | 2025 \$ | 2024 \$ |
|--|------|-------------------|------------------|
| Revenue | 3 | 38,560,328 | 35,118,896 |
| Finance income | 4 | 2,770,334 | 2,309,666 |
| Other income | 3 | 2,662,222 | 3,343,657 |
| Employee benefits expense | | (27,948,197) | (24,733,276) |
| Depreciation | | (1,555,547) | (1,597,750) |
| Other expenses | 5 | (8,422,366) | (7,165,775) |
| Finance expenses | 4 | (2,215,510) | (1,837,905) |
| Profit before income tax | | 3,851,264 | 5,437,513 |
| Income tax expense | | - | - |
| Profit for the year | | 3,851,264 | 5,437,513 |
| Other comprehensive income for the year, net of tax Items that will not be reclassified to net profit | | | |
| Increase/(decrease) in asset revaluation surplus | | 14,777,845 | - |
| Total comprehensive income for the year | | 18,629,109 | 5,437,513 |

The accompanying notes form part of these financial statements.

The Good Shepherd Homes Charitable Trust

ABN: 33 905 968 687

Statement of financial position

As at 30 June 2025

| | Note | 2025 \$ | 2024 \$ |
|--------------------------------------|------|-------------------|-------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 6 | 13,570,661 | 12,718,451 |
| Trade and other receivables | 8 | 729,794 | 977,444 |
| Inventories | 7 | 222,703 | 215,805 |
| Financial assets | 9 | 25,145,731 | 22,511,193 |
| Other assets | 11 | 646,916 | 791,733 |
| TOTAL CURRENT ASSETS | | <u>40,315,805</u> | <u>37,214,626</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 10 | 54,767,083 | 39,487,542 |
| TOTAL NON-CURRENT ASSETS | | <u>54,767,083</u> | <u>39,487,542</u> |
| TOTAL ASSETS | | <u>95,082,888</u> | <u>76,702,168</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 12 | 1,135,756 | 1,233,307 |
| Other liabilities | 13 | 31,249,112 | 31,899,723 |
| Employee benefits | 15 | 3,673,782 | 3,179,896 |
| TOTAL CURRENT LIABILITIES | | <u>36,058,650</u> | <u>36,312,926</u> |
| NON-CURRENT LIABILITIES | | | |
| Employee benefits | 15 | 253,008 | 247,121 |
| TOTAL NON-CURRENT LIABILITIES | | <u>253,008</u> | <u>247,121</u> |
| TOTAL LIABILITIES | | <u>36,311,658</u> | <u>36,560,047</u> |
| NET ASSETS | | <u>58,771,230</u> | <u>40,142,121</u> |
| EQUITY | | | |
| Reserves | 16 | 33,643,601 | 18,865,756 |
| Retained surplus | | 25,127,629 | 21,276,365 |
| TOTAL EQUITY | | <u>58,771,230</u> | <u>40,142,121</u> |

The accompanying notes form part of these financial statements.

The Good Shepherd Homes Charitable Trust

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Statement of changes in equity

For the year ended 30 June 2025

2025

| | Retained Earnings \$ | Asset Revaluation Surplus \$ | Total \$ |
|---|----------------------------|---------------------------------------|-------------------|
| Balance at 1 July 2024 | 21,276,365 | 18,865,756 | 40,142,121 |
| Profit for the year | 3,851,264 | 14,777,845 | 18,629,109 |
| Other comprehensive income for the year | - | - | - |
| Balance at 30 June 2025 | 25,127,629 | 33,643,601 | 58,771,230 |

2024

| | Retained Earnings \$ | Asset Revaluation Surplus \$ | Total \$ |
|---|----------------------------|---------------------------------------|-------------------|
| Balance at 1 July 2023 | 15,838,852 | 18,865,756 | 34,704,608 |
| Profit for the year | 5,437,513 | - | 5,437,513 |
| Other comprehensive income for the year | - | - | - |
| Balance at 30 June 2024 | 21,276,365 | 18,865,756 | 40,142,121 |

The accompanying notes form part of these financial statements.

The Good Shepherd Homes Charitable Trust

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Statement of cash flows

For the year ended 30 June 2025

| | Note | 2025 \$ | 2024 \$ |
|--|------|--------------------|--------------------|
| CASH FLOW FROM OPERATING ACTIVITIES: | | | |
| Receipts from customers | | 43,137,641 | 38,017,342 |
| Payments to suppliers and employees | | (38,484,807) | (32,082,327) |
| Interest received | | 662,300 | 525,701 |
| Interest paid | | (107,476) | (53,940) |
| Grant income | | 499,284 | 837,270 |
| Net cash from operating activities | | <u>5,706,942</u> | <u>7,244,047</u> |
| CASH FLOW FROM INVESTING ACTIVITIES: | | | |
| Receipts/(Payments) from/(to) investments in exchange traded funds | | (1,569,584) | (1,812,863) |
| Payments to acquire property, plant and equipment | | (2,634,538) | (3,304,975) |
| Receipts/(Payments) from/(to) residents lease deposits | | (650,610) | 832,453 |
| Net cash (used in) investing activities | | <u>(4,854,732)</u> | <u>(4,285,385)</u> |
| Cash and cash equivalents at the beginning of the financial year | | 12,718,451 | 9,759,789 |
| Net increase in cash and cash equivalents held | | 852,210 | 2,958,662 |
| Cash and cash equivalents at the end of the financial year | 6 | <u>13,570,661</u> | <u>12,718,451</u> |

The accompanying notes form part of these financial statements.

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

The financial report covers The Good Shepherd Homes Charitable Trust as an individual entity. The Good Shepherd Homes Charitable Trust is a not-for-profit Entity, registered and domiciled in Australia.

The principal activities of the Entity for the year ended 30 June 2025 were the operation of an aged care home.

The functional and presentation currency of The Good Shepherd Homes Charitable Trust is Australian dollars.

The financial report was authorised for issue by Council members on the date that the Responsible Persons' declaration was signed.

Comparatives are consistent with prior years, unless otherwise stated.

Basis of preparation

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

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

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

Note 1. Summary of Material Accounting Policies

Revenue recognition

The trust recognises revenue as follows:

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Entity expects to receive in exchange for those goods or services.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Entity have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

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

Residential aged care

The Entity recognises revenue from aged care services over time as performance obligations are satisfied, which is as the services are rendered; primarily on a daily or monthly basis. Revenue arises from discretionary and nondiscretionary services, as agreed in a single contract with the resident.

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

Revenue recognition (continued)

Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Amounts arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The Entity considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Capital grants received to enable the Entity to acquire or construct an item of property, plant and equipment to identified specifications which will be under the Trust's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Entity. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

Imputed income on RADs and Bonds

Finance income (Note 4) includes imputed income from the provision of accommodation, which is accounted for as a Lease under AASB 16 Leases. The fair value of non-cash consideration (in the form of an interest-free loan) received from a resident that has elected to pay a RAD or accommodation bond is required to be recognised as income and correspondingly, interest expense (Note 4); with no net impact on the profit or loss.

Donations, bequests and fundraising revenue

Donations, bequests and fundraising revenue are recognised only when the trust gains control of the funds and when the funds do not give rise to a specific performance obligation.

Income tax

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

Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

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Notes to the financial statements

For the year ended 30 June 2025

Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

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.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

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

| Fixed asset class | Depreciation rate |
|--------------------------|--------------------------|
| Buildings | 25 years |
| Plant and Equipment | 3-20 years |
| Motor Vehicles | 5-8 years |

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

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Notes to the financial statements

For the year ended 30 June 2025

Financial instruments

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

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

Financial assets

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

Classification

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

- amortised cost
- fair value through profit or loss - FVTPL

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

Amortised cost

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

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

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

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

Impairment of financial assets

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

- financial assets measured at amortised cost

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

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Notes to the financial statements

For the year ended 30 June 2025

Financial instruments (continued)

Trade receivables

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

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

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

Other financial assets measured at amortised cost.

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

Financial liabilities

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

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

Impairment of non-financial assets

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

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

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

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

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

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

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash, including term deposits with a maturity date of within three months from balance date and which are subject to an insignificant risk of change in value.

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Notes to the financial statements

For the year ended 30 June 2025

Leases

Right-of-use asset

At the lease commencement, the Entity recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Entity believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Entity's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g., CPI) or a change in the Entity's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Entity has elected to apply the exceptions to lease accounting for both short-term leases (i.e., leases with a term of less than or equal to 12 months) and leases of low-value assets. The Entity recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Entity as a lessor

Contracts with customers contain provisions for accommodation, use of common areas/facilities for provision of care and other services. The Entity has concluded that its contractual arrangements relating to the provision of residential aged care are an operating lease pursuant to AASB 16, being the exclusive right to the use of a room by a resident.

For residential aged care accommodation arrangements where the resident has elected to pay a RAD or Bond, the Entity receives a financing benefit, being non-cash consideration, in the form of an interest free loan. On adoption of AASB 16, the fair value of this non-cash consideration is required to be recognised as income (to reflect the interest free loan financing benefit received on RADs and Bonds) and, correspondingly, interest expense (to record the financial liability associated with RADs and Bonds at fair value) with no net impact on profit or loss.

The application of AASB 16 for the year ended 30 June 2025 has been calculated based on:

- monthly average RAD / Bond balances; and
- interest rate equal to the Maximum Permissible Interest Rate (MPIR) of 7.90% between July and September 2023, 8.15% between October and December 2023, 8.38% between January and March 2024, 8.34% between April and June 2024 and 8.42% between Jan to March 2025 which is a government set interest rate used to calculate the Daily Accommodation Payment to applicable residents.

The Entity's Statement of Profit or Loss and Other Comprehensive Income presents income of \$2,108,034 and an additional finance cost (i.e., interest expense) of \$2,108,034 with nil impact to net profit for the year.

The accounting treatment for residential aged care accommodation arrangements where residents have elected to pay a DAP has not changed upon adopting AASB 16.

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Notes to the financial statements

For the year ended 30 June 2025

Employee benefits

Provision is made for the Entity's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognized in profit or loss.

Economic dependence

The Good Shepherd Homes Charitable Trust is dependent on Medicare Australia for a material amount of its revenue used to operate the business. At the date of this report the directors have no reason to believe that Medicare Australia will not continue to support The Good Shepherd Homes Charitable Trust.

Contract liabilities

Contract liabilities represent the trust's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the trust recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the trust has transferred the goods or services to the customer.

Note 2. Critical accounting judgements, estimates and assumptions

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

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

The significant estimates and judgements made have been described below.

Key estimates – Fair value of property, plant and equipment

Certain classes of property, plant and equipment are measured using the revaluation model. Freehold land and buildings have been valued based on independent and Council members' valuations, using a market value approach. Management believes the judgements and inputs made in the valuations are reasonable based on current information and these judgements and inputs are reviewed regularly to take into account any material changes to assumptions.

Key estimates – Fair value of financial instruments

The Entity has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

The Good Shepherd Homes Charitable Trust

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Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 3. Revenue and other Income

Revenue from continuing operations

| | 2025 | 2024 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Revenue from contracts with customers: | | |
| Provision of services | 7,094,357 | 6,775,675 |
| Transitional care income | 4,075,927 | 4,896,238 |
| CHSP funding | 469,978 | 450,152 |
| Medicare government subsidies | 26,890,760 | 22,609,714 |
| Grant income | 29,306 | 387,117 |
| | <u>38,560,328</u> | <u>35,118,896</u> |
| Other income: | | |
| Sundry income | 75,550 | 154,814 |
| Exchange traded funds' investments distributions | 662,667 | 473,282 |
| Gain on exchange traded funds' investments | 1,924,005 | 2,715,561 |
| | <u>2,662,222</u> | <u>3,343,657</u> |

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

| | 2025 | 2024 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Revenue recognition | | |
| - Over time | <u>38,560,328</u> | <u>35,118,898</u> |
| Revenue from contract with customers | <u>38,560,328</u> | <u>35,118,898</u> |

Note 4. Finance Income and Expenses

Finance income

| | 2025 | 2024 |
|--|------------------|------------------|
| | \$ | \$ |
| Interest income | 662,300 | 525,701 |
| Income on RADs and Bonds (refer to Entity as a lessor accounting policy) | 2,108,034 | 1,783,965 |
| | <u>2,770,334</u> | <u>2,309,666</u> |

Finance expenses

| | 2025 | 2024 |
|--|------------------|------------------|
| | \$ | \$ |
| Interest expense | 107,476 | 53,940 |
| Interest expense on RADs and bonds (refer to Entity as a lessor accounting policy) | 2,108,034 | 1,783,965 |
| | <u>2,215,510</u> | <u>1,837,905</u> |

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

Note 5. Other Expenses

| | 2025 \$ | 2024 \$ |
|------------------------------------|------------------|------------------|
| Advertising | 59,494 | 54,082 |
| Bad and doubtful debts | 49,918 | 68,039 |
| Catering expenses | 1,597,322 | 1,509,835 |
| Cleaning and laundry | 185,970 | 171,388 |
| Consulting and professional fees | 65,481 | 177,424 |
| Electricity and gas | 644,986 | 574,683 |
| Employment expenses | 1,195,627 | 737,804 |
| Extra services | 29,334 | 28,327 |
| Insurance and building remediation | 564,193 | 187,291 |
| Medical expenses | 1,173,124 | 1,095,301 |
| Other expenses | 249,105 | 237,278 |
| Rates | 276,731 | 274,541 |
| Repairs and maintenance | 1,165,655 | 962,214 |
| Software expenses | 464,290 | 386,022 |
| Subscriptions | 25,391 | 45,351 |
| Telephone | 34,738 | 53,572 |
| Waste disposal | 131,762 | 120,874 |
| Workshop expenses | 509,245 | 481,749 |
| | <u>8,422,366</u> | <u>7,165,775</u> |

Note 6. Cash and Cash Equivalents

| | 2025 \$ | 2024 \$ |
|---------------------|-------------------|-------------------|
| Cash on hand | 2,975 | 3,123 |
| Bank balances | 5,463,432 | 7,072,810 |
| Short-term deposits | 8,104,254 | 5,642,518 |
| | <u>13,570,661</u> | <u>12,718,451</u> |

Note 7. Inventories

| | 2025 \$ | 2024 \$ |
|---------------|----------------|----------------|
| Stock on hand | 222,703 | 215,805 |
| | <u>222,703</u> | <u>215,805</u> |

Note 8. Trade and Other Receivables

| | 2025 \$ | 2024 \$ |
|--------------------------|----------------|----------------|
| Trade receivables | 738,722 | 945,309 |
| Provision for impairment | (140,000) | (70,000) |
| GST receivable | 131,072 | 102,135 |
| | <u>729,794</u> | <u>977,444</u> |

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

Note 9. Financial Assets

| | 2025 \$ | 2024 \$ |
|--------------------------------------|-------------------|-------------------|
| Investments in exchange traded funds | 22,419,001 | 19,893,443 |
| Term deposits | 2,726,730 | 2,617,750 |
| | <u>25,145,731</u> | <u>22,511,193</u> |

Note 10. Property, Plant and Equipment

| | 2025 \$ | 2024 \$ |
|--|--------------------------|--------------------------|
| Freehold land | | |
| At fair value | 3,950,000 | 3,590,000 |
| Total land | <u>3,950,000</u> | <u>3,590,000</u> |
| Buildings | | |
| At fair value | 44,990,000 | 34,498,095 |
| Accumulated depreciation | (187,972) | (3,456,556) |
| Total buildings | <u>44,802,028</u> | <u>31,041,539</u> |
| Capital works in progress | | |
| At cost | 1,721,222 | 203,835 |
| Total capital works in progress | <u>1,721,222</u> | <u>203,835</u> |
| Plant and equipment | | |
| At cost | 9,128,737 | 10,489,290 |
| Accumulated depreciation | (5,122,244) | (6,160,227) |
| Total plant and equipment | <u>4,006,493</u> | <u>4,329,063</u> |
| Motor vehicles | | |
| At cost | 526,163 | 526,163 |
| Accumulated depreciation | (238,823) | (203,059) |
| Total motor vehicles | <u>287,340</u> | <u>323,104</u> |
| Total property, plant and equipment | <u><u>54,767,083</u></u> | <u><u>39,487,541</u></u> |

The land and buildings of the Entity were valued at 3rd September 2024 by an independent valuer (Herron Todd White). Revaluation of the land and buildings as at 30 June 2025 was based on fair value in accordance with AASB 13 Fair Value.

Refer to Note 1 for detailed disclosures regarding the fair value measurement of the entity's freehold land and buildings.

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

Note 10. Property, Plant and Equipment (continued)

Movements in Carrying Amounts

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

| | Capital Works in Progress \$ | Land \$ | Buildings \$ | Plant and Equipment \$ | Motor Vehicles \$ | Total \$ |
|---------------------------------------|---------------------------------------|------------------|-------------------|------------------------------|-------------------------|-------------------|
| Year ended 30 June 2025 | | | | | | |
| Balance at the beginning of year | 203,835 | 3,590,000 | 31,041,540 | 4,329,063 | 323,104 | 39,487,542 |
| Additions | 1,643,167 | - | - | 440,572 | - | 2,083,739 |
| Transfers | (125,780) | - | 99,568 | 26,212 | - | - |
| Revaluations | - | 360,000 | 14,694,249 | - | - | 15,054,249 |
| Disposals | - | - | (99,568) | (203,330) | - | (302,898) |
| Depreciation expense | - | - | (933,760) | (586,024) | (35,764) | (1,555,548) |
| Balance at the end of the year | 1,721,222 | 3,950,000 | 44,802,028 | 4,006,493 | 287,340 | 54,767,083 |

Note 11. Other Assets

| | 2025 \$ | 2024 \$ |
|----------------|----------------|----------------|
| Prepayments | 529,468 | 600,820 |
| Accrued income | 117,448 | 190,913 |
| | <u>646,916</u> | <u>791,733</u> |

Note 12. Trade and Other Payables

| | 2025 \$ | 2024 \$ |
|---------------------------------|------------------|------------------|
| Trade payables | 587,902 | 1,095,360 |
| Accrued expenses – Nursing Home | 60,191 | 137,947 |
| Accrued expenses – Construction | 487,663 | - |
| | <u>1,135,756</u> | <u>1,233,307</u> |

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

Note 13. Other Liabilities

| | 2025 \$ | 2024 \$ |
|------------------------------|-------------------|-------------------|
| RADs and Accommodation Bonds | 31,116,880 | 31,777,243 |
| Resident Trust Account | 132,232 | 122,479 |
| | <u>31,249,112</u> | <u>31,899,722</u> |

The above RAD and Accommodation Bonds are repayable to the resident, their family or estate on the departure of the resident from the facility. The Entity does not have an unconditional right to defer settlement beyond 12 months from the date of the residents departure. Accordingly, the refundable contributions are presented as current liabilities.

The likelihood that all of the above RAD and Accommodation Bonds will be repaid within 12 months of balance date is low and the expected timing of the respective repayments are shown below.

| | 2025 \$ | 2024 \$ |
|---|-------------------|-------------------|
| Estimated repayments within 12 months of balance date | 9,075,000 | 8,658,000 |
| Estimated repayments after 12 months of balance date | 22,041,880 | 23,119,243 |
| | <u>31,116,880</u> | <u>31,777,243</u> |

Note 14. Auditors' Remuneration

| | 2025 \$ | 2024 \$ |
|------------------------------------|---------------|---------------|
| Remuneration of the auditor for: | | |
| - auditing of financial statements | 20,100 | 19,100 |
| | <u>20,100</u> | <u>19,100</u> |

Note 15. Employee Benefits

| | 2025 \$ | 2024 \$ |
|--------------------|------------------|------------------|
| CURRENT | | |
| Long service leave | 1,266,734 | 1,090,043 |
| Bonus provision | - | 59,742 |
| Annual leave | 2,407,048 | 2,030,111 |
| | <u>3,673,782</u> | <u>3,179,896</u> |
| NON-CURRENT | | |
| Long service leave | 253,008 | 247,121 |
| | <u>253,008</u> | <u>247,121</u> |

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

Note 16. Reserves

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

| | 2025 \$ | 2024 \$ |
|-----------------------------------|-------------------|-------------------|
| Asset revaluation reserve | | |
| Opening balance | 18,865,756 | 18,865,756 |
| Revaluation of land and buildings | 14,777,845 | - |
| | <u>33,643,601</u> | <u>18,865,756</u> |

Note 17. Financial Risk Management

| | 2025 \$ | 2024 \$ |
|---|-------------------|-------------------|
| Financial assets | | |
| Held at amortised cost | | |
| Cash and cash equivalents | 13,570,661 | 12,718,451 |
| Trade and other receivables | 729,794 | 977,444 |
| Term deposits | 2,726,790 | 2,617,750 |
| Fair value through profit or loss (FVTPL) | | |
| Investments in exchange traded funds | 22,419,000 | 19,893,443 |
| | <u>39,446,245</u> | <u>36,207,088</u> |
| Financial liabilities | | |
| Held at amortised cost | | |
| Trade and other payables | 1,135,756 | 1,233,306 |
| Other financial liabilities | 31,249,112 | 31,899,723 |
| | <u>32,384,868</u> | <u>33,133,029</u> |

Note 18. Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Entity is \$877,221 (2024: \$708,619).

Note 19. Contingencies

In the opinion of Council members, the Entity did not have any contingent liabilities at 30 June 2025 (30 June 2024: None).

In the opinion of Council members, the Entity did have a contingent asset at 30 June 2025 as follows. The Entity has lodged a Business Interruption Claim with its insurer totaling \$5,302,710 of which it has received \$3,066,252 up to the date of this report. The Entity will continue to pursue collection of the full outstanding claim amount being \$2,236,458 (\$1,000 excess).

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

Note 20. Related Parties

20a. The Entity's main related parties are as follows:

Key management personnel - refer to Note 18.

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

20b. Transactions with related parties

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

The Entity paid \$75,944 to the Anglican Diocese of North Queensland towards the St Matthews Annual Chaplaincy Grant and the cost of a Chaplain. Council member, Reverend Stephanie Patching, is engaged by the Anglican Diocese of North Queensland.

Note 21. Commitments

At balance date the company was in the process of completion of a residential building Grevillea. The total contracted sum for construction of the residential building is \$4,233,893. The total costs incurred to date is \$2,719,545. The remaining construction costs are estimated to be \$1,514,348 and completion of the construction project is expected to be by 19th November 2025.

Note 22. Events after the end of the Reporting Period

The financial report was authorised for issue on the date the responsible person's declaration was signed by the Council.

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

Note 23. Statutory Information

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

The Good Shepherd Homes Charitable Trust
565 University Road
Annandale QLD 4814

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

Note 24. Operating Segments

24a. Segment performance

| | Residential Aged Care | | Home Care (CHSP) | | Total | |
|-------------------------------------|-----------------------|------------------|------------------|-----------------|------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| REVENUE | | | | | | |
| Government subsidies | 26,900,308 | 22,609,715 | 469,977 | 450,152 | 27,370,285 | 23,059,867 |
| Finance income | 1,324,973 | 998,983 | - | - | 1,324,973 | 998,983 |
| Donations and contributions | 3,717 | 116,948 | - | - | 3,717 | 116,948 |
| Other income | 6,437,947 | 8,289,731 | - | - | 6,437,947 | 8,289,731 |
| Resident charges | 6,682,367 | 6,473,051 | 65,560 | 49,676 | 6,747,927 | 6,522,727 |
| EXPENSES | | | | | | |
| Depreciation expense | (1,547,520) | (1,588,661) | (8,028) | (9,090) | (1,555,548) | (1,597,751) |
| Insurance and building remediation | (507,773) | (149,833) | (56,419) | (37,458) | (564,192) | (187,291) |
| Auditors remuneration | (3,420) | (24,653) | (180) | (1,297) | (3,600) | (25,950) |
| Electricity | (919,890) | (737,458) | (48,415) | (38,814) | (968,305) | (776,272) |
| Motor vehicle expenses | (26,712) | (25,490) | (15,550) | (13,951) | (42,262) | (39,441) |
| Building repairs and maintenance | (184,926) | (933,136) | (5,770) | (29,078) | (190,696) | (962,214) |
| Wages and super (other) | (4,807,484) | (4,249,438) | (60,854) | (54,547) | (4,868,338) | (4,303,985) |
| Wages and super (care) | (19,952,554) | (17,378,541) | (218,606) | (215,042) | (20,171,160) | (17,593,583) |
| Wages and super (admin) | (2,318,711) | (2,294,307) | (29,350) | (27,529) | (2,348,061) | (2,321,836) |
| Employee on costs (excl super) | (1,689,204) | (1,206,791) | (15,668) | (12,763) | (1,704,872) | (1,219,554) |
| Catering | (1,498,370) | (1,404,500) | (30,579) | (43,500) | (1,528,949) | (1,448,000) |
| Other operating costs | (4,031,836) | (3,014,104) | (55,766) | (60,762) | (4,087,602) | (3,074,866) |
| Net profit/(loss) by segment | 3,860,912 | 5,481,516 | (9,648) | (44,003) | 3,851,264 | 5,437,513 |

24b. Segment assets

| | Residential Aged Care | | Home Care (CHSP) | | Total | |
|-------------------------------|-----------------------|-------------------|------------------|--------------|-------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| CURRENT | | | | | | |
| Cash and cash equivalents | 13,570,660 | 12,718,450 | - | - | 13,570,660 | 12,718,450 |
| Trade and other receivables | 727,342 | 974,568 | 2,452 | 2,876 | 729,794 | 977,444 |
| Inventories | 222,703 | 215,805 | - | - | 222,703 | 215,805 |
| Other assets | 646,917 | 791,733 | - | - | 646,917 | 791,733 |
| Financial assets | 25,145,731 | 22,511,193 | - | - | 25,145,731 | 22,511,193 |
| NON-CURRENT | | | | | | |
| Property, plant and equipment | 54,767,083 | 39,487,541 | - | - | 54,767,083 | 39,487,541 |
| Total segment assets | 95,080,436 | 76,699,290 | 2,452 | 2,876 | 95,082,888 | 76,702,166 |

The Good Shepherd Homes Charitable Trust

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Notes to the financial statements

For the year ended 30 June 2025

24c. Segment liabilities

| | Residential Aged Care | | Home Care (CHSP) | | Total | |
|----------------------------------|-----------------------|-------------------|------------------|---------------|-------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| CURRENT | | | | | | |
| Trade payables | 1,135,756 | 1,233,306 | - | - | 1,135,756 | 1,233,306 |
| Accommodation Bonds and RADs | 31,116,880 | 31,777,243 | - | - | 31,116,880 | 31,777,243 |
| Resident trust account | 132,232 | 122,479 | - | - | 132,232 | 122,479 |
| Employee benefits | 3,659,243 | 3,167,976 | 14,539 | 11,920 | 3,673,782 | 3,179,896 |
| NON-CURRENT | | | | | | |
| Employee benefits | 253,008 | 247,120 | - | - | 253,008 | 247,120 |
| Total segment liabilities | <u>36,297,119</u> | <u>36,548,124</u> | <u>14,539</u> | <u>11,920</u> | <u>36,311,658</u> | <u>36,560,044</u> |

The Good Shepherd Homes Charitable Trust

ABN: 33 905 968 687

Responsible persons' declaration

In the Council' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022*.



Responsible person

Dated 7/10/2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD SHEPHERD HOMES CHARITABLE TRUST

Opinion

We have audited the accompanying financial report, of The Good Shepherd Homes Charitable Trust ("the trust"), which comprises the statement of financial position as at Monday, 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion the financial report of the Company is in accordance with the *Division 60 of the Australian Charities and Not-for-profit Commission Act 2021 (ACNC Act)*, including:

- a) Giving a true and fair view of the Company financial position as at Monday, 30 June 2025 and of its performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards – Simplified Disclosures and the *Division 60 of the Australian Charities and Not-for-profit 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Council Members are responsible for the other information. The other information comprises the information included in the Trust's Annual Report, 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 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.

Council Members' Responsibilities for the Financial Report

The Council Members' of the Trust are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profit Commission Regulation and for such internal control as the Council Members' 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 Council Members' are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members' either intend to liquidate the Trust or to 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

PKF NORTH QUEENSLAND AUDIT

A handwritten signature in black ink, appearing to read 'Tim Follett', written over a light blue horizontal line.

TIM FOLLETT
PARTNER

7 October 2025
TOWNSVILLE