



# Bellarine Community Health Ltd.

ABN: 96 536 879 169

## Financial Report

For the year ended 30 June 2024



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## Directors Report

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The directors present their report of Bellarine Community Health Ltd. (the “Company”) for the year ended 30 June 2024.

### Directors

The names of each person who has been a director during the year and to the date of this report are:

**Fay Agterhuis**

Chair

**Lucy Simms**

Deputy Chair

**Kristina Dimasi**

Board member

**Jean Paul**

Board member

**Tim Walsh**

Board member

**Robert James**

Board member

**Rod Slattery**

Treasurer

**Mark Harris**

Board member

**John Lesser**

Board member

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

### Company Secretary

The following persons held the position of Company Secretary for the year ended 30 June 2024:

**Garry Ellis (until 15 March 2024)**

**Qualifications:** B Com., MBA, Grad Cert Human Resource Management, GAICD

**Experience:** Experienced Chief Executive Officer with 35 years working in the not-for-profit and health service sectors.

**Kathy Russell (from 16 March 2024)**

**Qualifications:** B.Com., CA, MBA, GAICD

**Experience:** Over 35 years’ experience in finance and business management, predominantly in health, aged care and disability.

## Principal Activities

The principal activities of the Company during the year were to continue delivering a wide range of primary health care services and health promotion activities for people of all ages on the Bellarine Peninsula. The Company remained steadfast in its commitment to enhancing primary health care and delivering high-quality services to the communities of the Bellarine.

Staff numbers remained stable, with most employees continuing to work part-time. The Company successfully adapted to post-pandemic work practices, emphasizing flexibility in work hours. Recruitment efforts were effective, filling most vacant positions with skilled and experienced individuals across various disciplines, including senior management roles.

The redevelopment of the Portarlington site was completed, leading to an increase in service delivery in Portarlington, including exercise groups, social support programs, and other allied health services. Planning for a new health and wellbeing hub in Ocean Grove advanced significantly, with \$4 million in funding from the Commonwealth Government's Community Health and Hospitals Program facilitating this project. The site is expected to play a crucial role in expanding service offerings.

Some highlights for the year include re-introducing social support groups to Portarlington, increasing service delivery in dental through Smile Squad Program. Continues collaboration with Farm my school to educate younger members of our community in sustainable and healthy food preparation and eating. Enhanced mental health service through an increase in headspace funding allocations.

Bellarine Community Health continues to build on its strong foundation, striving to meet the evolving needs of the Bellarine Peninsula community. The organization remains committed to enhancing service delivery, fostering community connections, and driving innovation in primary health care.

## Performance Measures

The Company measures performance using both qualitative and quantitative methodologies.

As an organisation funded by both the State and Commonwealth governments, the Company is required to report performance outcomes at intervals as specified in the funding and service agreements. Reporting to funders can be in the form of qualitative reports as well as against predetermined activity targets.

Bellarine Community Health Ltd. is required to measure and report on performance as it pertains to the legislative and regulatory frameworks that govern service delivery. Each area is accredited and assessed periodically against the standards set by the funding body.

Internally the Company has three board subcommittees that measure performance through an annual work plan. These subcommittees are the Quality, Safety and Risk Committee, the Finance and Audit Committee and the Board Governance Committee. Reporting processes ensure the Company reports on its annual operational plan and the overall operational performance to the Bellarine Community Health Ltd. Board of Directors monthly.

## Operating Result

The Company recorded an operating surplus of \$948,602 (2022-2023: surplus of \$2,797,010) and total comprehensive income of \$6,968,735 after the revaluation of Land and buildings for the year ended 30 June 2024 (2022-2023: surplus of \$2,797,010).

## 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 or the results of those operations.

## **Environmental Issues**

The Company is not subject to any significant environmental regulation.

## **Directors' Benefits**

No director has received or become entitled to receive, during the financial year or since, a benefit because of a contract made by the Company or related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 21 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the Company's accounts, or the fixed salary of a full-time employee of the Company or related body corporate.

## **Indemnification and Insurance of Directors and Officers**

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability for any person who is or has been an officer or auditor of the Company.

## **Proceedings on Behalf of the Company**

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.

## Information on Directors

**Fay Agterhuis** - appointed 28th of November 2017

**Qualifications:** Bachelor of Education, Diploma of Education, Grad Dip Special Education

**Special Responsibilities:** Board Chair; Member of Finance and Audit Committee; Chair of Governance Committee

**Tim Walsh** - appointed 16th of December 2021

**Qualifications:** Tertiary level in Health Management

**Special Responsibilities:** Member of Quality, Safety & Risk Committee

**Kristina Dimasi** - appointed 31st of May 2012

**Qualifications:** Bachelor of Science, Bachelor of Law

**Special Responsibilities:** Member of Finance & Audit Committee

**Jean Paul** - appointed 5th of September 2019

**Special Responsibilities:** Member of Quality, Safety & Risk Committee; Member of Governance Committee

**Rod Slattery** - appointed 26th of September 2019

**Qualifications:** Bachelor of Business, Chartered Accountant, GAICD

**Special Responsibilities:** Chair of Finance & Audit Committee

**Robert James** - appointed 26th of November 2019

**Qualifications:** M.B, B.S (Medicine), Dip.Obs.RACOG

**Special Responsibilities:** Member of Quality, Safety & Risk Committee; Member of Governance Committee

**Lucy Simms** - appointed 23rd of June 2021

**Qualifications:** Bachelor of Civil Engineer (Hons.), GAICD

**Special Responsibilities:** Deputy Chair; Member of Finance & Audit Committee ; Member of Governance Committee

**Mark Harris** - appointed 23rd of June 2021

**Qualifications:** BSc Applied Science (Hons), BSc Physiotherapy (Hons), MBA, Grad Dip Project Management

**Special Responsibilities:** Chair of Quality, Safety & Risk Committee

**John Lesser** - appointed 16th of December 2021

**Qualifications:** BA, LLB, Dip Ed, Grad Ed (Tesol). Barrister and Solicitor of the Supreme Court of Victoria. Victorian Reserve Magistrate.

**Special Responsibilities:** Member of Governance Committee

## Meeting of Directors

During the financial year, 11 meetings of directors were held. Attendances by each director were as follows:

Directors' Meetings								
	Board of Directors		Finance & Audit Committee		Quality, Safety & Risk Committee		Governance Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Fay Agterhuis	11	11	12	9			9	9
Tim Walsh	11	10			9	9		
Kristina Dimasi	11	10	12	10				
Jean Paul	11	8			9	8	9	6
Lucy Simms	11	10	12	11			6	5
Robert James	11	9			9	8	9	9
Rod Slattery	11	9	12	10				
Mark Harris	11	9			9	6		
John Lesser	11	10					9	8

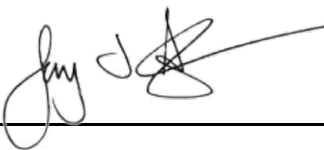
## Members' Guarantee

The Company is registered with the *Australian Charities and Not-for-profits Commission Act 2012* and is a company limited by guarantee. If the Company is wound up, the 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 49 (2022-23: 70).

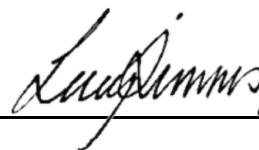
## Auditors' Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found immediately after this director' report.

Signed in accordance with a resolution of the Board of directors.



Fay Agterhuis, Chair



Lucy Simms, Deputy Chair

Dated this 1st day of October 2024

## Auditor's Independence Declaration

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### Auditor-General's Independence Declaration

To the Directors, Bellarine Community Health Ltd

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

#### *Independence Declaration*

As auditor for Bellarine Community Health Ltd for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE  
14 October 2024

A handwritten signature in black ink, appearing to read "Sanchu Chummar".

Sanchu Chummar  
as delegate for the Auditor-General of Victoria



## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
Revenue	2	12,304,145	11,632,885
Other income	2	6,702,246	8,029,912
Employee benefits expense	3	(11,761,520)	(11,119,549)
Supplies and consumables		(388,516)	(413,199)
Depreciation and amortisation expenses	3	(933,383)	(871,962)
Administrative expenses		(719,478)	(556,338)
Direct care		(3,094,809)	(2,770,759)
Occupancy costs		(299,939)	(267,958)
Software and IT expenses		(565,487)	(514,818)
Domestic services		(35,624)	(32,327)
Motor vehicle		(61,830)	(127,856)
Repairs and maintenance		(109,261)	(113,421)
Interest expense	10b	(16,137)	(17,900)
Audit fees	23	(35,805)	(38,100)
Net loss on disposal of property, plant and equipment		-	(21,600)
<b>Surplus</b>		<b>984,602</b>	<b>2,797,010</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>		-	-
Gain on the revaluation of land and buildings at fair value		5,984,133	-
<b>Other comprehensive income for the year</b>		<b>5,984,133</b>	<b>-</b>
<b>Total comprehensive income attributable to members of the company</b>		<b>6,968,735</b>	<b>2,797,010</b>

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

## Statement of Financial Position

As at 30 June 2024

	Notes	2024 \$	2023 \$
<b>Current assets</b>			
Cash and cash equivalents	4	1,905,891	1,319,668
Trade and other receivables	5	340,116	422,930
Other assets	6	531,136	354,944
Investments - current	7	495,865	1,066,370
<b>Total current assets</b>		<b>3,273,008</b>	<b>3,163,912</b>
<b>Non-current assets</b>			
Investments - non-current	7	3,999,455	6,989,336
Property, plant and equipment	8	24,303,759	17,210,156
Intangibles	9	426,546	590,285
Right of use assets	10	532,825	259,445
<b>Total non-current assets</b>		<b>29,262,585</b>	<b>25,049,222</b>
<b>Total assets</b>		<b>32,535,593</b>	<b>28,213,134</b>
<b>Current liabilities</b>			
Trade and other payables	11	1,306,124	1,081,513
Contract liabilities and deferred grants	12	2,281,374	5,141,521
Funds held in trust	13	-	100,448
Lease liabilities - current	14	177,204	100,785
Employee benefit provisions - current	15	1,676,288	1,789,494
<b>Total current liabilities</b>		<b>5,440,990</b>	<b>8,213,761</b>
<b>Non-current liabilities</b>			
Contract liabilities and deferred grants	12	-	-
Lease liabilities -non-current	14	332,870	163,323
Employee benefit provisions - non-current	15	335,188	378,240
<b>Total non-current liabilities</b>		<b>668,058</b>	<b>541,563</b>
<b>Total liabilities</b>		<b>6,109,048</b>	<b>8,755,324</b>
<b>Net assets</b>		<b>26,426,545</b>	<b>19,457,810</b>
<b>Equity</b>			
Retained earnings		18,990,511	18,005,909
Property, plant and equipment revaluation reserve		7,436,034	1,451,901
<b>Total equity</b>		<b>26,426,545</b>	<b>19,457,810</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

As at 30 June 2024

	Retained Earnings	Financial Specific Purpose Reserve	Property, Plant and Equipment Revaluation Reserve	Total
	\$	\$	\$	\$
<b>Balance at 30 June 2022</b>	<b>15,208,899</b>	-	<b>1,451,901</b>	<b>16,660,800</b>
Surplus	2,797,010	-	-	2,797,010
<b>Balance at 30 June 2023</b>	<b>18,005,909</b>	-	<b>1,451,901</b>	<b>19,457,810</b>
Surplus	984,602	-	-	984,602
Other comprehensive income	-	-	5,984,133	5,984,133
<b>Balance at 30 June 2024</b>	<b>18,990,511</b>	-	<b>7,436,034</b>	<b>26,426,545</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

As at 30 June 2024

	Notes	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from customers and government grants (including GST)		15,491,863	15,956,147
Payments to suppliers and employees (including GST)		(17,058,752)	(16,067,329)
Interest received		398,570	420,090
Dividends received		67,091	(28,753)
Other trust Income received		-	-
Interest paid on lease liabilities		(16,134)	(17,900)
<b>Net cash (used in) / from operating activities</b>	<b>16</b>	<b>(1,117,362)</b>	<b>262,255</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(1,648,577)	(1,941,302)
Payments for intangible assets		(91,515)	(27,196)
Proceeds from / (purchases of) investments		3,610,114	(3,918,871)
<b>Net cash provided by / (used in) investing activities</b>		<b>1,870,022</b>	<b>(5,887,369)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(166,437)	(125,828)
<b>Net cash used in financing activities</b>		<b>(166,437)</b>	<b>(125,828)</b>
<b>Net increase (decrease) in cash held</b>		<b>586,223</b>	<b>(5,750,942)</b>
Cash and cash equivalents at the beginning of the financial year	4	1,319,668	7,073,610
<b>Cash and cash equivalents at the end of the financial year</b>	<b>4</b>	<b>1,905,891</b>	<b>1,319,668</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Notes to the Financial Statements

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### Note 1. Summary of Material Accounting Policies

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The financial statements cover Bellarine Community Health Ltd. (the “Company”) as an individual entity, incorporated and domiciled in Australia. Bellarine Community Health Ltd. is a Company limited by guarantee.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

#### New or amended Accounting Standards and Interpretations Adopted

Bellarine Community Health Ltd. has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

#### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with *AASB1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities* of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and associated regulations. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements have been prepared on a going concern basis (refer to Note 1(d)).

#### Company Details

The registered office and principal place of business is:

Bellarine Community Health Ltd  
2 Nelson Road, Point Lonsdale VIC 3225

#### Material accounting estimates and judgements

The preparation of the financial statements requires the use of certain material accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the relevant notes (refer to Note 1(c)).

##### (a) Revenue and Income

The Company’s overall objective is the delivery of health treatment and support services, and health promotion and prevention programs to members of the Bellarine Peninsula communities in accordance with identified community needs and the formal objectives of the Company. To enable the Company to fulfil its objective it receives income primarily from government. Bellarine Community Health Ltd. also receives income from the supply of services. All revenue is stated net of goods and services tax (GST).

## Note 1. Summary of Material Accounting Policies (Continued)

### Grant funding

When the Company obtains control of a government grant, it recognises the associated asset in accordance with the applicable Australian Accounting Standard. In addition, the Company recognises the following 'related amounts', when applicable:

- any related contributions by owners, customer contract liabilities, financial liabilities and other liabilities and revenue, measured in accordance with the applicable Australian Accounting Standards;
- any liabilities for obligations arising from transfers to enable the Company to acquire or construct non-financial assets to be controlled by the Company; and
- donation income, representing the residual amount of the resources received.

As per AASB 1058, a related amount is accounted for as a customer contract liability in line with AASB 15 when, and only when, the associated agreement with the grantor:

- creates enforceable rights and obligations between the parties; and
- includes a promise by the Company to transfer a good or service that is sufficiently specific for the Company to determine when the obligation is satisfied.

For contracts without enforceable right obligations and not sufficiently specific to enable the Company to determine when they have been satisfied, income is recognised immediately under AASB 1058.

If an agreement is classified as a contract with a customer, it is accounted for in accordance with *AASB 15*, which requires the Company to:

- identify the performance obligation(s) under the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligation(s) under the contract; and
- recognise revenue when (or as) the Company satisfies the performance obligation(s).

For contracts with customers that comprise a donation component, the Company treats such components as part of the performance obligation(s) unless the Company can demonstrate that component is not related to the promised goods or services.

Revenue from government grants meets the necessary criteria to be accounted for as revenue from contracts with customers under AASB 15. Performance obligations arising from contracts for government grants are generally satisfied over time, as the Company meets the performance obligations included within the contract. The methods used to measure the Company's progress towards achieving its performance obligations arising from its contracts for government grants are either input or output based (*note 2*).

The types of government grants recognised under *AASB 15: Revenue from Contracts with Customers* includes:

- **CHSP Allied Health and Therapy Service:** this program includes the provision of allied health services that restore, improve or maintain frail, older people's health, wellbeing and independence. The Company is required to provide a set number of hours-of-service delivery. Revenue is recognised over time, as and when the services are provided.
- **CHSP - Nursing:** This program involves the provision of short-term or episodic treatment and monitoring of medically diagnosed clinical conditions to support eligible frail, older people to remain living at home. The Company is required to provide a set number of hours-of-service delivery. Revenue is recognised over time, as and when the services are provided.
- **CHSP - Social Support Group:** This program involves the provision of services to assist frail older people participate in community life and feel socially included through structured, group-based activities that develop, maintain, or support independent living and social interaction. The Company is required to provide a set number of hours-of-service delivery. Revenue is recognised over time, as and when the services are provided.
- **Community Health:** This program includes the provision of general counselling, allied health and nursing services. The Company is required to provide a set number of hours-of-service delivery. Revenue is recognised over time, as and when the services are provided.

## Note 1. Summary of Material Accounting Policies (Continued)

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- **State Dental Health and National Partnership Program:** This program includes the provision of dental services to eligible Victorians with a targeted number of people to be given oral health care at a total cost measured in Dental Weighted Activity Units (DWAU). The Company is required to deliver a set number of DWAUs. Revenue is recognised over time, as and when the services are provided.

For other grants with performance obligations, the Company exercises judgement over whether the performance obligations have been met, on a grant-by-grant basis.

### Wage Recoveries

Wage recoveries represent reimbursement of salaries and wages for services provided to clients under the Doctors in Secondary Schools (DISS) program and other services such as Barwon Post-Acute Care and Hospital in the Home. The Company recognises this revenue at a point in time, as and when the services are provided.

### National Disability Insurance Scheme

This activity includes the provision of individualised support and services to people with a disability. The Company's performance obligation is to deliver services in accordance with each participant's approved plan, which is developed based on the participant's needs and requirements. Revenue is recognised over time as the individual simultaneously receives and consumes the benefits provided by the Company as it performs. The Company uses the output method to measure its progress in satisfying its performance obligations.

### Home Care Packages

The Company is a registered Home Care Package provider. Funding is received to assist with the provision of services including personal care, nursing services, allied health, cleaning and home maintenance for registered participants. Revenue is recognised over time, as the service is provided, and unspent funds are held in trust.

### Medicare Rebates

The Company is a registered Medicare service provider. The Australian Government pays a Medicare rebate to provide patients with financial assistance towards the cost of their Medicare services. The rebate does not cover the full cost of Medicare services, with medical practitioners being able to set their own fee for service. Fee for service revenue and Medicare rebates are recognised at a point in time, as and when the service is provided.

### Capital Grants

When the Company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

### Interest Income

Interest income is recognised using the effective interest method.

### Donations

Donations are recognised when the payment is received.



## Note 1. Summary of Material Accounting Policies (Continued)

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### Contributed Assets

The Company may receive assets from government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of applicable Accounting Standards (for example *AASB 9*, *AASB 16*, *AASB 116* and *AASB 138*).

On initial recognition of an asset, the Company recognises related amounts being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.

The Company recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amounts.

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

### (b) Property, Plant and Equipment

#### Bases of measurement of carrying amount

Land and buildings is carried at fair value less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation. Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

#### Property, Plant and Equipment

Following initial recognition at cost, land and buildings are carried at a revalued amount which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and any subsequent accumulated impairment losses. The last valuation took place on the 30<sup>th</sup> of June 2024 by Ridge Valuers on the basis of fair value. The revaluation was processed to the asset revaluation reserve.

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

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired (deemed cost).

Leasehold improvements are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

### (c) Material Accounting Estimates and Judgements

The director's 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 of assets*

The Company assesses impairment at each reporting period by evaluating the conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amount of the relevant assets is reassessed using the value-in-use calculation which incorporates various key assumptions.



*Useful lives of property, plant and equipment*

The Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

*Fair value measurement of land and buildings*

Fair value determination requires judgement and the use of assumptions. The Company has engaged external valuers to value land and buildings as at 30 June 2024. Changes to assumptions could have a material impact on the results and financial position of the Company.

**Key Judgements***Identifying performance obligations under AASB 15*

To identify a performance obligation under *AASB 15*, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

*Determination and timing of revenue recognition under AASB 15*

For each revenue stream, the Company applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation.

*Annual leave*

For the purpose of measurement, *AASB 119: Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The Company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

*Long service leave calculation*

The Company assesses the long service leave liability in accordance with the requirements of *AASB 119: Employee Benefits* and applies probability factors reducing the balance of the liability on employees' balances that have not reached their vesting period, i.e. not entitled to be paid out as at 30 June 2023. The probability factors are increased as the respective employees' years of service increase and are provided for at 100% probability at vesting period (in accordance with employment conditions).

The probability rates have been determined based on past retention data.

*Portable Long service leave*

The Victoria Government offer portable long service benefits for eligible workers in the community services sector under the Long Service Benefits Portability Act 2018, supported by the Long Service Benefits Portability Regulations 2020. The Portable Long Service Benefits Scheme allows eligible workers to build up long service entitlements based on time spent in their industry, rather than with a single employer. This means that eligible workers can keep their portable long service leave entitlement even if they work for different employers over the years. The health service has identified employees eligible for portable long service benefits and pays a levy to the Portable Long Service Benefits Authority of 1.65% of wages for eligible employees instead of accruing the employees Long Service Leave balance on the employers liabilities

**(d) Going concern and working capital deficiency**

During the year ended 30 June 2024, the Company recorded a surplus of \$1m (2023: surplus of \$2.8m. The operating result excluding capital items and depreciation for 2023-2024 was a surplus of \$0.1m (2023: deficit of \$0.1m (excluding land donation)). In addition the company used cash in operations of \$1.1m (2023: cash provided by operating activities \$0.3m)

At 30 June 2024, BCH held \$4.0 million in non-current investments, which, although classified as long-term, are highly liquid and can be converted to cash as needed to meet operational and financial obligations. This provides significant flexibility in managing cash flow requirements.

Despite a working capital deficiency at 30 June 2024, with current liabilities of \$5.4 million exceeding current assets of \$3.3 million by \$2.1 million, included in current liabilities are provisions for employee benefits of \$1.6m, which are not expected to be settled in cash within the next 12 months. This would result in a position of revised net current liabilities of \$0.5m, Management is confident that the company remains in a strong position. The availability of \$4.0 million in long-term investments ensures that BCH has the necessary resources to cover its liabilities as they fall due.

The Company continues to focus on improving its operating results through a combination of cost-reduction strategies and revenue enhancement initiatives. These efforts have already contributed to an improved outcome for 2023-2024, with further positive impacts expected in 2024-2025. Cost management remains a priority, alongside a strategy to increase revenue from non-capped funding sources.

The Board of Directors has endorsed short-term strategies aimed at reducing costs and generating revenue, with a focus on activities that yield a surplus. BCH will continue to explore and implement additional revenue-generating opportunities as they arise.

The Company's ability to remain a going concern and meet its obligations is supported by ongoing financial commitments from the Commonwealth and State Governments. The Board believes that this funding will continue for the foreseeable future. In consideration of these factors, the financial statements have been prepared on a going concern basis.

**Note 2. Revenue and Other Income**

	Note	2024 \$	2023 \$
Revenue from contracts with customers	2(a)	12,304,145	11,632,885
Other sources of income	2(b)	6,702,246	8,029,912
<b>Total Revenue and Other Income</b>		<b>19,006,391</b>	<b>19,662,797</b>
<b>(a) Disaggregated Revenue</b>			
The Company has disaggregated revenue by the nature of revenue and timing of revenue recognition.			
State/Commonwealth government grants		9,780,701	9,372,299
Fees for service		2,523,444	2,260,586
<b>Total Disaggregated Revenue From Contracts With Customers Under AASB 15</b>		<b>12,304,145</b>	<b>11,632,885</b>
<b>Timing of Revenue Recognition Transferred to Customers</b>			
- at a point in time		2,700,252	2,485,490
- over time		9,603,893	9,147,395
<b>Total Disaggregated Revenue Based on Geography</b>		<b>12,304,145</b>	<b>11,632,885</b>
<b>Geography of Revenue Recognition Transferred to Customers</b>			
- Australia		12,304,145	11,632,885
- Other Countries		-	-
<b>Total Disaggregated Revenue Based on Timing</b>		<b>12,304,145</b>	<b>11,632,885</b>
<b>(b) Other Sources of Income</b>			
State/Commonwealth government funding		3,967,587	3,428,768
Capital grants		1,792,758	1,799,218
Rental Income		349,560	329,318
Interest received		398,570	420,090
Dividend income		67,091	-
Fair value movement on investments at FVTPL		49,728	29,390
Other trust income		-	-
Bequests and donations received		38,662	1,967,307
Other income		38,290	55,821
<b>Total Other Sources of income</b>		<b>6,702,246</b>	<b>8,029,912</b>

**Note 3. Material Profit or Loss Items**

	2024	2023
	\$	\$
The Company has identified a number of items which are material due to the significance of their nature and/or amount.		
These are listed separately here to provide a better understanding of the Company's financial performance.		
<b>(a) Employee Benefits Expense</b>		
- Employment expenses	10,392,478	9,978,913
- Contributions to defined contribution superannuation funds	1,122,125	1,007,449
- WorkCover premium	246,917	133,187
<b>Total Employee Benefits Expense</b>	<b>11,761,520</b>	<b>11,119,549</b>
<b>(b) Depreciation and Amortisation Expenses Property, Plant and Equipment</b>		
- Buildings	406,106	363,755
- Plant, furniture and equipment	133,000	142,553
- Owned motor vehicles	-	-
	<b>539,106</b>	<b>506,308</b>
<b>Right of Use Assets</b>		
- Leased motor vehicles	53,046	125,828
- Laptops	63,648	-
- Photocopiers	22,329	-
	<b>139,023</b>	<b>125,828</b>
<b>Intangible Assets</b>		
- Computer software	255,254	239,825
<b>Total Depreciation and Amortisation Expenses</b>	<b>933,383</b>	<b>871,961</b>

**Note 4. Cash and Cash Equivalents**

		2024	2023
	Note	\$	\$
<b>Current</b>			
Cash on hand		-	-
Cash at bank		1,905,891	1,319,668
<b>Total Cash and Cash Equivalents</b>	<b>18</b>	<b>1,905,891</b>	<b>1,319,668</b>
Represented by:			
Operational funds		1,905,891	1,219,220
Monies held in trust		-	100,448
		<b>1,905,891</b>	<b>1,319,668</b>

**Note 5. Trade and Other Receivables**

	Note	2024 \$	2023 \$
<b>Current</b>			
Trade receivables		284,824	266,522
Less provision for expected credit loss		-	-
Contract assets		24,068	111,181
Sundry debtors		31,224	45,227
<b>Total Trade and Other Receivables</b>	<b>18</b>	<b>340,116</b>	<b>422,930</b>

**Credit Risk**

The Company has no significant concentration of credit risk with respect to any single counterparty or entity of counterparties other than those receivables specifically provided for and mentioned within this note. The main source of credit risk to the Company is considered to relate to the class of assets described as trade and other receivables.

**Note 6. Other Assets**

	Note	2024 \$	2023 \$
<b>Current</b>			
Prepayments		151,007	98,654
Accrued Income		380,129	256,290
<b>Total Other Assets</b>		<b>531,136</b>	<b>354,944</b>
(a) Financial assets classified as other assets			
Total other assets		-	-
Prepayments		151,007	98,654
<b>Total Financial Assets Classified as Other Assets</b>	<b>18</b>	<b>151,007</b>	<b>98,654</b>

**Note 7. Investments**

	Note	2024 \$	2023 \$
<b>Current</b>			
<b>At amortised cost:</b>			
Term deposits		-	95,000
<b>Financial assets at fair value through profit or loss:</b>			
- Managed funds		495,865	971,370
<b>Total Current</b>		<b>495,865</b>	<b>1,066,370</b>
<b>Non-Current</b>			
<b>Financial assets at fair value through profit or loss:</b>			
- Managed funds		3,999,455	6,989,336
<b>Total Non-Current</b>		<b>3,999,455</b>	<b>6,989,336</b>
<b>Total Investments</b>	<b>18</b>	<b>4,495,320</b>	<b>8,055,706</b>

**Note 8. Property, Plant and Equipment**

	2024	2023
	\$	\$
<b>Non-Current</b>		
<b>Land and Buildings</b>		
<b>Freehold land:</b> at valuation (2024)	4,589,588	
at Valuation (2021)		3,467,753
	<b>4,589,588</b>	<b>3,467,753</b>
<b>Buildings:</b> at valuation (2024)	17,236,044	
at Valuation (2021)		11,276,020
Less accumulated depreciation	-	(725,893)
	<b>17,236,044</b>	<b>10,550,127</b>
<b>Budlings:</b> at cost	-	2,222,895
Less accumulated depreciation	-	(9,434)
	<b>-</b>	<b>2,213,461</b>
Work in progress	<b>2,116,372</b>	<b>518,130</b>
<b>Total Land and Buildings</b>	<b>23,942,004</b>	<b>16,749,471</b>
<b>Plant, Furniture and Equipment: at cost</b>	1,006,612	972,541
Less accumulated depreciation	(644,857)	(511,856)
	<b>361,755</b>	<b>460,685</b>
<b>Motor Vehicles: at cost</b>	156,794	156,794
Less accumulated depreciation	(156,794)	(156,794)
	<b>-</b>	<b>-</b>
<b>Total Property, Plant and Equipment</b>	<b>24,303,759</b>	<b>17,210,156</b>

*Movements in carrying amounts:*

	Freehold land	Buildings at valuation	Buildings at cost	Works in progress	Plant, furniture & equipment	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 30 June 2022</b>	<b>1,517,753</b>	<b>10,913,073</b>	<b>22,617</b>	<b>1,198,994</b>	<b>243,033</b>	<b>13,895,470</b>
Additions	1,950,000	-	-	1,826,743	44,251	3,820,994
Depreciation	-	(362,946)	(809)	-	(142,553)	(506,308)
Transfers	-	-	2,191,653	(2,507,607)	315,954	-
<b>Balance at 30 June 2023</b>	<b>3,467,753</b>	<b>10,550,127</b>	<b>2,213,461</b>	<b>518,130</b>	<b>460,685</b>	<b>17,210,156</b>
Additions	-	-	16,264	1,613,632	18,681	1,648,577
Disposals	-	-	-	-	-	-
Revaluation	1,121,835	4,862,298	-	-	-	5,984,133
Depreciation	-	(363,757)	(42,349)	-	(133,001)	(539,107)
Transfers	-	2,187,376	(2,187,376)	(15,390)	15,390	-
<b>Balance at 30 June 2024</b>	<b>4,589,588</b>	<b>17,236,044</b>	<b>-</b>	<b>2,116,372</b>	<b>361,755</b>	<b>24,303,759</b>

**Note 9. Intangible Assets**

	2024	2023
	\$	\$
<b>Non-Current</b>		
<b>Computer Software</b>		
At cost	1,317,623	1,198,912
Less accumulated amortisation and impairment	(891,077)	(635,823)
Work in progress	-	27,196
<b>Total Intangible Assets</b>	<b>426,546</b>	<b>590,285</b>
<b>Balance at beginning of the year</b>	590,285	802,914
Additions	91,515	27,196
Amortisation expense	(255,254)	(239,825)
<b>Balance at end of financial year</b>	<b>426,546</b>	<b>590,285</b>

**Note 10. Right of Use Assets**

The Company's lease portfolio includes motor vehicle, photocopier and laptop leases. The lease terms for each type of lease arrangement are:

Class of lease	Lease term
Motor vehicles	4 years
Laptops	3 years
Photocopiers	5 years

**Options to extend or terminate**

There were no extension options for motor vehicle leases. These clauses provide the Company opportunities to manage leases in order to align with its strategies. All of the termination options are only exercisable by the Company. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

	2024	2023
	\$	\$
<b>Leased motor vehicles</b>	<b>536,530</b>	<b>320,754</b>
Accumulated depreciation	(160,527)	(254,824)
	<b>376,003</b>	<b>65,931</b>
<b>Leased Laptops</b>	<b>313,982</b>	<b>264,697</b>
Accumulated depreciation	(224,152)	(160,504)
	<b>89,830</b>	<b>104,193</b>
<b>Leased Photocopiers</b>	<b>249,255</b>	<b>249,255</b>
Accumulated depreciation	(182,263)	(159,934)
	<b>66,992</b>	<b>89,321</b>
<b>Total Right of Use Assets</b>	<b>532,825</b>	<b>259,445</b>



**(a) Movements in carrying amounts**

Movements in carrying amounts for each class of right of use asset between the beginning and the end of the current financial year.

	Leased motor vehicles \$	Leased laptops \$	Leased photocopiers \$	Total \$
<b>Balance at 30 June 2022</b>	<b>77,261</b>	<b>72,803</b>	<b>49,229</b>	<b>199,293</b>
Additions to right-of-use asset	39,891	79,125	111,652	230,668
Disposal of fair value	(13,093)	-	(8,507)	(21,600)
Disposal of Accumulated depreciation	(6,367)	-	(16,722)	(23,089)
Depreciation expense	(31,761)	(47,735)	(46,331)	(125,827)
<b>Balance at 30 June 2023</b>	<b>65,931</b>	<b>104,193</b>	<b>89,321</b>	<b>259,445</b>
Additions to right-of-use asset	363,118	49,285		412,403
Depreciation expense	(53,046)	(63,648)	(22,329)	(139,023)
<b>Balance at 30 June 2024</b>	<b>376,003</b>	<b>89,830</b>	<b>66,992</b>	<b>532,825</b>

**(b) AASB 16 related amounts recognised in the statement of profit or loss**

	2024 \$	2023 \$
Depreciation charge related to right-of-use assets	139,023	125,828
Interest expense on lease liabilities	16,137	17,900
	<b>155,160</b>	<b>143,728</b>

**Note 11. Trade and Other Payables**

	Note	2024 \$	2023 \$
<b>Current</b>			
Trade payables		642,202	151,883
Accrued expenses		130,519	236,690
Net GST payable		34,800	174,816
Accrued wages		496,543	516,143
Credit cards		2,060	1,981
<b>Total Trade and Other Payables</b>		<b>1,306,124</b>	<b>1,081,513</b>
<b>(a) Financial liabilities classified as trade and other payables</b>			
Total trade and other payables		1,306,124	1,081,513
Net GST payable		(34,800)	(174,816)
<b>Total financial liabilities classified as trade and other payables</b>	<b>18</b>	<b>1,271,324</b>	<b>906,697</b>



**Note 12. Contract Liabilities and Deferred Grants**

	2024	2023
	\$	\$
<b>Current</b>		
Contract liabilities	289,325	1,641,129
Unspent capital grants	1,992,049	3,500,392
<b>Total Current Contract Liabilities and Deferred Grants</b>	<b>2,281,374</b>	<b>5,141,521</b>
<b>Non-Current</b>		
Unspent capital grants	-	-
<b>Total Contract Liabilities and Deferred Grants</b>	<b>2,281,374</b>	<b>5,141,521</b>

**Note 13. Funds Held in Trust**

		2024	2023
	Note	\$	\$
<b>Current</b>			
Accommodation bonds		-	94,946
Unspent home care packages (HCP) funds		-	5,502
<b>Total Funds Held in Trust</b>	<b>-</b>		<b>100,448</b>
<b>(a) Financial liabilities classified as funds held in trust</b>			
Total funds held in trust		-	100,448
Unspent home care packages (HCP) funds		-	(5,502)
<b>Total financial liabilities classified as funds held in trust</b>	<b>18</b>	<b>-</b>	<b>94,946</b>

During the Financial year the Sirovilla Eric Tolliday Units accommodation bonds were returned to the relevant residents due to the maximum deduction already being deducted and the nature of the agreement no longer falling under the residential aged care act and instead forming a standard lease arrangement. Further to this the remaining Commonwealth funded Home Care Package funding has been returned to the department with the full amount of client unspent funds now sitting with the commonwealth as a Liability rather than each individual provider.

**Note 14. Lease Liabilities**

		2024	2023
	Note	\$	\$
<b>Current</b>			
Lease liability		177,204	100,785
		<b>177,204</b>	<b>100,785</b>
<b>Non-Current</b>			
Lease liability		332,870	163,323
		<b>332,870</b>	<b>163,323</b>
<b>Total Lease Liabilities</b>	<b>18</b>	<b>510,074</b>	<b>264,108</b>

The leases for motor vehicles, laptops and photocopiers have terms of three to five years, and do not include optional terms or purchase options.

**Note 15. Employee Benefit Provisions**

	2024	2023
	\$	\$
<b>Current</b>		
Provision for annual leave	746,558	794,813
Provision for long service leave	875,710	923,742
Provision for accrued days off	54,020	70,939
	<b>1,676,288</b>	<b>1,789,494</b>
<b>Non-Current</b>		
Provision for long service leave	335,188	378,240
	<b>335,188</b>	<b>378,240</b>
<b>Total Employee Benefit Provisions</b>	<b>2,011,476</b>	<b>2,167,734</b>

**Note 16. Cash flow Information**

	2024	2023
Note	\$	\$
<b>Reconciliation of results to net cash provided used in operating activities</b>		
Surplus	984,602	2,797,010
<b>Non cash items:</b>		
- depreciation	3 933,383	871,962
- gain on disposal of assets	-	21,600
- fair value movement on investments at FVTPL	49,728	29,390
<b>Changes in assets and liabilities:</b>		
- (Increase)/Decrease in trade and other receivables	82,814	234,274
- (Increase)/Decrease in other assets	(275,650)	(2,231,251)
- Increase/(Decrease) in trade and other payables	224,611	141,669
- Increase/(Decrease) in contract liabilities	(2,860,144)	(1,427,761)
- Increase/(Decrease) in funds held in trust	(100,448)	(203,889)
- (Decrease)/increase in employee benefit provisions	(156,258)	29,251
<b>Net cash flows provided used in operating activities</b>	<b>(1,117,362)</b>	<b>262,255</b>

**Note 17. Capital Expenditure Commitments**

At 30 June 2024 the Company has recognised unspent capital funding of \$1,925,178 which will be expended in future periods. In September 2023, Bellarine Community Health Ltd entered into a contract with Loaram Constructions for the Ocean Grove Health and Wellbeing Hub at a total contract value of \$3.2m. Works are expected to be completed in late 2024.

	Ocean Grove	Total
	\$	\$
<b>Loaram constructions Contract</b>	<b>3,220,880</b>	<b>3,220,880</b>
Works complete during 2023-2024	(1,300,476)	(1,300,476)
Variations	4,774	4,774
<b>Remaining contract to be expended in future periods</b>	<b>1,925,178</b>	<b>1,925,178</b>

## Note 18. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, leases and funds held in trust. The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024 \$	2023 \$
<b>Financial assets</b>			
Cash and cash equivalents	4	1,905,891	1,319,668
Trade and other receivables	5	340,116	422,930
Other assets	6(a)	151,007	98,654
Investments	7	4,495,320	8,055,706
<b>Total financial assets</b>		<b>6,892,334</b>	<b>9,896,958</b>
<b>Financial liabilities</b>			
Trade and other payables	11(a)	1,271,324	1,081,513
Funds held in trust	13(a)	-	94,946
Lease liabilities	14	510,074	264,108
<b>Total financial liabilities</b>		<b>1,781,398</b>	<b>1,440,567</b>

### Financial risk management objectives and policies

The Company's activities expose itself to some financial risks which need to be actively managed.

#### Market risk

The Company's exposure to market risk is primarily through interest rate risk and equity price risk.

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has some exposure to cash flow interest rate risks through cash and deposits that are at floating rates. The Company manages this risk by mainly undertaking fixed rate or non interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate.

The Company is exposed to equity price risk through its managed fund, which primarily holds domestic fixed interest investments. The Company works closely with JB Were to assist with the management of its investment portfolio in accordance with the Investment Policy approved by the Board. The fund manager, on behalf of the Company closely monitors performance and manages the equity price risk through diversification of its investment portfolio and provides updates to the Board on a timely basis.

## Note 18. Financial Risk Management (continued)

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### *Interest rate risk*

Changes in interest rates effects the ability for the Company to earn returns on investment. Management negotiates with banking institutions to get the best available rates. On this basis, the Company is exposed to interest rate risk however this risk is mitigated where possible.

### *Liquidity risk*

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they fall due. The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

### *Credit risk*

The Company is not exposed to any significant credit risk.

### *Foreign currency risk*

The Company is not exposed to any significant foreign currency risk.

### *Price risk*

The Company is not exposed to any significant price risk.

## Note 19. Contingent Liabilities and Contingent Assets

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There is no contingent liabilities or contingent assets as at 30 June 2024 for the Company (2023: \$0).

## Note 20. Events occurring after balance sheet date

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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 or the results of those operations.

## Note 21. Key Management Personnel Compensation

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Key Management Personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

The KMP of Bellarine Community Health Ltd. are deemed to be the:

- Board of Directors
- Chief Executive Officer – *Garry Ellis ( 14<sup>th</sup> September 2020 – 1<sup>st</sup> April 2024)*
- Acting Chief Executive Officer – *Kathy Russell (1<sup>st</sup> April 2024 – Present)*
- Chief Financial Officer – *Kathy Russell (20<sup>th</sup> April 2020 – 31<sup>st</sup> March 2024)*
- Acting Chief Financial Officer – *Dillon Butten (1<sup>st</sup> April 2024 – Present)*
- Executive Director, Adult & Aged Services – *Melinda Farnsworth (19<sup>th</sup> September 2022 – 29<sup>th</sup> December 2023)*

**Note 21. Key Management Personnel Compensation ( continued)**

- Executive Director, Adult & Aged Services – *Karen Laing (6<sup>th</sup> May 2024 – Present)*
- Executive Director, Child Youth & Families - *Elizabeth Womersley (30<sup>th</sup> April 2018 - Present)*

The totals of remuneration paid to KMP of the Company during the year are as follows:

	2024	2023
	\$	\$
Short-term employee benefits	747,743	689,892
Post-employee benefits	73,283	65,048
Termination benefits	133,644	-
Other long-term benefits	51,700	24,458
	<b>1,006,370</b>	<b>779,398</b>

Outside of normal citizen type transactions with the Company, there were no related party transactions that involved key management personnel, their close family members and their personal business interests.

During the financial year, directors were paid the following stipends, approved in accordance with the Bellarine Community Health Ltd. Board Stipend and Expenses Policy:

	2024	2023
	\$	\$
Fay Agterhuis	5,000	5,000
Rod Slattery	4,000	4,000
Lucy Simms	3,500	3,000
Tim Walsh	3,500	4,000
Kristina Dimasi	3,000	3,000
Jean Paul	3,000	3,000
Robert James	3,000	3,000
Mark Harris	3,000	3,000
John Lesser	3,000	3,000
	<b>31,000</b>	<b>31,000</b>

Other than compensation of KMP, there were no material transactions or loans to or from related parties during the current and previous financial year.

## Note 22. Fair Value Hierarchy

The Company measures and recognises investments at fair value through profit or loss and land and buildings on a recurring basis after initial recognition.

The Company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

*AASB 13 Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

### Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date.

### Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

### Level 3

Measurements based on unobservable inputs for the 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. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

### Valuation Techniques

The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Company are consistent with one or more of the following valuation approaches:

- Market approach uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach converts estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

**Note 22. Fair Value Hierarchy (continued)**

The following tables provide the fair values of the Company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

2024				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Recurring fair value measurements</b>				
Land	-	4,589,588	-	4,589,588
Buildings	-	-	17,236,044	17,236,044
Leasehold improvements	-	-	-	-
Managed funds	4,495,320	-	-	4,495,320
<b>Total assets recognised at fair value on a recurring basis</b>	<b>4,495,320</b>	<b>4,589,588</b>	<b>17,236,044</b>	<b>26,320,952</b>
2023				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Recurring fair value measurements</b>				
Land	-	3,467,753	-	3,467,753
Buildings	-	-	10,550,127	10,550,127
Leasehold improvements	-	-	2,213,461	2,213,461
Managed funds	7,960,706	-	-	7,960,706
<b>Total assets recognised at fair value on a recurring basis</b>	<b>7,960,706</b>	<b>3,467,753</b>	<b>12,763,588</b>	<b>24,192,047</b>

**Note 23. Auditor's Remuneration**

	2024	2023
	\$	\$
<b>Remuneration of Auditor's, Victorian Auditor General's Office for:</b>		
- auditing fee	35,805	38,100
<b>Total Auditor's Remuneration</b>	<b>35,805</b>	<b>38,100</b>

**Note 24. Members' Guarantee**

The Company is registered with the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the 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 49 (2023: 70).

**Note 25. Economic Dependency**

The Company is dependent upon both State and Federal Governments for the majority of its revenue, which constitutes approximately 72% in 2023-24 (2023-24: 65%) of the Company's total revenue. At the date of this report the Board of Directors has no reason to believe the relevant government department will not continue to support the Company.



## Directors' Declaration

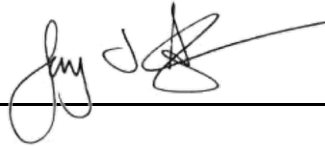
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In accordance with a resolution of the directors of Bellarine Community Health Ltd., the directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 39, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a. comply with *AASB1060 General Purpose Financial Statements –Simplified Disclosures for For-Profit and Not-for-Profit Entities* and the *Australian Charities and Not-for-profits Commission Regulation 2022*; and
  - b. give a true and fair view of the Company's financial position as at 30 June 2024 and of its performance and cashflows for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs. 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Fay Agterhuis, Chair



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Lucy Simms, Deputy Chair



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Dated this 1st day of October 2024



# Independent Auditors Report

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## Independent Auditor's Report

To the Directors of Bellarine Community Health Ltd

<b>Opinion</b>	<p>I have audited the financial report of Bellarine Community Health Ltd (the company) which comprises the:</p> <ul style="list-style-type: none"> <li>statement of financial position as at 30 June 2024</li> <li>statement of profit or loss and other comprehensive income for the year then ended</li> <li>statement of changes in equity for the year then ended</li> <li>statement of cash flows for the year then ended</li> <li>notes to the financial statements, including material accounting policy information</li> <li>directors' declaration.</li> </ul> <p>In my opinion the financial report is in accordance with Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"> <li>giving a true and fair view of the financial position of the company as at 30 June 2024 and of its financial performance and its cash flows for the year then ended</li> <li>complying with Australian Accounting Standards– <i>Simplified Disclosures Requirements</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2022</i>.</li> </ul>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the company in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Directors' responsibilities for the financial report</b>	<p>The Directors of the company are responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards– <i>Simplified Disclosures Requirements</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, 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.</p> <p>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 it is inappropriate to do so.</p>

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**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.


As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors
- conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

I also provide the Directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

MELBOURNE  
14 October 2024



Sanchu Chummar

*as delegate for the Auditor-General of Victoria*

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