



financial statements

AS AT 30 JUNE 2013

Westmont Aged Care Services Limited
A.C.N. 112 051 457

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Director's Report

The Directors present their report with the financial report of Westmont Aged Care Services Limited for the period ended 30 June 2013 and the auditor's report thereon.

Directors

The names of the Directors of Westmont Aged Care Services Limited at any time during or since the end of the financial year are:

Name and Qualifications	Age	Experience and Special Responsibilities
Raymond Henry Snell	63	Director & Chairman since 2004 Director & Chairman Huon Properties Pty Ltd 25 years - current Director & Chairman Snell Management Services Pty Ltd 26 years - current Director & Chairman Snell Superannuation Pty Ltd 15 years - current.
Andrew McArthur Williams Bachelor of Laws	61	Director since 2004, Deputy Chairman since 2008. Past Director Kell Moore Solicitors Pty Ltd 30 years ongoing private legal practice
Suzanne Mary Cardwell Registered Nurse (Division 1), Dip. CHN Bachelor of Health Administration Registered Reflexologist	68	Resigned from Westmont Board October 2012. Director & Company Secretary 2004 to 2012. 47 years clinical and management experience in acute, community and aged care. 8 years as consumer advocate. Own reflexology business.
Kevin Francis Bascomb B. Ec Grad. Dip. Bus.Admin. Dip. Bus. (Int. Trade)	62	Director since 2007 Director Quercus Marketing, specialising in regional economic development issues including tourism destination management and marketing
John Dunstan Bachelor of Engineering Master of Business Administration	68	Director since 2006 39 years experience in managing civil construction.
Eleanor Leoni Fitz Master Degree Business (HM) Grad. Dip.Ed.Admin, Dip. App. Sc Food Services Teaching Certificate Work Place Trainer Certificate UK Trade Certificates Catering Management	69	Director since 2004 37 years Educational and Business Management experience Honorary Associate La Trobe University Food Services – Aged Care Consultant Business Partner Transport Services
Trevor McLean Bachelor of Commerce, Dip. Financial Planning, FCPA, FAICD	70	Director since 2009, Deputy Chairman since 2012 Managing Director, MAPS Group Ltd 11 years; Director Finance & Treasury, City of Melbourne 9 years Money Broker, ANZ McCaughans 2 years Assistant Treasurer Australia Post 3 years Australian Defence Forces 9 years Adviser in Vietnam 1 year

Director's Report

Name and Qualifications	Age	Experience and Special Responsibilities
Margaret Irene Schubert	60	Director since 2004 Member of the Vermont Court Elderly People's Hostel Board of Management for varying periods 1985 – 2004 Australian Public Service-Department of Defence 4 years Small business owner 4 years Electorate Officer to State and Federal Members of Parliament for 24 years
Neville Gordon Seymour	74	Director since 2004. Deputy Chairman 2004 – 2008 21 years experience in local government as Councillor and Shire President 20 years Gundowring CFA Captain 30 years President Dederang Reserve Committee Many years on local and regional community and welfare committees
Robert Fraser Smith Certificate of Business Studies	71	Director since December 2010. Former State Executive Member – Private Hospitals and Nursing Homes Association of Victoria Former Executive Director – American Medical International, Australia – Pacific – Near East Former Executive Director – Pinelodge Clinic, Psychiatric Hospital and other Acute Medical/Surgical facilities Former General Manager-Enhance Aged Care Services Vic Former Chairman – The Australian Boys Choir Inaugural Chief Executive Officer-Westmont Aged Care Services Ltd, resigned in March 2010

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

The company secretary at the end of the financial year was Eleanor Fitz.

Principal Activities

The principal activity of the Company during the course of the year was the operation of aged care facilities.

Operating Result

The operating loss of the Company after income tax for the year ended 30 June 2013 was \$1,048,239 (2011/12 \$463,083 loss). Prior to the provision for depreciation the Company has a profit of \$478,426, (2011/12 \$608,817). The Company is exempt from income tax.

Dividends

As the Company is a limited company by guarantee and does not have share capital, no dividend is payable.

Director's Report

Significant Changes in the State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs that occurred during the financial period under review not otherwise disclosed in this report or the financial report.

Review of Operations

Westmont Aged Care Services has continued to develop and operate a range of aged care, residential and community services for the people of Wodonga and the surrounding region in the 2012/13 financial year.

This financial year, 36 of the 40 available Apartments were occupied, with the remaining 4 committed and scheduled to be occupied early in the new financial year. There are now 10 independent living villas occupied, with 4 display villas available, and one vacant ready to be re-let. It is envisaged that up to 130 two and three bedroom independent living villas, approximately 80 assisted living apartments (40 constructed to date) and 125 residential aged care beds will be operated on this site by this management team.

The Homestead (100 beds) residential aged care facility has maintained 100% occupancy throughout the year.

There has been considerable growth with the Community Care component of the Westmont business during the financial year, and it is anticipated that this will continue to grow steadily. The Board has committed to foster the development of a community care operation that will act as an introduction to our "Ageing in Place" facilities at 265 Baranduda Boulevard.

Our staffing profile has been established along with our preferred method of operation in each component of our organisation. Our current Enterprise Bargaining Agreement expired at 30th June 2013, and a new agreement will be finalised in the new Financial Year which will provide a level of certainty with wage costs for a further 4 years. Other staff cost increases will only occur as a result of our new developments coming on line or our existing level of care being upgraded as required by residents assessed care needs.

Continued review of each element of our budgeted income and expenditure, and the maximising of government service fees in accordance with the Aged Care Funding Instrument has again built on an improved financial situation from 2011/2012, with future surpluses before depreciation and other provisions being predicted.

The Board is confident of continued positive financial results with prudent fiscal management.

Director's Report

Directors Meetings

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director are as follows:

Directors	Board Meetings held & attended				Project Group meetings held & attended		Marketing meetings held & attended		Finance & Audit meetings held & attended	
	Held	Attended	Approved Leave	Apology	Held	Attended	Held	Attended	Held	Attended
R Snell	10	10			6	6			4	4
K Bascomb	10	9	1				2	2		
* S Cardwell	10	4								
J Dunstan	10	9	1		6	6				
E Fitz	10	6	2	2			2	2		
M Schubert	10	10								
N Seymour	10	10					2	2		
A Williams	10	6	1	3	6	4				
T McLean	10	10							4	4
R Smith	10	8	2		6	3				

* resigned October 2012

Indemnification and insurance of Directors and Officers

During the year, a premium was paid in respect of a contract insuring directors and officers of the Company against liability.

The officers of the Company covered by insurance contract include the directors, executive officers, secretary, and employees.

In accordance with the normal commercial practice, disclosure of the total amount of premium payable under, and the nature of the liabilities covered by, the insurance is prohibited by a confidentiality clause in the contract.

The Company has not indemnified its auditors.

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Director's Report

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on Schedule 6 of the financial report.

Trevor McLean, Director



Dated this 19th day of September 2013.

Statement Of Financial Position

as at 30 June 2013

	NOTE	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	2	30,769	(1,945)
Trade & Other Receivables	3	1,613,724	944,198
TOTAL CURRENT ASSETS	19	1,644,493	942,253
NON-CURRENT ASSETS			
Property, plant and equipment	4	37,011,105	33,256,286
TOTAL NON-CURRENT ASSETS		37,011,105	33,256,286
TOTAL ASSETS		38,655,598	34,198,539
CURRENT LIABILITIES			
Trade & Other Payables	5	2,012,496	1,896,138
Short Term Provisions	6	558,798	493,581
Financial liabilities	8	1,154,460	1,980,170
TOTAL CURRENT LIABILITIES	19	3,725,754	4,369,889
NON-CURRENT LIABILITIES			
Other	7	21,675,193	18,130,208
Long Term Provisions	6	92,425	55,125
Financial liabilities	8	-	-
TOTAL NON-CURRENT LIABILITIES		21,767,618	18,185,333
TOTAL LIABILITIES		25,493,372	22,555,222
NET ASSETS		13,162,226	11,643,317
EQUITY & RESERVES			
Retained earnings		3,634,379	4,682,618
Asset Revaluation Reserve		9,527,847	6,960,699
TOTAL EQUITY		13,162,226	11,643,317

Statement Of Changes in Equity

for the year ended 30 June 2013

	NOTE	Retained Earnings	Asset Revaluation Reserve	Total \$
Balance at 30 June 2011		5,145,701	4,914,558	10,060,259
Profit (loss) attributable to entity for year		(463,083)		(463,083)
Surplus arising on revaluation	4(b)		2,046,141	2,046,141
Balance at 30 June 2012		4,682,618	6,960,699	11,643,317
Profit (loss) attributable to entity for year		(1,048,239)		(1,048,239)
Surplus arising on revaluation	4(b)		2,567,148	2,567,148
Balance at 30 June 2013		3,634,379	9,527,847	13,162,226

Statement Of Comprehensive Income

For the year ended 30 June 2013

	NOTE	2013 \$	2012 \$
Revenue	9	8,434,529	7,526,796
Employee benefits expense		(6,061,986)	(5,207,199)
Catering Services		(528,208)	(458,814)
Maintenance		(161,020)	(146,068)
Utilities		(295,743)	(230,605)
Finance Costs		(73,435)	(67,420)
Other expenses from ordinary activities		(835,711)	(807,873)
Total Expenses	11	(7,956,103)	(6,917,979)
Profit (loss) before Depreciation and Provision for Impairment		478,426	608,817
Depreciation		(1,526,665)	(1,071,900)
Net profit (loss) for the year before income tax	13	(1,048,239)	(463,083)
Income tax expense		-	-
Net profit (loss) for the year		(1,048,239)	(463,083)
Other comprehensive income			
Net gain on revaluation of non-current assets	4(b)	2,567,148	2,046,141
Total comprehensive income attributable to members of the entity		1,518,909	1,583,058

Statement of Cash Flows

for the year ended 30 June 2013

	2013 \$	2012 \$
Cash Flows from Operating Activities		
Receipts		
Rental residents	2,366,159	2,129,657
Commonwealth Government service fees	4,927,718	4,568,515
Interest	83,364	89,646
Coffee Shop	64,852	54,128
Transitional Care Program	162,216	121,565
Other income	113,178	94,844
Payments		
Employee benefits paid	(5,756,188)	(4,988,738)
Suppliers	(1,915,713)	(1,690,473)
Net Cash From / (Used In) Operating Activities	45,586	379,144
Cash Flows from Investing Activities		
Construction works in progress – Buildings	(2,430,546)	(5,505,945)
Purchase of Land		
Purchases of plant & equipment	(283,790)	(346,145)
	(2,714,336)	(5,852,090)
Cash Flows from Financing Activities		
Apartment lease premiums received	3,792,700	2,213,000
Apartment lease premiums repaid	(1,732,595)	(220,230)
Loan received from bankers	4,564,227	4,774,000
Loan repaid to bankers	(5,389,937)	(3,793,830)
Accommodation bonds received	2,622,282	2,089,122
Accommodation bonds repaid	(2,646,963)	(1,914,252)
Villa lease premiums received	1,491,750	1,953,830
	2,701,464	5,101,640
Net Increase / (Decrease) in Cash Funds	32,714	(371,306)
Cash Funds at Beginning of Period	(1,945)	369,361
Cash Funds at End of Year	30,769	(1,945)

Notes to the Statement of Cash Flows

(a) Reconciliation of cash

For the purposes of the Statement of cash Flows, the Directors consider cash to include Cash on Hand, Cash at Bank and Term Deposits net of Bank Overdraft. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:-

	2013 \$	2012 \$
Cash on hand	1,900	1,500
Cash at bank and on term deposits	28,869	(3,445)
Cash at end of year	30,769	(1,945)

(b) Reconciliation of Net Cash Provided By Operating Activities to Operating Result

Net profit /(loss) for the year	(1,048,239)	(463,083)
Items not involving cash flow in operating result		
Depreciation	1,526,665	1,071,900
Employee entitlements provided	102,517	116,608
Retentions - accommodation bonds	(170,213)	(158,211)
Absorbed Fees against accommodation bonds	(27,728)	(64,940)
Retentions – lease premiums (Apartments)	(220,678)	(147,764)
Retentions – lease premiums (Villas)	(76,701)	(25,433)
Change in assets and liabilities		
Increase / (Decrease) in payables	(811)	1,630
Decrease / (Increase) in resident fees receivable	(7,886)	38,841
Decrease / (Increase) in other receivables	(31,340)	9,596
Net cash provided by / (Used in) Operating Activities	45,586	379,144

Notes To And Forming Part Of The Financial Statements

for the year ended 30 June 2013

1. Statement of Significant Accounting policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations of the Australian Accounting Standard Board) and the requirements of the Corporations Act 2001.

Westmont Aged Care Services Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial statements.

The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial statements have been prepared on an accrual basis and are based on historical costs modified, where applicable, by the revaluation of selected non-current assets and financial liabilities for which the fair value basis of accounting has been applied.

(a) Property Plant and Equipment

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

Plant and Equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

Depreciation

Depreciation has been provided on depreciable assets so as to allocate the cost (or valuation) over their estimated useful lives using the straight line or diminishing methods of depreciation as deemed appropriate.

The following average rates of depreciation have been applied:

	2013	2012
Buildings and improvements	2.5%	2.5%
Plant, Equipment, Improvements & Furnishings	10.0%	10.0%
Motor Vehicles	15.0%	15.0%

The assets residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains are included in the income statement. When valued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(b) Impairment of Assets

At each reporting date, the Board reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

The Board has subsequently requested that a valuation of the facility be undertaken to ensure the true value of the facilities tangible and intangible assets are reflected at their true carrying value.

If such an indication exists, the recoverable amount of the assets, being the higher value of the assets fair value less costs to sell and value-in-use, is compared to the assets carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

(c) Employee Benefits

Provision is made for the company liability for the employee benefits arising from the services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash flows to be made for those benefits.

(d) Income Tax

The company is an approved Public Benevolent Institution and, as such, is exempt from Income Tax.

(e) Revenue

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Interest revenue is recognised on a proportionate basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of services is recognised upon delivery of the service to the customer.

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

	2013 \$	2012 \$
2. Cash and Cash Equivalents		
Cash on hand	1,900	1,500
Cash at bank and on term deposits	28,869	(3,445)
	30,769	(1,945)
3. Trade and other receivables		
Accommodation bonds receivable	707,000	497,000
Apartment Lease premiums receivable	347,300	230,000
Village Lease premiums receivable	303,000	-
Resident fees & other receivables	19,343	11,457
Community Care receivables	33,985	12,711
Prepayments	49,063	67,523
GST Refund	75,807	44,034
Other receivables	78,226	81,473
	1,613,724	944,198

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

	2013 \$	2012 \$
4. Property, Plant & Equipment		
(a) Baranduda Aged Care facility at independent valuation 30 June 2013 (2012 - independent valuation 30 June 2012) Refer Note 4(b)	35,865,000	31,910,414
Land, at cost	970,020	970,020
Motor vehicles, at cost	104,776	142,938
Construction works in progress, at cost	71,309	232,914
	37,011,105	33,256,286

(b) Reconciliation of Movements

	Land	Buildings & Land Improvements	Building Plant & Equipment	Plant, Equipment & Fittings	Total Revalued Assets (2) (3)	Construction works in progress, at cost	Motor Vehicles, at cost	Land, at cost (4)	Total
Carrying value at 30.06.2012	1,700,000	24,129,436	4,118,994	1,961,984	31,910,414	232,914	142,938	970,020	33,256,286
Additions		2,061,553	297,684	283,790	2,643,027	71,309			2,714,336
Transfers		232,914			232,914	(232,914)			-
Retirements									-
Revaluation increments	1,700,000	11,443	472,026	383,679	2,567,148				2,567,148
Depreciation		(634,496)	(574,004)	(280,003)	(1,488,503)		(38,162)		(1,526,665)
Carrying value at 30.06.2013	3,400,000	25,800,850	4,314,700	2,349,450	35,865,000	71,309	104,776	970,020	37,011,105

- (1) The revaluation of Buildings & Land Improvements incorporates bed approvals pertaining to the facility.
- (2) Westmont's Aged Care Facility at Baranduda was independently valued at 30 June 2013 at \$35,865,000 (30 June 2012 at \$31,910,414).
This increase in valuation is due mainly to the inclusion of all stages of the Village development.
The valuations were carried out by Nelson Partners Australia Pty Ltd, Certified Practising Valuers. The valuations were performed on a going concern basis, and included the land, buildings and improvements, plant and equipment and bed approvals pertaining to the facility.
- (3) The directors have allocated the total revalued amount of the Facility of \$35,865,000 over the specific asset classifications for accounting purposes.
- (4) The Directors consider that the Land, at Cost is equivalent to Market Value

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

	2013 \$	2012 \$
5. Trade and other payables		
Trade creditors	147,215	230,734
Capital Creditors	81,784	111,162
Other creditors and accruals	203,590	111,126
Apartment Lease premiums payable	452,114	214,706
Unfunded Superannuation	74,093	74,093
Accommodation Bonds payable	1,017,675	1,137,914
Future Development		
- Apartments	33,178	15,943
- Village	2,847	460
	2,012,496	1,896,138
6. Provisions		
Annual leave accrued	326,183	280,754
Provision for long service leave	325,040	267,952
	651,223	548,706
Current portion	558,798	493,581
Non current portion	92,425	55,125
	651,223	548,706
7. Other		
Accommodation bonds residents	10,195,958	10,088,341
Lease premiums		
Apartments	7,832,789	6,113,470
Village	3,646,446	1,928,397
	21,675,193	18,130,208
8. Financial liabilities - Borrowings		
Secured		
Borrowings bankers - current portion	1,154,460	1,980,170
Borrowings bankers - non current portion	-	-
	1,154,460	1,980,170

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

	2013 \$	2012 \$
9. Revenue		
(a) Operating Revenue		
Client & Residential fees		
- Homestead	1,827,084	1,733,189
- Apartments	507,300	345,921
- Village	39,661	11,706
- Community Care fees	237,946	61,083
Commonwealth Government service fees	4,927,718	4,568,515
Bond Retentions & Deferred Lease Premiums		
- Residential Aged Care	170,213	180,317
- Apartments	220,678	147,674
- Village	76,701	25,433
Transitional Care Program	162,216	121,565
	8,169,517	7,195,403
(b) Other Revenue		
Interest received	83,364	89,646
Coffee Shop	64,852	54,128
Food Services Subsidy	73,002	60,121
Donations	3,618	92,775
Other	40,176	34,723
	265,012	331,393
Total Revenue	8,434,529	7,526,796

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

10. Related Party Disclosures

(a) Directors

The following persons acted as Directors of the Company during the period.

Kevin Bascomb	Margaret Schubert
Suzanne Cardwell	Neville Seymour
John Dunstan	Ray Snell (Chairman)
Eleanor Fitz	Robert Smith
Trevor McLean	Andrew Williams

Related Party Transactions

Transactions with Directors or their interests:

The Directors did not receive any remuneration during the year.

Transactions with Directors or their related interests:

S Cardwell	Clinical Services	3,707
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All transactions were on normal commercial terms in the ordinary course of business.

11. Segment Reporting / Entity Details

Westmont Aged Care Services Ltd operates a community owned not for profit business located at Baranduda, in the City of Wodonga, servicing surrounding areas and incorporates residential aged care, respite care, assisted living units, independant living villas and community care.

The registered office and principal place of business is 91 Hume Street, Wodonga, Victoria, 3690.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

11. (a) Assets and liabilities and income and expenses by segment are set out below:

	Residential Aged Care				Apartments				Village				Community				Total			
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assets																				
Cash & cash equivalents	30,469	(2,245)	300	300											30,769	(1,945)				
Trade & other receivables	923,889	701,488	347,300	230,000					303,000				39,535	12,710	1,613,724	944,198				
Property, plant & equipment	19,904,776	19,237,752	9,200,000	9,232,527					7,906,329	4,786,007					37,011,105	33,256,286				
Total Assets	20,859,134	19,936,995	9,547,600	9,462,827					8,209,329	4,786,007			39,535	12,710	38,655,598	34,198,539				
Liabilities																				
Trade & other payables	1,442,573	1,553,867	485,292	259,496					84,631	82,775					2,012,496	1,896,138				
Provisions	651,223	548,706													651,223	548,706				
Borrowings	174,756	-	214,706	460,000					764,998	1,520,170					1,154,460	1,980,170				
Accommodation bonds	10,195,958	10,088,341													10,195,958	10,088,341				
Lease premiums			7,832,789	6,113,470					3,646,446	1,928,397					11,479,235	8,041,867				
Total Liabilities	12,464,510	12,190,914	8,532,787	6,832,966					4,496,075	3,531,342				-	25,493,372	22,555,222				
Net Assets	8,394,624	7,746,081	1,014,813	2,629,861					3,713,254	1,254,665			39,535	12,710	13,162,226	11,643,317				

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

11. (b) Segment Revenues & Expenses:

	Residential Aged Care		Apartments		Village		Community		Total	
	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
Revenue										
Commonwealth Government service fees	4,927,718	4,568,515							4,927,718	4,568,515
Client & Resident fees	1,827,084	1,733,189	507,300	345,921	39,861	11,706	237,946	61,083	2,611,991	2,151,899
Transitional Care	117,216	121,565	45,000						162,216	121,565
Bond & lease premium retentions	170,213	180,317	220,678	147,674	76,701	25,433			467,592	353,424
Interest received	58,853	89,646	24,124		387				83,364	89,646
Other revenue	172,083	241,747	4,483		1,541		3,541		181,648	241,747
Total Revenue	7,273,167	6,934,979	801,585	493,595	118,290	37,139	241,487	61,083	8,434,529	7,526,796
Operating expenses										
Resident & Client Care	3,353,560	3,116,114	28,562	7,121					3,653,363	3,203,676
Catering Services	1,171,875	1,114,751	328,239	154,001			271,241	80,441	1,500,114	1,268,752
Domestic Services	589,957	486,284	200,543	105,743	7,186				797,686	592,027
Maintenance & Grounds	330,715	318,300	131,527	55,854	35,719	28,854			497,961	403,008
Utilities	179,359	160,600	75,492	46,900	40,892	23,105			295,743	230,605
Administration	659,594	874,074	215,272	138,236	67,623	12,545	104,433		1,046,922	1,024,855
Finance costs	60,795	24,051	12,640	30,672		12,697			73,435	67,420
Corporate	82,733	123,823	5,643	3,721	491	92	2,012		90,879	127,636
Depreciation	1,013,884	786,598	399,667	227,765	113,114	57,537			1,526,665	1,071,900
Total Expenditure	7,442,472	7,004,595	1,397,585	770,013	265,025	134,830	377,686	80,441	9,482,768	7,989,879
Total surplus/ (loss)	(169,305)	(69,616)	(596,000)	(276,418)	(146,735)	(97,691)	(136,199)	(19,358)	(1,048,239)	(463,083)

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

12. Financial Instruments

	Floating Interest Rate		Non Interest Bearing	Total	Market Value
	> 1 year	1-2 years			
Financial Assets					
Cash at bank & on hand	28,869	-	1,900	30,769	30,769
Trade & other receivables	1,613,724	-	-	1,613,724	1,613,724
Total Financial Assets	1,642,593	-	1,900	1,644,493	1,644,493
Financial Liabilities					
Accommodation Bonds	-	-	10,195,958	10,195,958	10,195,958
Lease Premiums					
Apartments	-	-	7,832,789	7,832,789	7,832,789
Village	-	-	3,646,446	3,646,446	3,646,446
Trade and Other Payables	-	-	2,012,496	2,012,496	2,012,496
Bank Borrowings - Secured	1,154,460	-	-	1,154,460	1,154,460
Total Financial Liabilities	1,154,460	-	23,687,689	24,842,149	24,842,149
Net Financial Assets / Liabilities	488,133	-	(23,685,789)	(23,197,656)	(23,197,656)

Weighted average interest rate financial assets = 6.8% (2012 8.6%)

Weighted average interest rate financial liabilities = 5.21% (2012 6.18%)

	2013 \$	2012 \$
13. Profit before Income Tax		
Auditors remuneration for		
- Auditing the financial report	6,775	6,625
- Other auditing services	790	800
Depreciation expense	1,526,665	1,071,900
Amount provided/(over-provided)for employee entitlements	102,517	116,608
Interest paid - expensed	73,435	67,420
Interest received – other persons	83,364	89,646
Interest & bank charges paid - capitalized to Construction Projects	63,815	169,996
Operating lease payments	54,269	51,840

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

14. Capital Expenditure

Capital Commitments

The Company at 30 June 2013 had capital commitments on the following capital projects:

Assisted Living Apartments Nil (\$128,073 -2012)

Independent Living Villa's \$108,609 (Nil - 2012)

Independent Living Villa's Stage 2A Civils \$242,657 (Nil - 2012)

15. Leasing Commitments

	2013 \$	2012 \$
Operating lease commitments		
Non cancellable operating lease contracted for but not provided for in the financial statements		
Minimum Lease payments payable		
Not later than 12 months	45,001	44,795
Later than 12 months but not greater than five years	35,545	47,388
	80,546	92,183

16. Contingent Liabilities

There were no contingent liabilities as at 30 June 2013.

17. Winding Up

In the event of the winding up of the company each member and each member who ceased to be a member in the previous year undertakes to contribute an amount not exceeding \$100 to meet outstanding liabilities or costs associated with winding up.

18. Bonds paid by Instalment

Westmont has a number of residents who are paying their entry contribution (bond) by instalments. The value of \$213,500 (2012 \$329,500) of the future instalments has not been brought to account in the financial statements.

Notes To And Forming Part Of The Financial Statements for the year ended 30 June 2013

19. Credit and Standby Arrangements with Bankers

The Company has established the following credit standby arrangements with bankers:-

Project finance facility:	\$3,448,950 - at 30 June 2013 \$764,998 drawn down
Bond liquidity (overdraft facility):	\$1,500,000 - at 30 June 2013 \$174,756 drawn down
Apartment Lease Premium liquidity (overdraft facility):	\$500,000 - at 30 June 2013 \$214,706 drawn down
Trading liquidity (overdraft facility):	\$500,000 - at 30 June 2013 Nil drawn down

The Directors believe that with these arrangements, combined with projected future cash flows, all debts as they become due and payable will be met.

20. Capital Management

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised within tolerable risk parameters. The Finance and Audit Committee ensures that the overall risk management strategy is in line with this objective.

The Finance and Audit Committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market.

These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

The gearing ratios for the year ending 30 June 2012 and 30 June 2013 are as follows:

	2013 \$	2012 \$
Total borrowings	1,154,460	1,980,170
Less cash and cash equivalents	(30,769)	1,945
Net debt	1,123,691	1,982,115
Total equity (reserves & retained earnings)	13,162,226	11,643,317
Total capital	14,285,917	13,625,432
Gearing ratio	7.9%	14.5%
Gearing ratio including accommodation bonds and lease premiums (refer Note 7)	0.63%	0.63%

Directors Declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on schedules 1 to 4, are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date.
2. In the director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Trevor McLean, Director



Ray Snell, Director

Dated this 19th day of September 2013

Auditor's Independence Declaration

BOB TRAVERS & ASSOCIATES
Bob Travers & Associates
CHARTERED ACCOUNTANT

575 Englehardt Street
Albury NSW 2640
PO Box 596, Albury
Phone: (02) 6041 5299
(02) 6041 2322
Fax: (02) 6041 5899

Schedule 6

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
WESTMONT AGED CARE SERVICES LIMITED
A.C.N. 135 422 847**

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2013 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

BOB TRAVERS & ASSOCIATES
Chartered Accountant

ALBURY
19 September 2013


R.J. Travers
Principal

Independent Audit Report

BOB TRAVERS & ASSOCIATES
Bob Travers & Associates
CHARTERED ACCOUNTANT

575 Englehardt Street
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**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
WESTMONT AGED CARE SERVICES LIMITED
A.C.N. 135 422 847**

Report on the Financial Statements

We have audited the accompanying financial statements of Westmont Community Aged Services Limited, which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Statements

The directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and the fair presentation of the financial statements 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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Independent Audit Report

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
WESTMONT AGED CARE SERVICES LIMITED
A.C.N. 135 422 847**

Page 2

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Westmont Aged Care Services Limited was dated 19 September 2013.

Auditor's Opinion

In our opinion, the financial statements of Westmont Aged Care Services Limited are in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2013 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

ALBURY
19 September 2013

BOB TRAVERS & ASSOCIATES
Chartered Accountant


RJ Travers
Principal

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