

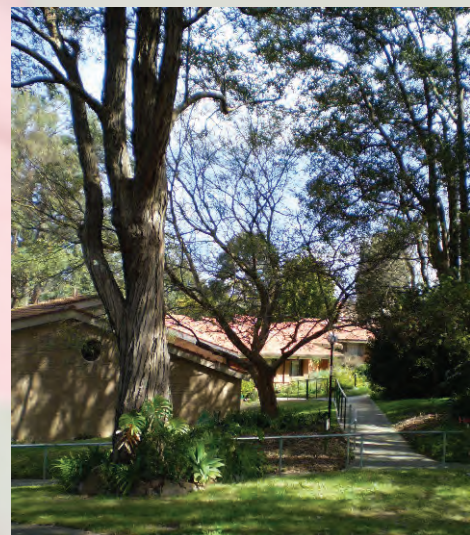
ANNUAL REPORT 2007

Christophorus House Retirement Village Ltd ABN 32 001 781 013



CHRISTOPHORUS HOUSE
retirement village

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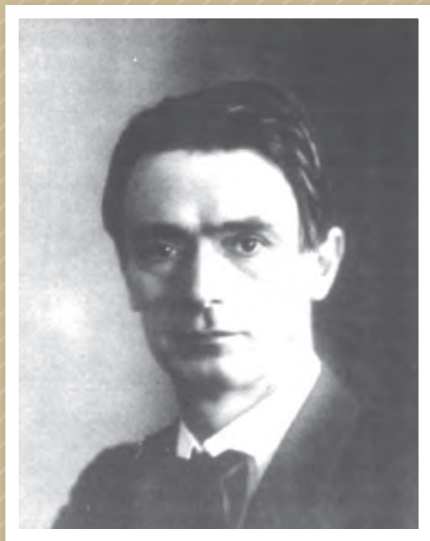


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Christophorus House Retirement Village



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.

Vision Statement

Christophorus House is a thriving community where the living ideals of Anthroposophy infuse and enrich the care of the aged and those with special needs.

Rudolf Steiner (25 February 1861 – 30 March 1925), born in Donji Kraljevec, Croatia, was an Austrian philosopher, literary scholar, educator, artist, playwright, social thinker, and esotericist. Steiner had a wide breadth of activities. He founded the Waldorf education school movement and the Biodynamic agriculture he founded has contributed significantly to the modern organic farming movement. Anthroposophic medicine has created a broad range of Anthroposophical medicines; in addition, a wide range of supportive therapies – both artistic and biographical – have arisen out of Steiner's work.

As a playwright, Steiner wrote four "Mystery Dramas" between 1909 and 1913, including *The Portal of Initiation* and *The Soul's Awakening*. Steiner founded a new approach to artistic speech and drama. The actor Michael Chekhov extended this approach to what is now known as the Chekhov method.

The homes for the handicapped based on his work are widely spread. His paintings and drawings have been exhibited in museums and galleries and the list of people influenced by him includes Joseph Beuys and other significant modern artists. Steiner designed 17 buildings; his two Goetheanum buildings and drawings are generally accepted to be masterpieces of modern architecture, and other Anthroposophical architects have contributed thousands of buildings to the modern scene.

One of the first institutions to practice ethical banking was an Anthroposophical bank working out of Steiner's ideas. Steiner was extremely active as a lecturer on social questions. He suggested that human society had been moving slowly, over thousands of years, toward articulation of society into three independent yet mutually corrective realms, and that a Threefold Social Order was not some utopia that could be implanted in a day or even a century. He believed in equality of human rights for political life, liberty in cultural life, and voluntary, uncoerced fraternal cooperation in economic life.

In the 1920's, Steiner was approached by

Fredrich Rittelmeyer, a Lutheran pastor with a congregation in Berlin. Rittelmeyer asked if it was possible to create a more modern form of Christianity. Soon others joined Rittelmeyer – mostly Protestant pastors, but including several Roman Catholic priests. Steiner offered counsel on renewing the sacraments of their various services, combining Catholicism's emphasis on the rites of a sacred tradition with the emphasis on freedom of thought and a personal relationship to religious life, characteristic of modern Johannine Christianity. Steiner made it clear, however, that the resulting movement for the renewal of Christianity, which became known as 'The Christian Community', was a personal gesture of help to a movement founded by Rittelmeyer and others independently of the Anthroposophical Society. The distinction was important to Steiner because he sought with Anthroposophy to create a scientific, not faith based, spirituality.

Steiner's literary estate is correspondingly broad. Steiner's writings are published in about 40 volumes, including books, essays, plays ('mystery dramas'), mantric verse and an autobiography. His collected lectures make up another approximately 300 volumes, and nearly every imaginable theme is covered somewhere here. Steiner's drawings are collected in a separate series of 28 volumes.

He characterized anthroposophy as follows:

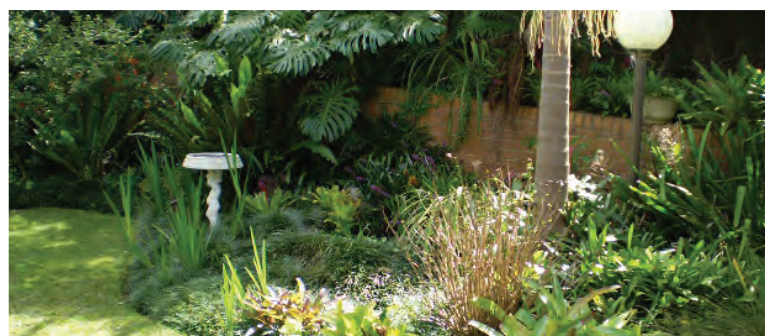
"Anthroposophy is a path of knowledge, to guide the spiritual in the human being to the spiritual in the universe.... Anthroposophists are those who experience, as an essential need of life, certain questions on the nature of the human being and the universe, just as one experiences hunger and thirst."

"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

June 2007



The past 12 months have been both successful and productive for Christophorus House Retirement Village (CHRV). The following details some of the more important matters.

Accreditation of the Hostel

In May 2007, the Aged Care Standards and Accreditation Agency, on behalf of the Department of Health and Ageing, carried out a detailed site audit of the Hostel as part of our application for continued accreditation of the Hostel. I am pleased to report that the Agency found that the Hostel complied with all 44 expected outcomes and, as a result, the Hostel's accreditation has been renewed for a further three year period expiring on 24 August 2010.

The successful outcome of the accreditation process is due in large part to the efforts of the Hostel Manager, Mary Carty RN, the Hostel Supervisor, Sarah Gates, and all the loyal and dedicated staff employed in the Hostel. On behalf of the Board, I would like to record our thanks to them. On a personal note, I would also like to thank my fellow director, Mary Arndell who, as Hostel Liaison director, provided

wise counsel and practical assistance to the Hostel staff and the Board in the lead up to the accreditation process.

Composition of the Board

There have been two changes at Board level during the year. As foreshadowed in my last report, Graham Long (who did not seek re-election at the last AGM), rejoined the Board in February 2007. Graham has agreed to act as the Self Care Liaison director, and represents the Board at meetings of the Self Care residents. His contribution in this regard is much appreciated.

Sadly, the other change represents a real loss to CHRV. In June 2007, Joanna Jaaniste resigned from the Board to pursue other Anthroposophical interests. Joanna, who joined the Board in 2004, made a significant contribution to the lives of the residents of CHRV through her efforts in bringing a knowledge of Anthroposophical therapies to the staff of the Hostel and in ensuring that such therapies were made available to those residents who wished to benefit from them. I would like to record our sincere thanks to Joanna for her contribution whilst a member of the CHRV Board.

Strategic Planning

In last year's report, I advised that the Board had commenced the Strategic Planning process, and had identified a number of projects on which further work was to be done. This process has continued during the year, and has culminated in the production of a Strategic Planning document which was presented to Members and residents at a meeting in August 2007. As previously indicated, the Board is committed to undertaking extensive consultation with all interested parties before any final decisions are taken in this regard.

I would like to record my thanks to Antonio Marques for assuming responsibility as lead director on the Strategic Planning process.

Vision statement

As part of the Strategic Planning process, the Board formally approved a Vision Statement for CHRV, to complement our Mission Statement and to encapsulate our "vision" for CHRV. The Vision Statement is as follows:

Christophorus House Retirement Village is a thriving community where the living ideals of Anthroposophy infuse and enrich the care of the aged and those with special needs.

We are very conscious of the fact that everything the Board does will be judged by reference to this high ideal.

Self Care Residents Social Club

At its meeting at which it approved the statutory accounts for the year ended 30 June 2007, the Board resolved to transfer the sum of \$2,500 to the Self Care Residents' Social Club Fund to be disbursed for the benefit of the Self Care Residents. This will enable Self Care Residents to undertake a wider range of social activities than in the past. Until now, the Social Club has restricted itself to spending only the annual interest income that has been earned on the funds that have been raised from its various activities.

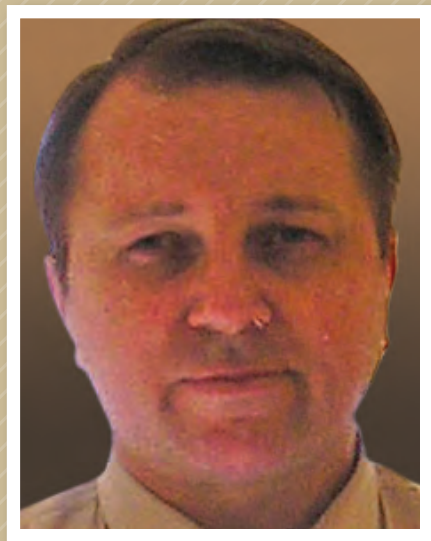
Conclusion

Finally, I would again like to acknowledge the enormous contribution made by my fellow Board members (who serve on an entirely voluntary basis), our CEO Milan Telford, our Hostel Manager Mary Carty RN and all the dedicated staff of CHRV. I thank them for the support and loyalty that they have shown to CHRV over the last year.

Robert Allerdice
Chairman

CEO's Report

June 2007



Governance has to do with exercising collective ownership in a responsible way and our governance charter is a series of written statements of how governance is to be exercised in any given circumstance.

The year just passed heralded a changed 'landscape' in our operations. We found that for the first time in some years, there was full occupancy in the Self Care units together with a waiting list. Anecdotal evidence also suggests that prospective residents are looking for more space in units and this forms part of the thinking in our planning for the future. In the Hostel, whilst over the summertime, there were a number of residents who either crossed the threshold or who moved to nursing home care, leaving vacancies, these vacancies were filled by respite residents and have since been filled by permanent residents.

During the year, much work was undertaken to ensure that the Hostel policies and systems were reviewed and functioning, particularly in light of new food safety audit standards which were legislated and came into effect January 2007. The hard work paid off and the Hostel received a full 3 years accreditation, which was a year more than the last two accreditation visits.

The Board was also busy in the past 18 months, working on the Strategic Plan Document, our 'map' of the work to do into the future. This has since also been presented to members of the Christophorus House (CHRV) Company and residents. Full consultation at each stage of the Strategic Plan is the foundation on which the document is constructed. In constructing the document, the first stage was to gather ideas from members, residents and staff. In meetings that the Board had in working on this document, there was a deliberate task of creating our own tools and process. The Strategic Plan document is not seen as a 'once only' document, but part of a wider process; it must remain fluid. Another criteria of creating this document was that what went into the document would be capable of achievement and this was then a natural parameter where by some projects were not included at this stage of the planning.

The impact of the demography of the population, coupled with the estimated labour shortage over the next 10 to 20 years (a net increase in the labour force of 135,000 in the next ten years, compared with the same amount each year for the last ten years), is a driving force behind the need to plan for these scenarios in the future. We hope to discuss the next stage of the strategic plan at the AGM this year.



Corporate Governance continued to be an important task of the Board and the Board held a further one day Corporate Governance training run by the Chartered Secretaries Australia, this year. Governance has to do with exercising collective ownership in a responsible way and our governance charter is a series of written statements of how governance is to be exercised in any given circumstance.

Operationally we continued to prosper and this is reflected in the financial result for the year, at a surplus of \$194,000. The pricing policies together with full occupancy of the self care units were the main reason behind this extraordinarily good result. The surpluses are used in maintaining at near new condition, our building stock, and for building up our equity.

Staffing issues arose during the financial year. There was a need to change work practices and also upgrade some positions. A number of staff left in the course of the year for one reason or another, (to go overseas, to take up new appointments, because of work practice changes). Some former staff from years past have come back to work at CHRV. I thank all the

management and staff, including hostel residents, for their efforts in the process of getting CHRV 3 years accreditation.

During the year, Board and Management has been focused on infusing the operational work in the Hostel with Anthroposophical ideals and therapies in order to fulfil the Mission statement. This is very much part of the strategic thinking and includes the hiring of Anthroposophical Therapists, and to this end the inauguration of an overseas program, which is still to bear results. CHRV prides itself on being an Anthroposophical establishment, however at the same time recognises that without personnel trained and knowledgeable in Anthroposophy who work in the Hostel, this is easier said than done. CHRV is committed to finding solutions to problems associated with meeting our responsibilities in terms of the Mission and Vision statements.

CHRV continued on the NAPSA (Charitable Sector Award) during the year, awaiting the outcome of the Federal elections. Companies can remain on the NAPSA until April 2009; CHRV plans to review its position after the federal election and should the legislation remain essentially unchanged after the election, CHRV

will enter into a workplace agreement with its staff in the following financial year.

I should like to thank the hard working Board of CHRV for their support of management at CHRV; the staff of CHRV who are committed and work well together to achieve the results that we have been fortunate enough to obtain; our volunteers in the hostel, who provide much quality time that is spent with the residents; the residents of CHRV particularly the Residents Committee for the Self Care, for their input and due diligence in their Corporate role.

Milan Telford
CEO

Treasurer's Report

June 2007



Robert Allerdice, Chair / Treasurer

However contracts entered into by the end of June 2007 created an expectation for payment of incoming contributions over the next three months of \$834,000 and this will boost cash balances over the \$4 million mark.

"Steady as she goes" were the words the auditors used to describe the 2007 financial results. The result this year (2007; \$194,025; - 6 months 2006; \$50,149), clearly demonstrates that financial management at Christophorus House (CHRV) continues to promote a good balance between meeting the current needs of residents and meeting the long term needs of residents, as surpluses are used in building equity and funding capital expenditure. The result is slightly better than expected by the Board and includes government capital grants of approximately \$13,500. The comparative last year column is for six months only and members will recall that we changed our balance date in the previous year, from year-end December, to year-end June, to fulfil reporting obligations to the Department of Health and Ageing. This is the first year in three reporting years where no write-off for prior development costs was made, CHRV having written off all costs at the end of the last financial year.

Revenue

Government grants and fees from residents increased in accordance with expectations and in line with indexation. Interest earned continued to rise, due to increased balances of interest free loans from incoming residents. We hope that in the future, donations and bequests will begin to generate revenues in order that some self care units can be used as concessional housing.

Expenditure

Salaries & wages increased in line with indexation of the current NAPSA agreement, a total of 7% with on-costs. Some items of expenditure such as Board training were covered by the CAP government grant received. Professional expenses included recruitment expenses of the Hostel Manager, consultancy

expenses of a food safety specialist, internal audit costs for accreditation as part of an on-going CQI (continuous quality improvement program) and a specialist report into GST matters for the retirement village. They also included architects' fees for initial review and recommendations of possibilities and restrictions for developing around the existing site. These were written off, rather than being capitalised for amortisation in later years. There were no other expenditure movements of any significant note.

Cash Flow and Capital Expenditure

The cash balance at the end of June 2007 was \$5,046 below the balance at the same time last year (2007; \$3,381,714; 2006; \$3,386,760). However, contracts entered into by the end of June 2007 created an expectation for payment of incoming contributions over the next three months of \$834,000 and this will boost cash balances over the \$4 million mark.

Capital expenditure during the year amounted to \$104,693 and included such items as new chair lifts in the Hostel; Self Care Unit Refits; Cottage Flat refit; Cottage Roof/Guttering; Resident Internet Access; Washing Machines; Removal of Yellow Pipe; Communication System and fire safety; as well as others.

Balance Sheet

The working capital ratio at the end of June was 64 to 1 (2006: 37 to 1) and this coverage is well within the Company's required liquidity range. The net assets/equity of CHRV was \$5.405 million (2006; \$5.220 million). Total assets under management were \$12.188 million (2006; \$12.100 million). The ratio of cash to bonds also improved in the year from 51.79% in 2006 to 52.71% in 2007.

Overall, CHRV has a strong Balance Sheet and liquidity position.

Hostel Manager's Report

June 2007



Management:

It certainly doesn't seem like a year has gone past since the last report. There has been several changes in the Hostel both decoratively and staff wise. Of course the biggest news to report is having the Accreditation Team here on the 5th & 6th June 2007 to inspect the Hostel and the systems, and we achieved 44 out of 44 standards and 3 years accreditation; a big thank you to all staff, residents and relatives. The team were really pleased with the changes that had been made and commented on that in the walk around interview on the first day.

There have been some improvements made to the Hostel which has made it more home like. The dining, lounge and stairwells have been painted and curtains made for the lounge and dining rooms. The residents picked out the fabric and they did a brilliant job. The inclinor chairs have been replaced at both ends of the building and are more user friendly.

Education:

During the year, one Personal Carer almost finished their Cert III in Aged Care and one Personal Carer almost finished their Cert IV in Aged Care. We attended mandatory fire training, manual handling, infection control, HACCP and food handling lectures as well as doing our Moving on Training monthly. We were also given some Anthroposophical Training from Dr Narelle Savage, Rev. Rosalind Pecover, and Margaret Shaw. Meditrax training was also given.

Residents:

The majority of the residents remained the same. We have 4 new additions to the "family" and we have lost a few of the old loved ones. Frank still enjoys

doing his woodwork, although he had a break over the colder weather. The residents have slowly gained their independence back over the past year and are now contributing to the running of the hostel. It is rewarding to come into their home and hear them talking and laughing. Several visitors to the home have commented on the warm and friendly feeling they are greeted with. With all the changes in the hostel, the residents have bonded and are a lot more appreciative of the staff.

The residents are being "spoilt" with the hiring of a Chef, Anthony, 3 days per week. The results have been seen in their weights and their Doctors are commenting on how healthy they look. Residents are treated to home made cakes and biscuits; home made birthday cakes and yummy desserts.

Pet therapy continues to come every month.

Deceased:

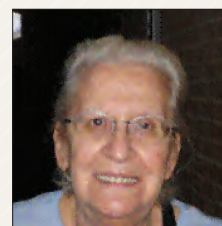


was a widow and had two daughters. Judith Ann and Margaret Rose. Minnie passed away peacefully on 1/9/2006 in her room.



was lovingly cared for by her granddaughter, Collette, and her husband,

Tim. After she was diagnosed with a terminal illness, Collette in consultation with the staff and doctor asked if Laure could remain in the hostel where she was the happiest. Laure passed away peacefully on the morning of 19/12/2006. Collette and Tim donated the alternating mattress from Laure to the Hostel



Charlotte was born 9/1/1926. She was born in Szekszard Hungary. She liked to be called "Shari". She was a widow and had

four children. Marta, Alexander, Maria (known as Binni) and Bella. Shari passed away peacefully in her sleep on 18/4/2007.

Activities:

We introduced a few extra activities throughout the year which the residents enjoyed, including Italian Day, St Patrick's Day, Halloween, German Day and Mid Winter festival.

There is a computer facility and training available.

I would like to thank our therapists, Ian and Rowlanda, our two volunteers, Trisha and Denise, and all the staff who work extremely well as a team.

Mary Carty

Hostel Manager/Registered Nurse

Board of Directors

June 2007

Robert Allerdice

B.A., 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.

Phillippa Cordwell:

B.A.(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.

Joanna Jaaniste

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

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



From left to right, Phillipa Cordwell, Antonio Marques, Mary Arndell, Graham Long, Joanna Jaaniste, Robert Allerdice

(saws 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 Dramatherapy, 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.

Antonio Marques

B.A. (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.

Mary Arndell

B.A. (Hist) RN

Mary Arndell born in Queensland, came to Sydney and graduated as a registered nurse in the 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

June 2007

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 and may hold office for two years at which time they shall retire, but they shall be eligible for re-election. 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 five functional 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; Self Care Liaison, responsible for liaison with the Self Care residents; Anthroposophical Bequest Fund Committee liaison, and finally the Strategic Planning co-ordinator.

Principle 2: Structure of the Board to add value

The Directors backgrounds and expertise is described on page 10. 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 CHR V, including residents, families and members of the company and, in decisions which affect the medium to long term strategic future of CHR V, 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

CHR V 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 CHR V given the nature of the organisation. CHR V does, however, disclose significant information to members as and when required.

Principle 6: Respect the rights of members

CHR V is a public company limited by guarantee and is bound by corporations law. Members have all the rights of shareholders under the Corporations Act. CHR V provides members with timely access to information about the activities of the Village, management and governance.

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

CHR V 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

CHR V 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.

CHR V Board also undertake 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 CHR V residents, with residents, their family, and members of CHR V.

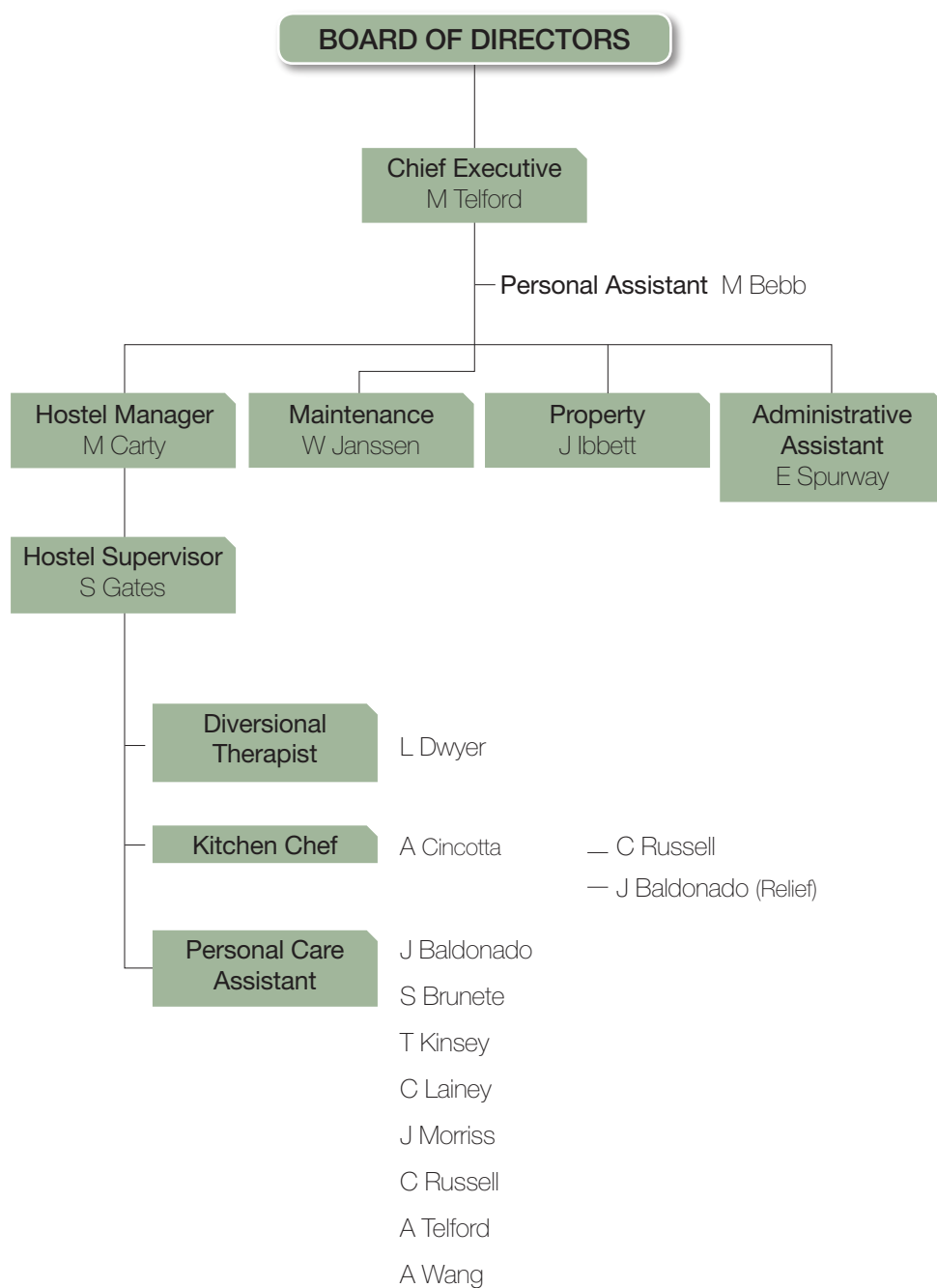
Prudential responsibilities require the Board to safeguard incoming contributions of residents, manage the organisation in a financially viable manner and ensure that suppliers to CHR V are paid in a timely manner.

Staff Members

June 2007



Organisation Chart



Report from the Residents' Committee

June 2007



From left to right: I Crick; R van Hoogstraten; R Harding; B Harding; E Harris; B Harris; V Grace; A Cameron

The Committee, formed in May 2003, exists to provide a channel of communication between residents and management and the Board of Directors. An AGM is held in January when new nominations are encouraged. In 2007, three new residents joined the Committee, Bill and Elizabeth Harris at the AGM and Iris Crick in June.

This year, the Committee had further discussions with the CEO, Milan Telford, regarding the expenses covered by our Recurrent Fees. A mutually satisfying agreement was eventually reached resulting in the Recurrent Fees Budget circulated to residents on 1 August.

We were saddened by the loss of a number of Hostel employees during the past 12 months, in particular Sue Whaling and Carla Lewis with whom Self Care residents had a close relationship. Their generous contribution to Village life is greatly missed.

It is pleasing to see that all Self Care units are now occupied and we congratulate our CEO on his success in this important area.

The CEO's initiative in providing Self Care residents with the free use of a computer is welcomed. Perhaps those residents with no previous computer experience will take advantage of the basic lessons to access a fascinating new source of knowledge.

In 2007, John Rowan, computer expert and former Glenaeon Rudolf Steiner School teacher came to play an important role in the Village. Apart from instructing residents in basic computer skills, he has been recording on film some of our social events, including the very popular "A Time to Remember – 1937". John Co-hosted this event with Megan Baker, former Hostel Diversional Therapist, and has produced a DVD of the proceedings now available for residents to view. A copy is available in the library. John has also interviewed residents, recording their life stories and is now involved in planning a

"1947" event to be held on Tuesday, 27th November. We appreciate his interest and involvement in our affairs.

Committee members also participate in the Social Group activities. The Group, which includes all interested Self Care residents, meets four times each year under the Chairmanship of Pam Thomas, to plan social events. The Monthly Morning Tea or Luncheon outing initiated about three years ago has proved to be popular and occasional full day trips are on the agenda for the future. Pam, once a Board member, has been a friend and supporter of our Village since its inception and we value her continued interest and active involvement in our lives.

The Strategic Planning meeting held on 18th August was very interesting and informative. We appreciated the clear explanations given by the Chairman Robert Allerdice, the CEO Milan Telford, Board Member Antonio Marques and Architect Mark Baxter, and admired the Board's vision for future development based on the principles of our Mission Statement.

We sincerely thank our Board of Directors and Management Team for all their hard work and commitment to the wellbeing of residents and the continued prosperity of our Village.

Barbara Harding
Chair
Self Care Residents Committee

Director's Report

for financial year
ended 30th June 2007

Your Directors herewith submit the financial accounts of the Company for the financial year ended 30th June 2007.

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

Director	Occupation	Year Appointed as Director	Special Responsibilities
Robert Charles Allerdice	Tax Consultant	2005	Chairman / Treasurer
Phillippa Cordwell	PhD Student	2004	Member
Graham Robert Long (appointed 19/02/07)	Retired Engineer	2007	Self Care Liaison
Antonio Joaquim Ramos Marques	Secondary Teacher	2004	Strategic Planning
Mary Arndell	Registered Nurse	2005	Hostel Liaison

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 11 meetings of Directors. The attendance of the Directors at meetings of the Board were:

Director	Number eligible to attend	Number attended
Robert Charles Allerdice	11	11
Joanna Jaaniste (Resigned 18/06/07)	11	7
Phillippa Cordwell	11	9
Graham Robert Long (appointed 19/02/07)	5	5
Antonio Joaquim Ramos Marques	11	9
Mary Arndell	11	8

Principal Activities

The principal activities of the company in the course of the financial year were to provide a range of accommodation and accommodation services for the aged population, including independent living units, and hostel low to high care ageing-in-place support, encompassing social, spiritual and artistic impulses in accordance with the indications given by Dr Rudolf Steiner.

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 \$194,025 (2006: 6 months \$50,149). The Company is exempt from Income Taxes and there was no income tax liability.

Review of Operations

The result for the year (\$194,025), is the first year in which a write-off of the 2003/04 development costs was not required having been fully amortised by the final 1/3rd charge against the books of account in the period six months ended 30th June 2006. The Board has been busy working on good Corporate Governance and the emphasis of Board meetings has shifted to being less on compliance work and more on strategic thinking. Pricing initiatives and targeted capital spending has resulted in being able to meet needs of residents and at the same time, maintaining charges in the independent living units at 2004 levels.

Through a concerted marketing effort, there are now waiting lists for the independent living units (ILU) and both ILU and Hostel are at full capacity.

Renewal of accreditation of the Hostel occurred in June 2007 and the pleasing result of being compliant with all 44 standards was that a 3 year accreditation period was granted. This is a vindication of some difficult steps taken in terms of the Hostel work practices over the past 12 months and we remain committed to improve our services to Hostel residents.

Christophorus House Board remains focused on the mission statement and to this end, various therapies with an Anthroposophical background, along with training of staff in the area of therapies, have continued and will be progressed into the forthcoming year within the Hostel environment.

The Board has committed funds to the ILU Social Club for use in arrangement of social activities for the ILU residents in the forthcoming year.

Dividends

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

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company in the last 12 months.

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 30 June 2007

Likely Developments and Results

Notice of a strategic planning meeting to be held in August 07, has gone out to residents, members and friends of Christophorus House (CHRV) and this will involve the sharing of the possibilities for the future growth of CHRV. There are a number of directions which are all possible for CHRV to take, and through the consultancy of our architects, it has been possible to define the order in which these directions can occur. Following this meeting the Board will be in a position to firm up the strategic planning document and commence the feasibility studies necessary to turn the plans into concrete reality.

Due to the ever increasing demand for aged care, CHRV believes that continued full occupancy is a goal that we should be able to meet.

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 of the Company for all or any part of those. The Company was not a party to any such proceedings during the year.

Directors Interests

The Company purchases food products from supplier EM Arndell. EM Arndell is related to Director Mary Arndell. Supply of products to Christophorus House commenced prior to the appointment of Mary Arndell to the Christophorus House Board. Purchases are made at arms length by officers of the Company.

Director Mary Arndell has a relative resident at Christophorus House.

Director Robert Allerdice has a relative resident at Christophorus House.

Apart from the above, 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 
Robert Allerdice

Director 
Antonio Marques

At Sydney, 30 July 2007



STIRLING INTERNATIONAL

CHARTERED ACCOUNTANTS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CHRISTOPHORUS HOUSE RETIREMENT VILLAGE LTD

Report on the Financial Report

We have audited the accompanying financial report of Christophorus House Retirement Village Ltd, which comprises the balance sheet as at 30 June 2007 and the income statement and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

The company's directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

In accordance with ASIC class order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration has not changed as at the date of providing our audit opinion.

Auditor's Opinion

In our opinion, the financial report of Christophorus House Retirement Village Ltd. is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30th June 2007 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporation Regulations 2001.

STIRLING INTERNATIONAL

P E TURNER
Partner
At Sydney, 30 July 2007

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GPO Box 7019, Sydney NSW 2001 A.B.N. 65 085 182 822
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Auditor's independence declaration

Under section 307c of the Corporations Act 2001
To the Directors of
Christophorus House Retirement Village Ltd

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

I declare that, to the best of my knowledge and belief, during the year ended 30th June 2007 there have been:

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

STIRLING INTERNATIONAL



P E TURNER

Partner

At Sydney 30 July 2007

Income Statement

for financial year
ended 30th June 2007

		12 months 2007	6 months 2006
	Note	\$	\$
Revenue	2	1,364,841	650,602
Salary and related expenses		(701,852)	(324,200)
Administration and other Expenses	3	(232,745)	(104,956)
Property expenses		(175,740)	(93,292)
Depreciation		(37,529)	(15,775)
Cleaning and laundry expenses		(22,950)	(7,725)
		194,025	104,654
Write-off of development costs			(54,505)
Profit for the year		194,025	50,149

The accompanying notes form part of these financial statements.

Balance Sheet

as at 30th June 2007

	Note	12 Months 2007 \$	6 Months 2006 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	3,381,714	3,386,760
Trade and other receivables	6	59,736	34,853
Total Current Assets		3,441,451	3,421,613
NON CURRENT ASSETS			
Financial Assets	5	99,500	99,500
Property, plant and equipment	7	8,646,809	8,579,648
Total Non-Current Assets		8,746,309	8,679,148
Total Assets		12,187,760	12,100,761
CURRENT LIABILITIES			
Trade and Other Payables	8	112,335	67,062
Short Term Provisions	9	24,271	25,357
Total Current Liabilities		136,606	92,419
NON-CURRENT LIABILITIES			
Trade and Other Payables	8	6,600,602	6,729,079
Long Term Provisions	9	44,851	58,569
Total Non-Current Liabilities		6,645,453	6,787,648
Total Liabilities		6,782,059	6,880,067
NET ASSETS		5,405,701	5,220,694
EQUITY			
Reserves	10	4,297,821	4,304,339
Retained earnings	11	1,107,880	916,355
TOTAL EQUITY		5,405,701	5,220,694

The accompanying notes form part of these financial statements.

Cash Flow Statement

for financial year
ended 30th June 2007

	Note	12 months 2007 \$	6 months 2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Subsidies received		452,783	228,945
Receipts from residents		425,036	209,418
Interest received		206,130	76,182
Other income		28,038	13,331
Payments to suppliers and employees		(1,099,634)	(577,232)
Net cash generated / (used) in operating activities	13(b)	12,353	(49,356)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		-	-
Purchase of property, plant and equipment		(104,693)	(669,567)
Net cash used in investing activities		(104,693)	(669,567)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from entry contributions		1,578,100	1,503,800
Repayment of entry contributions		(1,490,806)	(353,850)
Net cash provided by financing activities		87,294	1,149,950
Net increase in cash held		(5,046)	431,027
Cash at the beginning of the financial year		3,386,760	2,955,733
Cash at the end of the financial year	13(a)	3,381,714	3,386,760

Note: Annual Income by way of retentions from entry contributions disclosed in note 2, is not recognised as cash from operating activities as it has already been received from proceeds of entry contributions. If these retentions were included in cash from operating activities, there would be a positive cash flow from operations of \$265,207.

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

for financial year
ended 30th June 2007

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 Company 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 Income Statement.

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 financial year
ended 30th June 2007

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 land and 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 or invested in conservative cash management accounts for on-going interest revenue.

Interest is now payable under the Aged Care Act 1997 and associated regulations, to pay interest on loans repayable to ex residents.

(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 Company's intention to hold these investments to maturity. Any held-to-maturity investments held by the Company 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 financial year
ended 30th June 2007

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 financial year
ended 30th June 2007

(j) 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.

(k) 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

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.

(l) 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 30 June 2007. The impact of the change is estimated to be \$Nil.

Notes to the Financial Statements

for financial year
ended 30th June 2007

	12 months 2007 \$	6 months 2006 \$
Note 2: Revenue		
Operating activities		
Government grants	452,783	228,945
Fees	425,036	209,418
Retentions	252,854	124,321
Interest received	206,130	76,182
Donations & bequests	334	708
Other	3,536	10,488
Other miscellaneous income	24,168	540
Total Revenue	1,364,841	650,602
Note 3: Profit from Ordinary Activities		
(a) Expenses		
Depreciation of property, plant and equipment	37,529	15,775
Remuneration of auditor	5,998	6,996
Operating lease expense	774	885
Interest Paid	10,429	-
Provision for annual leave	(1,086)	(12,446)
Provision for long service leave	(9,521)	3,000
Provision for deferred maintenance		4,500
(b) Significant Expenses		
Salaries & Wages & Related Expenses	701,852	324,200
Note 4: Cash and Cash Equivalents		
Cash on Hand	2,000	1,300
Cash at Bank - Cheque accounts	14,418	272,153
Cash at bank - Cash management accounts	356,530	1,240,156
Short-term bank deposits	3,008,766	1,873,151
	3,381,714	3,386,760
Note 5: Other Financial Assets		
Long-term bank deposits	99,500	99,500
Note 6: Trade and Other Receivables		
Trade Receivables	7,532	8,116
Prepayments & Other Debtors	52,204	26,737
	59,736	34,853

Notes to the Financial Statements

for financial year
ended 30th June 2007

	12 months 2007 \$	6 months 2006 \$
Note 7: Property, plant and equipment		
Land and Buildings		
Freehold land at:		
- at cost	-	-
- at independent valuation 2005	4,205,000	4,205,000
Total Land	4,205,000	4,205,000
Buildings and Improvements at:		
- at cost	42,959	8,091
- at independent valuation 2005	4,225,000	4,225,000
	4,267,959	4,233,091
Development costs - at cost	-	54,508
Less: Part write-off of development costs	-	54,508
	-	-
Total Land and Buildings	8,472,959	8,438,091
Furniture and fittings - at cost	82,058	55,495
Less: accumulated depreciation	24,512	22,252
	57,546	33,243
Plant and Equipment - at cost	391,918	348,656
Less: accumulated depreciation	275,614	240,342
	116,304	108,314
Motor Vehicle	38,563	38,563
Less: accumulated depreciation	38,563	38,563
	-	-
Total Property and equipment	8,646,809	8,579,648

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 financial year
ended 30th June 2007

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

	12 months 2007				\$
	Freehold Land	Buildings	Plant and Equipment & Vehicles	Furniture & Fittings & Development	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	4,205,000	4,233,091	108,309	33,248	8,579,648
Additions		34,868	43,262	26,563	104,693
Disposals					
Revaluation Increments /- (Decrements)					
Depreciation	-	-	(35,272)	(2,260)	(37,532)
Carrying amount at the end of the year	4,205,000	4,267,959	116,299	57,551	8,646,809

(b) Had land and buildings been stated at historical cost amounts they would be as follows:

Cost - (Land & Buildings)	4,340,867	4,340,867
Accumulated Depreciation		
Net book value	<u>4,340,867</u>	<u>4,340,867</u>

Notes to the Financial Statements

for financial year
ended 30th June 2007

	12 months 2007 \$	6 months 2006 \$
Note 8: Trade and other payables		
<i>Current</i>		
Sundry Creditors and accruals	105,255	59,982
Loans and deposits	7,080	7,080
	112,335	67,062
<i>Non Current</i>		
Entry contributions - Self care units	4,503,196	4,331,310
Entry contributions - Hostel	2,097,406	2,397,769
	6,600,602	6,729,079
Please Note: As at 30th June, entry contributions contracted and due totalled \$834,600.		
Note 9: Provisions		
<i>Current</i>		
Annual leave provision	24,271	25,357
Deferred Maintenance - Hostel	-	-
	24,271	25,357
<i>Non Current</i>		
Long Service Leave provision	29,549	39,069
Deferred Maintenance - Hostel	15,302	19,500
	44,851	58,569

Notes to the Financial Statements

for financial year
ended 30th June 2007

	12 months 2007 \$	6 months 2006 \$
Note 10: Funds and Reserves		
<i>Funds Total</i>		
Opening Balance	4,304,339	4,318,125
Transfers In	2,967	529
Transfers Out	(9,485)	(14,315)
Closing Balance	4,297,821	4,304,339
<i>General Reserve Fund</i>		
Opening Balance	45,994	45,994
Closing Balance	45,994	45,994
<i>Special Reserve Fund - Fire Protection</i>		
Opening Balance	56,965	70,830
Transfers In	-	-
Transfers Out	(8,716)	(13,865)
Closing Balance	48,249	56,965
<i>Social Club Fund</i>		
Opening Balance	2,658	2,559
Transfers In	2,755	99
Transfers Out	(769)	-
Closing Balance	4,644	2,658
<i>Anthroposophical Bequests Fund</i>		
Opening Balance	12,127	12,147
Transfers In	212	430
Transfers Out	-	(450)
Closing Balance	12,339	12,127
<i>Asset Revaluation Reserve</i>		
Opening Balance	4,186,595	4,186,595
Increase in valuation of property	-	-
Closing Balance	4,186,595	4,186,595
Note 11: Retained Surplus		
<i>Retained Surplus at the beginning of the financial year</i>	916,355	866,206
Net Profit for the year	194,025	50,149
Transfer to Social Club Fund	(2,500)	-
Closing Balance	1,107,880	916,355

Notes to the Financial Statements

for financial year
ended 30th June 2007

Note 12: Segment Reporting

The Company only operates in NSW Australia.

	12 months 2007 \$	6 months 2006 \$
Note 13: Cash Flow Information		
(a) Reconciliation of Cash		
Cash on Hand	2,000	1,300
Cash at Bank	370,949	1,512,309
Short-term bank deposits	3,008,766	1,873,151
	3,381,714	3,386,760
(b) Reconciliation of Cash Flow from operations with profit from Ordinary Activities		
Profit from ordinary activities	194,025	50,149
Non-cash flows in profit from ordinary activities:		
- amortisation of entry contributions	(252,854)	(124,321)
- charges to provisions	53,799	(4,946)
- depreciation	37,529	15,775
- development costs written off		54,505
Cash flow in operating activities but not in profit from ordinary activities:-		
- payments out of provision and reserves	(40,535)	(14,785)
Changes in Assets & Liabilities		
- (Increase) / Decrease in trade and term receivables	(24,883)	2,681
- Increase /(Decrease) in trade and term payables	45,273	(28,414)
Net Cash generated / (used) in Operating Activities	12,353	(49,356)
(c) Financing Arrangements		
Standby arrangements to provide funds and support		
Credit facilities	-	-
Amount Utilised	-	-
Unused Credit Facility	-	-

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 financial year
ended 30th June 2007

Note 15: Fundraising and Donations Income and Expenses

	12 months 2007	6 months 2006
	\$	\$
(i) Details of Aggregate Gross Income		
Gross Proceeds from Fundraising and Donations	334	708
Less: Cost of Fundraising and Donations		
Net Surplus of Fundraising and Donations	334	708

(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 30 June 2007.

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 30th June 2007 the number of members was 65 (2006: 79).

Director's Declaration

The Directors of the Company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001: and
 - a) comply with the Accounting Standards and the Corporations Regulations 2001; and
 - b) give a true and fair view of the Company's financial position as at 30th June 2007 and of its performance for the year ended on that date of the Company
2. The Chief Executive Officer has declared that:
 - a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001.
 - b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c) the financial statements and notes for the financial year give a true and fair view.
3. 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 become fall due and payable.

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

Director 

Robert Allerdice

Director 

Antonio Marques

Signed at Sydney this thirtieth day of July 2007

Supplementary Statement Income Statement(detailed)

for financial year
ended 30th June 2007

	12 months ended 30th June 07 \$'000's	6 months ended 30th June 06 \$'000's
Income		
Revenues from Government	452.8	228.9
Fees	425.0	209.4
Retentions	252.8	124.3
Interest Earned	206.1	76.2
Donations & Bequests	0.3	0.7
Other	24.6	11.1
Total Income	1,361.6	650.6

Supplementary Statement Income Statement(detailed)

for financial year
ended 30th June 2007

	12 months ended 30th June 07 \$'000's	6 months ended 30th June 06 \$'000's
Expenditure		
Salaries, Wages and Oncosts	698.7	324.2
Repairs & Maintenance	65.7	32.3
Providoring (Net)	60.0	31.8
Depreciation	37.5	15.8
Professional Expenses	33.0	2.7
Insurances	31.1	17.3
Gardening	29.9	13.5
Utilities	24.9	18.3
Staff /Board Training	21.4	13.2
Therapies	15.6	6.6
Printing & Stationery	14.2	7.6
Cleaning	13.1	2.7
Equipment	11.0	5.4
Interest Paid	10.4	-
Telephone & Fax	10.1	3.5
Laundry	9.8	5.0
Water / Sewerage	9.6	1.6
Marketing & Advertising	8.7	11.0
Audit Fees	6.0	4.5
Fire Protection	5.3	4.0
Subscriptions	4.9	1.9
Pharmaceuticals	3.9	3.1
Motor Vehicle Expenses	3.6	1.3
Accreditation	3.4	2.5
Donations	3.0	1.3
Bank Fee	1.6	0.7
Directors Costs	0.3	0.4
Other	30.9	13.7
Total Expenditure	1,167.6	545.9
Sub-total Operational Profit	194.0	104.7
Write-off of development costs		54.5
Net Operational Profit	194.0	50.2

Donations Received

for financial year
ended 30th June 2007

Aloys Tromp

Barbara Hicks

C MacPherson

Joan Gardener

Joanna Jaaniste

Norma Blackwood

Rosalind Pecover

Susan Haris

Dulcie Turner

A Time of Reflection



I was born in Turrumurra in 1915. I had one sister and one brother and the three of us were very close. I was the baby so I got spoilt. My mum didn't go to work and my dad didn't let his girls work; he said he could afford to keep his daughters. My dad was a type of gardener, but also did stone work and that type of thing. He was an outdoor man. He grew the most beautiful vegetables. Dad grew cabbages, he was marvellous. Our minister used to come down, a Mr Cameron from Turrumurra and he'd say to my dad, "John can I have some of your seedlings?" Dad would say "Yes Mr Cameron" Then a month later he'd come down "Mine aren't growing are yours?" Dad had a green thumb. We had over an acre in Turrumurra.

During the depression we were very fortunate in that Dad never lost a day of work. He had good clients.

I went to school in Warrawee for about 2 years then, although we weren't Catholics, but mum sent us to the convent. And so I finished my education at Mt St. Bernard at Pymble. It wasn't a boys and girls school in those days. It was classed as a ladies college. Mum was very strict and she thought that the sisters would give a good education. The nuns were very strict also. The sister used to stand at the gate and she'd look you over as you came out and if your socks were down or you didn't have your gloves on, you were in trouble.

I met my husband on the tennis court. When I left school I said I wanted to go to work and dad wouldn't have it. I said 'What am I going to do with

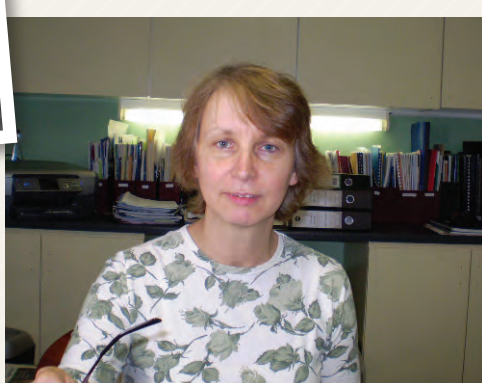
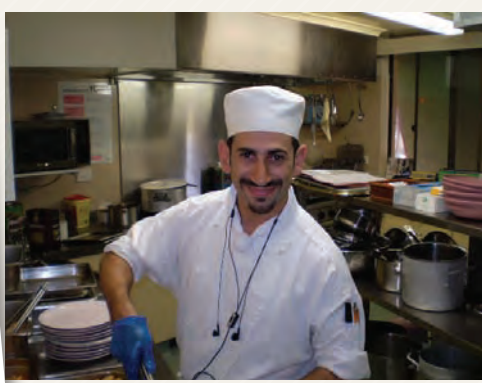
my time?" He said "I want you to stay home and look after your mother" So he said "I'll build you a tennis court" So he built a tennis court in the backyard. That's where my enjoyment came in. From there I went and joined another tennis court that had younger people and that was where I met John my husband. He swept me off my feet and we were married 61 years. They were the happiest 61 years of my life. I was not quite 21 when I got married.

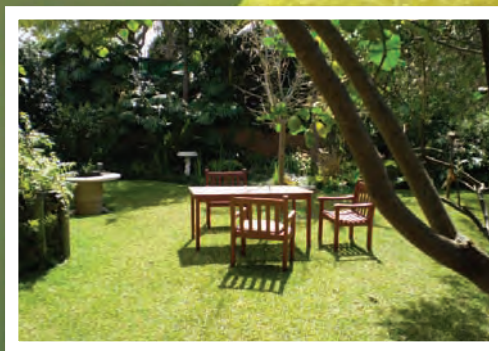
John was a commercial traveller towards the end, but as a boy he was in the shipping warehouse. He became a commercial traveller with the same firm right up till he was going to retire. He sold mostly haberdashery, he had these big cases he would take into shops. He was offered the country run but he wouldn't take it because he said it wasn't fair to me. We had 5 years separation because of the war and he said "no way".

We had two girls and a boy. I have 7 grandchildren and 8 great grandchildren. Not many boys amongst them, I think only two.

I came to Christophorus House 14 years ago. We had afternoon tea and John said "what do you think?" I said "It has possibilities" and we went straight up to the office and put our name down and we had two and a half year wait. I only had John with me for about 2 or 3 years unfortunately. The nice part is to have had the memories of John living with me here. The most important thing I learnt in life is that when you are in married life, the main thing is to give and take.

Dulcie Turner





CHRISTOPHORUS HOUSE
retirement village