SWIAA LIMITED
ABN 35 146 811 181

FINANCIAL REPORT - 30 JUNE 2024

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SWIAA LIMITED
ABN 35 146 811 181

FINANCIAL REPORT - 30 JUNE 2024

DIRECTORS' REPORT

SWIAA Limited is registered with the *Australian Charities and Not-for-profits Commission Act 2012* as a company limited by guarantee and not having share capital.

The Directors present the report on SWIAA Limited for the financial year ended June 2024 and report as follows:

DIRECTORS
The names of and other information on the Directors in office during or since the end of the year are as follows. The Directors were in office for this entire period unless otherwise stated.

NAME	POSITION	SPECIAL RESPONSIBILITIES
Graziano De Bortoli	Chairman	
Mario Soligo	Vice Chairman	
Charles Joseph Barone	Director	Clinical Governance Committee
Rolando Guiseppe Melosi	Director	
Salvatore Noiosi	Director	
Joseph Di Pietrantonio	Director	
Kay Richards	Director	Clinical Governance Committee
Maria Carlo*	Director	

**appointed during the year*

PRINCIPAL ACTIVITIES
The principal activities of the company during the course of the financial year were the operation of a residential aged care facility and a retirement village.

There were no significant changes in the nature of the activities during the year.

OPERATING RESULT
The operating surplus of the company for the financial year amounted to $2,340,166 (2023: $392,161 surplus). The company is a not-for-profit entity and is exempt from the payment of income tax.

SHORT AND LONG TERM OBJECTIVES
The company's short and long term objectives are to improve the quality of life for people in need. Specifically, the company serves people with complex health or aged care needs, regardless of their circumstances.

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

FUTURE DEVELOPMENTS
Likely developments in the operations of the company and the expected result of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

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

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FINANCIAL REPORT - 30 JUNE 2024

DIRECTORS' REPORT

MEETINGS OF DIRECTORS

The number of meetings each director was eligible to attend and actually attended during the financial year is summarised as follows:

	Board Meetings		Clinical Governance Meetings	
	Eligible	Attended	Eligible	Attended
Mario Soligo	11	10	-	-
Graziano De Bortoli	11	10	-	-
Charles Joseph Barone	11	10	7	7
Rolando Guiseppe Melosi	11	10	-	-
Salvatore Noiosi	11	7	-	-
Joseph Di Pietrantonio	11	11	-	-
Kay Richards	11	11	7	7
Maria Carlo*	8	8	-	-

**appointed during the year*

LIMITATION OF MEMBERS' LIABILITY

The company is registered with the *Australian Charities and Not-for-profits Commission Act 2012* as a company limited by guarantee. If the company is wound up, its Constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the company. At 30 June 2024 the number of members was 87 and their collective liability was $870.

AUDITOR'S INDEPENDENCE DECLARATION

The auditors' independence declaration for the year ended 30 June 2024 has been received and can be found on the following page.

Signed in accordance with a resolution of the Board of Directors:

Graziano De Bortoli
Chairman

26 September 2024

StewartBrown
Integrity + Quality + Clarity
CHARTERED ACCOUNTANTS

LEVEL 2 / TOWER 1 / 495 VICTORIA AVE
CHATSWOOD NSW 2067 / AUSTRALIA

PO BOX 5515
CHATSWOOD NSW 2057 / AUSTRALIA

TEL: 61 2 9412 3033
FAX: 61 2 9411 3242
EMAIL: INFO@STEWARTBROWN.COM.AU
WEB: WWW.STEWARTBROWN.COM.AU
ABN: 63 271 338 023

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AUDITOR'S INDEPENDENCE DECLARATION UNDER s60-40
OF THE *AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012*
TO THE DIRECTORS OF SWIAA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024 there have been:

(a) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

StewartBrown

StewartBrown
Chartered Accountants

Justin Weiner
Partner

26 September 2024

Liability limited by a scheme approved under Professional Standards Legislation

SWIAA LIMITED
ABN 35 146 811 181

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 $	2023 $
ASSETS			
Cash and cash equivalents	6	32,675,717	29,521,749
Trade and other receivables	7	708,729	654,339
Financial assets	8	3,000,000	5,100,000
Capital work in progress	9	7,617	-
Property, plant and equipment	10	25,304,095	25,706,471
Intangible assets	11	118,229	117,642
TOTAL ASSETS		61,814,387	61,100,201
LIABILITIES			
Trade and other payables	12	691,223	681,757
Refundable loans expected to be paid within 12 months	13	7,397,736	4,805,015
Employee benefits expected to be paid within 12 months	14	1,312,691	1,074,186
Refundable loans expected to be paid after 12 months	13	36,491,919	40,892,794
Employee benefits expected to be paid after 12 months	14	161,504	227,301
TOTAL LIABILITIES		46,055,073	47,681,053
NET ASSETS		**15,759,314**	**13,419,148**
FUNDS			
Accumulated funds		8,659,314	6,319,148
Asset revaluation reserve		7,100,000	7,100,000
TOTAL FUNDS		**15,759,314**	**13,419,148**

The accompanying notes form part of these financial statements

SWIAA LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $	2023 $
Revenue	4	18,395,176	14,461,874
Other income	4	22,089	25,044
		18,417,265	14,486,918
Expenses			
Administration expenses		(947,835)	(829,227)
Depreciation and amortisation	5	(995,144)	(888,067)
Catering expense		(563,980)	(620,852)
Laundry and cleaning expense		(726,821)	(723,611)
Repairs and maintenance expense		(332,203)	(298,368)
Resident expenses		(401,688)	(394,654)
Salaries and employee benefits expense		(11,708,739)	(9,861,253)
Utilities		(400,689)	(478,725)
		(16,077,099)	(14,094,757)
Surplus before income tax		2,340,166	392,161
Income tax expense		-	-
Surplus for the year		2,340,166	392,161
Other comprehensive income		-	-
Total comprehensive income for the year		**2,340,166**	**392,161**

The accompanying notes form part of these financial statements

SWIAA LIMITED

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2024

	Accumulated Funds	Asset Revaluation Reserve	Total
	$	$	$
Balance at 1 July 2022	5,926,987	7,100,000	13,026,987
Comprehensive income			
Surplus for year	392,161	-	392,161
Other comprehensive income	-	-	-
Total comprehensive income for the year	392,161	-	392,161
Balance at 30 June 2023	6,319,148	7,100,000	13,419,148
Balance at 1 July 2023	6,319,148	7,100,000	13,419,148
Comprehensive income			
Surplus for year	2,340,166	-	2,340,166
Other comprehensive income	-	-	-
Total comprehensive income for the year	2,340,166	-	2,340,166
Balance at 30 June 2024	**8,659,314**	**7,100,000**	**15,759,314**

The accompanying notes form part of these financial statements

SWIAA LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers and government		17,156,608	13,375,632
Payments to suppliers and employees		(15,247,134)	(13,690,134)
Interest income received		1,225,370	764,700
Interest paid		(93,165)	(75,174)
Net cash flows from operating activities		3,041,679	375,024
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		50,000	-
Proceeds from sale of financial assets		2,100,000	998,119
Purchase of property, plant and equipment - residential		(508,448)	(709,008)
Purchase of property, plant and equipment - other		(73,542)	-
Purchase of capital work in progress - residential		(7,617)	-
Purchase of intangible assets		(39,276)	(18,000)
Net cash flows from investing activities		1,521,117	271,111
Cash flows from financing activities			
Proceeds from refundable accommodation deposits		4,719,435	6,691,915
Proceeds from refundable entry contributions		2,889,000	1,425,500
Repayment of refundable accommodation deposits		(7,727,263)	(4,820,400)
Repayment of refundable entry contributions		(1,290,000)	(758,500)
Net cash flows from financing activities		(1,408,828)	2,538,515
Net increase in cash and cash equivalents		3,153,968	3,184,650
Cash and cash equivalents at the beginning of the financial year		29,521,749	26,337,099
Cash and cash equivalents at the end of the financial year	6	**32,675,717**	**29,521,749**

The accompanying notes form part of these financial statements

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 1 - Corporate Information

The financial report includes the financial statements and notes of SWIAA Limited. SWIAA Limited is registered as a company limited by guarantee and registered under the provisions of the *Australian Charities and Not-for-profits Commission Act 2012* and is domiciled in Australia.

SWIAA Limited provides residential aged care and retirement living services.

The registered address and principal place of business of the company is:

84-88 Restwell Road
Bossley Park NSW 2176

The financial statements were approved by the Board of Directors on 26 September 2024.

Note 2 - Basis of preparation

Statement of compliance
These general purpose financial statements have been prepared in compliance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Accounting Standards - Simplified Disclosures*. The company is a not-for-profit entity for the purposes of preparing these financial statements.

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

Comparatives
Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the company has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

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

Key estimates
Impairment - general
The Directors assess impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Estimation of useful lives of assets
The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 2 - Basis of preparation (continued)

Critical accounting estimates and judgements (continued)
Key estimates (continued)
Resident entry contributions
The amounts repayable to residents upon their exit from the company's retirement villages changes with time and movements in the value of the underlying property. The amounts that will be deducted from the original amount deposited by the resident are a function of time. The amount that may be added to the original amount deposited by the resident is a function of the movement in the underlying property value. For the purposes of these financial statements, these resident entry contributions have been designated as current liabilities. As a result of this classification the calculation of the amount payable is based on the variables as they stand at balance date.

New and revised standards that are effective for these financial statements
Several amendments and clarifications to Australian Accounting Standards and interpretations are mandatory for the 30 June 2024 reporting period. These include:

- *AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*
- *AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*

The application of these amendments and clarifications have not had a material impact on the carrying values of the company's asset, liability or equity balances; nor a material impact on the disclosures in the financial report nor the recognition and measurement of the company's revenue or expenses.

New standards and interpretations not yet adopted
Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the company. These include:

- *AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective for the year ending 30 June 2026)
- *AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants* (effective for the year ending 30 June 2025)
- *AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements* (effective for the year ending 30 June 2025)

It is not expected that AASB 2014-10, AASB 2022-6 or AASB 2023-1 will have a material impact on the company in future reporting periods.

Presentation of Statement of Financial Position on a liquidity basis
The Directors have taken the view that in complying with the requirements of AASBs, the treatment of refundable loans (accommodation bonds, refundable accommodation deposits and entry contributions) as current liabilities does not reflect the true liquidity of the company as these liabilities are not likely to be repaid in the next 12 months.

Accordingly, in the current year the Directors have chosen to present its statement of financial position under the liquidity presentation method (*AASB 101 Presentation of Financial Statements*) on the basis that it presents a more reliable and relevant view.

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 3 - Accounting policies

The material accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Income tax
SWIAA Limited is a not-for-profit Charity & Public Benevolent Institution and is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

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

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

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

Revenue recognition
Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Resident fees, daily accommodation payments and recurrent government subsidies
Revenue from residents' fees, daily accommodation payments and related government subsidies are recognised on a proportional basis to take account of the delivery of service to or occupancy by residents.

Grants, donations and bequests
Revenue arising from the contribution of an asset (including cash) is recognised when the following conditions have been satisfied:

(a) the company obtains control of the contribution or the right to receive the contribution;
(b) it is probable that the economic benefits comprising the contribution will flow to the company; and
(c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

Interest
Revenue from interest is recognised on an accrual's basis.

Retentions from entry contributions
The retention income earned from resident entry contributions is recognised as revenue as the company becomes entitled to receive the retention under the terms of the resident agreement.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 3 - Accounting policies (continued)

Trade receivables
With respect to resident fees, trade receivables are recognised when residents are billed for accommodation fees in advance. For all other sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less a provision for impairment. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables.

Property, plant and equipment
Recognition and measurement
Each class of property, plant and equipment other than land is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Recognition and measurement
Land is carried at valuation and each class of property, plant and equipment carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Gains and losses on disposals are determined by comparing proceeds

Subsequent costs
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation and amortisation
The depreciable amount of all property, plant and equipment including capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation effective life used for each class of depreciable assets are:

Buildings	40 years
Plant and Equipment	5 to 10 years
Motor Vehicles	10 years
Fixture and Fittings	10 years

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

Intangible assets
Software
Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of three years.

Note 3 - Accounting policies (continued)

Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the company commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

Classification and subsequent measurement

Financial assets

Financial assets other than those designated and effective as hedging instruments are classified upon initial recognition into the following categories:

- Amortised cost
- Equity instruments at fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVPL)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income or finance costs, except for impairment of trade receivables which are disclosed with other expenses.

Measurement is on the basis of two primary criteria:

- The contractual cash flow characteristics of the financial asset
- The business model for managing the financial asset

Financial assets at amortised cost

Financial assets are measured at amortised cost if the asset meets the following conditions (and are not designated as FVPL):

- The financial asset is managed solely to collect contractual cash flows
- The contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates

Equity instruments at fair value through other comprehensive income

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at fair value through other comprehensive income. Subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss unless the dividend clearly represents return of capital.

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

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than to "hold and collect" or "hold to collect and sell" are categorised at fair value through profit or loss. The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 3 - Accounting policies (continued)

Financial instruments (continued)
Impairment of financial assets
The impairment requirements as applicable under AASB 9 use more forward-looking information to recognise expected credit losses. Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Directors considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and the credit risk is not low
- Financial assets that have objective evidence of impairment at reporting date

The loss allowance for the first category is measured as “12-month expected credit loss” and for the second category is measured as “lifetime expected credit losses”.

Impairment of assets
Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash flows (cash generating units). Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

Trade and other payables
Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Employee benefits
Provision is made for the company’s liability for employee benefits arising from services rendered by employees to the end of the reporting period. 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. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows.

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

Note 3 - Accounting policies (continued)

Refundable entry contributions
Refundable entry contributions are received from clients of self-care villages, and they are non-interest bearing and the net amount is repayable upon departure or transfer. Refundable entry contributions are measured at the principal amount net of any retentions, or any other amounts deducted from the contribution at the election of the resident, plus the resident's share of the capital gains (if any) based on the market value of the underlying property at balance date.

History shows that on average a resident in a retirement village will stay for between 6 and 12 years. The repayment of contributions to clients including capital gains and net of any retention will be funded largely by contributions from incoming clients.

Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of the loan facilities are recognised in the statement of profit or loss and other comprehensive income when they are incurred.

Refundable accommodation deposits
Refundable accommodation deposits (RADs) are non-interest bearing deposits made by aged care facility clients to the company upon their admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident.

Fair value of assets and liabilities
The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the company at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

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

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	2024 $	2023 $
Note 4 - Revenue		
Operating revenue		
Government subsidies and recurrent grants	12,851,165	9,738,362
Government support - *COVID-19*	246,957	79,402
Resident and client fees and charges	2,686,020	2,511,164
Daily accommodation payments	406,501	462,616
Retentions from entry contributions	363,800	347,450
	16,554,443	13,138,994
Other revenue		
Interest income - term deposits	1,416,023	885,554
Interest income - financial assets	339,000	357,000
Other revenue	85,710	80,326
	1,840,733	1,322,880
Total revenue	18,395,176	14,461,874
Other income		
Fair value gain on financial assets	-	25,044
Gain on disposal of property, plant and equipment	22,089	-
Total other income	22,089	25,044
Total revenue and other income	18,417,265	14,486,918
Note 5 - Expenses		
Depreciation and amortisation	995,144	888,067
Finance costs - interest paid	93,165	75,174
Note 6 - Cash and cash equivalents		
Cash at bank and on hand	3,648,609	2,342,566
Term deposits	29,027,108	27,179,183
Total cash and cash equivalents	32,675,717	29,521,749
Note 7 - Trade and other receivables		
Expected to be settled within 12 months		
Trade receivables	42,627	57,718
Other receivables	563,465	518,571
Prepayments	102,637	78,050
Total trade and other receivables	708,729	654,339

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	$	$
Note 8 - Financial assets		
Expected to be settled within 12 months		
Financial assets at fair value through profit and loss		
Loan - secured	3,000,000	5,100,000
Total financial assets	3,000,000	5,100,000
Movements in carrying amount		
Opening net carrying amount	5,100,000	6,073,075
Additions	339,000	18,709
Disposals	(2,439,000)	(1,016,828)
Fair value gain	-	25,044
Closing net carrying amount	3,000,000	5,100,000
Note 9 - Capital work in progress		
Residential		
Cost	7,617	-
Total capital work in progress	7,617	-
Movements in carrying amounts		
Opening net carrying amount	-	-
Additions	7,617	-
Closing net carrying amount	7,617	-

Note 10 - Property, plant and equipment

	Land	Buildings	Equipment and Fittings	Motor Vehicles	Total
	$	$	$	$	$
At 30 June 2023					
Cost	-	27,299,847	1,803,374	113,876	29,217,097
Fair value	7,100,000	-	-	-	7,100,000
Accumulated depreciation	-	(9,708,552)	(831,329)	(70,745)	(10,610,626)
Net carrying amount	7,100,000	17,591,295	972,045	43,131	25,706,471
Movements in carrying amounts					
Opening net carrying amount	7,100,000	17,591,295	972,045	43,131	25,706,471
Additions - residential	-	-	508,448	-	508,448
Additions - non residential	-	-	-	73,542	73,542
Disposals	-	-	-	(27,911)	(27,911)
Depreciation charge for the year	-	(684,935)	(259,191)	(12,329)	(956,455)
Closing net carrying amount	7,100,000	16,906,360	1,221,302	76,433	25,304,095
At 30 June 2024					
Cost	-	27,299,847	2,311,823	129,202	29,740,872
Fair value	7,100,000	-	-	-	7,100,000
Accumulated depreciation	-	(10,393,487)	(1,090,521)	(52,769)	(11,536,777)
Net carrying amount	7,100,000	16,906,360	1,221,302	76,433	25,304,095

Security

The Directors' valuation for land as at 30 June 2024 is based on an independent valuation undertaken by David Nelson Partners Australia dated 31 July 2020.

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	2024 $	2023 $
Note 11 - Intangible assets		
Software		
Cost	430,433	391,157
Accumulated amortisation	(312,204)	(273,515)
Net carrying amount	118,229	117,642
Movements in carrying amounts		
Opening net carrying amount	117,642	132,929
Additions	39,276	18,000
Amortisation charge for the year	(38,689)	(33,287)
Closing net carrying amount	118,229	117,642
Note 12 - Trade and other payables		
Expected to be settled within 12 months		
Trade payables	349,858	313,023
Accrued expenses	300,021	219,888
Other payables	41,344	148,846
Total trade and other payables	691,223	681,757
Note 13 - Refundable loans		
Expected to be settled within 12 months		
Refundable accommodation deposits	6,268,486	4,126,294
Refundable entry contributions	1,129,250	678,721
	7,397,736	4,805,015
Expected to be settled after 12 months		
Refundable accommodation deposits	25,073,944	30,259,490
Refundable entry contributions	11,417,975	10,633,304
	36,491,919	40,892,794
Total refundable loans	43,889,655	45,697,809
Movement in refundable accommodation deposits		
Opening net carrying amount	34,385,784	32,541,471
RADs received	4,719,435	6,691,915
Allowable deductions	(35,526)	(27,202)
RADs refunded	(7,727,263)	(4,820,400)
Closing net carrying amount	31,342,430	34,385,784
Movement in refundable entry contributions		
Opening net carrying amount	11,312,025	10,992,475
Contributions received	2,889,000	1,425,500
Retention/interest from contributions	(363,800)	(347,450)
Contributions refunded	(1,290,000)	(758,500)
Closing net carrying amount	12,547,225	11,312,025

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 13 - Refundable loans (continued)

Terms and conditions

Refundable accommodation deposits and accommodation bonds (loans) are repayable on the following basis:-

(i) If the resident gives notice more than 14 days prior to departure then the loan is payable on the date of departure;

(ii) If the resident gives notice less than 14 days prior to departure the loan is payable within 14 days after notice is given;

(iii) If the resident gives no notice the loan is repayable 14 days after departure; and

(iv) If the resident dies, the loan is repayable within 14 days from the date that notice is received of the granting of probate or letters of administration.

Refundable entry contributions are non-interest bearing and have an maximum repayment term of 6 months on departure.

	2024 $	2023 $
Note 14 - Employee benefits		
Expected to be settled within 12 months		
Annual leave	928,109	847,454
Long service leave	384,582	226,732
	1,312,691	1,074,186
Expected to be settled after 12 months		
Long service leave	161,504	227,301
	161,504	227,301
Total employee benefits	1,474,195	1,301,487

Note 15 - Key management personnel

Remuneration of key management personnel

The aggregate amount of compensation paid to members of key management personnel during the year was:	951,326	729,660

Note 16 - Auditor's remuneration

Fees paid to StewartBrown, Chartered Accountants:		
Audit of the financial report	22,300	21,000
Preparation of the financial report	2,900	2,700
Other advisory services	4,485	5,000
Total auditor's remuneration	29,685	28,700

Note 17 - Related party transactions

During the year the company paid $3,891 (2023: $3,371) for pharmaceutical supplies to a pharmacy in which Mr Charles Barone, a Director has a financial interest. The pharmaceutical supplies were provided on normal commercial terms and conditions.

Note 18 - Limitation of members' liability

The company is registered as a company limited by guarantee, and in accordance with the constitution the liability of members in the event of the company being wound up would not exceed $10 per member. At 30 June 2024 the number of members of this company was 87 (2023: 87).

SWIAA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 19 - Economic dependency

The Directors consider that the company is economically dependent on revenue received from the Commonwealth Government Department of Health with respect to its residential aged care facilities and community care programs. The Directors believe that this revenue will continue to be made available to the region for the foreseeable future.

The total amount of recurrent government funding received during the financial year was $12,851,165 (2023: $9,738,362) and this represented 69.9% of total revenues (2023: 67.3%).

Note 20 - Events occurring after balance date

No material events have occurred after balance date.

SWIAA LIMITED
ABN 35 146 811 181

FINANCIAL REPORT - 30 JUNE 2024

DIRECTORS' DECLARATION

The Directors of SWIAA Limited declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year ended on that date, a summary of accounting policies and other explanatory notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

   (a) comply with *Australian Accounting Standards - Simplified Disclosures* (including Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and

   (b) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the company.

2. In the opinion of the Directors, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors:

Graziano De Bortoli
Chairman

26 September 2024

StewartBrown
Integrity + Quality + Clarity
CHARTERED ACCOUNTANTS

LEVEL 2 / TOWER 1 / 495 VICTORIA AVE
CHATSWOOD NSW 2067 / AUSTRALIA

PO BOX 5515
CHATSWOOD NSW 2057 / AUSTRALIA

TEL: 61 2 9412 3033
FAX: 61 2 9411 3242
EMAIL: INFO@STEWARTBROWN.COM.AU
WEB: WWW.STEWARTBROWN.COM.AU
ABN: 63 271 338 023

SWIAA LIMITED
ABN 35 146 811 181

FINANCIAL REPORT - 30 JUNE 2024

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF SWIAA LIMITED

Opinion

We have audited the financial report of SWIAA Limited which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of accounting policies and other explanatory information, and the Directors' Declaration.

In our opinion, the accompanying financial report of SWIAA Limited is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

a) giving a true and fair view of the company's financial position as at 30 June 2024 and of its financial performance for the year then ended, and

b) complying with *Australian Accounting Standards - Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Regulations 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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Directors of the company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Directors' Responsibility for the Financial Report

The Directors of the company 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-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the company'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 Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the company's financial reporting process.

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SWIAA LIMITED
ABN 35 146 811 181

FINANCIAL REPORT - 30 JUNE 2024

INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF SWIAA LIMITED

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at *The Auditing and Assurance Standards Board* and the website address is http://www.auasb.gov.au/Home.aspx.

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

StewartBrown

StewartBrown
Chartered Accountants

Justin Weiner
Partner

26 September 2024

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