

# ANNUALREPORT | 2005

Christophorus House Retirement Village Ltd ABN 32 001 781 013



**Registered Office:** 396 Pacific Highway Hornsby NSW 2077

**Hostel Tel:** (02) 9476 3161

**Hostel Fax:** (02) 9987 0212

**Hostel email:** [Judith@christophorushouse.com.au](mailto:Judith@christophorushouse.com.au)

**Office Tel:** (02) 9482 9804

**Office Fax:** (02) 9477 5768

**Office email:** [mtelford@christophorushouse.com.au](mailto:mtelford@christophorushouse.com.au)

# Christophorus House Retirement Village

## Mission Statement

To provide a high quality environment to the community we serve, especially aged and disabled persons, based on the therapeutic and social ideals of Dr Rudolf Steiner; emphasising respect for the dignity of the individual. This will be achieved through maintaining a harmonious, healing and aesthetic environment, providing nursing care practices and other services of the highest standard.

## Rudolf Steiner



Rudolf Steiner (1861-1925) was born in Austria. He found his life's work in the realms of consciousness and cognition.

His techniques for the development of awareness to nature's cycles, daily meditation and concentration practices, and clear critical thinking can lead individuals to reach spiritual levels of consciousness safely. He believed working along with the spiritual worlds enriches the life of the individual and the world.

A university student of mathematics, science and philosophy in Vienna, he later earned a doctorate from the University of Rostock. He edited the scientific writings of Goethe, whose approach, based on intensified, selfless observation of nature, became a source of inspiration for his own work. Steiner's doctoral dissertation dealing with Fichte's theory of knowledge was later expanded and published as Truth and Science. In 1894, he published The Philosophy of Freedom, which he felt to be his most important philosophical work.

Steiner brought forth out of his spiritual experiences an abundance of scientific, medicinal, agricultural, social, educational, architectural, and artistic renewal. Steiner called this science of spirit, Anthroposophy, meaning "wisdom of the human being." Anthroposophy is non-religious, and enhances many Buddhist, Christian, Muslim, and other traditional practitioners endeavors.

Author of almost thirty books, Steiner also gave approximately 6,000 lectures on a wide range of subjects. He initiated Waldorf education, biodynamic farming and gardening, an approach to the care and education of the handicapped, anthroposophical medical work, and an art of movement called eurythmy.

*"My meeting with Rudolf Steiner led me to occupy myself with him from that time forth and to remain always aware of his significance. We both felt the same obligation to lead man once again to true inner culture. I have rejoiced at the achievements his great personality and his profound humanity have brought about in the world."*

*Albert Schweitzer*





# Chairman's Report

## from the Board of Directors of Christophorus House Retirement Village for the year January to December 2005



The year 2005 saw many changes at the level of management, and a change of Board membership. Barry Stephen retired from the Chair and from the Board at the 2005 AGM in May. At the same time Mary Amdell and

Robert Allerdice joined as new members with expertise in aged care nursing, and law and commerce respectively. Both quickly proved invaluable to Christophorus House (CHRV). Mary was welcomed back to the CHRV community, having been the Hostel manager from 1996 to 2003.

In February the employment of the then Manager, Malena del Galego, was terminated. Chris Felton was reinstated as Self-Care Manager, and Milan Telford was employed as the Financial Manager, replacing Ian Kircher who resigned. Milan as a fellow of the Society of Certified Practising Accountants brings to the organisation over 25 years of experience in public and commercial accounting.

At the time of Malena del Galego's termination, the Board made the decision to employ the services of a registered nurse consultant, Rosemary Neale, who was recommended to us by the Aged and Community Services Association, the peak body for our sector. CHRV was, at this time, in a crisis situation and serious instability would have followed without Rosemary's expertise. Occurring at the same time as the changes in the management personnel, our application for accreditation of the Hostel, with the Department of Health and Aging, was also due.

In April, with Chris Felton's support in the operational management of the Village, and with the support of our Hostel staff, many of whom have been with us long-term, Rosemary Neale brought us successfully through the accreditation process. The exercise was an expensive one, but in

view of the imperative of accreditation, and the instability of management at the time, the expense was necessary and justified. In July we were certified with full accreditation for two years, which expires on August 24, 2007.

We also employed, on the day before the inspection for accreditation, Judith Allan, as our new Hostel Manager. Judith has come with 17 years experience in the Aged Care sector, her previous position being Director of Nursing at Southern Cross Nursing Home. In a sense it has been a baptism by fire for Judith, who took over the reins from Rosemary Neale just after the inspection for accreditation, and at a time when we waited for the results of accreditation, which came in mid-July. Judith has worked long and hard to maintain and build on the standards set. When Chris Felton resigned in August 2005, the management structure was again modified and Milan Telford was offered the position of CEO of CHRV.

The rest of the year, following the AGM in May, was very much a settling down period for the new members of the Board and the new managers. We are very appreciative of our long-term and experienced hostel staff. This has been a very important point of stability in our organisation. Residents, staff, managers and directors enjoyed Christmas with light hearts in 2005.

Board policy has been to make the Board more accessible to residents and members and there has been more consultation and correspondence between the Board and the Residents Committee as a result, with mutual appreciation. This is intended to continue in order that we may build confidence and trust within our organisation. The Village Newsletter, the first edition of which was produced by residents last winter, is an important organ of such communication within the organisation.

At the close of 2005 there were 3 Self-Care units vacant. A lot of interest has been shown in each of these units but the main impediment appears to be the reticence of prospective clients to financially commit

to entry into CHRV before the sale of their home property is confirmed. The most efficient and cost-effective medium for advertising our vacancies has been the local papers. Plans are underway to set up a website for CHRV, which is expected to generate further interest.

In November of 2005 we signed a contract to purchase an adjoining property at 370b Pacific Highway, at a relatively conservative price. It was intended to rent the premises to tenants, initially for a one year lease, and until such time as the property could become part of a larger development plan in the future. This procurement lends reality to future possibilities for development, and is thereby exciting.

In December the intention was minuted to workshop a Strategic Planning process at Board level in 2006. With successful accreditation for the Hostel and a now smoothly functioning management team and faithful Hostel staff, it is with pleasure that we look forward to future planning.

In 2004 the Board began a process of 3 consultative meetings with residents and members concerning the proposed development at that time. The second such meeting was conducted in 2005 immediately following the AGM. The original architect of CHRV, Reuben Lane, addressed the AGM giving a picture of his career in Architecture and some of the human/social principles applied in the design of CHRV. Although his health would not allow him to take the responsibility for the architectural design of any future development, he has made himself available for consultation, and possibly to oversee future architectural planning. Reuben's expertise and his deep interest in CHRV is very much appreciated, and his future involvement will facilitate continuity and consistency in design.

**Phillippa Cordwell**  
Chairperson

# Chief Executive's Report 2005



The past year, 2005, could be described as a year of transition. The transition included a new Board composition, resulting in a new Chairman of the Board, and in the process a new management also

emerged. In September 2005, the Board confirmed my appointment as CEO, having originally come to Christophorus House (CHRV) (in February) to work part-time in the financial function. I'm not entirely new to CHRV, having been on the Board in the late 1980's, early 1990's.

CHRV was set up as and still is a charity. In this respect it distinguishes CHRV from profit making ventures, in the sense that it is, 'of the people, by the people, for the people' (Abraham Lincoln). In this light, it is good to see that despite the troubles CHRV has seen over the years, the essential living impulse of the community spirit has remained intact. The community being, not only the residents, but also the families, staff, friends and 'members' of CHRV.

CHRV celebrated its official 21st anniversary on Saturday 29th October 2005. We were delighted to have a high

calibre of speakers attend; Dr Harry Edwards AM, Dr Karl Kaltenbach OAM and Professor David Wansborough, with master of ceremony John Shaw, who, at the inception of CHRV (25 years ago) was there to draft our constitutional document. It was also good to see so many old friends of CHRV, all of whom had over the

overall sense of anxiety due to a perceived lack of financial viability. The one constant, (which the Chairman's report alludes to), has been the long serving and dedicated staff and I would also like to share in giving praise to them for their fortitude in keeping it all working, despite times of disturbance.

In 2005, it was important to allow the 'dust to settle' and bring back a quiet rhythm into the management process.

years given so much. The anniversary was dedicated in honour of CHRV founding visionary, Helga Forster. Another special friend of CHRV that was honoured on the day was the Villages architect, Reuben Lane, who was made a life member. We thanked Reuben for his sensitivity to the vision of the founders and for being the good guide in the development of this CHRV, a peaceful oasis for those, as Karl Kaltenbach indicated in his talk, were now "resting their swords from their life's battles, were now at peace".

In 2005, it was important to allow the 'dust to settle' and bring back a quiet rhythm into the management process. This, following on from some years of controversial development proposals, (which were eventually resisted by the residents); changes in management personnel and an

I should at this point like to address the financial viability issue. Modelling of the Village finances for the forthcoming ten years was one of the first tasks I undertook when I was appointed. It is now clear to both the Board and myself that, given the current status quo scenario, funds generated over the next ten year period to meet capital requirements, are anticipated to be in the vicinity of between \$1.95M to \$2.75M (depending on various parameter changes). It is the Board's and my belief that this capital will adequately cover the needs of maintaining the existing infrastructure over that period, provided that it is managed well.



---

Hence, CHRV is financially viable. In the past year, as the Treasurer has written, the methodology for incoming contributions for Hostel rooms was changed and is now based on an asset test, with incoming contributions set at between \$300,000 down to \$122,500, dependent on this test. This has seen an improvement in the cash position in 2005, which will continue in the coming years. This enables CHRV to self finance further development work. Developing CHRV strengthens CHRV's financial base and financial viability. In December 2005, we exchanged contracts for the purchase of 370b Pacific Highway, a property which touches our existing boundary. This is the precursor to securing our future growth.

On a more sombre note, in this past year, we remember our friends who crossed over the threshold; Myra Marx, June Swinton and Molly Lightbody.

I should like to take this opportunity to thank a number of people. Firstly the Board; these volunteers who do such a magnificent job for CHRV, always with one overriding aim in mind, being to ensure that what is done, is always to be done

The Board has a good mix of strong professional capabilities; in the time I have known them, they have been working exceptionally well as a group of colleagues.

in the best interests and well being of the residents. The Board has a good mix of strong professional capabilities; in the time I have known them, they have been working exceptionally well as a group of colleagues. I personally thank them for the support that they give to me; everything that is accomplished here at CHRV is done so on the basis of a team effort.

During the year we farewelled Christine Felton. Christine managed CHRV through a difficult period in the earlier part of the year; thankyou Christine.

A special thanks to my Hostel Manager, Judith Allan RN, who came to CHRV with a life time of experience and expertise in nursing. Judith is well liked and appreciated by the CHRV community.

Thank-you to the work of the members of the Residents Committee, an important link as between the residents and

management; we have a co-operative way of doing business. Finally, a big thank-you to the staff, who are ever cheerful and considerate towards the needs of the residents and who always work well together, but not only well together, but with and for each other. Well done all.

**Milan Telford**  
CEO





# Hostel Manager's Report 2005



Many significant events occurred in Christophorus House Hostel's 21st Anniversary year.

During the first half of 2005, under the guidance of Rosemary Neale, Nurse Consultant

and also Acting Hostel Manager, all staff worked very hard to ensure "their" Hostel would meet all the requirements for the Aged Care Standards and Accreditation Agency's site audit on 31st May and 1st June 2005. To gain accreditation, residential aged care facilities subsidised by the Commonwealth government, are assessed against five main areas: accreditation, building quality, prudential arrangements, concessional and assisted resident ratios and user rights.

Two of the Agency's accredited assessors conducted the site audit over two days.

Christophorus House Hostel was assessed against the four Accreditation Standards: our management systems, staffing and organisational development (Standard 1), residents' health and personal care (Standard 2), residents' lifestyle (Standard 3), and our physical environment and safe systems (Standard 4). The standards examine the overall quality of services provided and the extent to which each resident's needs are met. Quality and

## Skilled and knowledgeable staff ensure our residents have better care.

evidence of continuous improvement of every aspect of our service had to be demonstrated. Everyone was overjoyed to learn that Christophorus House Hostel had been awarded accreditation for two years.

The current hostel manager's incumbency commenced on 30th May, the day before the site visit commenced. We are very proud that our conscientious team has continued to strive for excellence. Following Accreditation, on 5th January 2006 we passed all aspects of our first site audit. The next site audit will be in January 2007 and then the full Accreditation audit will be six months later. Of course everyone is eagerly anticipating we will achieve full three year Accreditation at that time.

Christophorus House Hostel is a 'learning' organisation. Skilled and knowledgeable staff ensure our residents have better care. As well as on-going education by way of regular in-service and computerised individual learning programmes each month, we have five personal carers currently studying towards the attainment of Certificate III in Aged Care. Two personal carers, already successful with Certificate III, are now studying towards Certificate IV in Aged Care.

Our mission at Christophorus House is to ".....offer care to the aged and disabled based on the therapeutic and social ideals

of Rudolf Steiner...." We are very grateful to the Mavis Wiles Bequest committee for their encouragement and assistance. This enables us to have various Anthroposophical therapists contribute to our professional development programme.

Dr. Narelle Savage has begun monthly talks to staff and interested hostel and self-care residents about complementary medicine. She has generously made time available for consultation on the day of her visit – the first Thursday of each month. Special thanks are due to Joanna Jaaniste, one of our Board Directors, who has generously rearranged her very busy timetable to share her professional expertise with us in early April – although, being a Board Director, she cannot be paid.

The special Anniversary celebration when old and new friends met together was a very happy occasion. Our hostel community invited Self-Care residents to share a special Christmas feast. Rowlanda's wonderful music provided extra joy on a very happy day. An 'End of Summer Barbeque' was also an enjoyable opportunity for hostel and self-care residents to share the outdoors on a delightfully balmy evening. More and similar occasions are planned

**Judith Allan**  
Hostel Manager/Registered Nurse



# Board of Directors

as at 31 December 2005



**Joanna Jaaniste:**

B.A.(Hons.), Dip.Ed., Dip  
Dramathrapy (Herts.UK)

Practised in the area  
of intellectual disability  
(1994-7). She now works  
as a dramatherapist in  
mental health (swsahs

and wsahs) - twelve years, - and with  
at-risk adolescents, often in drug and  
alcohol rehabilitation. She teaches at the  
University of Western Sydney, runs her own  
introductory courses and is on the faculty  
of Raphael College. She is a longstanding  
committee member of NECTA (Network for  
Exploring Creativity in Therapy through the  
Arts). Her professional registration is with  
the British Association for Dramatherapists,  
and she also has membership of the  
Anthroposophical Society, Australian  
Anthroposophical Medicine Association,  
American National Association for  
Dramathrapy, Australian Art Therapy  
Association (Assoc.), and the Institute of  
Group Leaders. She worked in aged care  
part-time for three years in the mid-seventies  
before becoming a schoolteacher. Joanna  
is a passionate advocate for rights to  
creative equality of children, the elderly, the  
disadvantaged and the disabled.



**Phillippa Cordwell:**

BA(Hons) in Communications,  
majoring in Sociology, and currently  
developing a PhD thesis on the  
non-Indigenous perspective of the  
Reconciliation movement in Australia.  
Previous experience in  
personal care of geriatric

patients, and three years experience in the  
care of adults and children with profound  
disabilities within private institutions (Warrah  
and Inala). Member of the Anthroposophical  
Society, and a member of the Christian  
Community in Australia. Certificates in  
Rudolf Steiner based Speech and Drama,  
in non-scripted theatre training, and in  
Project Management. Committed to  
building on the original impulse of CHRV,  
and to developing artistic and therapeutic  
facilities for an inclusive community of aging  
people.



**Graham Long:** B.Sc, B.E.

Has worked for  
almost 40 years as a  
professional engineer in  
the telecommunications  
industry, carrying out  
planning and design work  
for large and small carriers

in Australia. He is currently employed in  
a planning role ensuring that capacity is  
available for new customers and making  
proposals for capital expenditure.



**Antonio Marques**

BA (Hons).

A high school teacher at  
Lorien Novalis School.  
He was CEO of Miroma,  
a Steiner based disability  
service from 1998 to  
2002, having started  
with Miroma in 1995. Member of the  
Anthroposophical Society.



**Robert Allerdice**

BA, LL.M (Tax Consultant)

Robert Allerdice holds  
Bachelor of Arts and  
Master of Laws degrees  
from the University of  
Sydney. He practised

as a solicitor for 15 years, specialising in  
taxation law. He is currently employed by  
the Taxation Institute of Australia (a non  
profit, professional organisation) as a tax  
consultant. He has had a long association  
with both Inala and Christophorus House  
Retirement Village, and served on the  
Inala Board for a number of years. Robert  
seeks to ensure that Christophorus House  
achieves its aims of providing quality aged  
care in a financially sound environment. To  
this end, he has accepted the position of  
Treasurer of Christophorus House.



**Mary Arndell:** BA(Hist) RN

Mary Arndell born in  
Queensland, came to  
Sydney and graduated  
as a registered nurse in  
he sixties. By a twist of  
fate found herself at Inala  
working as holiday relief but went to work for  
Inala and Anthroposophy for 25 years, both  
as a nursing sister and Senior Residential  
Services manager. During this period gained a  
Bachelor of Arts (History). History, the classics,  
is her love. On leaving Inala and after a month  
archaeological tour of Greece, was asked to  
become the Hostel Manager of Christophorus  
House in August 1996. Resigned 2003 and  
became a director in 2005.





# Corporate Governance Statement

Christophorus House (CHRV) has adopted systems of control and accountability as the basis of the administration of corporate governance. This statement gives an outline of the main corporate governance practices that were in place during the year

CHRV has, where appropriate, adopted corporate governance practices that comply with each of the ten Corporate Governance Principles and the corresponding Best Practice Recommendations as published by the ASXCGC, unless otherwise stated.

## Principle 1: Lay Solid Foundations for Management and Oversight

### Board of Directors

CHRV is comprised entirely of non-executive directors and certain members have specific functional responsibilities. The Board members provide visionary leadership to the organisation and are transparent and available to the members in their Board role. While the Board has overall control and management of CHRV, it may, subject to the Corporations Act and the CHRV Constitution, delegate a range of powers, duties and responsibilities to committees and management.

The Board meets eleven times a year for scheduled meetings and usually meets without the CEO for a set period. Board

members are elected by the membership for a term of one year at a time. All Board members are requested to disclose related party transactions prior to their appointment and these are updated each Board meeting.

Board members must attend at least one governance workshop to enhance their understanding of the law and Board responsibility.

Day to day management of the organisation's affairs and implementation of corporate strategy and policy initiatives are the responsibility of the Chief Executive and management.

### Chief Executive

The Chief Executive (CEO) is accountable to the Board for the management of CHRV within the policy and authority levels reviewed and approved by the Board. The Board determines capital expenditure on the recommendation of the CEO; the CEO has authority to approve business transactions within the predetermined limits set by the Board in the budgetary process.

The CEO's responsibilities include advising the Board on strategic direction, ensuring the organisation conducts its affairs within the law and keeping the Board informed of all major business proposals and developments through regular reports.

### Composition of the Board

The Board is made up of directors with appropriate skills, experience and attributes for the organisation and its business.

All Directors have the right, at the Company's expense, to seek independent advice on any issues before the Board, or on the conduct of the Board or management. The Board's prior consent to obtaining such advice is required, but will not be unreasonably withheld.

### Board Member Representatives

There are three permanent functional roles held by members of the Board, with Board members seconded from time to time, to undertake various tasks on an ad hoc basis.

The permanent roles are Treasurer, responsible for the Board liaison with the CEO on all financial and audit matters; Hostel liaison, responsible for the Board liaison with the Hostel manager on clinical and resident care matters; and there is a Board liaison with the 'Mavis Wiles Bequest Fund Committee'.

## Principle 2: Structure the Board to add value

The Director's backgrounds and expertise is described on page ?? All directors are independent as defined by the ASXCGC guidelines.







Directors are appointed by the annual general meeting of the company and once elected remain in office for a term of one year.

### **Principle 3: Promote ethical and responsible decision making**

Members of the Board and staff are required to meet high standards of honesty and integrity. The Board and management are respectful of the various stakeholders associated with CHRV, including residents, families and members of the company and in decisions which affect the medium to long term strategic future of CHRV consult widely in order to effect, responsible decision making. The residents also have a Residents Committee which is set up under the Retirement Villages Act 1999 (and associated Regulations 2000) whereby residents have input into day to day aspects of Village life as well as budgetary considerations.

The staff Performance Review and Development process includes behavioural expectations.

### **Principle 4: Safeguarding integrity in financial reporting**

CHRV has in the CEO, a fellow of the Society of Certified Practising Accountants, who brings to the CEO portfolio the professional skill, knowledge and integrity as required of a CPA. Together with the Treasurer, the CEO assists the Board of Directors to discharge its responsibility for financial reports, internal control systems, and the operation of organisation risk management processes.

### **External Auditors**

The annual audit is undertaken by Stirling SCI. Each year the external auditors provide an annual declaration to the Board of their independence. The Board undertakes a full review of the audit engagement before deciding to reappoint the existing audit firm or seek tenders on the open market.

### **Principle 5: Make timely and balanced disclosure**

This principle is not relevant to CHRV given the nature of the organisation. CHRV does, however, disclose significant information to members as and when required.

### **Principle 6: Respect the rights of members**

CHRV is a public company limited by guarantee and is bound by corporations law. Members have all the rights of shareholders under the Corporations Act. CHRV provides members with timely access to information about the activities of the Village, management and governance. It does this through ad hoc circulars, as and when required, the quarterly newsletter and in the near future, through the web site being established.

The annual general meeting enables members to attend the meeting and question the Honorary Chairman, the Honorary Treasurer and the Chief Executive.

### **Principle 7: Risk Management and manage risk**

CHRV works within a framework and policy which gives the organisation clear guidelines on how to assess risks and opportunities and identify the appropriate action plans. The risk management approach is used primarily to:

- ensure adherence to legislative and accreditation requirements
  - protect the financial standing of the organisation
  - provide quality services and manage safety risks to residents,
- and comprises:
- audits (room / medications / OH&S / external financial)

- adherence to its policies
- new resident risk assessment
- ongoing reassessments of residents needs

### **Principle 8: Encourage enhanced performance**

CHRV directors undertake training relevant to their roles on the Board.

Directors develop, in consultation with stakeholders, long term strategic objectives and plans for the organisation and monitor their performance in line with meeting these objectives.

CHRV Board also under take annual performance reviews of senior management.

### **Principle 9: Remunerate fairly and responsibly**

The Board considers the remuneration of the Chief Executive and senior management. The two highest paid executives are paid within the salary band of \$50K - \$100K.

No bonus incentive scheme is in place for staff.

### **Principle 10: Recognise the legitimate interests of stakeholders**

As mentioned in Principle 3, the Board members undertake to consult on all matters which impact the lives of CHRV residents, with residents, their family, and members of CHRV.

Prudential responsibilities require the Board to safeguard incoming contributions of residents, manage the organisation in a financially viable manner and ensure that suppliers to CHRV are paid in a timely manner.

# Staff Members as at 31 December 2005



**Milan Telford**

BFA, ACIS, JP, FCPA

## CEO

Milan has over 25 years of experience in finance and management accounting in commerce and the public sector. Worked

in senior accounting roles for companies such as Mobil Oil (NZ); ANI Komatsu, Goodman Fielders Wattie (Quality Bakers), and Warrah. Was the Treasurer for the Anthroposophical Society in Australia from 1986 to 1996. Holds a number of directorships on company Boards whose impulses derive from Anthroposophy.



**Judith Allan**

RN; RM; Grad Dip.Nsg.Mgmt.

Throughout my career in aged care it has been my passion to provide holistic aged care which meets the individual

needs of the whole person

– i.e. physical, mental, emotional and spiritual needs – so that each person might experience fulfilment and meaning every day. The acquired wisdom of age should be honoured and respected by those younger. I believe it is the right of every human being to experience serenity and joyful wellbeing in the later stage of life's journey.



Left to right Back row: Catherine R, Catherine M, Carla, Walter  
Left to right Front row: Monika, Angela, Sarah, Stella

## Organisation Chart





---

# Residents Committee

as at 31 December 2005

Christophorus House has an official Residents' Committee formed in 2003 to provide a channel for communication between the needs and rights of the residents and the Management and Board of Directors. This Committee holds an A.G.M. yearly when new nominations are encouraged.



Left to right: Rosemary, Alison, Richard, Barbara, Lesley, June, Veronica



# Director's Report

Your Directors herewith submit the financial accounts of the Company for the financial year ended 31 December 2005.

Details of Directors in office at the date of this report are;

Director	Occupation	Year Appointed as Director	Special Responsibilities
Allan Barry Stephen (resigned 19/4/05)	Company Director	2001	Chairperson
John Vieser (resigned 17/6/05)	Retiree	2003	Member
Joanna Jaaniste	Drama Therapist	2004	Member
Phillippa Cordwell	PhD Student	2004	Chairperson
Graham Robert Long	Chartered Engineer	2004	Member
Antonio Joaquim Ramos Marques	Secondary Teacher	2004	Member
Robert Charles Allerdice (appointed 28/5/05)	Tax Consultant	2005	Treasurer
Mary Arndell (appointed 28/5/05)	Registered Nurse	2005	Member

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

## Director's Meetings

During the year the Company held meeting of Directors. The attendances of the Directors at meetings of the Board were:

	Number eligible to attend	Number attended
Allan Barry Stephen (resigned 19/4/05)	3	3
John Vieser (resigned 17/6/05)	3	3
Joanna Jaaniste	10	9
Phillippa Cordwell	10	9
Graham Robert Long	10	10
Antonio Joaquim Ramos Marques	10	7
Robert Charles Allerdice (appointed 28/5/05)	7	7
Mary Arndell (appointed 28/5/05)	7	6

## Principal Activities

The principal activities of the company in the course of the financial year were:

- To provide accommodation, care and assistance, in a harmonious environment to aged and disabled persons, irrespective of sex, creed, race or nationality; and those in needy circumstances.
- To encourage goodwill in human relationships and foster social, spiritual and artistic impulses in accordance with the indications given by Rudolf Steiner.
- To provide housing for the purposes aforesaid
- To nurture social activities and provide other amenities for aged and / or disabled persons.





## Significant Changes

There has been no significant change in the nature of these activities during the financial year.

## Operating Result

The operating result for the year amounted to a surplus of \$121,422 (2004: \$47,192). The Company is exempt from Income Taxes and there was no income tax liability.

## Review of Operations

The financial year was seen as one on 'consolidation'. The drive towards further development within the confines of the Village was placed on hold, and the focus was put back onto the core issues which dominate Christophorus House, that of caring for and meeting the needs of residents, ensuring compliance with regulatory standards in meeting the accreditation requirements for the Hostel and certification requirements for buildings and stabilising the operational situation in terms of the management of the organisation. The Board and Management continued to foster the Anthroposophical approach to the caring and lifestyle of the residents.

With a successful year of consolidation complete, the Board looks forward to the coming year in developing its long term strategic outlook and plans.

## Dividends

The company is prohibited by its Memorandum and Articles of Association from paying dividends.

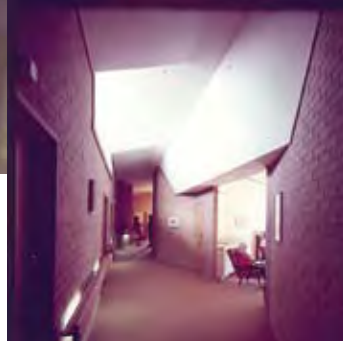
## Significant Changes in the State of Affairs

During the year, the Company exchanged contracts for the purchase of a 1277 sq.mtr. property adjacent to the boundary of the Christophorus House site, for a price of \$655,000 (not including stamp duty and costs). This purchase will form an important corner stone in future strategic plans which will be drawn up in the new year.

## After Balance Date Events

Since the end of the financial year and for the period to the date of this report, no matters or circumstances have arisen that have or may significantly affect: -

- (i) the operations of the Company
- (ii) the result of those operations
- (iii) the state of affairs of the company in the financial year and subsequent to that ended 31 December 2005



## Likely Developments and Results

The Company will be ensconced in planning for the next decade, in the early months of 2006. Whilst there is no concern regarding financial viability over the next 10 years, it is financially prudent for Christophorus House to continue to grow and thereby achieve economies of scale in the operations.

Residents have signalled their 'wish lists' and 'visions' and it is intended to develop a plan that will meet not only the exiting residents needs into the future, but also the needs of future potential residents.

## Share Options

The Company's Memorandum and Articles of Association prohibit the issuing of shares or options.

## Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company, or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

## Directors Benefits

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company, controlled entity, or related body corporate with the director, a firm of which the director is a member or an entity in which the director has a substantial financial interest.

## Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is obtained.

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

Director .....

Director .....

At Sydney, 20 March 2006.





**STIRLING SCI**

CHARTERED ACCOUNTANTS

**LEAD AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF CHRISTOPHORUS HOUSE RETIREMENT VILLAGE**

I declare that, to the best of my knowledge and belief, during the financial year ended 31 December 2005 there have been:

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

**STIRLING SCI**  
*Chartered Accountants*

R C Williams  
*Partner*

Signed at Sydney 20th March 2006

11th Floor, St James Centre, 111 Elizabeth Street, Sydney NSW 2000  
GPO Box 7019, Sydney NSW 2001 A.B.N. 65 085 182 822  
email sci@stirlingsci.com.au

---

Telephone (02) 8236 7500 Facsimile (02) 8236 7555

Liability is limited by the Accountants' Scheme pursuant to the NSW Professional Standards Act 1994

# Treasurer's Report



## Overview

Christopher House (CHRV) concluded the financial year in a financially strengthened position, despite some extraordinary expenditures throughout the year.

The overall result for the 12 months ended December 2005 was \$121,422 (\$47,192; 2004). This was after charging a further 1/3rd write-off of \$54,505 (\$54,507; 2004) for the 2003/04 development expenditures, which the Board has determined are capitalised expenditures which have no further future value.

## Revenue

Total income for the 2005 financial year was \$1,200,986 (\$1,046,960; 2004), an improvement from the previous year of \$154,026. Retentions, interest on investments and government subsidies were the main contributors to this increase. Government grants included one-off grant income recognition, for capital items amounting to \$15,270. Interest on investments was better than expected due to careful management of cash invested at good rates, and an improvement in our cash balances from the previous year.

Prices for units in the Self Care remained the same throughout the year; there was a change in the formula for Hostel rooms,

in that an asset test was applied to entry contributions for the first time, in line with industry practice.

## Expenditure

During the year we also went through an accreditation process. This necessitated the use of an outside registered nursing consultant at a cost of \$52,607. The incurrence of the consultancy costs for a registered nurse, was due in part to CHRV, at the time, being in the process of hiring a new Hostel manager, and thus was of some urgency. There was some consolidation in administration staffing numbers in the middle of the year, with organisational changes being made; the flow on of this being a reduction in overall administration wages costs.

Whilst laundry expenditure was up, there was an offsetting saving in the wages for laundry staff; laundry was outsourced due to the difficulty in being able to meet all the certification requirements for a fully functioning laundry. Most other expense categories were within expectations or slightly better than the previous year's costs.

## Cash flow and capital expenditure

CHRV cash flow and liquidity continued to strengthen, with cash and investments growing from \$2,322,032 (2004) to \$2,955,733 in 2005, and despite payments for capital expenditure in the order of \$798,583. CHRV's investment policy continued to produce good returns with an increase of \$28,101 in investment

returns, and with the average rate of return increasing by 0.28%

## Balance Sheet

The Board undertook a revaluation of the assets of CHRV as at 31st December 2005, in line with the adoption of International Financial Reporting Standards (IFRS) and a revaluation reserve of \$4,186,595 was created in order to reflect the true value of land, buildings and improvements in the books of account.

Capital expenditure through the year totalled \$798,583 (including expenditure on the purchase of 370b Pacific Highway). The major items of cost included: 370b \$655.0K; self care unit renovations \$82.0K; air conditioning Hostel \$24.4K. These purchases were all funded from existing internal resources.

Working capital at a ratio of 3.9 to 1 (18 to 1; 2004) is still well within acceptable levels having been reduced as at 31st December 2005, due to the taking up of the current liability of the balance (to pay) of the purchase price for 370b Pacific Highway at an amount of \$617,836.

The overall balance sheet position is strong and places CHRV in a good position on which to move forward with strategic planning options in the forthcoming year and beyond.

**Robert Allerdice**  
Treasurer





# Income Statement

for the year ended 31 December 2005

	Note	2005 \$	2004 \$
<b>Revenue from ordinary activities</b>	2	<b>-1,200,986</b>	<b>-1,046,960</b>
Salary and related expenses		597,087	578,766
Administration and other Expenses	3	221,760	162,276
Property expenses		153,314	152,291
Depreciation		33,225	25,251
Cleaning and laundry expenses		19,673	26,677
		<u>175,927</u>	<u>101,699</u>
Write-off of development costs		-54,505	-54,507
<b>Net Profit from ordinary activities</b>		<b>121,422</b>	<b>47,192</b>
<b>Increase / (decrease) in reserves:</b>			
Government grant for capital expenditure		-12,237	83,067
Asset Revaluation Reserve		4,186,595	
Other donations received			58
<b>Total changes in equity</b>	11	<b>4,295,780</b>	<b>130,317</b>

The accompanying notes form part of these financial statements.

# Balance Sheet

as at 31 December 2005

	Note	2005 \$	2004 \$
<b>CURRENT ASSETS</b>			
Cash Assets	4	1,133,137	596,330
Investments	5	1,822,596	1,725,702
Receivables and Prepayments	6	37,534	26,913
<b>Total Current Assets</b>		<b>2,993,267</b>	<b>2,348,945</b>
<b>NON CURRENT ASSETS</b>			
Investments	5	99,500	99,500
Property, plant and equipment	7	8,598,198	3,646,812
<b>Total Non-Current Assets</b>		<b>8,697,698</b>	<b>3,746,312</b>
<b>Total Assets</b>		<b>11,690,965</b>	<b>6,095,257</b>
<b>CURRENT LIABILITIES</b>			
Payables	8	714,312	75,220
Provisions	9	52,803	55,034
<b>Total Current Liabilities</b>		<b>767,115</b>	<b>130,254</b>
<b>NON-CURRENT LIABILITIES</b>			
Payables	8	5,703,450	5,031,651
Provisions	9	36,069	46,512
<b>Total Non-Current Liabilities</b>		<b>5,739,519</b>	<b>5,078,163</b>
<b>Total Liabilities</b>		<b>6,506,634</b>	<b>5,208,417</b>
<b>NET ASSETS</b>		<b>5,184,330</b>	<b>886,840</b>
<b>EQUITY</b>			
Funds and Reserves	10	4,318,125	142,056
Retained profits	8	866,206	744,784
<b>TOTAL EQUITY</b>		<b>5,184,330</b>	<b>886,840</b>

The accompanying notes form part of these financial statements.

# Cash Flow Statement

for the year ended 31 December 2005

	Note	2005 \$	2004 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Subsidies received		391,643	329,626
Receipts from residents		394,815	361,734
Interest received		151,015	136,171
Other income		16,998	13,359
Payments to supplier and employees		-1,025,866	-902,080
<b>Net cash provided by operating activities</b>	<b>13(b)</b>	<b>-71,395</b>	<b>-61,190</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of investments		-	-91,102
Purchase of property, plant and equipment		-234,683	-95,156
<b>Net cash used in investing activities</b>		<b>-234,683</b>	<b>-186,258</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Capital grant received from the government		21,466	83,067
Proceeds from entry contributions		2,523,776	1,944,100
Repayment of entry contributions		-1,605,463	-1,287,042
<b>Net cash provided by financing activities</b>		<b>939,779</b>	<b>740,125</b>
<b>Net increase in cash held</b>		<b>633,701</b>	<b>492,677</b>
<b>Cash at the beginning of the financial year</b>		<b>2,322,032</b>	<b>1,829,355</b>
<b>Cash at the end of the financial year</b>	<b>13(a)</b>	<b>2,955,733</b>	<b>2,322,032</b>

The accompanying notes form part of these financial statements.



---

# Notes to the Financial Statements

## for the year ended 31 December 2005

### **Note 1: Statement of Significant Accounting Policies**

This financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers Christophorus House Retirement Village Ltd as an individual entity. The Company is a Public Company Limited by Guarantee, incorporated in New South Wales under the Corporations Act 2001.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### **(a) Income Tax**

The Company is exempt from paying income tax.

#### **(b) Property, Plant and Equipment**

Each class of property, plant and equipment are carried at costs or fair value, less, where applicable, any accumulated depreciation.

##### **Property**

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amount arising on the variation of land and buildings are credited to a revaluation reserve in member's equity. The decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Financial Performance.

##### **Plant and equipment**

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Company to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

# Notes to the Financial Statements

for the year ended 31 December 2005

## Depreciation

Depreciation on furniture, equipment and fittings is calculated on a straight line basis so as to write off the cost of each fixed asset during its expected useful life. No depreciation has been provided for buildings as the directors consider that they are fully maintained in good repair and no depreciation in value or condition will occur.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	7.5% - 30.0%
Furniture and Fittings	7.5% - 30.0%
Office Equipment	7.5% - 30.0%
Motor Vehicles	20.0%

## (c) Residents' Loans

Residents of the Self Care Units and the Hostel are required to make a long-term interest free loan. Loans that are received are used to finance future unit and hostel accommodation capital expenditure.

## (d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Company, are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset, or over the term of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as operating lease expenses in the periods in which they are incurred.

## (e) Financial Instruments

### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

### (i) Held-to-maturity investments

These investments have fixed maturities, and it is the group's intention to hold these investments maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

### (ii) Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Derivatives are also categorized as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

### (iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

# Notes to the Financial Statements

for the year ended 31 December 2005

## **Note 1: Statement of Significant Accounting Policies (con't.)**

### **(iv) Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities.

### **(f) Employee Benefits**

Provision is made in respect of the Company's liability for long service leave and annual leave at balance date. Long Service leave is accrued in respect of employees at commencement of employment.

### **(g) Cash and Cash Equivalents**

Cash and cash equivalent includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

### **(h) Revenue**

Revenue from sale of services and goods is recognised upon the delivery of those services and goods to residents.

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

### **(i) Government Grants**

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Restricted Funds are funds received or reserves held that must be spent on the purpose for which they were received or are held.

They comprise:

- Government funding that must be spent in accordance with the terms of a funding agreement.
- Donations and bequests where the donor indicates a preference for the use to which the funds are to be used.
- Provisions for statutory entitlements due to employees

All other funds are unrestricted in that Directors have discretion to spend them on purposes for which the charity is established.



# Notes to the Financial Statements

for the year ended 31 December 2005

(k) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

(l) **Fundraising Activities**

**Charitable Fundraising Act 1991:**

This Act and supporting Charitable Fundraising Regulation prescribe the manner in which fundraising appeals are conducted, controlled and reported in NSW. The amounts shown in Note 15 are in accordance with Authority Condition 7, which is issued to the 'Company under Section 19 of the Act.

**Donations and Bequests:**

Are returned as income as and only when received at the Company's administration offices or deposited to the Company's bank account. As specified in the Act, unsolicited donations, members' donations and bequests are not treated as fundraising income when determining information required by the Act. They are treated as gifts under the tax legislation.

**Cost of fundraising:**

Costs used in Note 15 include all direct fundraising costs in accordance with the Act.

(m) **Impairment of Assets**

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

The Company has reassessed its impairment testing policy and tested all assets for impairment at 31 December 2004. The impact of the change is estimated to be \$Nil.

# Notes to the Financial Statements

for the year ended 31 December 2005

	2005 \$	2004 \$
<b>Note 2: Revenue</b>		
Operating activities		
Government grants	391,643	329,626
Fees	394,815	381,185
Retentions	246,515	198,021
Interest received	151,015	122,913
Donations & bequests	965	2,876
Other	15,213	9,528
Other miscellaneous income	820	2,811
<b>Total Revenue</b>	<b>1,200,986</b>	<b>1,046,960</b>
<b>Note 3: Profit from Ordinary Activities</b>		
<b>(a) Expenses</b>		
Depreciation of property, plant and equipment	33,225	25,251
Remuneration of auditor	6,996	11,300
Operating lease expense	4,003	4,003
Provision for annual leave	-17,231	-6,707
Provision for long service leave	-10,443	-3,653
Provision for deferred maintenance	15,000	-760
<b>(b) Significant Expenses</b>		
Accreditation Costs	52,607	-
<b>Note 4: Cash and Cash Equivalents</b>		
Cash on Hand	1,050	749
Cash at Bank - Cheque accounts	11,691	205,502
Cash at Bank - Cash management accounts	1,120,396	390,079
Short-term bank deposits	1,822,596	1,725,702
	<b>2,955,733</b>	<b>2,322,032</b>
<b>Note 5: Other Financial Assets</b>		
Long-term bank deposits (maturity in October 2007 at 4.65% interest rate)	99,500	99,500
<b>Note 6: Trade and Other Receivables</b>		
Trade Receivables	9,711	12,925
Prepayments	27,823	13,988
	<b>37,534</b>	<b>26,913</b>

# Notes to the Financial Statements

for the year ended 31 December 2005

	2005 \$	2004 \$
<b>Note 7: Property, plant and equipment</b>		
<b>Land and Buildings</b>		
Freehold land at:		
- at cost	-	3,434,373
- at independent valuation 2005	4,205,000	
<b>Total Land</b>	<b>4,205,000</b>	<b>3,434,373</b>
Buildings and Improvements at:		
- at independent valuation 2005	4,225,000	-
Development costs - at cost	163,520	163,520
Less: Part write-off of development costs	109,012	54,507
	54,508	109,013
<b>Total Land and Buildings</b>	<b>8,484,508</b>	<b>3,543,386</b>
Furniture and fittings - at cost	30,266	176,079
Less: accumulated depreciation	21,068	134,365
	9,198	41,714
Plant and Equipment - at cost	330,244	265,618
Less: accumulated depreciation	225,752	203,906
	104,492	61,712
Motor Vehicle	38,563	38,563
Less: accumulated depreciation	38,563	38,563
	-	-
<b>Total Property and equipment</b>	<b>8,598,198</b>	<b>3,646,812</b>

Land and buildings were revalued on 1 December 2005 by independent valuers. Valuations were made on the basis of open market value. The revaluation surplus was credited to an asset revaluation reserve in the "members' equity".



# Notes to the Financial Statements

for the year ended 31 December 2005

## Note 7 cont.

### (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

					2005 \$
	Freehold Land	Buildings	Plant and Equipment & Vehicles	Furniture & Fittings & Development	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	3,434,373	(see column - land)	61,712	150,727	3,646,812
Additions	450,000	318,204	64,622	19,693	852,519
Disposals					
Revaluation Increments /- (Decrements)	320,627	3,906,796		-95,331	4,132,092
Depreciation	-	-	-21,846	-11,379	-33,225
<b>Carrying amount at end of year</b>	<b>4,205,000</b>	<b>4,225,000</b>	<b>104,488</b>	<b>63,710</b>	<b>8,598,198</b>
<b>(b) Had land and buildings been stated at historical cost amounts they would be as follows:</b>					
Cost - (Land & Buildings)	4,297,908				4,297,908
Accumulated Depreciation					
Net book value	4,297,908				4,297,908

# Notes to the Financial Statements

for the year ended 31 December 2005

	2005 \$	2004 \$
<b>Note 8: Payables</b>		
<i>Current</i>		
Sundry Creditors and accruals	88,396	67,140
Creditor - Land Purchase 370b Pacific Highway	617,836	
Loans and deposits	8,080	8,080
	<b>714,312</b>	<b>75,220</b>
<i>Non Current</i>		
Entry contributions - Self care units	3,904,266	3,408,326
Entry contributions - Hostel	1,799,184	1,623,325
	<b>5,703,450</b>	<b>5,031,651</b>
<b>Note 9: Provisions</b>		
<i>Current</i>		
Annual leave provision	37,803	55,034
Deferred Maintenance - Hostel	15,000	
	<b>52,803</b>	<b>55,034</b>
<i>Non Current</i>		
Long Service Leave provision	36,069	46,512
	<b>36,069</b>	<b>46,512</b>

# Notes to the Financial Statements

for the year ended 31 December 2005

	2005 \$	2004 \$
<b>Note 10: Funds and Reserves</b>		
<b><i>Funds Total</i></b>		
Opening Balance	142,056	58,989
Transfers In	4,189,298	83,067
Transfers Out	-13,229	-
<b>Closing Balance</b>	<b>4,318,125</b>	<b>142,056</b>
<b><i>General Reserve Fund</i></b>		
Opening Balance	45,994	45,994
<b>Closing Balance</b>	<b>45,994</b>	<b>45,994</b>
<b><i>Special Reserve Fund - Fire Protection</i></b>		
Opening Balance	83,067	-
Transfers In	-	83,067
Transfers Out	-12,237	-
<b>Closing Balance</b>	<b>70,830</b>	<b>83,067</b>
<b><i>Social Club Fund</i></b>		
Opening Balance	2,703	2,703
Transfers In	263	
Transfers Out	-407	
<b>Closing Balance</b>	<b>2,559</b>	<b>2,703</b>
<b><i>Anthroposophical Bequests Fund</i></b>		
Opening Balance	10,292	10,292
Transfers In	2,440	
Transfers Out	-585	
<b>Closing Balance</b>	<b>12,147</b>	<b>10,292</b>
<b><i>Asset Revaluation Reserve</i></b>		
Opening Balance	-	-
Increase in valuation of property	4,186,595	-
<b>Closing Balance</b>	<b>4,186,595</b>	
<b>Note 11: Retained Surplus</b>		
<b><i>Retained Surplus at the beginning of the financial year</i></b>	<b>744,784</b>	<b>697,592</b>
Net Profit for the year	121,421	47,192
	<b>866,206</b>	<b>744,784</b>



# Notes to the Financial Statements

for the year ended 31 December 2005

## Note 12: Segment Reporting

The Company operates throughout Australia.

	2005 \$	2004 \$
<b>Note 13: Cash Flow Information</b>		
<b>(a) Reconciliation of Cash</b>		
Cash on Hand	1,050	749
Cash at Bank	1,132,087	595,581
Short-term bank deposits	1,822,596	1,725,702
	<b>2,955,733</b>	<b>2,322,032</b>
<b>(b) Reconciliation of Cash Flow from operations with profit from Ordinary Activities</b>		
Profit from ordinary activities	121,422	101,699
Non-cash flows in profit from ordinary activities:		
- amortisation of entry contributions	-246,515	-198,021
- charges to provisions	58,859	-11,120
- depreciation	33,225	25,251
Cash flow in operating activities but not in profit from ordinary activities:-		
- payments out of provision and reserves	-70,487	1,306
<b>Changes in Assets &amp; Liabilities</b>		
- (Increase) / Decrease in trade and term receivables	-10,621	12,364
- Increase in trade and term payables	42,722	7,331
<b>Net Cash used in Operating Activities</b>	<b>-71,395</b>	<b>-61,190</b>
<b>(c) Financing Arrangements</b>		
Standby arrangements to provide funds and support		
Credit facilities	-	-
Amount Utilised	-	-
<b>Unused Credit Facility</b>	<b>-</b>	<b>-</b>

## Note 14: Company Details

The principal place of business of the Company is:  
 Christophorus House Retirement Village  
 396 Pacific Highway  
 Hornsby NSW 2077

# Notes to the Financial Statements for the year ended 31 December 2005

## Note 15: Fundraising and Donations Income and Expenses

	2005	2004
	\$	\$
<b>(i) Details of Aggregate Gross Income</b>		
Gross Proceeds from Fundraising and Donations	965	2,876
Less: Cost of Fundraising and Donations		
<b>Net Surplus of Fundraising and Donations</b>	<b>965</b>	<b>2,876</b>

### (ii) Application of Funds for Charitable Purposes

During the year the Company achieved a net surplus of \$nil from fundraising and donations activities defined under the Charitable Fundraising Act.

### (iii) Fundraising Conducted Jointly with Traders

No appeals were conducted jointly with traders in the year ended 31 December 2005.

## Note 16: Members' Guarantee

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards the meeting of any outstanding obligation of the company. At 31 December 2005 the number of members was 77 (2004: 76).

---

# Director's Declaration

The Directors of the Company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001:
  - a) comply with the Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
  - b) give a true and fair view of the Company's financial position as at 31st December 2005 and of its performance for the year ended on that date in accordance with the accounting policies described Note 1 to the financial statements.
2. In the Director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due and payable.

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

Director .....

Director .....

Signed at Sydney 20th day of March 2006.



## STIRLING SCI

CHARTERED ACCOUNTANTS

### **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CHRISTOPHORUS HOUSE RETIREMENT VILLAGE**

#### **Scope**

We have audited the attached financial report of Christophorus House Retirement Village for the financial year ended 31 December 2005.

The company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosure in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

#### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional and ethical pronouncements and the Corporations Act 2001.

#### **Audit Opinion**

In our opinion, the financial report of Christophorus House Retirement Village is in accordance with:

- a) the Corporations Act 2001, including:
  - i) giving a true and fair view of the company's financial position as at 31 December 2005 and of its performance for the year ended on that date; and
  - ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- b) other mandatory professional reporting requirements.

#### **STIRLING SCI**

*Chartered Accountants*

R C Williams  
*Partner*

Signed at Sydney 20th March 2006

11th Floor, St James Centre, 111 Elizabeth Street, Sydney NSW 2000  
GPO Box 7019, Sydney NSW 2001 A.B.N. 65 085 182 822  
email sci@stirlingsci.com.au

---

Telephone (02) 8236 7500 Facsimile (02) 8236 7555

Liability is limited by the Accountants' Scheme pursuant to the NSW Professional Standards Act 1994



# Supplementary Statement Income Statement(detailed)

for the year ended 31 December 2005

	2005 \$	2004 \$
<b>Income</b>		
Fees - Residents	394,815	383,098
Govt Grant - Personal Care	391,643	329,626
Retentions - Self Care	198,715	157,440
Interest from Investments	151,015	122,914
Retentions - Hostel	47,800	40,581
Out-sourcing Services (to S/Care Residents)	9,984	7,614
Miscellaneous Income	5,229	1,536
Donations & Bequests	965	2,876
Members Subscriptions	625	1,275
Transfer in from Social Club Fund	195	
<b>Sub-total Income</b>	<b>1,200,986</b>	<b>1,046,960</b>

# Supplementary Statement Income Statement(detailed)

for the year ended 31 December 2005

	2005	2004
	\$	\$
<b>Expenditure</b>		
Wages & On-costs	568,299	548,319
Providoring	64,537	70,028
Repairs & Maintenance	63,662	76,152
Accreditation Consultancy	52,607	934
Depreciation	33,225	25,252
Workers Comp.	28,788	35,124
General Insurance	24,286	26,619
Gardening	21,280	17,837
General Expenses	16,421	21,968
Electricity	15,572	18,361
Professional Exp's	14,584	6,009
Therapies	13,259	7,250
Laundry	12,342	12,024
Stationery	9,432	5,184
Gas	7,927	3,213
Telephone & Fax	7,453	8,398
Pharmaceuticals / Medicines	7,409	4,148
Cleaning	7,332	4,652
Advertising	7,319	5,366
Audit Fees	6,996	11,300
Staff Training	6,138	5,920
Fire Protection	5,585	5,542
Rubbish Removal	4,498	4,479
Sewerage	4,459	3,516
Subscriptions	3,607	1,520
Water	2,640	3,792
Lease - Telephone	2,291	190
Security	2,039	4,097
Lease - Photocopier	1,713	1,714
Motor Vehicle Costs	1,563	1,812
Legal Expenses	1,400	719
Pest Control	1,365	1,150
Donations	1,200	
Other	3,831	\$2,673
<b>Subtotal Expenses</b>	<b>1,025,059</b>	<b>945,261</b>
<b>Profit / (Loss)</b>	<b>175,927</b>	<b>101,699</b>



---

# Donations Received

1st January 2005 to 31st December 2005

Allerdice R

Ainsworth B

Brander F & V

Harvey G

Hicks B

Jacobsen D

Jacobsen V

MacPherson CM

Milton

Palmer DK

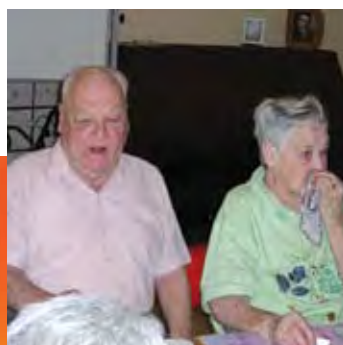
Paterson C

Russell C

Scott S

Shaw J & M

Tromp L





**CHRISTOPHORUS HOUSE**  
retirement village