



# **Gippsland Rotary Centenary House Incorporated**

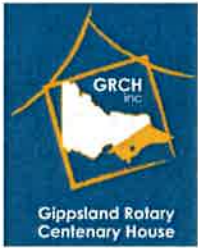
ABN: 26 883 085 367

Org No. A0045847H

## **2019 – 2020 ANNUAL REPORT**

**Part 1 – Committee of Management  
(Consolidated Report)**

**Part 2 – Treasurer's Report and Audited  
Financial Statements**



# Gippsland Rotary Centenary House Incorporated

## Our Purpose:

Gippsland Rotary Centenary House provides safe, supportive and affordable accommodation for patients (and their families) undergoing cancer treatment and other specialist medical services at the Latrobe Regional Hospital.

## Our Facility:

Stage 1 was opened in September 2006 with a project cost \$2.063 million financed by grants from the Federal & State Governments, Latrobe City, philanthropic trusts, Rotary Clubs and other community organisations, businesses and the public. GRCH employees one full-time House Manager supported by several permanent part-time employees and a team of volunteers. GRCH is operated on a not for profit basis.

Stage 2 was officially opened in November 2012 at a cost around \$2.4 million but has been in use since the 26<sup>th</sup> October 2011. It added an additional 9 family units and associated infrastructure plus a Community Room and 2 offices.

Stage 3 was officially opened on 14 April 2019 at a cost of around \$2.5 million. Major financing was from the Federal Government, Latrobe Regional Hospital, Blue Ribbon Foundation, Public and Rotary donations. This extension has added 13 units, an additional Lounge area and laundry to give us a total of 30 Units. Extensive recent landscaping has significantly enhanced the extension and the overall complex.

## Our Staff:

- |                        |                  |                     |
|------------------------|------------------|---------------------|
| • Operations Manager   | Carol Crewe      | Permanent Full Time |
| • Operations Assistant | Michael Anderson | Permanent Part Time |
| • Operations Assistant | Tania Whitehead  | Permanent Part Time |
| • Operations Assistant | Jo Smiley        | Casual              |
| • Operations Assistant | Lina Dalglish    | Casual              |

## Our Committee and Sub-Committees:

Dave Swainsbury	Chairperson	
Mike Answerth	Secretary	Promotions Sub-committee Chairperson
Glenn Setches	Treasurer	
Kay Radford		Fundraising Sub-committee Chairperson
Diane Wilkinson		Operations and Governance Sub-committee Chairperson
Ray Scheffer		Garden Development & Maintenance Co-ordination
Alan MacRae		General Maintenance Co-ordination
Leigh Venables		Project & Construction Sub-committee Chairperson (resigned 1/4/20)
Colin Matthies		Baw-Baw & Cardinia Promotions
Cheryl Glowrey		South Gippsland & Bass Coast Promotions (resigned 6/2/20)
Helen Lanigan		Wellington Promotions (joined 7/8/19)
Carol Crewe		Operations Manager (Committee Ex-Officio)

# **PART 1 – COMMITTEE OF MANAGEMENT CONSOLIDATED REPORT FOR 2019 – 2020**

The Committee of Management is proud to present the Gippsland Rotary Centenary House Annual Report for the 2019 - 2020 reporting period. During this time, we have achieved a great deal for our Gippsland community as this report will outline. Perhaps the most significant activity has been keeping our doors open during the COVID-19 pandemic. Congratulations primarily to our dedicated staff members who have managed to do that.

## **1. OVERVIEW**

As indicated above we have been most fortunate to maintain our accommodation facility open and COVID Free during the most trying of conditions over a protracted period during the COVID-19 pandemic. Many thanks to our wonderful staff achieving this feat.

Gippsland Rotary Centenary House (GRCH) has continued to operate on a very sustainable basis over the past 12 months maintaining great community and Rotary support. We have suffered a small financial impact but nothing overly significant.

The Stage 3 extension was officially opened on 14 April 2019. Alan MacRae has generated a spreadsheet to enable the Committee of Management to accurately see the occupancy rate monthly. The spreadsheet also looks at the rolling average of our occupancy rate since opening which gives us an excellent view of what has been and where we might be into the future.

Extensive recent landscaping, under the leadership of Ray Scheffer continues to enhance the overall appearance and peacefulness of our facility. Resident feedback not only commenting on the generosity of staff but highly on the ambience of the facility and our gardens.

Thanks to Carol Crewe, our Manager, and her dedicated crew of Michael Anderson, Tania Whitehead, Lina Dalgliesh and Jo Smylie for ensuring our residents stay is as comforting and peaceful as it can be. They are of course complemented by our many volunteers who have maintained a very high standard at the house while keeping our costs down. Through prudent management we have been able to maintain our tariffs from the previous year. We again budgeted on a manageable operating deficit to ensure our rates remain affordable, the shortfall being funded from donations and fundraising. We again achieved our operating budget during 2019/20 which was an outstanding outcome despite reduced occupancy due to COVID-19,

Our volunteers make a significant contribution to keep operational costs to a minimum. Firstly, cleaning of the facility is performed by a team comprising Rosalie Davey, Ann Vokes, Jo Smylie, Lina Dalgleish, Mary Paulet, Jackie Scheffer and Jennifer Bland keep who keep the facility spick and span.

Our ongoing maintenance has been sustained by highly active volunteers headed up by Alan MacRae. Ray Scheffer has aided Alan by overseeing garden development and maintenance. The combined team comprises Ian Draper, Kees Kroon, Kevin Ainsworth, Zac Crewe, Ray Scheffer, Gloria Platt, Len Jones, Gavin Hodgson, John Stewart, Russell Davidson, Andy Ringin, Dave Swainsbury and others from time to time.

Our "Wash-a-lot" team coordinated by Lorraine Peake and consisting of Barb and Ray Beebe, Marion and Mike Answerth, Lorraine and Ken Peake, Debbie Fletcher and Marlene Dougherty, have managed to keep on top of the house's laundry requirements again keeping our costs down to a minimum. We also acknowledge and thank the Rotary Clubs of Morwell, Traralgon and Traralgon Central for incorporating working bees in their Community Service programs.

J Smith Motors continue to maintain our vehicle which is a significant benefit for us.

Our Fundraising Sub-committee committee, chaired by Kay Radford, continues to be active. The details of their activities are provided in the. Fundraising Sub-committee Report Item 2.3. This sub-committee often arranges the catering for the many diverse groups who visit the house.

Our Operations and Governance Sub-committee, led by Diane Wilkinson and comprising our Operations Manager Carol Crewe, Alan MacRae, Helen Lanigan and Dave Swainsbury, have been particularly busy during the year meeting on a monthly basis to review and update our COVID-19 safety protocols to ensure we have been able to remain safe and keep our doors open.

GRCH remains in a very sound financial position due to the constant support from our district Rotary Clubs and community donations and events. This is very gratifying because it confirms the community continues to recognise the need for GRCH. The strong financial position is very much attributable to our staff and volunteers who perform above and beyond to ensure our outgoing costs are minimal.

## **2. SUB-COMMITTEE REPORTS**

The following Sub-committees continue to maintain the ongoing operation and fund raising for Gippsland Rotary Centenary House.

### **2.1 Operations and Governance Sub-committee**

#### **2.1.1 Operations and Governance**

(Report provided by Diane Wilkinson, Operations and Governance Sub-committee Chairperson)

**Members:** Diane Wilkinson, Dave Swainsbury, Alan MacRae, Helen Lanigan and Carol Crewe (ex-officio)

It is not possible to write an annual report for the last 12 months without acknowledging the major impact that COVID-19 has had on all our lives. We constantly hear terms like unprecedented when describing these impacts and GRCH certainly has had to learn quickly to adapt to the new circumstances, restrictions and operational challenges that came with this pandemic. We met regularly with Carol (via Zoom) to review these ongoing challenges which saw impacts on accommodation arrangements, community room bookings and restrictions on the work that volunteers could undertake at GRCH. This put an increased burden on staff and we sincerely thank them for all they have done to manage the increased workload.

In and around all that, the Operations & Governance sub-committee also worked through a number of other governance and operational matters as well during the year. Significant work was undertaken over an extended period of time to update the GRCH Rules of Association to ensure compliance with statutory and regulatory requirements. Following consultation with Committee of Management members, the new Rules were adopted at the 2019 annual general meeting. We have also developed new policies and reviewed existing policies on an ongoing basis to provide an effective framework to guide all areas of organisational governance and operational activity.

Changes to the way GRCH meets human resource statutory obligations were implemented over the past financial year. A government review of long service leave in the community service sector saw a change to the way organisations make provision for long service leave liabilities through a central portable long service leave fund. GRCH was deemed to be a community service organisation within this framework and subsequently has now been included in this new scheme. The Single Touch Payroll reporting process which was introduced by the Australian Taxation Office has also been implemented to ensure we are compliant with the new reporting requirements.

Another key role of the Operations and Governance Sub-Committee is to prepare an annual operating budget. This came with some additional challenges associated with forecasting due to the uncertainties around Covid-19 which not only has a potential impact on accommodation income, but also on fundraising capacity and donations as well. I would particularly like to thank Alan for all his work in updating our budget forecasting template to assist us in this task.

In terms of the 2019-20 financial year, the total operational income was \$228,420 and total operating expenses were \$273,980 resulting in an operating loss of \$45,560. Income is derived from accommodation fees, fundraising activities, grants, and donations from individuals, community groups, Rotary Clubs and other organisations in the community, for which we are extremely grateful. We now

have our first full financial year of data on the performance of the 34kW solar power system which was donated by Engie and installed towards the end of January 2019 to help offset our energy costs. Summary of milestones:

- Total generation FY 2019-2020: 51.8 MWhrs
- Highest Monthly Generation: 5.46 MWhrs December 2019
- Highest Weekly Generation: 1.4 MWhrs 22-28 November 2019
- Peak Power Output: 27.7 kW Occurred between 15 and 21 November 2019

In closing, I would like thank my fellow sub-committee members for their collective expertise, time and energy in carrying out the work of the sub-committee. I would also like to sincerely thank our dedicated staff members Carol, Michael, Tania, Lina and Jo, as well as all of the wonderful volunteers who work so tirelessly to promote and support GRCH.

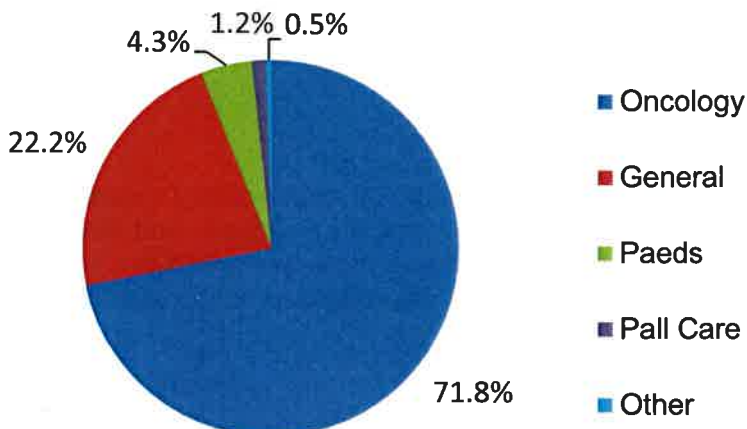
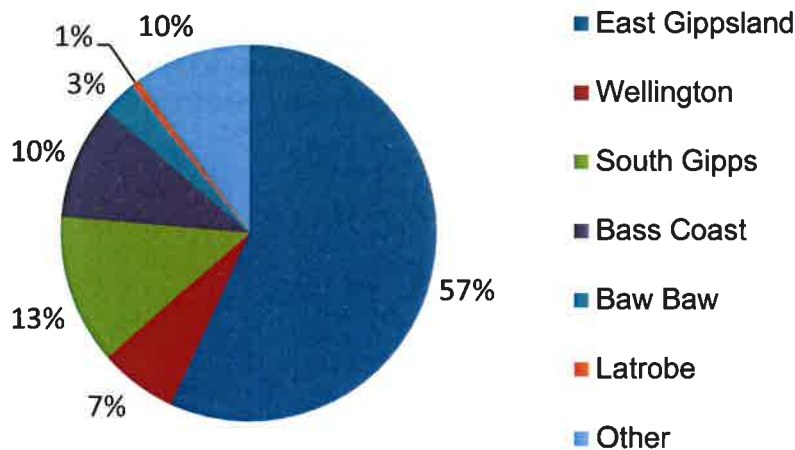
### 2.1.2 Operational Statistics

(Report provided by Carol Crewe, GRCH Operations Manager)

Statistics for the end of the year (June 2020) regarding guest accommodation at GRCH are as follows:

- 2584 primary guests
- 4075 bookings
- 6468 total guests
- 58% of primary guests were female and 42% male
- The average age of primary guests was 64 years
- The average stay was 6 nights over 2 weeks – this varied from 1 night to 9 weeks
- The average distance travelled was 150 km
- Oncology patients made up 72% of bookings; Paediatrics – 4%; Palliative Care – 1%; General – 22%; and Other – 1%.

Our primary guests are from the following locations and present at LRH for the following reasons.



## **2.2 Promotions Sub-committee**

(Report provided by Michael Answerth, Promotions Sub-committee Chairperson)

### Newsletter

The quarterly Newsletter continues to be published with major input from the Operations Manager, Carol, and her staff. This is widely distributed throughout the community, including to past clients and generally results in an increase of donations following each issue. The stories are relevant and interesting and now include profiles of the Committee of Management members and their background. We continue to encourage recipients to receive it electronically so as to reduce postage costs.

### Facebook & Website

As social media is one of the most preferred means of accessing information today, we maintain a website and Facebook page which are kept up to date by the staff and are accessed by many people. Current photos and snippets of news about residents and supporters add to the interest.

### Media Releases

Major news items that have been the subject of media releases the past twelve months include the opening of stage 3, which received widespread coverage across all media, donations by the Keith Chenall Charitable Trust, the retirement of Chairman, Ken Peake, the donation of solar panels and our continued activity during the COVID-19 lockdown.

### Visits to Rotary Clubs & Community groups

The Operations Manager and members of the Committee of Management continue to visit Rotary Clubs in the District as well as community groups and with the use of an updated audio visual presentation, keep our supporters and donors up to date with developments and challenges facing Centenary House. Visits to the House by these groups were also very popular prior to the current restrictions with stage 3 attracting plenty of attention and admiration from all those who visit.

### Blue Ribbon Dedication

For a number of reasons, this important event of dedicating part of Stage 3 to a police officer who has lost his/her life in the course of duty, has been delayed. Liaison has continued with the Blue Ribbon Foundation and it is proposed that this event will proceed once public gathering restrictions are lifted.

## **2.3 Fundraising Sub-committee**

(Report provided by Kay Radford, Fundraising Sub-committee Chairperson)

### Members 2019 - 2020:

- Rosanna Della Fortuna
- Sylvia Eastham – Assistant Treasurer
- Liz Power
- Kay Radford – Chair
- Ian Wilson
- Angela Marino
- Carol Payne – Treasurer
- Shelley Goldsborough
- Barbra White – Secretary
- Mari Richards
- Jennifer Lucas

The Fundraising Sub-committee meets monthly at GRCH and arranges extraordinary meetings when necessary. The Committee pride themselves as a hard working co-operative team and PR persons promoting the house via our work, of which much is in the public arena; showcasing GRCH. That is one of the essential roles of the Fundraising Sub-committee to lift the awareness of GRCH to the general public as well as visiting groups.

Activities undertaken during the year include:

- Raffles
- Chat&Chew Luncheon

- Bunnings BBQ
- Catering for events at Gippsland Rotary Centenary House and related activities.
- OAMS High Tea

March to June have seen restricted activities due to COVID Crisis. The sub-committee provided logistical support for various functions in addition to this. I wish to thank the subcommittee for their constant support and enthusiasm. I am pleased to submit this report on behalf of the Fundraising Sub-committee.

## **2.4 General Maintenance Co-ordination**

(Report provided by Alan MacRae, General Maintenance Co-ordinator)

GRCH is supported by a willing group of people who comprise our Monday morning work group. The group comprises retirees and, due to the occurrence of COVID 19, unfortunately it was necessary to prohibit attendances for extended durations. During these times, only emergency works were attended to by an extremely limited number of volunteers.

At all times, both within and outside the proscribed periods strict compliance with health, governmental and House directions has occurred. This necessitated the abandonment of the "morning tea" which usually occurred in the Stage 1 dining room at the completion of work.

Whilst a few members of the group managed to "head north for winter" in 2019, none have during 2020 (including the writer). Whilst typical attendance is 7 the numbers this year have ranged from 0 (due to lockdown) to as high as 11.

All attendees have returned to volunteering at the House outside lockdown.

The group completes much of the ground maintenance – mowing, edging, gardening, and cleaning as well as internal repairs and painting, periodic maintenance, asset repair/refurbishment and furniture movement.

This contribution to the successful operation of the House is greatly appreciated!

## **3. CONCLUSIONS**

As Chairperson of the Gippsland Rotary Centenary House Committee of Management I wish to sincerely thank all immediate, past and current Committee and Sub-committee members, our Gippsland community, the many community organisations, especially Rotary, for their on-going very valuable and dedicated contribution and support to our facility. COVID-19 has had a significant impact on our lives to date, and will probably do so for some time to come. It is testament to the dedication of our staff and volunteers that we remain in a strong position to continue to provide our guests with a home away from home that they all testify to by way of their feedback. Congratulations to all involved with Gippsland Rotary Centenary House who make it possible for us to continue to provide affordable accommodation to Gippslanders and beyond.

## **PART 2 – TREASURER'S REPORT AND AUDITED FINANCIAL STATEMENTS**

It is my pleasure to comment on the financial performance of GRCH for the 2019/2020 financial year.

We continue to be supported by Lis Keilty from OzPlan, who have helped us deliver timely and accurate monthly reports to ensure a fit for purpose reporting and accounting process. OzPlan have also facilitated our Business Activity Statement requirements. Mark Reidy of RGM Accountants has also continued to assist GRCH in the preparation of financial matters during the year including the preparation of the Annual Financial Statements.

I would also like to acknowledge the efforts of our Operations Manager Carol Crewe and staff who attend to the daily management of GRCH and the preparation of regular Financial Reports for the Committee of Management Meetings.

As can be seen from the Annual Financial Statement, despite the difficulties presented by COVID-19, GRCH continues to trade strongly as a non for profit organization and our finances are in an excellent position. The Annual Financial Statements have been audited by Bernd W Ritzer (FCA). He has provided a comprehensive report and matters to be addressed to further strengthen our governance. GRCH is grateful for his assistance.

The audited statements along with the Audit Report are appended to the report.

Glenn Setches  
Gippsland Rotary Centenary House Treasurer



**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**30 JUNE 2020**

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

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**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**COMMITTEE'S REPORT**

Your committee members submit the financial report of the GIPPSLAND ROTARY CENTENARY HOUSE INC for the financial year ended 30 June 2020.

**Committee Members**

The names of committee members throughout the year and at the date of this report are:

Mike Answerth - Secretary & Public Officer  
Kay Radford  
David Swainsbury - Chairperson  
Diane Wilkinson  
Ray Scheffer  
Alan MacRae  
Glenn Setches - Treasurer  
Cheryl Glowery – Resigned 6/2/2020  
Colin Matthies  
Harold Venables – Resigned 1/4/2020  
Helen Lanigan – Appointed 7/8/2019

**Principal Activities**

The principal activities of the association during the financial year were:

the provision of short term accommodation for families being treated at the Latrobe Regional Hospital.

**Significant Changes**

No significant change in the nature of these activities occurred during the year.

**Operating Result**

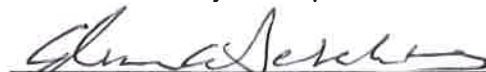
The loss after providing for income tax amounted to (\$108,723).

Signed in accordance with a resolution of the Members of the Committee.

Committee Member:

  
\_\_\_\_\_  
David Swainsbury - Chairperson

Committee Member:

  
\_\_\_\_\_  
Glenn Setches - Treasurer

**Dated this 5th day of October 2020**

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>Income</b>			
Revenue	3	387,727	1,393,565
<b>Expenditure</b>			
Accountancy expenses		(2,000)	(1,950)
Advertising expenses		(428)	(518)
Auditors' remuneration	4	(3,000)	(1,590)
Depreciation and amortisation expenses		(106,031)	(124,033)
Employee benefits expenses		(187,960)	(169,971)
Finance costs	5	(-)	(60)
Other expenses		(197,031)	(120,878)
		<u>(496,450)</u>	<u>(419,000)</u>
<b>Profit (Loss) for the year</b>	<b>5</b>	<b>(108,723)</b>	<b>974,565</b>
<b>Total comprehensive income for the year</b>		<u><b>(108,723)</b></u>	<u><b>974,565</b></u>

The accompanying notes form part of these financial statements.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	626,891	543,645
Trade and other receivables	7	10,494	54,916
<b>TOTAL CURRENT ASSETS</b>		<u>637,385</u>	<u>598,561</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	5,595,507	5,788,703
<b>TOTAL NON-CURRENT ASSETS</b>		<u>5,595,507</u>	<u>5,788,703</u>
<b>TOTAL ASSETS</b>		<u>6,232,893</u>	<u>6,387,264</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	64,805	110,454
<b>TOTAL CURRENT LIABILITIES</b>		<u>64,805</u>	<u>110,454</u>
<b>TOTAL LIABILITIES</b>		<u>64,805</u>	<u>110,454</u>
<b>NET ASSETS</b>		<u>6,168,087</u>	<u>6,276,810</u>
<b>EQUITY</b>			
Retained earnings	10	6,168,087	6,276,810
<b>TOTAL EQUITY</b>		<u>6,168,087</u>	<u>6,276,810</u>

The accompanying notes form part of these financial statements.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Note	Retained earnings			Total
		\$	\$	\$	\$
<b>Balance at 1 July 2018</b>		5,302,245			5,302,245
Profit attributable to members		974,565			974,565
<b>Balance at 30 June 2019</b>		6,276,820	-	-	6,276,820
Profit attributable to members		(108,723)			(108,723)
<b>Balance at 30 June 2020</b>		6,168,087	-	-	6,168,087

The accompanying notes form part of these financial statements.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	431,334	1,366,616
Payments to suppliers and employees	(283,103)	(318,228)
Interest received	815	21,701
Finance costs paid	-	(60)
<b>Net cash provided by operating activities</b>	<b>149,046</b>	<b>1,070,029</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(12,835)	(2,518,436)
<b>Net cash used in investing activities</b>	<b>(12,835)</b>	<b>(2,518,436)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Financial Liabilities	(52,965)	52,965
Repayment of financial liabilities	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>(52,965)</b>	<b>52,965</b>
Net increase (decrease) in cash held	83,246	(1,395,442)
Cash at beginning of financial year	543,645	1,939,087
Cash at end of financial year	<b>626,891</b>	<b>543,645</b>

The accompanying notes form part of these financial statements.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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The financial statements cover GIPPSLAND ROTARY CENTENARY HOUSE INC as an individual entity. GIPPSLAND ROTARY CENTENARY HOUSE INC is a not for profit association incorporated in VIC under the Associations Incorporation Reform Act 2012.

The principal activities of the Association for the year ended 30 June 2020 is the provision of short term accommodation for families being treated at the Latrobe Regional Hospital.

The functional and presentation currency of GIPPSLAND ROTARY CENTENARY HOUSE INC is Australian dollars.

The financial report was authorised for issue by the Committee of Management on 5<sup>th</sup> October 2020

**1 Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-For-Profits Commission Act 2012. Gippsland Rotary Centenary House Inc is a not-for-profit entity for the purpose of preparing financial statements.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

**2 Summary of Significant Accounting Policies**

**Subsequent Events**

Notwithstanding the challenges associated with COVID-19, the Association and its operations have not been materially impacted. Accommodation and associated services have remained consistent with prior years. There is an expectation that moving forward fundraising and donation income will be impacted as internal fundraising activities run by the association and fundraising activities by local Rotary Clubs who are significant donors to the association are restricted due to State Government COVID-19 restrictions.

The Committee of Management are confident that they have put in policies and procedures that will safeguard the facility from the uncertainty created by COVID-19 from any financial and health concerns that maybe faced in the future.



**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**Going Concern**

The financial statements have been prepared on a going concern basis consistent with the determination made by the responsible persons.

Notwithstanding the challenges associated with COVID-19, the Association and its operations have not been materially impacted. Accommodation and associated services have remained consistent with prior years. There is an expectation that moving forward fundraising and donation income will be impacted as internal fundraising activities run by the association and fundraising activities by local Rotary Clubs who are significant donors to the association are restricted due to State Government COVID-19 restrictions.

**Property, Plant and Equipment**

**Buildings, plant and other equipment**

Buildings, plant and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the board of management.

Buildings, plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses

Depreciation is recognised on a straight-line and diminishing value basis to write down the cost less estimated residual value of buildings, plant and other equipment. The following useful lives are applied:

- buildings: 25-50 years
- plant and equipment: 3-10 years
- computer hardware: 3-7 years
- motor vehicles: 4-10 years
- office equipment : 3-13 Years

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**Accounts Receivable and Other Receivables**

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

**Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

**Cash and Cash Equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the balance sheet.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

**Interest revenue**

Interest revenue is recognised using the effective interest rate method.

**Rendering of services**

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

**Donations & bequests**

Donations collected, including cash and goods for resale, are recognised as revenue when the organisation gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the organisation becomes legally entitled to the shares or property.

**Other income**

Other income is recognised on an accruals basis when the association is entitled to it.

**Government grants**

A number of the organisation's programs are supported by grants received from the federal, state and local governments.

If conditions are attached to a grant which must be satisfied before the organisation is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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Where a grant is received on the condition that specified services are delivered, to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the organisation obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the organisation receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

**Accounts Payable and Other Payables**

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**Comparative Figures**

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
<b>3 Revenue and Other Income</b>		
<b>Revenue</b>		
Other revenue:		
Interest received	815	21,702
Other revenue	386,912	1,371,863
	<u>387,727</u>	<u>1,393,565</u>
Total revenue	<u>387,727</u>	<u>1,393,565</u>
<b>4 Auditors' Remuneration</b>		
Auditors Remuneration - Fees	<u>3,000</u>	<u>1,590</u>
<b>5 Profit for the year</b>		
The result for the year was derived after charging / (crediting) the following items:		
Profit before income tax from continuing operations includes the following specific expenses:		
<b>Expenses</b>		
Employee benefits expense:		
contributions to defined contribution superannuation funds	15,433	18,512
Depreciation of property, plant and equipment	206,031	124,033

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>6 Cash and Cash Equivalents</b>		
Cash at Bank	626,502	542,358
Petty Cash	389	462
Undeposited Funds	-	825
	<b>626,891</b>	<b>543,645</b>
<b>Reconciliation of cash</b>		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash at Bank	626,502	542,358
Petty Cash	389	462
Undeposited Funds	-	825
	<b>626,891</b>	<b>543,645</b>
<b>7 Trade and Other Receivables</b>		
Trade Debtors	2,750	18,216
GST on Acquisitions	2,744	36,487
ATO Integrated Client Account	-	213
Income Accrued – ATO Cashflow Boost (June)	5,000	-
	<b>10,494</b>	<b>54,916</b>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>8 Property, Plant and Equipment</b>		
<b>Buildings</b>		
Buildings - at Cost	6,458,242	6,457,755
Less Prov'n for Depreciation	(1,017,959)	(852,828)
	5,440,283	5,604,927
Plant & Equipment - at Cost	338,275	325,925
Less Prov'n for Depreciation	(188,163)	(148,681)
	150,111	177,244
Motor Vehicles - at Cost	3,000	3,000
Less Prov'n for Depreciation	(1,479)	(972)
	1,521	2,028
Office Equipment - at Cost	24,971	24,971
Less Prov'n for Depreciation	(21,378)	(20,467)
	3,592	4,504
<b>Total Property, Plant and Equipment</b>	<b>5,595,507</b>	<b>5,788,703</b>
<b>9 Accounts Payable and Other Payables</b>		
<b>Current</b>		
Trade Creditors	773	6,569
PAYGW Creditor	5,420	4,842
Superannuation Creditor	6,012	5,153
Payroll Liabilities - GST	-	448
Building Retention – Kingbuilt Homes	-	52,965
Long Service Leave Levy Creditor	689	-
Accrued Expenses	8,358	6,677
Provision for Annual Leave	21,949	12,707
Provision for Long Service Leave	21,604	21,093
	64,805	110,454
<b>10 Retained Earnings</b>		
Retained earnings at the beginning of the financial year	6,276,810	5,302,245
Net profit (loss) attributable to the association	(108,723)	974,565
Retained earnings at the end of the financial year	6,168,087	6,276,810



**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
<b>11 Cash Flow Information</b>		
<b>Reconciliation of result for the year to cashflows from operating activities.</b>		
<b>Reconciliation of net income to net cash provided by operating activities:</b>		
Profit (Loss) after income tax	(108,723)	974,565
Cash flows excluded from profit attributable to operating activities		
<b>Non-cash flows in profit</b>		
Depreciation	206,031	124,033
<b>Changes in assets and liabilities</b>		
(Increase)/decrease in trade and other receivables	44,422	(39,872)
Increase/(decrease) in trade and other payables	7,316	11,303
	<u>149,046</u>	<u>1,070,029</u>

**12 Statutory Information**

The registered office of the association is:

39 Valley Drive Traralgon VIC 3844

The principal place of business is:

39 Valley Drive Traralgon VIC 3844

**GIPPSLAND ROTARY CENTENARY HOUSE INC  
A.B.N. 26 883 085 367**

**RESPONSIBLE PERSON'S DECLARATION**

The responsible persons declare that in the responsible persons' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
  
- (a) the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Chairperson: \_\_\_\_\_

  
David Swainsbury

Treasurer: \_\_\_\_\_

  
Glenn Setches

Dated this 5<sup>th</sup> day of October 2020.

## AUDITORS REPORT

### TO THE MEMBERS OF THE GIPPSLAND ROTARY CENTENARY HOUSE INCORPORATED

#### INDEPENDENT AUDITORS REPORT

To the members of the Gippsland Rotary Centenary House Incorporated

#### Audit Opinion

I have audited the accompanying general purpose financial report, of the Gippsland Rotary Centenary House Incorporated which comprises,

1. the Statement of Financial Position as at the 30<sup>th</sup> June 2020,
2. the Statement of Comprehensive Income,
3. Statement of Changes in Equity,
4. Statement of Cash Flows for the year then ended,
5. Notes Forming Part of the Financial Report comprising a summary of significant accounting policies and other explanatory information and
6. the responsible persons declaration.

In my opinion, the general purpose financial report of the Gippsland Rotary Centenary House Incorporated is properly drawn up in accordance with Division 60 of the Australian Charities and Not for Profits Commission Act 2012 including,

- a) giving a true and fair view of the registered entities financial position as at the 30<sup>th</sup> June 2020 and of its performance and cash flows for the year then ended;

and

- b) complying with Australian Accounting Standards as described in Note 1 and Division 60 of Australian Charities and Not for Profits Commission Regulation 2013

#### Basis for Opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Report section of my report. I am independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have fulfilled my other ethical responsibilities in accordance with the code.

This year, due to the impact of the Covid-19 pandemic, I was unable to physically visit the site at which GRCH Gippsland Rotary Centenary House Incorporated conducts its operations. I do consider that the audit procedures put in place by me have allowed me to collect the audit evidence required.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## AUDITORS REPORT

### TO THE MEMBERS OF THE GIPPSLAND ROTARY CENTENARY HOUSE INCORPORATED

#### **Information other than the Financial Statements and Auditor's Report thereon.**

The responsible persons are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30<sup>th</sup> June 2020, but does not include the financial report and our auditor's report thereon.

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

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

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

#### **Responsible Persons Responsibility for the Financial Report**

The responsible persons of the registered entity are responsible for the preparation of the general purpose financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not for Profits Commission Act 2012 and for such internal control as the responsible persons determine 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, responsible persons are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible persons either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible persons are responsible for overseeing the registered entity's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Report**

My 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 auditors' 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report

As part of an audit in accordance with 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

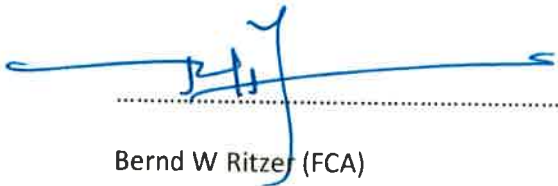
## AUDITORS REPORT

### TO THE MEMBERS OF THE GIPPSLAND ROTARY CENTENARY HOUSE INCORPORATED

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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible persons .
- Conclude on the appropriateness of the responsible entity's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists I am required to draw attention in our 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 registered entity 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 will communicate with the responsible persons 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 may identify during my audit.



Handwritten signature of Bernd W Ritzer in blue ink, written over a dotted line.

Bernd W Ritzer (FCA)

Ritzers Chartered Accountant

Registered ASIC Company Auditor No. 9237

Dated 6<sup>th</sup> October 2020

At 2 Coppin Court, Cape Schanck, Vic. 3939

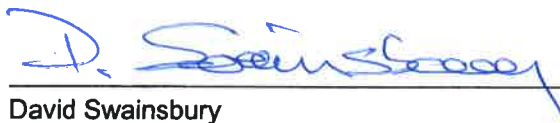
**GIPPSLAND ROTARY CENTENARY HOUSE INC  
A.B.N. 26 883 085 367**

**CERTIFICATE BY MEMBERS OF THE COMMITTEE**

I, David Swainsbury and I, Glenn Setches certify that:

- (a) We are members of the committee of GIPPSLAND ROTARY CENTENARY HOUSE INC.
- (b) We attended the annual general meeting of the association held on 7th October 2020.
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) This annual statement was submitted to the members of the association at its annual general meeting.

**Committee Member:**

  
\_\_\_\_\_

David Swainsbury

**Committee Member:**

  
\_\_\_\_\_

Glenn Setches

**Dated this 7<sup>th</sup> day October of 2020.**

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
<b>INCOME</b>		
Grants Received	95,000	815,365
Accommodation Income	65,215	66,244
Support Income	132,900	118,303
Donations Received	58,384	349,843
Fundraising Income	19,713	16,611
	<u>371,212</u>	<u>1,366,366</u>
<b>OTHER INCOME</b>		
Covid Cash Flow Boost	15,000	-
Insurance Recoveries	-	5,498
Interest Received	815	21,701
Meeting Room Hire	700	-
	<u>16,515</u>	<u>27,199</u>
	<u>387,727</u>	<u>1,393,565</u>

The accompanying notes form part of these financial statements.

**GIPPSLAND ROTARY CENTENARY HOUSE INC**  
**A.B.N. 26 883 085 367**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>EXPENSES</b>		
Accountancy	2,000	1,950
Advertising & Promotion	428	518
Auditors Remuneration - Fees	3,000	1,590
Bad Debts	496	-
Bank Charges	879	1,037
Cleaning	1,905	2,621
Depreciation	206,031	124,033
Donations	104	720
Electricity & Gas	26,832	27,533
Fire Monitoring	3,511	3,382
Fundraising Committee Expenses	5,657	258
Gardening	8,307	14,558
Hire of Plant & Equipment	728	1,118
Insurance	11,050	9,318
Interest	-	60
Long Service Leave Levy	2,501	-
Motor Vehicle Expenses	2,271	2,043
Permits, Licences & Fees	1,210	1,021
Postage	4,306	4,364
Printing & Stationery	4,601	12,114
Rates	5,000	4,797
Repairs & Maintenance	12,296	29,839
Security	-	132
Staff & Guest Amenities	8,934	17,765
Superannuation	15,433	18,512
Telephone	4,477	3,259
Wages	161,092	133,694
Workcover	3,401	2,764
	<b>496,450</b>	<b>419,000</b>
<b>Profit (Loss) from Operating Activities</b>	<b>(108,723)</b>	<b>974,565</b>

The accompanying notes form part of these financial statements.