



GLENVIEW COMMUNITY SERVICES INC
FINANCIAL STATEMENTS
YEAR ENDING 30 JUNE 2011



Wise Lord & Ferguson



advice to advantage
Chartered Accountants

Independent auditor's report to the members of Glenview Community Services Inc.

We have audited the accompanying financial report of Glenview Community Services Inc. (the Association), which comprises the balance sheet as at 30 June 2011, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Board of Management's declaration.

The Board of Management's Responsibility for the Financial Report

The Association's Board of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and with the *Associations Incorporation Act (TAS)*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

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



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Partners: Peter Beven, Harvey Gibson, Danny McCarthy, Douglas Thomson,
Joanne Doyle, Stuart Clutterbuck, Ian Wheeler, Dean Johnson, Marg Marshall
Managers: Alicia Leis, Melanie Richardson, Nick Carter, Paul Lyons,
Simon Jones, Shaun Evans, Trent Queen

Independence

In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion the financial report of Glenview Community Services Inc. is in accordance with:

- (a) the *Associations Incorporation Act (TAS)*, including:
 - (i) giving a true and fair view of the financial position of Glenview Community Services Inc. at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (b) other mandatory financial reporting requirements in Australia.



J DOYLE
PARTNER
WISE LORD & FERGUSON

Date: 6th September 2011

Statement and Certificate: User Rights Principles

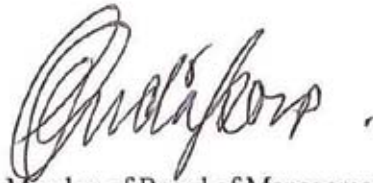
In accordance with Section 11 of the User Rights Principles Amendment (No 7) 1997, I state on behalf of Glenview Community Services Inc that:

- a) care recipients' accommodation bond balances required to be repaid during the year have been repaid in accordance with the Act; and
- b) Glenview can repay liabilities, for accommodation bond balances in accordance with the Act, that can be expected to fall due in the following financial year; and
- c) Glenview has, throughout the year, had enough insurance to cover losses arising from fraud, loss of earnings, fire, flood, or other reasonably insurable events that may affect the ability of Glenview to refund accommodation bond balances.

On behalf of the Board of Directors of Glenview Community Services Inc, I approve this statement and certify its accuracy.



Chairman of Board of Management
Mr Glenn Ward



Member of Board of Management
Mr Craig Andrikonis

Audit Certificate

In our opinion, Glenview Community Services Inc has complied with the requirements of Section 11 of the User Rights Principles Amendment (No 7) 1997 for the year ended 30 June 2011.



J DOYLE
Registration Number:
WISE LORD & FERGUSON
CHARTERED ACCOUNTANTS

Dated: 5th September 2011

Statement by the Board of Management

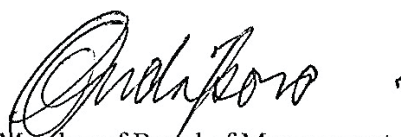
In the opinion of the members of the Board of Management of Glenview Community Services Inc:

1. The accompanying financial statements present fairly the financial performance of Glenview Community Services Inc. for the twelve months ended 30th June 2011 and financial position of Glenview Community Services Inc. as at 30th June 2011.
2. The financial statements are prepared in accordance with Associations Incorporations Act (Tas).
3. At the date of this statement there are reasonable grounds to believe that Glenview Community Services Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Management.



Chairman of Board of Management
Mr Glenn Ward



Member of Board of Management
Mr Craig Andrikonis

Dated: 5/9/11

Statement of Comprehensive Income for the year ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Revenue			
Government funding	1.4 (a), 3.1	7,210	6,769
Interest from accommodation bonds	1.4 (b), 3.2	208	129
Grants	1.4 (c), 3.3	9	23
User charges	1.4 (d), 3.4	1,637	1,557
Rental income	1.4 (f), 3.5	112	106
Interest revenue - other	1.4 (e), 3.7	137	97
Other revenue	1.4 (h), 3.8	144	116
Drawdowns / retentions	1.4 (i), 3.9	344	289
Total revenue		9,801	9,086
Expenses			
Employee entitlements	1.5 (a), 4.1	4,975	4,957
Depreciation	1.5 (b), 4.2	641	640
Loss on disposal of non-current assets	1.4 (g), 3.6	12	19
Other expenses	1.5 (d), 4.3	3,384	2,987
Total expenses		9,012	8,603
TOTAL OPERATING RESULT		789	483
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		789	483

Balance Sheet as at 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Assets			
Current assets			
Cash and cash equivalents	1.6 (a), 5.1	4,618	5,728
Receivables	1.6 (b), 5.2	349	489
Accrued income	1.6 (c), 5.3	213	67
Other current assets	1.6 (d), 5.6	204	13
Total current assets		5,384	6,297
Non current assets			
Property, plant, equipment and vehicles	1.6 (e) 5.4	16,078	14,785
Total non current assets		16,078	14,785
Total assets		21,462	21,082
Liabilities			
Current liabilities			
Employee entitlements	1.7 (c), 6.1	494	478
Payable	1.7 (a), 6.2	489	404
Other current liabilities	1.7 (d), 6.3	4,647	5,135
Total current liabilities		5,630	6,017
Non-current liabilities			
Employee entitlements	1.7 (c), 6.1	146	168
Total non-current liabilities		146	168
Total liabilities		5,776	6,185
Net assets		15,686	14,897
Equity			
Accumulated funds		13,454	12,192
Commonwealth capital grant		1,225	1,225
Entry contribution retention funds		1,007	1,480
Total equity	8.1	15,686	14,897

Statement of Cash Flows for the year ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities			
Cash inflows			
Government funding		7,235	6,768
Grants		9	23
Receipts from residents		1,529	1,618
Rental income		112	106
Interest received - other		355	184
Other cash receipts		144	101
Other cash receipts - Accommodation Charges		185	146
Total cash inflows		9,569	8,946
Cash outflows			
Employee payments		(4,981)	(5,102)
Borrowing costs		-	(6)
Other cash payments (suppliers)		(3,589)	(2,906)
Total cash outflows		(8,570)	(8,014)
Net cash from (used by) operating activities	10.2	999	932
Cash flows from investing activities			
Cash inflows			
Gross proceeds from the disposal of non-current assets		79	75
Total cash inflows		79	75
Cash outflows			
Payments for acquisition of non-current assets		(2,025)	(574)
Decrease /(Increase) in investments		835	(1,442)
Total cash outflows		(1,190)	(2,016)
Net cash from (used by) investing activities		(1,111)	(1,941)
Cash flows from financing activities			
Cash inflows			
Entry bonds received		825	2,128
Total cash inflows		825	2,128
Cash outflows			
Entry bonds refunded		(988)	(632)
Deeming Funds		-	(100)
(Decrease) /Increase in commercial bill		-	-
Total cash outflows		(988)	(732)
Net cash from (used by) financing activities		(163)	1,396
Net increase (decrease) in cash held		(275)	387
Cash at the beginning of the reporting period		442	55
Cash at the end of the reporting period	5.1 (a)	167	442

Statement of Changes in Equity for the year ended 30 June 2011

	Accumulated results \$'000	C'With Capital Grant \$'000	Entry Contribution Retention \$'000	Total \$'000
As at 30 June 2009	11,852	1,225	1,337	14,414
Surplus for year	483	-	-	483
Transfer to entry contribution retention	(143)	-	143	-
As at 30 June 2010	12,192	1,225	1,480	14,897
Surplus for year	789	-	-	789
Transfer to entry contribution retention	473	-	(473)	-
As at 30 June 2011	13,454	1,225	1,007	15,686

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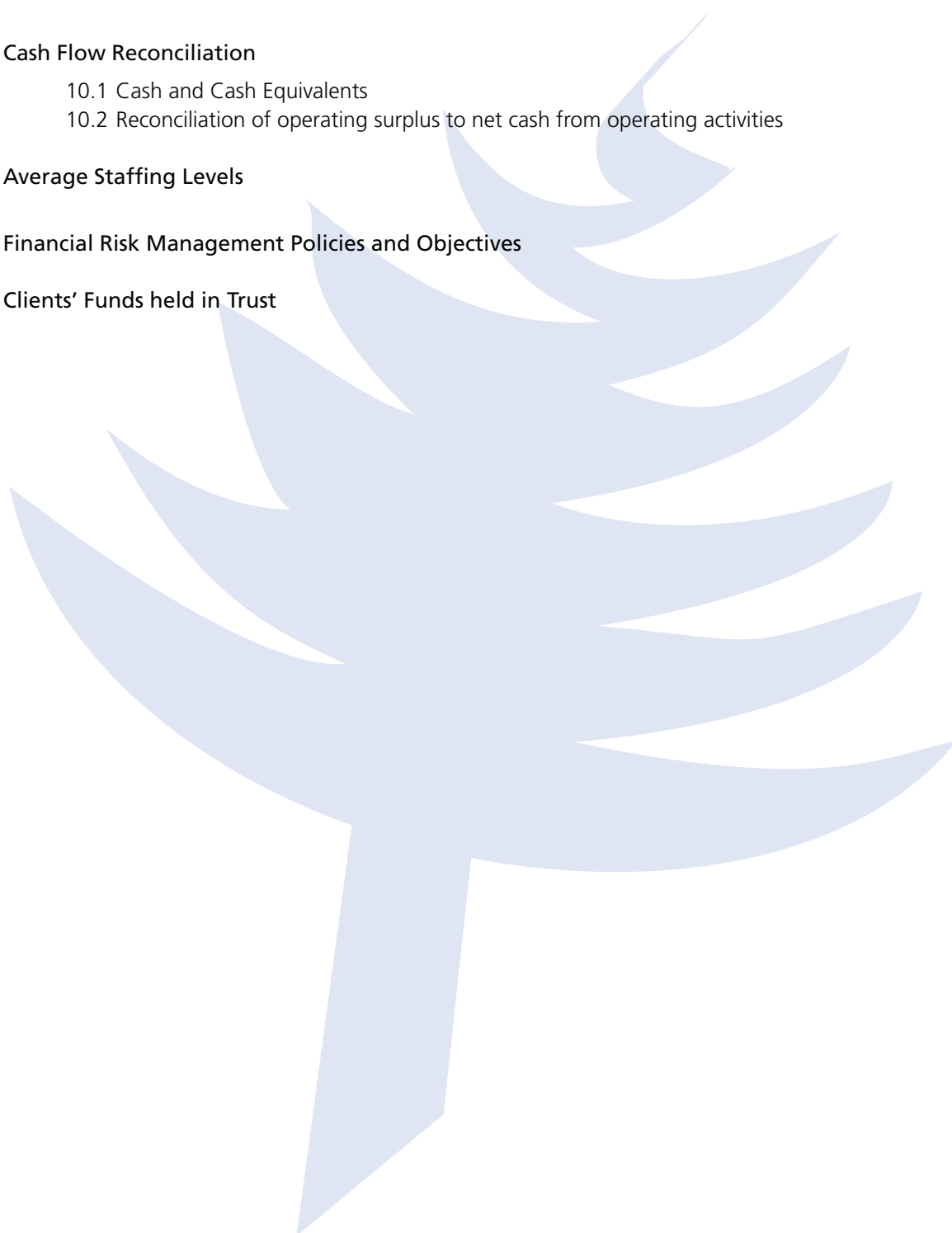
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Note 1 Significant Accounting Policies

1.1 Objectives and Funding

Glenview Community Services Inc. is a body established by the Tasmanian Associations Incorporation Act 1964 with the basic objectives to be carried out in accordance with Christian principles and teachings of:

- (a) providing knowledge and skilled assistance to those whose ability to perform activities of daily living is diminished, by virtue of age or disability; and
- (b) promoting the dignity and spiritual, physical and emotional wellbeing of each person giving and receiving care.

The organisation is predominantly funded by the Commonwealth Government. With this funding Glenview provides the following services, which may include a fee for service or other client contribution:

- Residential Care includes residents' personal care, respite care, palliative care, therapy, catering, domestic services, general property and cultural and spiritual support. This division includes all the structures based at 2-10 Windsor Street, Glenorchy, known as Barrett, Hudspeth, Maynard, St Johns, Allwright Lockley and Thirkell.
- Community Services which covers all community based services for people needing assistance to remain in their own homes. These programs include Community Aged Care Packages (CACP), Extended Aged Care at Home (EACH), EACH Dementia packages (EACHD) and include domestic, personal care, shopping and gardening services. Day Centre (Banksia/Night Owls), Day Respite (Bisdee House), Mens Shed Day Centre, private gardening and personal care services for external clients, along with any other community based services which may be developed as required by Glenview to support the community. During 2010/2011 this included the Glenview Interim Care program, an agreement with DHHS to accommodate and provide services to non-acute hospital patients awaiting discharge from hospital.
- Property Holdings which incorporates the 10 units, known as Glenview Close for self supported residents , four properties available for private rental, and the Korongee site for future retirement village development.

The financial statements encompass all funds through which the organisation controls resources to carry on its functions.

1.2 Basis of Accounting

The financial statements are a general purpose financial report and have been prepared in accordance with the Australian Accounting Standards, except AASB 124 Related Party Disclosure as it relates to Directors & Key Management Personnel Remuneration. Other mandatory professional reporting requirements have also been complied with including authoritative announcements of the Australian Accounting Standards Board and the requirements of the Tasmanian Associations Incorporation Act 1964.

The financial statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention.

1.3 Clients' Funds held in Trust

All transactions relating to activities undertaken by Glenview in a trust or fiduciary (agency) capacity do not form part of the organisation's financial statements. Therefore all transactions and balances relating to a trustee or agency arrangement are not recognised as organisational revenues, expenses, assets or liabilities. The only transactions currently conducted by Glenview in a trust or agency capacity relate to clients' funds. Details of these transactions are provided in Note 13.

1.4 Revenue

Revenues are recognised in the Statement of Comprehensive Income to the extent that it is probable that the economic benefits will flow to Glenview and the revenue can be measured reliably.

a) Government Funding

Commonwealth subsidies are recognised as revenues in the period in which the organisation gains control of the appropriated funds, except for any amounts identified as carried forward in Note 3.1.

b) Interest from Bonds

Interest from investment of Residential Accommodation Bonds is recognised as it accrues.

c) Grants

Grants are recognised as revenue when the organisation gains control of the underlying assets. Where grants are conditional revenue is recognised as performance occurs under the grant. Non-conditional grants are recognised as revenue when the grant is received or receivable.

d) User Charges

Residential Client fees and charges are due and payable in advance, accounts are issued on the first day of each new month.

Revenue from other Fees and Charges is recognised upon the first occurrence of either:

- receipt by the organisation of self-assessed fees; or
- the time the obligation to pay arises, pursuant to the issue of an account.

Amounts earned in exchange for the provision of goods and services are recognised when the good or service is provided.

Interest may be charged on certain types of outstanding amounts.

e) Interest Revenue - Other

Interest revenue from Glenview Investment Funds is recognised as it accrues.

f) Rental Income

Glenview owns four residences which are under management by an external provider generating rental income.

Rental Income is recognised on receipt of cash transfer from the property manager at the end of each calendar month.

Services and maintenance charges are payable by residents of the Independent Living Units (ILU's) in Glenview Close. The revenue generated from these charges has been reported as rental income for the purpose of these Financial Statements.

g) Gross Proceeds from the Disposal of Assets

Revenue from the sale of non-current assets is recognised when control of the asset has passed to the buyer.

h) Other Revenue

Revenue from cash sales is recognised when received.

i) Accommodation Bond Drawdown / Retentions

Amounts received from Accommodation Bond Drawdowns and Retentions are recognised at the time control of the funds is transferred to the organisation.

1.5 Expenses

Expenses are recognised in the Statement of Comprehensive Income when it is probable that the consumption or loss of future economic benefits resulting in a reduction in assets and/or an increase in liabilities has occurred and the consumption or loss of future economic benefits can be measured reliably.

a) Employee Entitlements

Employee entitlements include entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and other post-employment benefits.

b) Depreciation

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential.

Land, being an asset with an unlimited useful life, is not depreciated.

Depreciation is provided for on a straight line basis on all items, using rates which are reviewed annually.

Major depreciation periods are:

- Buildings, improvements & additions 40 years
- Motor vehicles 5 - 10 years
- Furniture, fittings & equipment 3 - 10 years

Non-current assets are not carried at an amount above their recoverable amount, and where a carrying value exceeds this recoverable amount, the asset is written down. A revaluation decrement is recognised as an expense in the Statement of Comprehensive Income except to the extent that the decrement reverses a revaluation increment previously credited to and still included in the balance of an Asset Revaluation Reserve in respect of the same class of asset. In this case, it is debited direct to the revaluation reserve.

c) Grants and Subsidies

Grants are recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when the organisation has a binding agreement to receive the grant but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a liability is recognised.

Some Grants Terms and Conditions create a liability to repay the grant, (or an amount 'equivalent in value') in the event of the organisation ceasing to be an eligible organisation or failing to meet the terms and conditions of the grants.

d) Other Expenses from Ordinary Activities

Expenses from other activities are recognised when a liability is incurred.

e) Interest Payable on Refunded Bonds

Where a bond is due for refund interest accrues on the value of the refund, to be paid on the date of refund.

In the 2008/09 Financial Statements this interest expense was reported under Finance Costs. This expenses is now reported as Interest Payable on Refunded Bonds under Other Expenses.

f) Finance Costs Expense

All borrowing costs are expensed as incurred, except to the extent that they are directly attributable to qualifying assets, in which case they are capitalised.

Finance costs include:

- interest on bank overdrafts and short term and long term borrowings;
- amortisation of discounts or premiums related to borrowings;
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings; and
- finance lease charges.

1.6 Assets

Assets are recognised in the Balance Sheet when it is probable that the future economic benefits embodied in the asset will eventuate and the asset possesses a cost or other value that can be measured reliably.

a) Cash and Cash equivalents

Cash means notes, coins, any deposits held at call with a bank or financial institution and short term deposits with an original maturity date of three months or less. Deposits are recognised at their nominal amounts and interest is credited at current market rates to revenue as it accrues.

b) Receivables

Receivables are recognised at the nominal amounts that are due for settlement. Collectability of receivables is reviewed monthly. Debts which have been investigated and pursued but determined to be uncollectable are submitted to the Chief Executive Officer or Director of Corporate Services for approval to be forwarded to a debt collection agency. Where debts become unrecoverable on advice from the debt collection agency they are submitted to the Chief Executive Officer or Director of Corporate Services for approval to be written off. An estimate for doubtful debts is made when collection of the full amount is no longer probable.

c) Accrued Income

An asset is recognised when Glenview has a right to receive the funds.

d) Other Assets

Other assets are recognised when the right to receive a benefit is certain and can be reliably measured.

e) Property, Plant, Equipment and Vehicles

(i) Valuation basis

All non-current physical assets have been recorded at historic cost.

(ii) Asset recognition threshold

The asset capitalisation threshold adopted by the organisation is \$1,000.

Assets valued at less than \$1,000 may be capitalised where they form part of a group of similar or related items procured as part of a larger project.

f) Recoverable Amount of Assets

At each reporting date, the organisation assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the organisation makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

1.7 Liabilities

Liabilities are recognised in the Balance Sheet when it is probable that the future sacrifice of economic benefits will be required and the amount of the liability can be measured reliably.

a) Payables

Payables, including goods received and services incurred or committed but not yet invoiced, are recognised when the organisation becomes obliged to make future payments as a result of a purchase or ordering of assets or services. Creditors and accruals are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced). Settlement is usually made within 15-30 days from date of invoice, dependent on the provider's account settlement terms.

b) Interest Bearing Liabilities

Bank loans and other loans are recorded at current cost (book value). Interest is charged as an expense as it accrues.

Discounts and premiums are amortised over the life of the related financial instrument on the basis of yield at purchase, with the amortisation being taken to the Statement of Comprehensive Income as part of borrowing costs.

c) Provisions for Employee Entitlements

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date.

Liabilities that are expected to be settled within twelve months of the reporting date and are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefits liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

d) Other Liabilities

Entry Contributions and Accommodation Bonds retained are refundable in accordance with current aged care legislation.

1.8 Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Glenview only has operating leases covering photocopiers.

The minimum lease payments of operating leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line basis.

1.9 Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation in these financial statements, where necessary.

1.10 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. Where the result of expressing amounts to the nearest thousand dollars would result in an amount of zero, the financial statements will contain a note expressing the amount to the nearest whole dollar.

1.11 Organisational Taxation

The organisation is exempt from all forms of taxation except Fringe Benefits Tax (FBT), Goods and Services Tax (GST) and Pay As You Go Tax (PAYG).

In the Statement of Cash Flows, the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

1.12 Adoption of New and Revised Accounting Standards

The organisation has adopted all new and revised Accounting Standards and Interpretations in the current year. No changes to standards and Interpretations which impact the Financial Statements are as follows:

The following Standards and Interpretations which have been issued by the AASB that may affect the organisation are yet to be applied:

- AASB 9 Financial Instruments: Effective 1 July 2013. Includes requirements for the classification and measurement of financial instruments and will not have a financial impact on the financial statements.
- AASB 1053 Application of Tiers of Australia Accounting Standards: Effective 1 July 2013. Provides for reduced disclosure requirements for some entities preparing general purpose financial statements. It appears that the Federal Government reporting requirements will be unchanged for Aged Care facilities.
- AASB 1054 Australian Additional Disclosures: Effective 1 July 2011. This standard changes some Australian specific disclosures as a result of the Trans-Tasman Convergence Project.

Note 2 Events Occurring After Balance Date

No matters or circumstances have arisen since the end of the financial year which significantly affect the operations or the financial position of the organisation.

Note 3 Revenue

	2011 \$'000	2010 \$'000
3.1 Government Funding		
Commonwealth		
Subsidies	6,165	2,759
Supplements	436	311
Other funding	-	2,945
State Funding		
Subsidies	286	272
Other funding	323	482
Total	7,210	6,769
3.2 Interest from Bonds	208	129
3.3 Grants	9	23
3.4 User Charges		
Resident fees	1,419	1,358
Community care income	218	199
Total	1,637	1,557
3.5 Rental Income	112	106
3.6 Disposal of Non-current Assets		
Loss on disposal of non-current Assets	(12)	(19)
3.7 Interest Revenue - Other	137	97
3.8 Other Revenues		
Sale of meals	20	24
Donations & bequests	6	8
Sundry income	118	84
Total	144	116
3.9 Drawdown / Retentions		
ILU ingoing contribution drawdowns	35	44
Accommodation charges	185	146
Accommodation bond retentions	124	99
Total	344	289

Note 4 Expenses

	2011 \$'000	2010 \$'000
4.1 Employee Entitlements		
Wages and salaries	4,028	3,904
Annual leave	373	383
Long service leave	37	80
Sick leave	113	144
Superannuation	386	389
Other employee expenses - <i>Uniforms, etc.</i>	38	57
Total	4,975	4,957
4.2 Depreciation		
Motor vehicles	67	64
Buildings	430	430
Furniture & fittings	144	146
Total	641	640
4.3 Other Expenses		
Workers compensation premiums	136	93
Contractors	1,296	1,228
Personal care	203	200
Catering	419	387
Domestic services	34	34
General property	331	322
Gardening & maintenance	214	223
Motor vehicles	41	44
Administration	581	392
Training & recruitment	123	58
Interest payable on refunded bonds	6	6
Total	3,384	2,987

Note 1.5 (e)

Note 5 Assets

5.1 Cash and Cash Equivalents

	2011	2010
	\$'000	\$'000
a) Cash and Cash at Bank		
This represents the balance of accounts held on hand and in bank accounts, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.		
	<u>167</u>	<u>442</u>
b) Other Cash Held		
This represents the balance of longer term cash accounts excluding those accounts which are administered or held in a trustee capacity or agency arrangement.		
Term deposits	4,349	5,184
Deeming account	102	102
Total	<u>4,451</u>	<u>5,286</u>
Total Cash & Deposits	<u><u>4,618</u></u>	<u><u>5,728</u></u>

5.2 Receivables

Fees and charges	135	27
Other receivables	214	462
Total	<u>349</u>	<u>489</u>

5.3 Accrued Income

Accrued interest	32	42
Accrued income - other	181	10
Workers compensation claim discount & refund	-	15
Total	<u>213</u>	<u>67</u>

5.4 Property, Plant, Equipment and Vehicles

	2011	2010
	\$'000	\$'000
Land		
Residential care	refer note (a)	1,535
Property Holdings	1,886	134
Total	<u>3,421</u>	<u>1,669</u>
Work in Progress	refer note (b)	<u>318</u>
Buildings, improvements & additions		
Residential care	15,356	15,287
Community care programs	196	196
Property Holdings	1,596	1,596
Corporate services	152	152
Less: Accumulated depreciation	(5,606)	(5,174)
Total	<u>11,694</u>	<u>12,057</u>

Motor vehicles		
Residential care	157	168
Community care programs	215	215
Corporate services	98	98
Less: Accumulated depreciation	(178)	(169)
Total	292	312
Furniture, fittings & equipment at cost		
Residential care	2,689	2,467
Community care program	21	21
Property Holdings	43	43
Corporate services	207	207
Less: Accumulated depreciation	(2,439)	(2,309)
Total	521	429
Total Property, Plant, Equipment and Vehicles	16,078	14,785

- (a) The Commonwealth Bank of Australia hold an interest in the Certificate of Title Volume 248223 Folio 1 (2-10 Windsor Street) as security against Mortgage No. C367256 and a registered Bill of Sale over assets and undertaking of Glenview. This account is active with a nil balance owing.
- (b) **Retirement Village Development (Korongee)**
 Planning for development of Korongee Village was significantly progressed during the year. Settlement for purchase of the 1.46Ha parcel of land adjoining the site, previously owned by Telstra, occurred on 15th June 2011. To date all expenses associated with development of Korongee Village have been met from internal funds.

5.5 Reconciliation of Non-current Physical Assets

Reconciliations of the carrying amounts of each class of Property, Plant, Equipment and Vehicles at the beginning and end of the current and previous financial year are set out below.

	Freehold land \$'000	Work in Progress \$'000	Buildings, improvements & additions at cost \$'000	Motor vehicles \$'000	Furniture fittings & equipment at cost \$'000	Total \$'000
2011						
At 1st July 2010 Net of Accumulated depreciation	1,669	318	12,057	312	429	14,785
Additions / transfers	1,752	(168)	67	138	236	2,025
Depreciation expense	-	-	(430)	(67)	(144)	(641)
Sales/Consideration	-	-	-	(83)	-	(83)
Surplus or loss on Disposals	-	-	-	(8)	-	(8)
At 30th June 2011 - Net of Accumulated depreciation	3,421	150	11,694	292	521	16,078

	Freehold land \$'000	Work in Progress \$'000	Buildings, improvements & additions at cost \$'000	Motor vehicles \$'000	Furniture fittings & equipment at cost \$'000	Total \$'000
2010						
At 1st July 2009 Net of Accumulated depreciation	1,669	53	12,448	309	443	14,922
Additions	-	265	39	161	132	597
Depreciation expense	-	-	(430)	(64)	(146)	(640)
Sales/Consideration	-	-	-	(75)	-	(75)
Surplus or loss on Disposals	-	-	-	(19)	-	(19)
At 30th June 2010 - Net of Accumulated depreciation	1,669	318	12,057	312	429	14,785

5.6 Other Assets

	2011 \$'000	2010 \$'000
Prepayments	204	13
Total	204	13

Note 6 Liabilities

	2011 \$'000	2010 \$'000
6.1 Employee Entitlements		
Accrued salaries	58	39
Annual leave	370	351
Long service leave	212	256
Total	640	646
Current	494	478
Non-current	146	168
Total	640	646
6.2 Payables		
Accrued expenses	104	39
Creditors	385	365
Total	489	404
6.3 Other Liabilities		
GST collected	6	-
Accommodation bonds	3,400	4,133
Independent living unit ingoing contributions	1,058	895
Deeming account	100	100
Other accounts	83	7
Total	4,647	5,135
6.4 Schedule of Commitments		
2011	2010	
By Maturity	\$'000	\$'000
<i>Operating lease commitments</i>		
One year or less	23	9
Five years or less	24	28
Total	47	37

The organisation currently leases 4 photocopier units.

6.5 Schedule of Unquantifiable Contingencies

At 30 June 2011 the organisation is not aware of any claims or contingencies.

Note 7 Segment Reporting

7.1 Income & Expenditure

		2011 \$'000	2010 \$'000	
Residential Aged Care	OPERATING REVENUE			
	Commonwealth subsidies	3,840	3,519	
	Resident charges	1,486	1,426	
	Commonwealth grants	9	6	
	Bond retentions	123	99	
	Interest income	208	129	
	Other revenue	264	212	
	TOTAL	5,930	5,391	
	OPERATING EXPENSES			
	Wages & superannuation - care	1,386	2,321	
	Wages & superannuation - administration	231		
	Wages & superannuation - other	2,007	953	
	Management Fees	793	733	
Depreciation & amortisation	582	581		
Interest expense	6	6		
Other expenses	1,105	1,040		
TOTAL	6,110	5,635		
	NET OPERATING RESULT	(180)	(244)	
Community Services	OPERATING REVENUE			
	Commonwealth subsidies	2,939	2,945	
	Other revenue	278	244	
	TOTAL	3,217	3,189	
	OPERATING EXPENSES			
	Wages & superannuation - care	2,181	2,404	
	Other expenses	869	820	
	TOTAL	3,050	3,224	
		NET OPERATING RESULT	167	(35)
	Property Holdings	OPERATING REVENUE		
Other revenue		147	149	
TOTAL		147	149	
OPERATING EXPENSES				
Other expenses		289	131	
TOTAL		289	131	
		NET OPERATING RESULT	(142)	18

Corporate Services	OPERATING REVENUE		
	Commonwealth subsidies	431	310
	Other revenue	1,644	1,509
	TOTAL	2,075	1,819
	OPERATING EXPENSES		
	Staff costs	658	720
	Other expenses	472	356
	TOTAL	1,130	1,076
	NET OPERATING RESULT	945	743
	TOTAL COMBINED OPERATING RESULT	789	483

7.2 Assets & Liabilities

	2011 \$'000			2010 \$'000		
	Total	Residential Aged Care	Other	Total	Residential Aged Care	Other
Current Assets	5,384	3,262	2,122	6,297	3,744	2,553
Non-Current Assets	16,078	12,088	3,990	14,785	12,493	2,292
Total Assets	21,462	15,350	6,112	21,082	16,237	4,845
Current Liabilities	5,630	4,109	1,521	6,017	4,721	1,296
Non-Current Liabilities	146	88	58	168	100	68
Total Liabilities	5,776	4,197	1,579	6,185	4,821	1,364
Net Assets	15,686	11,153	4,533	14,897	11,416	3,481

	2011 \$'000			2010 \$'000		
	Total	Residential Aged Care	Other	Total	Residential Aged Care	Other
Accommodation Bond Liabilities Total Segment Borrowings	3,400	3,400	-	4,133	4,133	-
	-	-	-	-	-	-

Note 8 Equity and Movements in Equity

8.1 Reconciliation of Equity

2011	Accumulated funds \$'000	C'With Capital Res \$'000	Entry Cont Retention \$'000	Total Equity \$'000
Balance at 1 July 2010	12,192	1,225	1,480	14,897
Net surplus/deficit	789	-	-	789
Transfer to entry contribution retention	473	-	(473)	-
Balance at 30 June 2011	13,454	1,225	1,007	15,686
2010	Accumulated funds \$'000	C'With Capital Res \$'000	Entry Cont Retention \$'000	Total Equity \$'000
Balance at 1 July 2009	11,852	1,225	1,337	14,414
Net surplus/deficit	483	-	-	483
Transfer to entry contribution retention	(143)	-	143	-
Balance at 30 June 2010	12,192	1,225	1,480	14,897

a) **Nature and purpose of reserves**
Commonwealth Capital Reserve

This has been established to reserve all amounts provided by the Commonwealth towards capital works.

Entry Contribution

The Entry Contribution Retention is used to reserve retention monies which are to be applied towards capital works.

Note 9 Related Party Disclosures

a) The members of Glenview Community Services Inc. Board during the financial year were:

Mr. Glenn Ward	Chairman
Mr. Craig Andrikonis	Vice-Chairman
Mr. Craig Doherty	
Mr. Scott Lancaster	
Mr. Luppo Prins	
Ms. Rosemary Rushton	
Dr. Michael Salter	
Mr. Tim Swifte	
Mr. Iain Weir	

b) The following related party transactions occurred during the financial year:

- (i) Pharmaceuticals were purchased from Amcal Pharmacy (Moonah) under normal commercial terms and conditions. Quotations for the provision of this service are requested and evaluated every 3 years.
- (ii) Consultants and other suppliers are appointed, as required, subject to an evaluation being undertaken to determine best available supplier to suit the organisation's requirements.

There are no loans owed by members of the Board to the organisation.

Note 10 Cash Flow Reconciliation

10.1 Cash and Cash Equivalents

	2011	2010
	\$'000	\$'000
	167	442

The definition of cash can be found at Note 1.6 (a) and is referenced at Note 5.1.

10.2 Reconciliation of operating surplus to net cash from operating activities

	2011	2010
	\$'000	\$'000
Net operating surplus (deficit)	789	483
Non-Cash Items	-	-
Depreciation	641	640
Loss on sale of non-current assets	12	19
Retention fee on entry contributions	(159)	(143)
Changes in assets and liabilities		
Decrease (increase) in receivables	(108)	61
Decrease (increase) in accrued revenue	(146)	(67)
Decrease (increase) in GST assets	-	33
Decrease (increase) in prepayments	(191)	(3)
Increase (decrease) in employee entitlements	(6)	(112)
Increase (decrease) in accrued expenses	65	(28)
Increase (decrease) in payables/creditors	20	112
Increase (decrease) in other liabilities	82	(63)
Net cash from (used by) operating activities	999	932

Note 11 Average Staffing Levels

	2011	2010
	FTE	FTE
Average full time equivalent employees for the 2010/2011 Financial Year	86.38	80.5
The number of employees of the organisation as at 30 June 2011	122	

Note 12 Financial Risk Management Policies and Objectives

The organisation's principal financial instruments comprise cash and short-term deposits, receivables, payables and interest bearing liabilities. The main risks arising from these financial instruments are credit risk, interest rate risk and liquidity risk. Ultimate responsibility for the management of these risks rests with the Board of Management.

a) Credit risk exposures

Credit risk is the risk that a counterparty will default on repayment and arises from the organisation's financial assets of cash and cash equivalents and receivables. The organisation's maximum exposure to credit risk at reporting date is the carrying amount of those assets as presented in notes 5.1 and 5.2 respectively. Cash equivalents are invested with institutions approved by the Board of Management. Receivables are reviewed on an ongoing basis and defaults are historically low. Credit risk is therefore deemed to be minimal.

b) Interest rate risk

Interest rate risk arises from the organisation's cash equivalents and interest bearing liabilities held at variable interest rates. The exposure to interest rate risk arising from these financial instruments at reporting date is set out in notes 5.1 and 6.3 respectively. Cash equivalents are invested with, and borrowings made from, institutions approved by the Board of Management. Performance is monitored by the Audit Committee and reported to the Board of Management, generally on a monthly basis. An increase in interest rates of 0.25% would have increased the Total Operating Surplus by \$12,737, a decrease of 0.25% would have the opposite effect.

c) Liquidity Risk

The organisation principally manages liquidity risk by maintaining adequate levels of cash and short-term cash deposits in institutions approved by the Board of Management in order to meet operational funding requirements. It also has access to banking facilities and continuously monitors forecast and actual cash flows.

The contractual maturities of the organisation's financial instruments are:

2011	1 - 30 days	1 - 12 months	1 to 5 Years
Financial Assets	\$'000	\$'000	\$'000
Cash	167	-	-
Cash held in term deposits	-	4,451	-
Receivables	349	-	-
Total Financial Assets	516	4,451	-
Financial Liabilities			
Payables	489	-	-
Interest bearing liabilities	-	-	-
Total Financial Liabilities	489	-	-
Net Maturity	27	4,451	-

2010	1 - 30 days	1 - 12 months	1 to 5 Years
Financial Assets	\$'000	\$'000	\$'000
Cash	442	-	-
Cash held in term deposits	-	5,286	-
Receivables	489	-	-
Total Financial Assets	931	5,286	-
Financial Liabilities			
Payables	404	-	-
Interest bearing liabilities	-	-	-
Total Financial Liabilities	404	-	-
Net Maturity	527	5,286	-

d) Net Fair Values of Financial Assets and Liabilities

All financial assets and liabilities recorded in the Balance Sheet, including cash, short-term deposits, trade receivables, borrowings and payables are recorded at fair value, being their nominal amount, due to their short-term to maturity. All interest, impairment and other gains and losses are recorded in the Statement of Comprehensive Income. They are designated as fair value through profit and loss under AASB 139 Financial Instruments. They are classified under the Level 1 hierarchy of AASB 7 Financial Instruments: Disclosures as their values can be obtained direct from quoted market prices.

Note 13 Clients' Funds held in Trust

	2011	2010
	\$'000	\$'000
Opening Balance	148	179
Net Movement	(13)	31
Resident's Trust Closing Balance	161	148

As part of the services offered by Glenview, monies are held in trust for the residents of Glenview. Glenview's responsibility includes both custodial responsibility of the funds and also the responsibility to manage and make payments and deposits on behalf of residents. These monies are held in separate bank accounts and administered through separate ledger accounts. Due to these monies belonging to residents of Glenview, the transactions are not recognised in the financial statements.