

A photograph of two women standing outdoors in a garden. The woman on the left has short brown hair and wears glasses and a blue and white patterned short-sleeved shirt. The woman on the right has short white hair and wears a light-colored cardigan over a grey top. They are both smiling and looking at each other. The woman on the left is holding a bunch of green leafy herbs. The background is a lush green garden with various plants and trees.

creating communities
Sundale

ANNUAL REPORT / 18

---

creating

EVERYTHING WE DO

- EVERY DAY - AND EVERY
RESOURCE WE USE, IS
AIMED AT ONE RESULT
- CUSTOMER SATISFACTION.



community



ANNUAL REPORT / 18

C O N T E N T S

04	OUR PURPOSE
05	OUR STORY
06	CHAIRPERSON'S WELCOME
08	CEO'S WELCOME
10	OUR COMMUNITIES
	Residential Care centres Retirement Communities Community Housing
18	OUR SERVICES
	In-home Care Services Rehabilitation Childcare
24	OUR VOLUNTEERS
26	OUR BOARD
28	OUR FINANCIALS

OUR PURPOSE

WE EXIST, TO CARE, TO
GROW AND TO SUPPORT
OUR COMMUNITY.

OUR VISION

TO BE RENOWNED FOR
OUR EXCEPTIONAL
CUSTOMER SERVICE, AND
BEING A WONDERFUL
PLACE TO WORK.

OUR VALUES

EXCELLENCE IN ALL WE DO

TEAMWORK

HUMAN TOUCH

INNOVATION

CUSTOMER FIRST

ACCEPTANCE

LEADERSHIP BY ALL

---

ethical



OUR STORY

SUNDALE WAS CREATED FOR THE COMMUNITY.

Sundale grew out of a single-minded focus on caring for and accommodating the needs of older Queenslanders, especially those on the Sunshine Coast. The Apex Club of Nambour conceived the idea, and with support from local business and community groups, breathed life into the concept to deliver Sundale. Operating from ten campuses, our services include residential care centres, in-home care services, rehabilitation services, retirement communities, childcare services, housing and our own support services including laundry and catering.

At the heart of Sundale is our overwhelming desire to care. We believe in providing quality accommodation and support for our community, based on need and not just an ability to pay. We take seriously our obligation to identify need and respond accordingly through proactive initiatives for today and for the future.

With a history of caring for five decades, we have experience, wisdom, practices and financial security to ensure we offer a wide range of lifestyles, services and care for all who might need it. Through the work they do every day, our carers and staff aim to provide the best quality of life and outcomes for all our residents and customers. Our remarkable history would not be possible without the contributions from our founders, staff, volunteers and indeed the whole community.

Sundale is a not-for-profit organisation, and is registered with the ATO as having income tax exemption, gift deductibility status, and is a Public Benevolent Institution. We are a Public Company Limited by Guarantee, registered under the Australian Securities and Investments Commission and the Australian Charities and Not-For-Profits Commission. As a not-for-profit organisation, we have no shareholders or external owners, and every dollar that is generated through our activities is put back into the operations and facilities of Sundale, for the benefit of our residents and customers.

CHAIRPERSON'S REPORT

I would like to begin this, my first report as the Chairperson of Sundale Limited, by expressing sincere thanks to my predecessor, Elizabeth Henley. Elizabeth has served with wisdom, commitment and enthusiasm, and we are all grateful for the leadership and care she demonstrated in the role. We are also thrilled she has stayed on as a member of the Board.

I would also like to thank my fellow Board Directors for appointing me as Chair. I feel privileged to be part of the organisation and thank the Board for their ongoing contribution throughout the past year. I value their insights and passion in overseeing Sundale's activities in accordance with its mission.

I also feel privileged to see the great work of all team members and volunteers. I look forward to spending more time visiting our sites in my role as Chair and the opportunity to meet many more of our community.

As many of you reading this Annual Report will be aware, for over 55 years Sundale has been building, off and on; improving our facilities, opening new ones. We have plans in place for the redevelopment of both our Nambour and Tewantin sites.

However, the plan to build a spectacular new site, or a spectacular new anything for that matter, is only as good as the building's foundations. I believe that the foundations of any plan starts with building relationships. Building strong, healthy and authentic internal and external relationships has always been important for the success of any company, and Sundale is no exception. Now, more than ever, these relationships can be pushed into the

spotlight because of the internet and social media. No sour transaction, inappropriate behaviour or act of poor customer service can go under the radar. Nor should it.

Times change. People change.

Technology changes. Plans change.

As difficult as this change can be, we have to embrace change to enable us to build the best possible version of "us"; the best version of Sundale, and uphold the noble vision of its founders, J.D. Grimes and the Nambour Apex and Rotary Clubs from back in the 1950's.

We have seen significant change recently, with the departure of Glenn Bunney (CEO) from the organisation and we would like to thank him for his years of dedicated service to Sundale and wish him well in his future endeavours.

Recently the Board has developed a strategy to become more hands on, not from an operational sense, but rather from a customer experience perspective. We want to see, feel, and experience the services we provide. We want to develop stronger relationships; not just with our team members, but also with our residents, clients and volunteers.

We are now conducting Board meetings at different sites so that we may become better aligned to and aware of the needs of all the people that we serve as directors. In addition, you will start to see directors appearing at functions that are held at Sundale sites throughout the year. We would love to hear your stories when we have the chance to chat with you.



**WE HAVE TO EMBRACE CHANGE
TO ENABLE US TO BUILD THE BEST
POSSIBLE VERSION OF SUNDALE.**

WE ARE EXCITED
ABOUT OUR
PLANS AND
THE NEW TIMES
AHEAD FOR
SUNDALE.



There will always be change. There needs to be change to continually grow, re-invent and improve, and that's exactly what we are doing. The next six to twelve months is about reviewing our plans, checking our foundations and making changes where necessary. Only then can we forge ahead to build a brighter and stronger future for Sundale that is not only true to the vision of its founders, but also authentic to the people that we serve today. As we move through our plans, I look forward to open communication, transparency and connecting closely with the Management Team, our residents, clients and volunteers alike. In closing, the Board is excited about the future of Sundale. We are excited about our plans and the new times ahead for Sundale that will soon not just be a vision, but rather, Sundale's reality.

A white, handwritten signature of Mr. John Woodward on a dark teal background.

MR JOHN WOODWARD
Chairperson



CEO'S WELCOME

ALTHOUGH ONLY RECENTLY APPOINTED AS SUNDALE CEO, AFTER ACTING IN THE POSITION FOR MOST OF 2018, I RECOGNISE THAT THIS YEAR SAW CHALLENGE AND CHANGE – BUT MORE IMPORTANTLY, IT ALSO BROUGHT SUCCESS AND ACHIEVEMENT.

Leading an organisation through change can be arduous. However, it is made less so when surrounded by a supportive Board and positive, visionary leaders. I have the greatest admiration for all of our staff who, throughout the year, remained unwavering in their commitment to the work they do and stood stoic in the face of adversity.

This year we have had significant challenges relating to staff and the internal culture of the business which has impacted on our ability to make the progress we wanted. We have addressed these issues head on and are already feeling the benefit.

We're proud of what we've achieved over the past six months, achieving tremendous results and facing many challenges.

I am very pleased to report that through recent accreditation, despite setbacks that were being faced, we managed to achieve 44/44 expected outcomes at all of our sites. Whilst it is recognised this work is essential to ensure continuity of the business, it must also be acknowledged that the challenges and impact for staff were significant.

We are now focussing on the future; a future we're calling Sundale 2.0.

We are working quickly and tirelessly to focus on the new Sundale. We're re-aligning plans, and we're setting our sights on ensuring the longevity of Sundale for many decades to come.

We will be focussing on four main areas for our residents - care, comfort, food and fun.

We will be ensuring we continue to provide the best in care. We are expanding our learning and development, particularly in the area of Clinical Training.

We're ensuring that upgrades, where required, occur to current facilities so that our residents are kept comfortable and safe.

We are recruiting food and beverage professionals who will be placing a focus on the best possible quality of food for our residents, ensuring they have flavoursome, nutritious and delicious meals.

Lastly, we will be concentrating on fun! We will be ensuring that activities for our residents are vibrant, relevant, interesting and engaging.



WE WILL BE FOCUSSING ON FOUR MAIN AREAS FOR OUR RESIDENTS - CARE, COMFORT, FOOD AND FUN.

WE'RE PROUD
OF WHAT WE'VE
ACHIEVED OVER
THE PAST SIX
MONTHS, ACHIEVING
TREMENDOUS
RESULTS AND FACING
MANY CHALLENGES.

Moving forward, I am excited about what's ahead for us. We will build a new culture; a culture of inclusion, acceptance, education and care. Together as a team, shoulder to shoulder, we are building a Sundale where everything we do is about RESPECT.

Respect for our residents, our colleagues and ourselves.



MS DANIELLE MACKENZIE
CEO







our

RESIDENTIAL
CARE CENTRES

RETIREMENT
COMMUNITIES

COMMUNITY
HOUSING

communities

MOIRA'S STORY

Moira's

LEAP OF FAITH



WHEN MOIRA FORBES WAS DIAGNOSED WITH A BRAIN TUMOUR IN 2014, AND ADVISED SHE WOULD NEED TO MOVE TO SUNDALE'S MCGOWAN LODGE IN NAMBOUR, SHE WAS NOT AT ALL PLEASED.

Having lived an adventurous youth in New Zealand and completing missionary work in a number of countries, she was reluctant to transition to what she thought would be a more sedate life in McGowan Lodge.

"I admit I had a bad attitude to the move – but after calling on my faith and accepting the support and care from Sundale staff, I became grateful for my new home and appreciated that it was actually quite a wonderful place," Mrs Forbes explained.

TURNING 89 YEARS OF AGE THIS YEAR HAS NOT SLOWED MOIRA DOWN. IN FACT, SHE EMBRACED HER ADVENTUROUS SPIRIT AND COMPLETED A SKYDIVE FOR HER BIRTHDAY.

Moira was inspired to take on the terrifying feat to honour her dear friends from her local church, who sadly passed away the previous year. The group of friends had been committed to supporting disadvantaged children to complete their schooling through their charity 'L for Kids' and Moira literally wanted to take a leap of faith in their memory.

Moira has been enjoying continued good health and is now taking on a new challenge in writing her memoirs – on a computer! Embracing the new computer installed for residents at McGowan Lodge, she has been learning this new skill with the help of Sundale staff and volunteers.

"I'm 128 pages into my story and am very grateful for the help I've received in learning how to use the computer," Mrs Forbes said.

"The Sundale staff showed me how to use the computer and some lovely high school work experience students assisted me to scan my photos onto a USB, so I can now include them in the document."

Moira is enthusiastic to see the planned improvements within Sundale and takes pride in encouraging her friends who are hesitant about moving into aged care.

"This is a great community here and I hope that some of my friends are able to join me to enjoy the care and quality of life I have here at Sundale."





**SUNDALE REMAINS A TRULY “LOCAL”
AGED CARE SERVICE PROVIDER.**

RESIDENTIAL CARE CENTRES

Sundale continues to be the largest not-for-profit Sunshine Coast based residential aged care provider (not affiliated with a religious organisation) and we remain a truly “local” aged care service provider. We are proud of the high quality care we provide our residents and are committed to supporting those who might be disadvantaged. As our residents’ needs change, so does our resourcing and investment into specific care areas, so these needs are met.

**6 SITES
8 FACILITIES
BOYNE ISLAND
BURNSIDE
COOLUM
KILCOY**

NAMBOUR (JAMES GRIMES
CARE CENTRE, BOWDER CARE
CENTRE, AND MCGOWAN
CARE CENTRE)

PALMWOODS

**WE ARE PROUD OF
THE HIGH QUALITY
CARE WE PROVIDE
OUR RESIDENTS AND
ARE COMMITTED TO
SUPPORTING THOSE
WHO MIGHT BE
DISADVANTAGED.**



453

residents being cared
for in our centres



713,575

meals freshly
prepared in our care
centre kitchens



393

dedicated staff
members caring for our
residents

289

CARERS

45

ENROLLED NURSES

26

REGISTERED NURSES

23

SUPPORT STAFF

10

LIFESTYLE COORDINATORS

RETIREMENT COMMUNITIES

Sundale offers a wide variety of living options in our four retirement communities. Choice is of the upmost importance and residents have options on location, unit configuration and price, as well as the opportunity to access other Sundale services. Having fun is at the core of our communities, so residents are welcome to participate in a variety of events and activities such as social clubs, morning teas, open days, regular meetings, clubhouse activities and amenities.

It's important for residents to be part of a vibrant and inclusive community that they can call home, with the added peace of mind of 24-hour emergency call systems and a range of in-home care and support services.



4

Site Managers keeping things running smoothly at each location



311

independent living units providing a safe home for residents with 23 more under construction at Coolum



69,672

activities this year, providing fun & social opportunities for residents within our communities



4 LOCATIONS
ROTARY (BURNSIDE)
COOLUM BEACH
NAMBOUR
PALMWOODS

Companionship

HAVING FUN IS AT
THE CORE OF OUR
COMMUNITIES

“



better

COMMUNITY HOUSING

Sundale is committed to helping provide affordable housing within the community to ensure a better quality of life for those in need. Our range of affordable housing, and our caravan parks, ensure options across the Sunshine Coast, Brisbane and Wide Bay area.



7

locations



450

housing opportunities,
providing safe, secure and
affordable housing.

SHARING IS A REAL
CHOICE, OFFERING
AFFORDABILITY,
COMPANIONSHIP AND
PEACE OF MIND.

”

BETTER TOGETHER HOUSING - OFFERING OPTIONS FOR WOMEN

Sundale's business goes beyond the boundaries of our villages and further than the homes of our In-Home Care clients.

It stretches into the broader community through a variety of housing projects, including the Better Together Housing project, launched in May 2018.

Showing signs of being one of Sundale's greatest achievements, Better Together Housing is a partnership with another Sunshine Coast not-for-profit, Coast2Bay Housing Group.

Sundale's Manager - Housing and Community Engagement, Gail Middleton, said that the project aims to address the loneliness and lack of rental housing affordability faced by many single women living on the pension in the Sunshine Coast region.

“Using a website, Better Together Housing allows these women to link with an intention of setting up a home share arrangement, in a neighbourhood that they are connected with,” she said.

together



"We are changing the mindset of women to recognise that sharing is a real choice, offering affordability, companionship and peace of mind."

The project is also beneficial to the larger community as it does not require additional housing to be constructed or pensions to be increased.

Looking to the future, the Better Together Housing project is now also talking to developers who are interested in changing the design of their investment projects to suit this growing market.

Exemplifying Sundale's trait of always embracing improvements, the project managers are constantly reviewing what's working and what needs tweaking.

Realising that the requirement to print, scan, and fill in portals fits more comfortably with the younger generation that grew up with computers, 'get togethers' were instigated as an alternative application process.

"We felt it was important for women to meet each other and not just rely on the words posted on the website," Ms Middleton said.

"We are anticipating the first tenancies of sharers starting before Christmas as the summer rents on the coast increase due to market demand."



USING A WEBSITE, BETTER TOGETHER HOUSING ALLOWS THESE WOMEN TO LINK WITH AN INTENTION OF SETTING UP A HOME SHARE ARRANGEMENT, IN A NEIGHBOURHOOD THAT THEY ARE CONNECTED WITH.







our

IN-HOME CARE
SERVICES

REHABILITATION

CHILDCARE

services



IN - HOME CARE SERVICES

With many older Australians wishing to remain in their own homes as they age, Sundale's in-home care services are meeting a large need in communities across the Sunshine Coast and West Moreton regions. Every week, Sundale In-Home Care manages in excess of 600 visits to our customers living in their own home. These visits are made to people's homes to deliver services, with many thousands of kilometres travelled by our carers every year to ensure these customers are provided with the care and support they need to remain living well in their community. Our integrated service model promotes and provides wellbeing, independence and autonomy for customers to remain positively engaged with their range of support services, aspirations and social contacts.

**EVERY WEEK,
SUNDALE IN-HOME
CARE MANAGES IN
EXCESS OF 600 VISITS
TO OUR CUSTOMERS
LIVING IN THEIR OWN
HOME**



34,414

individual visits to provide
support & care to people in
their own homes



69,672 km

travelled with
customers for social
support & linking with
their communities



Photos: Mark Beard, courtesy of Suncoast Christian College



CHILD CARE

For the last decade we have operated childcare services in Kilcoy, through long day care, vacation care, and before and after school care programs. The centre meets our dual objectives of establishing the enhanced opportunity for inter-generational connection with our residents in our Kilcoy service, as well as supporting our care teams with available childcare.

This innovative offering is a practical example of the benefits of co-locating child and age care services.



LOCATION

1 SITE = KILCOY



104

children cared for during the year



10

early childhood educators providing exceptional care to our young kids



165

visits from children to residents of the age care facility

young at heart

AT SUNDALE, OUR
SERVICES TAILOR
INDIVIDUAL PROGRAMS
FOR OUR CLIENTS.



rehabilitation

REHABILITATION

At our Sundale Rehabilitation Centre we have professional allied health team expertise including physiotherapy, occupational therapy, exercise physiology, a registered nurse, and administration, all supported exceptionally well by allied health assistants, massage therapy and podiatry. Our physiotherapists have a broad range of clinical and case mix experience, whilst our allied health assistants are specifically educated to assist our physiotherapists in the delivery of treatments and exercise programs.

Our services tailor individual programs from once-only contacts for information and advice, short term rehabilitative and restorative services (centre based therapy and in-home post hospital) and longer term treatment either in groups or through individual one-on-one support.

OUR ALLIED HEALTH SERVICE PROGRAMS INCLUDE:

PHYSIOTHERAPY

NEEDLING

HYDROTHERAPY & GYMNASIUM HYDROTHERAPY

DISABILITY HYDROTHERAPY PROGRAMS

PODIATRY

MASSAGE

AQUAROBCICS

GYM & EXERCISE PROGRAMS

SENIOR EXERCISE CLASSES

FALLS PREVENTION CLASSES & REHABILITATION



52,208

pain management services
delivered in-house to
residents in our Sunshine
Coast care centres



490

aqua aerobics
classes at Nambour,
Palmwoods & Voller



245

group exercise
classes



147

falls prevention
classes

Volunteers

**OUR VOLUNTEERS
PLAY A VERY
IMPORTANT
ROLE, PROVIDING
FRIENDSHIP AND
COMPANIONSHIP TO
OUR RESIDENTS, AND
GIVING ONE ON ONE
INTERACTION.**



INNER ARTISTS SHINE

Sundale is fortunate to have many wonderful and dedicated volunteers who help brighten the lives of our residents, including local artist Helen Watt, who recently began spending time teaching residents how to draw.

Helen became a volunteer at Sundale in 2015 and is a valued member of the team at the James Grimes Care Centre. She can be seen around the centre each Tuesday where she assists residents play bingo and helps run the Happy Hour program.

James Grimes Centre's Lifestyle Coordinator, Noela Sharpe said that the program had been a wonderful way to engage residents in a creative activity that could cater to all levels of ability.

"Helen is a brilliant artist herself and each year paints a landscape which is raffled off at Christmas, so it is fantastic that she is sharing these skills with our residents," Noela said.

"Art is a wonderful way to engage residents with their creative side and our participants have been extremely enthusiastic about taking part."

**WE ARE SO GRATEFUL TO
FANTASTIC VOLUNTEERS
LIKE HELEN WHO GIVE
SO MUCH OF THEIR TIME
AND ENERGY TO HELP OUR
STAFF AND RESIDENTS.**



In their very first class, residents were given paper, charcoals and still life props including an orange in a bowl and a bottle of wine. Volunteer Helen then gave them instruction on how to replicate the image from visual to paper and the work flowed.

"It was wonderful to see residents who had never laid pencil to paper before, begin sketching their master pieces," said Noela.

"We are so grateful to fantastic volunteers like Helen who give so much of their time and energy to help our staff and residents."



OUR VOLUNTEERS

THE BACKBONE OF OUR COMMUNITY

Our marvellous Sundale volunteers work with our lifestyle team, to ensure our residents' emotional, spiritual and social needs are met. Our volunteers always work tirelessly, offering their support to our residents – whether it's a visit to the shops, a chat, helping around the residences or simply spending time with them. Some volunteers take residents to attend Church services, others go on outings to the shops or the cinema. Whatever the circumstances, they are always there to listen to the residents' stories.

Our volunteers play a very important role, providing friendship and companionship to our residents, and giving one-on-one interaction especially to those who may be confined to their rooms due to their individual circumstances. Our Sundale volunteers are the backbone of the community and in the coming year we will be expanding our volunteer profile and our number of volunteers.

FRIENDS OF SUNDALE

Friends of Sundale are a group of volunteers at the Nambour campus who run the Canteen, conduct a weekly trolley service and raise funds to benefit staff and residents of the Care Centre, hostels, independent living units and rehabilitation centre.

During the past year, the Friends of Sundale have supplied a pool table and coffee machine for McGowan Lodge, four bread makers for the Care Centre and hostels, and a microwave oven for Bowder Lodge. The group also put smiles on residents' faces with Mother's Day flowers and birthday cards.

At our site in Bindaree, 'The Friends of Bindaree' have been raising funds for our Care Centre (previously Bindaree Lodge) for over 20 years. They are a small but enthusiastic group which have a garage sale every Wednesday, and a monthly sale on a Saturday. With their assistance Bindaree Care Centre has been able to provide specialised furniture and equipment to the residents. We are extremely grateful to them all.

THE BOARD
IS EXCITED
ABOUT THE
FUTURE OF
SUNDALE.

BOARD AND AGM ATTENDANCE

	Held	Attended
Mr J Woodward	10	9
Mr T Wainwright	10	9
Ms E Henley	10	8
Mr P Clark	10	9
Ms C Perren	10	10
Mr S Roberts	10	9
Mrs A Phillips	10	10



OUR BOARD AND CEO

MR SWAIN ROBERTS

Director

LLB, B. Com, Grad Dip Ed, Grad Cert Bus PNPS

Senior Legal Officer of the University of the Sunshine Coast (USC). Lawyer and governance professional with more than 20 years' legal experience, nationally and internationally, with significant experience in the higher education and health sectors. Joined the Sundale Ltd Board in 2017.

Roles: Chairperson Governance and Culture Committee.

MS ANITA PHILLIPS

Director

BA/Dip.Soc.Studs; MPA; Grad.Dip.Leg.Studs

Experience as a Social Worker within many fields of practice, including aged and disability care, and also contributing to the formation of social policy. Extensive government experience, including as a Member of Queensland Parliament and at Executive level with Federal, State and Local government departments. Joined the Sundale Ltd Board in 2017.

Roles: Member Audit, Finance and Risk Committee; Member Governance and Culture Committee.

MR TROY WAINWRIGHT

Deputy Chairperson

BBus, CPA, MBA

Director of Coastal Patios since 2012 and has experience in construction, manufacturing, tourism and property based industries.

Joined the Sundale Ltd Board in 2015.

Roles: Board Deputy Chairperson; Chairperson Infrastructure Development Committee; Member Audit, Finance and Risk Committee.

MS DANIELLE MACKENZIE

CEO

Masters in Health Science (Gerontology)

16 years' Senior and Executive Management experience in not-for-profit (Aged Care, Mental Health, Health, Child Protection and Disability).

Improvement Specialist that facilitates service development and enhancement, quality leadership, strategic and business acumen that is supported by innovation, stakeholder management, evidenced based outcomes, advocacy and connecting with communities.

Specialist areas Quality Assurance, Clinical and Organisational Governance and Risk Management.

Joined Sundale in 2018.



MR JOHN WOODWARD

Chairperson

BPharm(Hons), Adv. Prac. Pharm., BCPS, BCGP, GAICD

Advanced practice pharmacist now specialising in general and geriatric medicine pharmacy. Provides clinical pharmacy services in general medical practices and has a long history of managing community pharmacies.

Graduate Member of the Australian Institute of Company Directors.

Joined the Sundale Ltd Board in 2012 and took on the role of Chairperson in 2018.

Roles: Board Chairperson; Member Audit, Finance and Risk Committee; Member Governance and Culture Committee; Member of Infrastructure Development Committee.

PROF ELIZABETH HENLEY

Director

BSc; BPT; MCISC

Expertise in physiotherapy, rehabilitation and the care of older people.

Joined the Sundale Ltd Board in 2012, also 8 years on Eden Board.

Roles: Member Governance and Culture Committee; Member of Infrastructure Development Committee.

MR PETER CLARK

Director

Retired builder

Nambour resident for over 50 years, retailer and stakeholder for the last 28 years with an involvement in a number of service clubs and organisations on the Sunshine Coast.

Joined the Sundale Ltd Board in 2014.

Roles: Member of Audit, Finance and Risk Committee; Member of Infrastructure Development Committee.

MS CHRISTINE PERREN

Treasurer

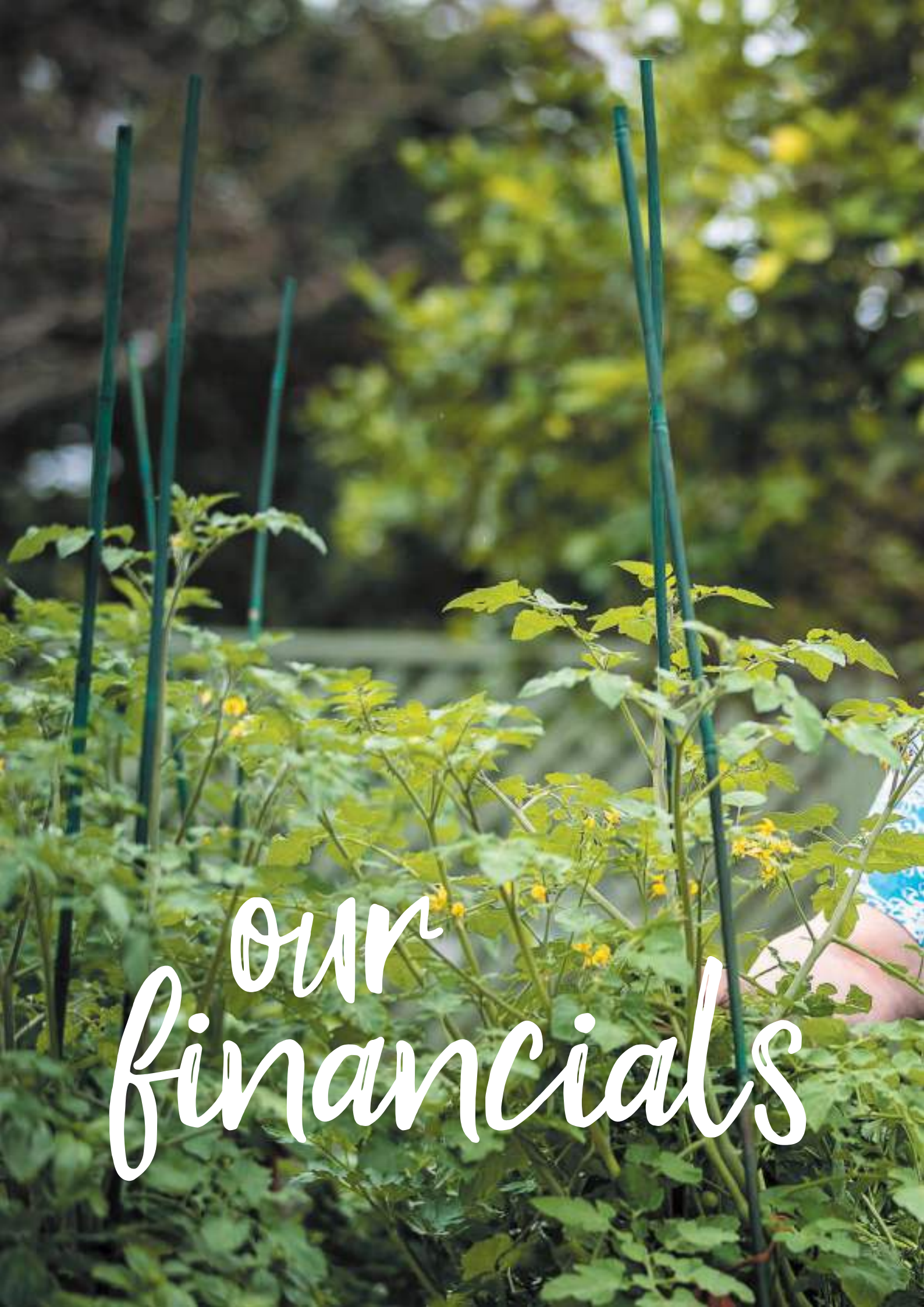
BBus, AIMM, CPA

Partner with SDE Accountants since 2013 and involved in a number of local community based organisations on the Sunshine Coast, holding a number of Board positions within those organisations.

Joined the Sundale Ltd Board in 2015.

Roles: Chairperson Audit, Finance and Risk Committee.

our board



our
financials



STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018 \$'000	2017 \$'000
CONTINUING OPERATIONS			
Operational revenues	4	44,594	47,252
Accommodation bond/Licence contribution		1,394	1,330
Interest & dividend revenue	17	2,736	2,513
Other revenue		1,451	1,199
TOTAL REVENUE		50,175	52,294
Depreciation, amortisation and impairment	10-12	(9,348)	(4,563)
Employee costs		(28,821)	(26,212)
Finance costs	17	(105)	(129)
Other expenses	5	(10,896)	(12,495)
Minor project costs		(2,270)	(2,709)
TOTAL EXPENSES		(51,440)	(46,108)
<i>Results from operating activities</i>		(1,265)	6,186
SIGNIFICANT ITEMS			
Gain on disposal of Investment Property	18	19,101	-
SURPLUS FOR THE YEAR		17,836	6,186
Other Comprehensive Income			
Items that may be reclassified subsequently to profit or loss			
Investment revaluation reserve movement		1,246	1,057
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		19,082	7,243

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	NOTE	2018 \$'000	2017 \$'000
CURRENT ASSETS			
Cash and cash equivalents	7	5,193	4,989
Trade and other receivables	8	4,589	3,188
Inventories		105	110
Financial assets	9	53,934	36,499
TOTAL CURRENT ASSETS		63,821	44,786
NON-CURRENT ASSETS			
Trade and other receivables	8	193	250
Financial assets	9	37,062	35,815
Investment properties	10	29,690	29,892
Intangibles	11	5,075	8,863
Property, plant and equipment	12	72,642	64,376
TOTAL NON-CURRENT ASSETS		144,662	139,196
TOTAL ASSETS		208,483	183,982
CURRENT LIABILITIES			
Trade and other payables	13 (i)	4,267	6,083
Accommodation payables expected to be paid within 12 months	13 (ii)	8,083	6,783
Accommodation payables not expected to be paid within 12 months	13 (ii)	76,801	70,788
Interest bearing loans and borrowings	14	150	150
Provisions	15	6,294	5,266
Accrued expenses		1,044	1,430
TOTAL CURRENT LIABILITIES		96,639	90,500
NON-CURRENT LIABILITIES			
Provisions	15	1,012	1,732
TOTAL NON-CURRENT LIABILITIES		1,012	1,732
TOTAL LIABILITIES		97,651	92,232
NET ASSETS		110,832	91,750
EQUITY			
Accumulated Funds		102,600	84,764
Reserves		8,232	6,986
TOTAL EQUITY		110,832	91,750

*The above Statement of Financial Position should be read in conjunction with the accompanying notes.
(in thousands of AUD)*

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018 \$'000	2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts of subsidies and revenue from clients		47,901	51,300
Receipt of grants and one-off funding		145	42
Sundry income		490	422
Payments to suppliers and employees		(46,484)	(42,817)
Donations		5	16
Interest received		1,451	1,472
Net cash provided by operating activities		3,508	10,435
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant & equipment		(14,994)	(10,552)
Net Realisation/(Acquisition) of financial assets		(17,435)	(9,163)
Inflows from Investment Property disposals	18	20,068	-
GST Proceeds/(Payments) related to Investment Property construction	10	(10)	710
Proceeds from sale of property, plant & equipment		75	57
Net cash used in investing activities		(12,296)	(18,948)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net repayments of loans 7 day call		-	(110)
Repayment of unsecured interest free loans		(97)	-
Proceeds from accommodation payables		20,379	16,858
Repayment of accommodation payables		(11,290)	(9,877)
Net cash provided by financing activities		8,992	6,871
Net increase/(decrease) in cash and cash equivalents		204	(1,642)
Cash and cash equivalents at beginning of year		4,989	6,631
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	7	5,193	4,989

*The above Statement of Cash Flows should be read in conjunction with the accompanying notes.
(in thousands of AUD)*

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	Accumulated Funds \$'000	Investment Revaluation Reserve \$'000	Total \$'000
At 1 July 2016		78,578	5,929	84,507
Surplus for the year		6,186	-	6,186
Other Comprehensive Income for the year		-	1,057	1,057
At 30 June 2017		84,764	6,986	91,750
Surplus for the year		17,836	-	17,836
Other Comprehensive Income for the year		-	1,246	1,246
At 30 June 2018		102,600	8,232	110,832

*The above Statement of Changes in Equity should be
read in conjunction with the accompanying notes.
(in thousands of AUD)*

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

1. General information

The financial report of Sundale Ltd (the “Entity”) for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the Board on 25 September 2018.

The Entity is a Public Company Limited by Guarantee and is registered as Sundale Ltd [A.C.N. 164 270 946] under the Corporations Act 2001. The registered office is located at 35 Doolan St, Nambour 4560.

Sundale Ltd provides a range of services including supporting and caring for residential aged care clients, retirement living communities, in-home care, child care services, housing, long - and short-term caravan park accommodation and rehabilitation services.

The entity is a not-for-profit entity for the purposes of Australian Accounting Standards.

2. Significant accounting policies

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

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (“AASB”) and the Aged Care Act 1997 relating to approved providers of residential and in-home care as well as certain rehabilitation programmes, as well as relevant requirements under the Australian Charities and Notfor-profit Commission Act 2012 and as appropriate for not-for-profit orientated entities. The financial report has been prepared on an accrual basis of accounting including the historical cost convention except for intangible assets and noncurrent investments.

The entity has applied the class order 98/100 and so the financial report is presented in thousands of Australian dollars or in certain cases to the nearest dollar.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates. These accounting policies have been consistently applied by the Entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period reviewed.

Comparative information is reclassified where appropriate to enhance comparability.

(b) New, revised or amending Accounting Standards and Interpretations adopted

The entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

2. Significant accounting policies (continued)**(c) Capital Replacement, Maintenance Reserves and General Services Trust Funds**

Sundale Ltd have established Capital Replacement Fund (CRF) and Maintenance Reserve Fund (MRF) Trust Account bank accounts in accordance with Section 97 of the Retirement Villages Act 1999. While the transactions of the MRF and General Services trusts are excluded from this financial report, the bank account balances relating to the CRF are included in the report under Cash and cash equivalent balance as secured or restricted cash (Note 7).

(d) Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with a maturity date of three months or less from balance date.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above and investments at call, net of outstanding bank overdrafts.

(e) Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

Impairment

An allowance for doubtful debts is made when there is objective evidence that the Entity will not be able to collect the debts. Bad debts are written off when identified.

(f) Property, plant and equipment and capital work in progress

Property, plant and equipment is stated at cost, or deemed cost less accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and Equipment less than \$500:	1 Year
Vehicles:	3 – 5 Years
Plant and Equipment greater than \$500:	2 – 10 Years
Furniture and Fittings:	3 – 10 Years
Buildings:	10 – 40 Years

The assets' residual values, useful lives, depreciation, and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Capital works in progress represents (i) the accumulation of construction costs on facilities currently under construction; (ii) accumulated costs of major information systems infrastructure and (iii) other similar type projects.

Upon completion, the assets are transferred into the asset category and depreciation commences at that time.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the depreciated replacement cost of the asset when the asset's future economic benefit does not depend primarily on its ability to generate cash inflows, and if deprived of the asset the organization would replace it.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

2. Significant accounting policies (continued)**(g) Trade and other payables**

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Entity prior to the end of the financial year that are unpaid and arise when the Entity becomes obliged to make future payments in respect of the purchase of those goods and services.

(h) Provisions

Provisions are recognised when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Entity expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(i) Employee leave benefits**a) Wages, salaries, annual leave and sick leave**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date, are recognised in provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

b) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality (AAA- and AA-rated) Australian corporate bonds with terms of maturity that match, as closely as possible, the estimated future cash outflows

(j) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

a) Government subsidies – recognised as an accrual based on actual resident/client classifications, with any adjustments required being made upon receipt of funds from the Government.

b) Client contributions – fees are payable by residents and recognised when due.

c) Dividend Income – recognised when the Entity's right to receive payment is established.

d) Accommodation bond retentions – recognised when due.

e) Licence Contributions – recognised on a contractual basis

f) Government Grants – recognised as income at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

g) Interest – recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

h) Investment property rental revenue – recognised on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

2. Significant accounting policies (continued)**(k) Goods & Services Tax**

Sundale Ltd is registered for the Goods & Services Tax (GST) on an accruals basis.

- Services relating to Residential Aged Care, In-Home Care, Child Care, Rehabilitation Services and Retirement Living are primarily classified as GST Free.
- The Rental segment comprises commercial and residential rents and treated accordingly for GST. A proportion of income from low-cost accommodation qualifies for treatment as GST Free rather than Inputtaxed income as a result of “nominal consideration” concessions for endorsed charities.
- The Caravan Parks segment includes long term and short term stays; the former attract a concessional rate of GST, the latter the standard rate.
- Goods and services such as externally contracted laundry and other similar services are subject to GST and levied accordingly.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows is classified as operating cash flows. Commitments and contingencies are disclosed net of GST.

(l) Income Tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997 as amended it is exempt from paying income tax.

(m) Intangible Assets

The Entity holds Residential Care Government funded bed licences that meet the definition of an intangible asset under *AASB 138 Intangible Assets*.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets currently held by the Entity have been assessed as being finite.

The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis. Intangible assets with indefinite useful lives are tested for impairment annually. Such intangibles are not amortised.

The bed licences are granted to the Entity on acquisition for no or nominal consideration by government agencies or authorities. The licences represent a contribution under *AASB 1004 Contributions* so that the Entity must recognise both the licence and the corresponding grant income amount initially at the fair value of the licence as at the date the licence was granted. The fair value is treated as the licence's deemed cost at the acquisition date.

The valuations were reassessed during the 2016-17 period and it was determined that the assets had become finite in the light of the “Aged Care Roadmap” issued by the Department of Health, which outlines a timetable for the transfer of the licences and the freedom to choose a provider to the consumer. Details of the impact on these financial statements of this change in accounting estimate can be found under Note 11.

Any gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Comprehensive Income when the asset is de-recognised.

(n) Financial Instruments

Financial assets in the scope of *AASB 139 Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through the Statement of Profit or Loss and Other Comprehensive Income, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

2. Significant accounting policies (continued)**(n) Financial Instruments** (continued)**a. Non-derivative financial instruments**

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the entity becomes a party to the contractual provisions of the instrument.

Financial assets are de-recognised if the Entity's contractual rights to the cash flows from the financial asset expire. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date the Entity commits itself to purchase or sell the asset. Financial liability is de-recognised if the Entity's obligations specified in the contract expire or are discharged or cancelled.

Accounting for finance income and expenses is described in Note 2 (o).

Held-to-maturity investments

The Entity has the positive intent and ability to hold term deposits to maturity, and classifies them as held-to-maturity. These investments are measured at amortised cost using effective interest rate method, less any impairment losses.

Available-for-sale investments

The Board has determined the classification of its financial assets as available-for-sale investments. This classification relates to investments that are non-derivative financial assets that are designated as available-for-sale. After initial recognition, available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is de-recognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in the Statement of Comprehensive Income.

The fair value of investments is determined by reference to market bid prices at the close of business on the Statement of Financial Position date as provided by the respective investment managers.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses.

b. Derivative financial instruments

The Entity does not hold any derivative financial instruments.

(o) Finance income and expenses

Finance income comprises interest income on funds invested and is recognised as it accrues in profit or loss, using the effective interest rate method.

Finance expenses comprise interest expense on borrowings, changes in the fair value of financial assets at fair value through profit or loss, and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest rate method.

(p) Capital Management

Management considers their retained earnings as capital. Management controls the capital of the Entity in order to ensure that the Entity can fund its operations and continue as a going concern. The Entity is not subject to any external capital restrictions.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

2. Significant accounting policies (continued)**(q) Investment Properties**

Investment properties principally comprise of buildings held for long-term rental and capital appreciation that are not occupied by the entity. Investment properties are recognised at cost, including transaction costs, less accumulated depreciation and impairment.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Reclassifications between investment properties and property, plant and equipment are determined by a change in use to owner-occupation. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on date of change of use.

Investment properties also include properties under construction for future use as investment properties. These are carried at cost. Depreciation is calculated on a straight-line basis to write off the net cost of each item of investment property over their expected useful lives.

(r) Business Combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss.

Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquiree.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

3. Working capital deficiency

As at 30 June 2018 the financial statements disclose prima facie a deficiency in working capital, being excess of current liabilities over current assets of \$32,818,000 (2017: deficiency \$45,714,000). This may indicate to the users that the Entity may have difficulty in paying its debts as and when they become payable. The Directors do not believe that the Entity will have difficulty in paying its debts as and when they become payable based on the following reasons:

a) Historically the Entity has generated sufficient cash flows from operations as is evident from the cash flow statement which shows net inflow from operating activities of \$3,508,000 (2017: \$10,435,000);

b) The timing for the payment of current liabilities will allow the Entity to trade normally, particularly given that Accommodation Payables of \$76,801,000, although classed as current in accordance with accounting standards, is not practically payable to the residents within 12 months. The resident Licence Contributions are not required to be paid out to the out-going resident until the in-coming residents have paid their Licence Contribution to the Entity. The Accommodation Bonds / Refundable Accommodation Deposits become payable upon the departure of aged care residents. It is unlikely that all residents would depart in the next 12 months thereby requiring a pay-out of the full amount of the Accommodation Bonds/Deposits. Historically, the average turnover of the residents (Aged Care and Independent Living Units) has been around 19%.

Vacant aged care beds are generally refilled within a short time. Therefore management's best estimate, supported by historical cash flows over the last five years, of the likely amount to be payable within the next 12 months is \$8,083,000.

4. Operational Revenues

Government Subsidies	
Client Contributions	
Rental Revenues	
Sundry Operating Revenue	
TOTAL REVENUE	

5. Other expenses

Impairment (Reversal) of Trade Receivables	
Administrative Costs	
Meal Costs	
Repairs and Maintenance Costs	
Office Equipment - Minimum Operating Lease Payments	
Medical Costs	
Energy Costs	
Housekeeping Costs	
Vehicle Fleet Costs	
Vehicle Fleet - Minimum Operating Lease Payments	
Clothing Costs	
Other Sundry Expenses	
TOTAL OTHER OPERATIONAL EXPENSES	

5 (i) . Administrative costs

Rates and charges	
Insurances	
Recruitment costs	
Software and licences	
Staff training	
Telephony	
Security	
Accreditation	
Other	
Total Administrative costs	

NOTE	2018 \$'000	2017 \$'000
	27,043	29,068
	13,384	13,642
	3,845	4,130
	322	412
	44,594	47,252
2 (e)	(48)	26
5 (i)	4,782	5,403
	1,474	1,450
	1,019	1,065
	152	177
	1,283	1,785
	928	1,012
	551	524
	229	236
	140	120
	128	116
	258	581
	10,896	12,495
	1,273	1,126
	272	266
	185	112
	951	1,194
	125	72
	742	744
	210	200
	117	96
	907	1,593
	4,782	5,403

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

6. Operating segments

The composition of operating segments are based on the internal reporting and assessment of various components of the Entity that are regularly reviewed by key management personnel (who are identified as the Chief Operating Decision-makers), evaluating the results of these business segments for comparison to other entities, for strategic planning and for the allocation of resources.

The organisation operates in one geographical segment, being the Queensland area, and has six reportable segments, as described below, which are the Entity's strategic business units. Each segment provides a service to a different consumer demographic and is managed separately as they require different marketing and operational strategies:

- Residential Aged Care provides services and care to the elderly within a residential based environment providing accommodation and a range of care from modest to substantial assistance for multiple morbidities.
- Retirement Living provides an environment for independent living in a communal setting with care and support services readily available if required.
- In-Home Care provides in-home services and care to the community across a broad spectrum of care levels.
- Investment Properties provides a range of commercial properties with long term tenancies based across the Sunshine Coast and surrounding hinterland areas as well as a number of residential rental properties and units of which 29 are currently available under the National Rental Affordability Scheme (NRAS).
- Caravan Parks provides a combination of long-term low-cost and short-term tourist accommodation.
- Child Care, covering long day care in addition to outside school hours and vacation care.

Other segments relate to rehabilitation services, corporate administrative and information services and support services of catering, laundering and maintenance.

These segments operate as full cost recovery passed to the operating segments.

Transfer prices between business segments are set at an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated on consolidation.

The following tables present revenue and surplus information and certain asset and liability information regarding business segments for the years ended 30 June

2018 and 30 June 2017.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

		Residential Aged Care		Retirement Living		In-Home Care	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
6. Operating segments (continued)	NOTE						
6.1 Reportable segment result							
Segment Revenues	6.2	34,616	36,931	2,436	2,277	3,740	3,901
Segment Expenses	6.3	(38,205)	(32,185)	(3,032)	(3,004)	(3,108)	(3,267)
Segment surplus/(deficit)		(3,589)	4,746	(596)	(727)	632	634
6.2 Revenues							
Government Subsidy and Payments		25,530	27,555	-	-	299	296
Client Contributions		8,650	8,777	1,116	1,126	3,435	3,594
Other Income		333	404	29	16	6	11
External revenues		34,513	36,736	1,145	1,142	3,740	3,901
Accommodation Payables Revenues		103	195	1,291	1,135	-	-
Interest and Dividend Income		-	-	-	-	-	-
Total external revenue per Statement of Profit or Loss		34,616	36,931	2,436	2,277	3,740	3,901
Gain on disposal of Investment Property		-	-	-	-	-	-
Inter-segment revenue		-	-	-	-	-	-
Total segment revenues		34,616	36,931	2,436	2,277	3,740	3,901

F I N A N C I A L S

Investment Properties		Caravan Parks		Child Care		All others		Total	
2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
20,961	2,479	2,464	2,194	730	676	14,161	13,012	79,108	61,470
(1,017)	(1,281)	(1,632)	(1,687)	(812)	(856)	(13,466)	(13,004)	(61,272)	(55,284)
19,944	1,198	832	507	(82)	(180)	695	8	17,836	6,186
319	354	-	-	521	493	374	370	27,043	29,068
-	-	-	-	183	145	-	-	13,384	13,642
1,541	2,125	2,464	2,194	26	38	1,219	953	5,618	5,741
1,860	2,479	2,464	2,194	730	676	1,593	1,323	46,045	48,451
-	-	-	-	-	-	-	-	1,394	1,330
-	-	-	-	-	-	2,736	2,513	2,736	2,513
1,860	2,479	2,464	2,194	730	676	4,329	3,836	50,175	52,294
19,101	-	-	-	-	-	-	-	19,101	-
-	-	-	-	-	-	9,832	9,176	9,832	9,176
20,961	2,479	2,464	2,194	730	676	14,161	13,012	79,108	61,470

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

		Residential Aged Care		Retirement Living		In-Home Care	
6. Operating segments (continued)	NOTE	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
6.3 Expenses							
Staffing Costs		(17,268)	(16,088)	(154)	(145)	(2,191)	(2,326)
Depreciation and Impairment Costs		(7,208)	(2,368)	(1,049)	(1,050)	(15)	(14)
Administration Costs	6.3.1	(4,449)	(4,566)	(785)	(724)	(513)	(590)
Hospitality Costs		(2,881)	(2,817)	-	-	-	-
Housekeeping Costs		(983)	(885)	(17)	(13)	-	(1)
Repairs and Maintenance Costs		(984)	(1,123)	(454)	(434)	(19)	(35)
Medical Costs		(3,016)	(2,921)	-	-	(57)	(90)
Energy Costs		(547)	(608)	(76)	(82)	1	(11)
Vehicle Fleet Cost		(38)	(36)	-	-	(202)	(181)
Other Sundry Expenses		(79)	(95)	(68)	(61)	(9)	(14)
Operations Expense total		(37,453)	(31,507)	(2,603)	(2,509)	(3,005)	(3,262)
Non-Operational & Development Expenditure		(647)	(554)	(429)	(490)	(103)	(5)
Interest paid		(105)	(124)	-	(5)	-	-
TOTAL SEGMENT EXPENSE		(38,205)	(32,185)	(3,032)	(3,004)	(3,108)	(3,267)
Add Back Internal Charges		8,231	7,530	597	515	444	581
TOTAL EXPENSE FROM OPERATING ACTIVITIES PER STATEMENT OF PROFIT OR LOSS		(29,974)	(24,655)	(2,435)	(2,489)	(2,664)	(2,686)
6.3.1 Administration Costs:							
Management Fee		(1,656)	(1,493)	(248)	(210)	(188)	(135)
Rates and Charges		(289)	(272)	(276)	(260)	(1)	(1)
Insurances		(98)	(95)	(62)	(57)	(17)	(17)
Information Technology		(1,260)	(1,433)	-	-	(180)	(283)
Accreditation Costs		(304)	(276)	-	-	(48)	(40)
Telephony		(189)	(195)	(4)	(3)	(50)	(42)
Training and Recruitment		(115)	(157)	-	-	(22)	(54)
Other		(538)	(645)	(195)	(194)	(7)	(18)
		(4,449)	(4,566)	(785)	(724)	(513)	(590)
6.4 Reportable segment assets:							
Property Plant and Equipment		14,199	16,779	42,618	36,541	47	53
Investment Properties		-	-	-	-	-	-
Intangibles		5,075	8,863	-	-	-	-
6.5 Reportable segment Liabilities:							
Accommodation payables		32,496	30,670	52,388	46,901	-	-
6.6 Segment acquisitions		657	627	7,124	6,713	10	1

F I N A N C I A L S

Investment Properties		Caravan Parks		Child Care		All others		Total	
2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
(40)	(52)	(87)	(6)	(570)	(564)	(8,511)	(7,031)	(28,821)	(26,212)
(331)	(594)	(193)	(183)	(52)	(52)	(500)	(302)	(9,348)	(4,563)
(349)	(416)	(982)	(991)	(106)	(165)	(1,885)	(2,306)	(9,069)	(9,758)
-	-	-	-	(47)	(26)	(730)	(770)	(3,658)	(3,613)
(1)	(1)	(107)	(111)	(3)	(3)	(124)	(130)	(1,235)	(1,144)
(183)	(130)	(101)	(86)	(21)	(31)	(158)	(160)	(1,920)	(1,999)
-	-	-	-	(2)	(2)	(90)	(82)	(3,165)	(3,095)
16	(3)	(133)	(146)	(5)	(5)	(184)	(157)	(928)	(1,012)
-	-	(11)	(7)	(3)	(3)	(115)	(129)	(369)	(356)
3	-	(6)	(3)	(6)	(5)	(53)	(7)	(218)	(185)
(885)	(1,196)	(1,620)	(1,533)	(815)	(856)	(12,350)	(11,074)	(58,731)	(51,937)
(132)	(85)	(12)	(154)	3	-	(1,116)	(1,930)	(2,436)	(3,218)
-	-	-	-	-	-	-	-	(105)	(129)
(1,017)	(1,281)	(1,632)	(1,687)	(812)	(856)	(13,466)	(13,004)	(61,272)	(55,284)
96	163	243	117	118	147	103	123	9,832	9,176
(921)	(1,118)	(1,389)	(1,570)	(694)	(709)	(13,363)	(12,881)	(51,440)	(46,108)
(123)	(159)	(559)	(582)	(23)	(39)	-	-	(2,797)	(2,618)
(199)	(181)	(277)	(232)	-	-	(230)	(180)	(1,272)	(1,126)
(17)	(22)	(15)	(13)	(7)	(7)	(55)	(55)	(271)	(266)
-	(1)	(64)	(73)	(28)	(54)	(1,070)	(1,127)	(2,602)	(2,971)
(1)	(18)	(8)	(10)	(8)	(7)	(27)	(15)	(396)	(366)
(1)	(2)	(19)	(18)	(3)	(3)	(476)	(481)	(742)	(744)
-	(1)	(1)	-	(8)	(12)	(210)	(84)	(356)	(308)
(8)	(32)	(39)	(63)	(29)	(43)	183	(364)	(633)	(1,359)
(349)	(416)	(982)	(991)	(106)	(165)	(1,885)	(2,306)	(9,069)	(9,758)
50	27	131	42	668	720	14,929	10,214	72,642	64,376
15,650	16,796	14,040	13,096	-	-	-	-	29,690	29,892
-	-	-	-	-	-	-	-	5,075	8,863
-	-	-	-	-	-	-	-	84,884	77,571
1,166	1	1,233	2,038	-	-	5,294	1,679	15,484	11,059

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

7. Cash and cash equivalents

Operating/Trading bank accounts
Secured Capital Replacement Fund
Petty Cash & Cash on Hand

NOTE

7.2

2018	2017
\$'000	\$'000
4,386	4,323
797	656
10	10
5,193	4,989

Reconciliation to Cash Flow Statement

For the purposes of the Cash Flow Statement,
cash and cash equivalents comprise the following
at 30 June:

Cash on Hand and at Bank

5,193	4,989
5,193	4,989

Non-cash financing and investing activities

Bank guarantees
- amount used
- amount unused

600	615
250	235
850	850

7.1. Trust Account Balances – The following amounts held in Trust Accounts and equal to the amounts held on behalf of trust creditors are not included in the assets or liabilities of Sundale Ltd as set out in the Statement of Financial Position:

	2018	2017
	\$'000	\$'000
Account Balances at 30 June		
- Resident Trust Bank Account and Cash Float	52	77
- Funds held in Trust ex Eden Healthcare Centre Inc.	150	150
- Palmwoods Retirement Community Maintenance Reserve Fund Trust Account	265	164
- Rotary Retirement Community Maintenance Reserve Fund Trust Account	188	198
- Nambour Retirement Community Maintenance Reserve Fund Trust Account	39	40
- Coolum Beach Retirement Community Maintenance Reserve Fund Trust Account	291	240

7.2. Secured capital replacement funds

The Secured Capital Replacement Fund bank accounts are secured by way of a statutory charge created pursuant to Section 91(6) of the Retirement Villages Act 1999.

	2018	2017
	\$'000	\$'000
Account Balances at 30 June		
- Fund for Palmwoods Retirement Community	138	71
- Fund for Rotary Retirement Community	165	152
- Fund for Nambour Retirement Community	120	119
- Fund for Coolum Beach Retirement Community	374	314
	797	656

The Retirement Villages Act 1999 prescribes the uses of the Capital Replacement Funds.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

8. Trade and other receivables**Current**

Trade and Other Debtors
 Resident Debtors
 Less Provision for Doubtful Debts

Accrued Income
 BAS Tax Refundable
 Other Prepayments
 Related Parties

Non-current
 Resident Debtors Account

NOTE**2018
\$'000****2017
\$'000**

295 266

915 1,070

(166) (235)

1,044 1,101

3,063 1,532

376 446

106 109

- -**4,589** **3,188**

193 250

193 **250**

16

9. Financial assets**Current****Held-to-maturity**

- maturity within 90 days
 - maturity greater than 90 days

NOTE**2018
\$'000****2017
\$'000**

53,934 26,175

- 10,324**53,934** **36,499**

Current financial assets are on deposit for varying terms of up to one year and terminable on notice (subject to an administration fee and/or interest rate reduction), with an effective interest rate during 2018 between 1.95% and 2.95% (2017: 2.35% - 3.05%)

Non-current**Available-for-sale financial assets**

Equity Trustees managed funds

37,062 35,815**37,062** **35,815**

Available-for-sale financial assets have no specified maturity date. Funds are available in accordance with the terms of the respective managed investment service agreements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

**10. Investment Properties
Movement schedule**

At 1 July 2016, net of accumulated depreciation and impairment

Additions

Reclassify to Property, Plant & Equipment

Recalculation of Cost (see note below)

Impairments

Depreciation charge for the year

**At 30 June 2017, net of accumulated
depreciation and impairment**

At 1 July 2017, net of accumulated depreciation and impairment

Additions

Reclassify to Property, Plant & Equipment

Recalculation of Cost (see note below)

Impairments

Disposals/Transfers

Depreciation charge for the year

**At 30 June 2018, net of accumulated
depreciation and impairment**

At 30 June 2017, Cost

Accumulated depreciation and impairments

Net book value at 30 June 2017**At 30 June 2018**

Cost

Accumulated depreciation and impairments

Net book value at 30 June 2018

	Land \$'000	Buildings \$'000	Under Construction \$'000	Totals \$'000
At 1 July 2016, net of accumulated depreciation and impairment	15,447	13,148	743	29,338
Additions	-	-	2,215	2,215
Reclassify to Property, Plant & Equipment	-	-	(205)	(205)
Recalculation of Cost (see note below)	-	(710)	-	(710)
Impairments	-	(121)	-	(121)
Depreciation charge for the year	-	(625)	-	(625)
At 30 June 2017, net of accumulated depreciation and impairment	15,447	11,692	2,753	29,892
At 1 July 2017, net of accumulated depreciation and impairment	15,447	11,692	2,753	29,892
Additions	654	541	1,021	2,216
Reclassify to Property, Plant & Equipment	(377)	(521)	-	(898)
Recalculation of Cost (see note below)	-	10	-	10
Impairments	-	(42)	-	(42)
Disposals/Transfers	(133)	2,850	(3,774)	(1,057)
Depreciation charge for the year	-	(431)	-	(431)
At 30 June 2018, net of accumulated depreciation and impairment	15,591	14,099	-	29,690
At 30 June 2017, Cost	15,447	16,191	2,753	34,391
Accumulated depreciation and impairments	-	(4,499)	-	(4,499)
Net book value at 30 June 2017	15,447	11,692	2,753	28,892
At 30 June 2018				
Cost	15,591	17,676	-	33,267
Accumulated depreciation and impairments	-	(3,577)	-	(3,577)
Net book value at 30 June 2018	15,591	14,099	-	29,690

The cost recalculation of \$10k (2017: (\$710k)) resulted from updated estimates of the extent to which Sundale's low-cost accommodation qualifies for GST concessions under section 38-250 of the GST Act, and represents GST claimed on construction costs. This number will be reviewed annually based on the level of rental income compared to ATO-issued benchmark rates, affecting the book cost of Investment Property Buildings to an unknowable extent until the buildings have been operational for 10 years.

10.1 Lessor commitments

Minimum lease payments receivable but not recognised in the financial statements:

Not later than 1 year

Later than one year and not later than 5 years

NOTE**2018
\$'000****2017
\$'000**

305

1,636

-

4,760

305**6,396**

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

11. Intangibles

Residential Aged Care Bed Licences

	NOTE	2018 \$'000	2017 \$'000
At 1 July		8,863	10,340
Amortisation		(1,477)	(1,477)
Impairment		(2,311)	-
Additions		-	-
At 30 June	2 (m)	5,075	8,863

Residential Aged Care Bed Licences

The Directors have reviewed any necessity for impairment annually having due regard to any sales within the region and foreseeable changes in the regulatory environment. Subsequent to a review conducted during the 2016-17 period it was determined that the assets had become finite in the light of the "Aged Care Roadmap" issued by the Department of Health, which outlines a timetable for the transfer of the licences and the freedom to choose a provider to the consumer. Accordingly a decision was made to commence amortising the value of the licences on a straight-line basis over seven years, covering the period until the Roadmap indicates that this reform will occur.

During the 2017-18 period an impairment assessment of each Care Centre was undertaken, resulting in impairment of the licences of \$2,311k in addition to the ongoing amortisation.

12. Property, plant and equipment

At 1 July 2017,
net of accumulated depreciation
and impairment

	Freehold Land \$'000	Buildings \$'000	Plant and Equipment \$'000	Motor Vehicles \$'000	Furniture and Fittings \$'000	Low Value Assets \$'000	Under Construction \$'000	Totals \$'000
At 1 July 2017, net of accumulated depreciation and impairment	17,748	31,781	1,535	471	255	-	12,586	64,376
Additions	-	-	762	218	160	62	12,065	13,267
Disposals/Transfers	900	10,344	599	(21)	-	-	(12,602)	(780)
Impairments	(134)	(2,463)	(20)	(4)	(13)	-	(32)	(2,666)
Reclassify from Investment Property	377	521	-	-	-	-	-	898
Depreciation charge for the year	-	(1,661)	(460)	(194)	(76)	(62)	-	(2,453)

**At 30 June 2018, net of
accumulated depreciation
and impairment**

At 30 June 2017

Cost	17,748	62,265	6,021	1,290	1,146	480	12,586	101,536
Accumulated depreciation and impairments	-	(30,484)	(4,486)	(819)	(891)	(480)	-	(37,160)
Net book value	17,748	31,781	1,535	471	255	-	12,586	64,376

At 30 June 2018

Cost	18,891	72,174	7,215	1,349	1,306	537	12,017	113,489
Accumulated depreciation and impairments	-	(33,652)	(4,799)	(879)	(980)	(537)	-	(40,847)
Net book value	18,891	38,522	2,416	470	326	-	12,017	72,642

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	NOTE	2018 \$'000	2017 \$'000
13. Trade and other payables			
13. (i) Trade and other payables			
Current			
Accrued Expenses		500	389
Income Received in Advance		1,136	1,675
Retentions held on WIP contracts		441	235
Accrued Payroll Account		773	779
Trade Creditors		1,417	3,005
		4,267	6,083
Trade Payables are normally settled between 7 and 30 days.			
13. (ii) Accommodation payables			
Pre 1992 Agreements (Pre '92)		150	254
Accumulated Diminution		(21)	(27)
		129	227
Resident Licence Contribution		63,056	56,628
Accumulated Diminution		(11,089)	(10,768)
		51,967	45,860
Provision against 50% gain on disposal of Ret. Living accommodation		222	443
Retirement Living Right to Occupy Impairment Provision		70	101
		292	544
Accommodation Bonds and Refundable Accommodation Deposits		33,432	32,137
Accumulated Retentions / Drawn-down Accommodation Payments		(936)	(1,197)
		32,496	30,940
Total accommodation payables		84,884	77,571
Allocation of Accommodation Payables:			
Payables expected to be paid in 12 months		8,083	6,783
Payables not expected to be paid in 12 months		76,801	70,788
		84,884	77,571

Accommodation Payables expected to be paid in 12 months is the average of payments made during the current and preceding three years.

Pre 1992 Agreements relate to Retirement Village residents and are carried at the principal amount. An accumulated diminution account records the reduction in principal. An additional liability payable to the outgoing resident arises on the changeover of the unit. The amount payable is 50% of the difference between the licence contribution paid by the incoming resident, and the Interest Free Loan of the exiting resident, less any unit refurbishment costs. Resident Interest Free Loans comprise a gift /donation component, which was taken to account as income over a period of five years from the agreed date of occupancy as stated in the resident agreement. The balance of the loan is refunded to the resident in accordance with contractual obligations.

Post 1992 Resident Licence Contributions relate to Retirement Village residents and are carried at the principal amount. No interest

is due and payable as per the terms of the Residency Agreement. An accumulated diminution account records the reduction in principal, with the net licence contribution refundable to the resident, reducing on an annual basis on a sliding scale as stated in the resident agreement. The balance of the licence contribution is refunded to the resident in accordance with contractual obligations.

Accommodation Bonds reduce progressively over a period of five years in accordance with Division 57 of the Aged Care Act 1997. The Accommodation Bond is refunded to the Resident within a maximum of 14 days from termination of agreements.

Refundable Accommodation Deposits (RADs) replaced Accommodation Bonds from 1 July 2014; diminution occurs only if there is a balance of the accommodation price to be covered by Daily Accommodation Payments and the resident has opted to pay these by drawing down on the lump sum. RADs are refundable on termination of agreements.

	NOTE	2018 \$'000	2017 \$'000
14. Interest bearing loans and borrowings			
Current			
Loans from residents		150	150

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

15. Provisions	Long Service Leave \$'000	Annual Leave \$'000	Sick Leave \$'000	Minor Projects \$'000	Self Insurance \$'000	Totals \$'000
At 1 July 2017	1,587	1,728	895	1,633	1,155	6,998
Raised during the year	427	1,954	730	2,269	2,046	7,426
Unused amounts reversed	(119)	-	(63)	-	-	(182)
Used	(201)	(1,794)	(627)	(3,109)	(1,205)	(6,936)
At 30 June 2018	1,694	1,888	935	793	1,996	7,306
Current 2018	1,028	1,888	935	793	1,650	6,294
Non-current 2018	666	-	-	-	346	1,012
	1,694	1,888	935	793	1,996	7,306
Current 2017	952	1,728	895	1,633	58	5,266
Non-current 2017	635	-	-	-	1,097	1,732
	1,587	1,728	895	1,633	1,155	6,998

The self-insurance provision relates to claims under the employee insurance scheme of which Sundale is a member; the outflows of these provisions are of uncertain timing and amount due to the many factors involved such as response to treatment and outcome of common law claims. An actuary reports annually on the scheme's performance and outlook and provides an estimate of the portion of provision likely to be used within the next 12 months, and the split between current and non-current elements of the provision shown in the table has been derived from the most recent report. \$227k (2017: \$55k) of the total provision relates to statutory claims as estimated by the actuary; the balance is management's estimate of common law claims liability based upon the actuary's report and assessment of current cases.

The minor projects provision relates to costs which have been incurred but not invoiced as at 30 June 2018.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

16. Related parties

The Directors of the Board of Directors during the financial year were:

- Mrs E Henley (Chairman until 26 February 2018)
- Ms C Perren (Treasurer)
- Mr J Woodward (Chairman from 26 February 2018)
- Mr P Clark
- Mr T Wainwright
- Ms A Phillips (Appointed 28 August 2017)
- Mr W Roberts (Appointed 28 August 2017)

There were no transactions with Directors of the Board of Directors or parties related to Directors during the course of the financial year ended 30 June 2018 except for payment of remuneration and reimbursement of expenses.

The names and positions of those having authority for planning, directing and controlling the Entity's activities, directly or indirectly (other than Directors), are:

- Glenn Bunney, Chief Executive Officer
- Paul McDonald, Corporate Services Manager
- Edwina Caesar, Chief Operations Officer (Appointed 7 August 2017, Resigned 22 November 2017)
- Danielle Mackenzie, Chief Operations Officer (Appointed 26 February 2018)

The compensation paid to the directors and key management personnel noted above is as follows:

Aggregate Compensation

NOTE	2018	2017
	\$	\$
	1,060,176	1,247,435

Other transactions with Key Management Personnel:

There were no transactions with other related parties that needed to be disclosed in the financial statements in the current or in the previous financial year.

17. Finance income and expense**Recognised in profit or loss**

Interest income on unimpaired held-to-maturity investments

Interest income on impaired available-for-sale investments

Interest income on outstanding accommodation receivables

Interest income on bank accounts

Finance income

Interest expense on financial liabilities measured at amortised cost

Finance expense**Net finance income and expense**

NOTE	2018	2017
	\$'000	\$'000
	1,048	1,211
	1,600	1,255
	21	39
	67	8
	2,736	2,513
	(105)	(129)
	(105)	(129)
	2,631	2,384

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2018

18. Disposal of Investment Property

The gain on disposal of Investment Property relates to the sale of Sundale's medical complex in Cooroy in December 2017.

19. Contingent assets and liabilities

There are no material contingent liabilities not elsewhere reported in this annual financial report and there were none in the 2016-17 report.

20. Events after the reporting period

The Directors are not aware of any matter or circumstance since the end of the financial year that has not been otherwise dealt with in the report or financial statements and that has significantly affected or may significantly affect the Entity's operations, the results of those operations or the Entity's state of affairs in future.

21. Commitments**(a) Capital expenditure commitments**

Estimated Capital Expenditure contracted for at balance date, but not provided for or payable:

Under construction

- Not later than 1 year
- Later than one year and not later than 5 years

Plant and Equipment

- Not later than 1 year
- Later than one year and not later than 5 years

(b) Lease expenditure commitments

Operating Leases

- Not later than 1 year
- Later than one year and not later than 5 years

NOTE	2018 \$'000	2017 \$'000
	736	-
	-	-
	736	-
	365	150
	-	-
	365	150
	125	263
	14	64
	139	327

Rental agreements entered into that relate to premises rented for laundry operations, various office equipment and In-Home Care service vehicles, having a rental period of not greater than five year

AUDIT DOCUMENTATION

30 JUNE 2018



**SUNDALE LTD – DIRECTORS DECLARATION
FOR THE YEAR ENDED 30 JUNE 2018**

The directors of Sundale Ltd declare that in the directors' opinion:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
  - a. Comply with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation 2013); and
  - b. give a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the company will be able to pay all of its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the ACNC Regulation 2013 on behalf of the directors by:



John Woodward 25 September 2018
CHAIRPERSON
Sundale Ltd

Australian Business Number 33 436 160 489

**RSM Australia Partners**

Level 2, 370 Queen Street Brisbane QLD 4000
GPO Box 1108 Brisbane QLD 4001

T +61 (0) 7 3225 7888

F +61 (0) 7 3221 7666

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT

To the Members of Sundale Ltd

Opinion

We have audited the financial report of Sundale Ltd, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of Sundale Ltd as at 30 June 2018, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Regime.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of Sundale Ltd in accordance with 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Sundale Ltd's annual report for the year ended 30 June 2018 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report**THE POWER OF BEING UNDERSTOOD****AUDIT | TAX | CONSULTING**

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation



Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Regime, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing Sundale Ltd'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 management either intends to liquidate Sundale Ltd or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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 website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

RSM
RSM Australia Pty Ltd

Brisbane, Queensland
Dated: 25 September 2018

MA
Albert Loots
Director





SUNDALE RESIDENTIAL CARE CENTRES

ALOAKA - KILCOY
BINDAREE - BOYNE ISLAND
BOWDER - NAMBOUR
COOLUM BEACH
JAMES GRIMES - NAMBOUR
MC GOWAN - NAMBOUR
PALMWOODS
ROD VOLLER - BURNSIDE

SUNDALE REHABILITATION CENTRE

SUNDALE RETIREMENT COMMUNITIES

NAMBOUR
ROTARY - BURNSIDE
PALMWOODS
COOLUM BEACH

SUNDALE CHILDCARE

WE ROCK CHILDCARE CENTRE - KILCOY

SUNDALE HOUSING



35 Doolan St
Nambour, QLD 4560

1800 786 3253 | info@sundale.org.au

www.sundale.org.au

