

ANNUAL REPORT 2011

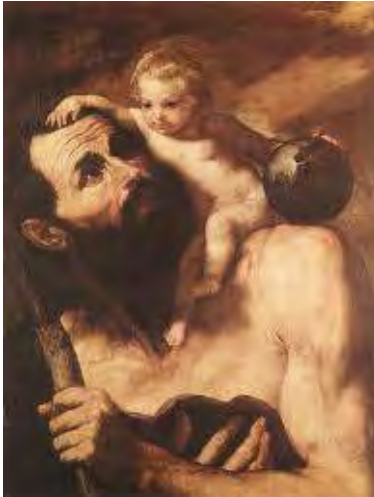
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retirement village

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The Legend of St Christopher

The name Christophorus means, in Greek, one who carried Christ, in a spiritual way, yet around this name has evolved the legendary story of a gigantic man, Offerus, who went searching for the mightiest master to serve with his strength. He came first to a King and enlisted in his army.

When the King showed fear at the mention of the Devil's name, Offerus realized that the Devil's power was stronger than the King's and went to serve the Devil and his hordes.

As he was riding along with the Devil and his followers, they came to a cross by the wayside. The devil cringed away in fear at the sight of the cross and Offerus left the Devil to seek for the Master of the Cross who could frighten even the Devil.

He met a hermit who advised him to use his strength to carry people across a river. He made himself a hut by the side of the river and whenever people came wanting to be carried across, he would lift them on his back and carry them over. One cold and stormy night he had wrapped himself inside his hut to sleep for it was too wild and boisterous a night for any traveller. He heard a small voice from outside

the hut calling his name: "Offerus!" Thinking that no-one could possibly be there, he turned over in his bed to sleep again. The voice called a little more urgently: "Offerus!" He sat up and blinked, heard the wind howling around the hut and the rain pelting down. "I must have been dreaming!" he said to himself and rolled himself up in his blanket. A third time a thin clear voice called: "Offerus!" He got out of bed and stumbled over to unlatch the door. Outside, a small child was standing – "Can you carry me across the other side of the river?"

Offerus took the child on his shoulders, covering him as much as he could with his cloak and using his sturdy staff as a support, waded across the swirling waters of the river. As he got to the deepest part in the middle of the river, the child seemed to become heavier and heavier and Offerus felt that he must be carrying the weight of the whole world on his back. He had never carried so heavy a burden in his whole life. Yet as he approached the other shore, the child gradually became lighter again, and as he came up on dry land the child disappeared from his shoulders and appeared before him with radiant light shining from his countenance. "I am the Master you are seeking," said the Child, "you have carried the Christ-Child and henceforth your name shall be Christ-Offerus."

This is the legend around St Christopher, of whom it is historically only known that he was one of the early martyrs for the Christian faith in Asia Minor, supposedly in the third century. His saint's day is the 25 July and through the legend of his carrying the Christ-Child over the river, he has traditionally become patron saint of travellers

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CHRISTOPHORUS HOUSE RETIREMENT VILLAGE



Rudolf Steiner

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

'CHRV is a thriving community where the living ideals of Anthroposophy infuse and enrich the care of the aged and those with special needs. For each individual, CHRV will be their home and CHRV will be sensitive to the cultural and spiritual background of each resident.'

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 Chekov 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 Friedrich 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 2011



Robert Allerdice

I am pleased to be able to report that Christophorus House Retirement Village (CHRV) has enjoyed a very successful financial year ended 30 June 2011 (the 2010-11 financial year).

Financial results

As I reported last year, CHRV budgeted for a surplus of \$76,275 in the 2010-11 financial year. The actual result was a surplus of \$142,447, a very pleasing outcome considering the very difficult financial conditions that continue to prevail in the economy. I refer you to the Treasurer's report for more detail but, very broadly, the increased surplus was due in no small part to higher interest rates and full occupancy in the Hostel for most of the year, coupled with continuing full occupancy in the Independent Living Units (ILUs). Full occupancy in the Hostel, in turn, resulted in higher Government funding, increased retentions and increased bonds on deposit at higher interest rates.

However, we cannot afford to be complacent, as we are again experiencing vacancies in the Hostel. In addition, if the purchase of 15 Mildred Avenue, Hornsby goes ahead (see below), our cash reserves will be significantly reduced and, accordingly, our interest income will correspondingly reduce. On the assumption that the purchase will proceed, we have budgeted for a deficit of \$771 in 2011-12.

Hostel extension (Evelyn Latter bequest) and other improvements

You will recall that I reported last year that CHRV had received a very generous bequest from the late Evelyn Latter, one of our founding members and former resident of the Hostel. In memory of Evelyn, and in recognition of her generosity, the Board decided to use the

bequest in the funding of a much needed extension to the Hostel sitting room, to be named the Evelyn Latter Room.

In conjunction with the construction of the Hostel extension, the Board decided to carry out a number of other much needed projects in the Hostel, including stormwater rectification, the building of a pedestrian ramp at the entrance to the Hostel, replacing the sliding doors between the Hostel living room and dining room, and remedial work on the first floor balustrading and planter boxes.

Work commenced on all these projects in late January 2011 and was expected to be completed by August 2011. Inevitably, delays occurred (due in part to wet weather) but it is expected that all work will have been completed by the time of the October AGM.

The Board has approved expenditure of \$291,000 for these projects, of which \$47,100 had been spent by 30 June 2011.

Significant expenditure was also incurred on concreting the driveway, installing air conditioning in the ILUs and ILU renovations and painting.

Independent living unit expansion

I reported last year on a proposal to build further ILUs on land that CHRV owns at 5a Mildred Avenue, Hornsby and 370 Pacific Highway, Hornsby. Work was well advanced on preliminary plans which we hoped would elicit a favourable response from Hornsby Shire Council, particularly in relation to traffic matters. If a favourable response was forthcoming, it was then intended to prepare detailed plans and lodge a formal development application.

Before this could be done, however, we were offered an option to acquire the property known as 15 Mildred Avenue. This large property is located at the rear of our current site at 396 Pacific Highway, Hornsby, and is adjacent to 5a Mildred Ave. The option was granted on [insert date] and must be exercised within 12 months of that date.

Acquiring the option has meant that work on developing 5a Mildred Avenue and 370 Pacific Highway has been held in abeyance. Instead, the Board appointed a Planning Committee to consider how all three sites (assuming the exercise of the option and the acquisition of 15 Mildred Avenue) could be best developed to provide quality aged care facilities which will meet the needs of our current and future residents for many years to come. The Committee (which comprises Board representatives, the CEO, Village residents and external professionals) has met on a number

of occasions during 2011 and will be reporting back to the Board with its recommendations by the end of 2011.

The purchase of 15 Mildred Avenue and the development costs involved will reduce CHRV's cash reserves significantly in the short term. Despite the potential availability of 3 properties for development, therefore, it is anticipated that any such development will take place in stages, so that a subsequent stage will not commence until all the units in the previous stage have been occupied by incoming residents.

The Board believes that the purchase of 15 Mildred Avenue and the development of the three sites will significantly improve the financial base of CHRV and ultimately allow us to increase the size and viability of the Hostel.

Donations

The Board would like to acknowledge the generosity of those persons who have made donations to CHRV during the year. With limited sources of income, donations and bequests are always welcome and enable CHRV to fulfil its mission statement of providing accommodation and services of the highest standard to its residents.

Conclusion

As I have said on previous occasions, CHRV could not operate without the goodwill and the contributions made by so many people, including residents, staff, volunteers and members of the Board. Although it is not possible to acknowledge everyone by name, I would like to extend our thanks to the following people:

- our CEO, Milan Telford
- our Hostel Manager, Andrea Nguyen and her staff
- the Chair of the Self Care Residents Committee, Barbara Harding and the members of that committee
- the Self Care liaison officer, Monika Bebb
- Mary Arndell, director and Hostel liaison director
- Graham Long, director, Self Care liaison director, Chair of the Board's investment subcommittee and member of the Planning Committee
- John Kingsland, director and member of the Planning Committee and
- Rev Sune Nielsen, director and Anthroposophical liaison.

We look forward to continuing to be of service to the CHRV community in 2011-12.

Robert Allerdice
Chairman of the Board

CHIEF EXECUTIVE OFFICER'S REPORT

JUNE 2011



Milan Telford

CHRV continued to provide quality care, augmented by Anthroposophical and non Anthroposophical therapies.

Thinking about Strategic direction was uppermost in mind during the financial year 2010/11 and will continue into the 2011/12 financial year, as Christophorus House (CHRV) prepares to embark on a major development of sites that we have purchased in the past 6 years and the probable purchase of a major site of around 3,600 sq.mtrs in February 2012. Early in 2011, as reported in our newsletter, a Planning Committee comprising representatives from within and without the organisation, was established. The brief for the Committee was/is to take an analytical look at the aged care sector going forward 30 years; to ascertain what retirees are looking for? where the industry is heading, and how CHRV sees its role in the changes that will occur and how best to meet the future challenges we will be facing. The aim however was / is not to reinvent the wheel. Much work has been done by the industry and by governmental agencies and recently (in August 2011) the final report from the Productivity Commission into the aged care sector, was released. With the industry expertise on the CHRV Planning Committee and the Productivity Commission Report (PCR), CHRV has been able to better understand how to prepare for the future delivery of important services to our current

and future residents, whilst at the same time maintaining our ethos and culture.

It is becoming clear that the provision of a range of value added services will be in demand and design and development of facilities will need to take this into account in future service models. With the potential of the site population doubling, the Village layout and infrastructure needs to be carefully conceptualised out, for staged future expansion. There are still a number of 'hurdles' to overcome in the planning phase, prior to selection of a building team, development application and commencement of building works. The planning phase should be completed by the end of January 2012, with consultations with residents and other stakeholders to take place throughout 2012, both at the conceptual stage and the detailed planning stages.

The financial result of \$142,447 surplus was against a budgeted expectation for the year of \$76,283 and is the result of better than predicted occupancy rates in the Hostel. The Treasurer's Report in this Annual Report goes into more of the details of movements between the previous financial year and this financial year. Development of the site in 2012 will result in lost opportunity of earning interest income on term deposits and this will cause deficits to occur throughout the period of 2 to 3 years of building works; this is because the funds necessary to purchase the land site, (which will be sourced from



our own internal sources), will not be available to generate interest earnings.

Extension of the Hostel dining and living rooms (the Evelyn Latter room), and associated projects, commenced in February of this year. Some delay in completion of these projects has been occasioned due to the wet autumn/winter season we experienced this year. There were other projects as reported in the Treasurer's Report which were completed or commenced and this goes towards the continuous quality improvement of the Village as a whole.

It has been some 3 years since we began a process to acquire the strip of land in front of the two cottages, which is currently owned by Hornsby Shire Council. Following approvals from Council, RTA and the Dept. of Lands, to CHR V purchasing the land, an objection was raised to our purchase of this, by a utility company. This has stalled the process and we are now currently working to have the objection over-turned.

In the Independent Living Unit (ILU) section of the Village, which comes under the State legislated 'Retirement Villages Act' work towards full compliance with the revised legislation and accompanying regulations continued and we had our second ILU Statutory Meeting as well as implementing a Safety Policy for ILU and Statutory Maintenance audits.

Whilst the reforms were in line with CHR V ethos and current practice, we are seeing more and more, that regulatory frameworks are being imposed at both State and Federal level in the Aged Care industry, at many levels; whether further new reforms inhibit or assist the industry and the recipients of services, time will tell.

During the year, we continued our focus on training of staff as well as the Board training in areas of Corporate Governance. There is a run-down of training for staff during the year under the 'Hostel Manager's Report'. The Board training focused on 'Tools of Governance' presented by Lorraine Poulas, as well as 'An Anthroposophical Background to Governance' in the afternoon session presented by Dr h.c. Karl Kaltenbach OAM. Following the corporate governance training and as part of the risk management identification process, training was under-taken by both Board and staff on 'media handling'; we have been fortunate to date that CHR V has never been the subject of media scrutiny.

Throughout the year CHR V had the annual audit inspections, which included the 'Food Safety Audit', the two per annum Accreditation Agency visits (one unannounced) and our first ACFI (Aged Care Funding Instrument) audit. I give generous thanks to our Hostel Manager, Andrea, and her staff, for an outstanding job in receiving the highest levels of commendation in all

the audits as well as an 'A' Class result for the kitchen.

In augmenting the Anthroposophical approach to care planning, in the area of therapies for residents and training for staff, CHR V recruited Wolfgang Devine, a qualified registered nurse who has a background in Anthroposophy and has worked and continues to work with elderly people in palliative care.

To finalise this report, the most important message is that as a community, CHR V could not function or do what it does without the many workers, supporters, and volunteers that are a part of the life of CHR V. From the gardener who has created and maintains our beautiful gardens, to the maintenance of everything from the boiler room to the cleaning of the gutters and footpaths, the carers, the kitchen staff, the supervisors and managers, the therapists, the doctors, the many trades people, the people that fill the seats on the various Committees on a voluntary basis and to our voluntary Board; all of these people deserve a warm round of applause and much thanks for their skills & talents, their dedication and hard working commitment to CHR V. Thanks for another year in making CHR V what it is today.

Milan Telford
CEO



TREASURER'S REPORT

JUNE 2011



Robert Allerdice

In last year's Treasurer's Report, it was stated that the budget projection for the financial year ended 30 June 2011 (the 2010-11 year) was a surplus in the vicinity of \$76,000, with the proviso, however, that this figure could increase if certain favourable parameters not allowed for in the budgetary assumptions were to eventuate. With an actual surplus of \$142,477 achieved for the year, the favourable parameters alluded to did eventuate, particularly full occupancy in the Hostel for a good part of the year. CHRV is small in comparison to other aged care facilities. With only 24 beds in the Hostel, each vacancy can have a deep impact on the financial results; for example, each vacancy on a full year basis results in lost income of between \$45,000 and \$70,000.

ostel dining room (\$6,500), landscape. With each year progressing, CHRV finds that margins are getting tighter, and the cyclical revenue streams longer. With inflationary pressure in

all living essentials running well above the consumer price index (cpi), (that is in food, electricity, gas, water) and with government funding indexation remaining below the official cpi, there is a squeeze on our operating margins in the Hostel.

There are other pressures also. The average age of persons staying in their own homes has increased resulting in longer stays within existing accommodation. This in turn results in many such persons bypassing Hostel accommodation altogether and going directly into nursing home accommodation. The trend of persons to stay in their own home also impacts on the revenues we receive from the Independent Living Units (ILUs). We have a maximum of 23 units, with retentions ceasing after 5 years of occupation. With ILU residents remaining in residence for much longer than was previously the case, the number of persons paying retentions is reduced accordingly. The number of ILU residents that paid a retention in the 2010-11 year was down to 9 out of 23, or only 39%.

In light of the above comments, we appreciate that the surplus of \$142,447 achieved was exceptionally good in all the circumstances. It should be remembered that the results in the financial year 2010 (a surplus of \$47,985) was only possible as a result of a generous one off gift of \$88,601. Operationally, therefore, the turnaround from 2010 to 2011 is in the order of \$183,063 (\$47,985 - \$88,601 = deficit \$40,616 compared to a surplus of \$142,447).

The key driving factors which enabled this result were full occupancy

rates in the Hostel for most of the year (the ILUs continue to have 100% occupancy), leading to higher government grant revenues and the associated higher resident fees and retention income, along with higher interest rates applied to higher cash balances due to a higher level of bonds from a maximum resident level of occupancy.


Income

Please refer to Note 2 of the Statutory Accounts, which highlights a comparison of income between the previous financial year and the current financial year. Hostel revenues improved by \$150,631 in fees and grants due to occupancy levels. Interest from investments also increased by \$90,778 to \$275,008. Rental from properties also increased by \$30,854 to \$79,838 as a full year's impact of rent from the last acquired property (5a Mildred Avenue) was achieved. Against this, we did not have the benefit of \$88,601 in gift income as we had in the previous year.

Expenditure

Wages and oncost expense was \$853,723, an increase on the previous year of \$39,811 or 4.9%. However in comparison with the year ended 30 June 2009 (\$857,700), the 2011 cost was still below 2009 levels. The increase reflects minimum wage rate increases by Fair Work Australia, as well as grade movements for individual staff.

During the year, repairs and maintenance expenses totalled \$53,010, an increase of \$16,651. This reflects, in part, the age of the existing buildings



and the need to maintain these at as new condition. Failure of water heaters in various units, major water pipe repairs throughout the property, and appliance breakdowns, particularly in the Hostel kitchen, were the main factors behind the high maintenance and repair costs. It has been identified that a major refurbishment of the kitchen will need to be undertaken in the coming 3 years and a plan of work (in conjunction with proposed strategic building works) is being developed. The long running (7 year) and increasingly expensive 'programmed maintenance' contract was in its final year and has now been completed. These 'saved' funds will, in future, be better utilised in the maintenance area.

Energy usage increased by 9.6% and the impact would have been greater were it not for our own in-house heating via our boiler room.

Professional expenses include specialists such as our physiotherapist and a property valuer. This area of expense increased in line with the needs of higher care residents in the Hostel requiring assessment by our contract physiotherapist, paid for out of higher governmental grant income. We also undertook the 5 yearly property valuation to revalue the land & buildings in the books of account.

The staff training at \$17,673 was \$8,182 higher than the previous year, however in terms of the year ended 30 June 2009 (\$16,402), was as expected and within budget expectations. Training, being a discretionary expenditure, was in the year ended 30 June 2010, curtailed given the deficit budget projection at the time.

Legal expenses were incurred in relation to industrial matters, product liability matters (chairs supplied failed to meet quality standards), property matters (restrictive covenant issues on 15 Mildred) and an estate issue relating to a departed resident. The value of the services provided, whilst not quantifiable, was invaluable and saved the organisation many times over the sum of money expended.

Rental property expenses were in line with increases in rental income. Equipment replacement costs, a discretionary expenditure item, were down reflecting a conservative approach to spending in this area.

These are comments on the major variance areas of expenditure items.

Cash Flow

The cash balance at the end of the financial year was \$4,917,677, an increase on the previous year of \$967,685. This improvement was partially the reason for the improvement in interest earnings (the interest rates being the other significant reason). Each year, the bond price is increased to reflect realistic market indices and this policy will result in cash balances (all other things being equal), increasing year after year.

CHRV prudential obligations require that a minimum liquid balance is maintained. For 2011, this was just under \$1M, based on a predetermined formula; however during the year, CHRV maintained a liquidity balance (that is the ability to obtain cash in a very short time frame, less than 14 days) of over \$4million.

The cash to bond ratio for June 2011 was 57.09% (2010 - 51.28%).

Capital Expenditure

Approximately \$203,800 was expended on capital works programs, including works in progress as at 30 June 2011. The capital works program included completion of the concreting of the driveway, hostel dining/living room extension (still in progress), stormwater rectification, balustrade remedial work, ramp to hostel, air-conditioning in ILU units, costs associated with purchase of front land strip from Council, cost of option to purchase 15 Mildred Avenue, security camera system, pre DA costs 5a Mildred and 370 Pacific Highway, dining room furniture, ILU renovations/painting and a number of smaller capital items.

Balance Sheet

Land & buildings were revalued as at 30 May 2011 and are now reflected at their current value in the books of account at \$5,423,435 for land and \$5,214,926 for buildings. The total amount of the revaluation was \$1,160,370. Accumulated funds are now \$1,640,137 (2010; \$1,514,180). Liquidity also improved and the working capital (current assets less current liabilities) improved from 2009-10: \$3,375,993 to 2010-11: \$3,481,820.

The Balance Sheet is financially sound and stronger than it has ever been in any previous year. CHRV is ready to expand its financial base by more building development and has the capacity to absorb operating deficits throughout the development phase.

Robert Allerdice
Treasurer

HOSTEL MANAGER'S REPORT

JUNE 2011



Andrea Nguyen

Another busy and exciting year has gone by so quickly and on the 1 June 2011 I had completed my second year as the Hostel Manager at CHRV.

Residents are "our main focus" at CHRV and we are privileged to be serving aged people and delivering passionate, resident-focused care. Older people provide so many benefits to our way of life and as a society we need to celebrate and honour ageing rather than fear it. Older people living in residential aged care are still part of the wider community and should be encouraged to continue to connect and engage.

The Aged Care industry is one of the areas highly scrutinized by government agencies. Last year the following departmental audits were conducted in the Hostel:

- Support visit from the Accreditation Agency in November 2010:

An unannounced visit, also known in the industry as "spot check" (part of the aged care legislation), was conducted by the Standards and Accreditation Agency. The Hostel complied with all required audited standards.

- ACFI (Aged Care Funding Instrument) validation visit in January 2011:

A delegate from the Department of Health and Ageing visited the Hostel to review 6 residents' ACFI classifications. As a result of these reviews, there was no change/ or financial downgrades to the residents' ACFI classifications.

- Support visit from the Accreditation Agency in May 2011:

An announced visit was conducted by the Standards and Accreditation Agency to audit St 2.7 (Medication Management), St 2.4 (Clinical Care) and St 1, 2, 3, 4 (Continuous Improvement). The report stated that the Hostel was again compliant with the audited standards. Explanatory notes stated that "residents interviewed by the team provided positive feedback about the care they received from staff, with two mentioning they felt "very lucky" to be residing at the home".

- NSW Food Authority audit of our Food Safety Standards in June 2011:

This audit was performed by an external auditor and we received an "A" rating again for our food safety program and operation of our kitchen. The auditor commented:

"The facility is extremely clean, tidy and well maintained. Staff has a good knowledge of food safety and the food safety program".

Maintaining a high standard in our catering department ensures that our residents receive food which is safe and free from any contamination and prevents incidents of food poisoning.

I would like to thank all the catering and cleaning staff for their exceptional commitment in achieving such an outstanding result.

New residents:

The following new residents were welcomed to the Hostel in 2010/ 2011:

Nola and Ivan Diedrich – July 2010, Rita Meillon – August 2010, Frank Klosowski – September 2010, Martin Hieke – November 2010, Jean Williamson – February 2011 and Allan Clarke – April 2011.

They have all settled in well and I hope that we have been able to meet the residents' and their family's expectations.

I would also like to extend a warm welcome to all new families and friends and assure them that they will still play a major role in their loved ones' lives.

Resident memorial:

Sadly we had to say goodbye to the following two residents in the last year: Rita Meillon – 23/3/2011 and Ivan Diedrich – 20/4/2011 who are dearly missed. May they rest in peace.



Residents Dorothy Weaver, Gwen Collins, Gladys Toms, Margaret Taupin and Frank Klosowski required more complex care and needed to move to high care facilities.

Staff:

There have been a number of staff changes at our facility. The following staff members left the hostel during last year:

Ros James, RAO, Sarah Gates, Hostel Supervisor, Dale Wright, Chef, Raelene Williams, Admin and Joanne Drinkwater, carer. Our kitchen volunteer Denice McNamara retired at the end of December.

A warm welcome to Chef Anthony Cincotta and kitchen-hands Janine Steele and Maria Calderon who joined our catering team. Naomi Douglas, RAO and Wolfgang Devine became part of the Diversional Therapy department and Jasmin Pineda and Charles He commenced their employment as carers. Vikash Sonea, the new Hostel Supervisor, has already proved to be a valuable assistant to the Hostel Manager and I hope that all new staff will enjoy being part of the Christophorus House Hostel team.

Working in the aged care industry requires a special kind of person. Each staff member plays an important role in the lives of our residents and their families. We are proud of all of our staff members and recognise them as one of our greatest assets. Thank you to all my staff for going beyond the call of duty.

Education:

Staff need to have access to education and training opportunities that are of a high standard, relevant, current and appropriate to the environment in which they work. Some of the standard ongoing education that CHRV provides to its staff includes Infection Control, Manual Handling, Occupational Health & Safety, Fire training, Food Safety Training, Mission Statement, Workplace Bullying, Customer Service, Privacy and Dignity, Medication competencies, Chemical Safety and other relevant topics. This commitment to ongoing education will ensure that not only our residents are benefitting by receiving the most up-to-date care provision, but also that our staff are continually enhancing their skills. Congratulations to Tracey Kinsey for completing her Cert IV in Leisure and Health.

Some of our new initiatives in the last year:

- Room renovations on the Ground Floor, including new vinyl covering, a new coat of paint, new built-in wardrobes, new powerpoints and new shower curtains contributed positively to a safe and comfortable environment for the residents.
- The new "Evelyn Latter Room" is nearing completion and will certainly enhance the comfort of our residents' communal living environment.
- We are now able to conduct in-house safety testing of electrical equipment as Hayden, our Maintenance Supervisor,

successfully completed the Electrical Testing and Tagging Course.

- Installed in upstairs and downstairs hallways to achieve better lighting in an emergency such as a power failure.
- New staff uniforms were selected for carers and maintenance personnel. Staff look very professional and are recognised by residents as staff on duty.
- The old fence at the back of Hostel was replaced as it had fallen over in some sections.
- The old lounge chairs were replaced by 12 new comfortable chairs with lumbar support and a modern fabric design.

Activities:

Our Diversional Therapy program continues to offer a large variety of activities and residents are able to participate in sessions according to their interests.

Wolfgang Devine runs the 'Life History Activity' on Thursdays and Naomi Douglas is responsible for the exercise classes and the popular twice weekly bus trips. Linda Dunne's Bingo and Hoi sessions are very much enjoyed and the residents always look forward to winning a nice prize.

For the second time we concluded the year with our special event "Carols by Candlelight" which was again a great success where many residents, staff and visitors were in attendance.

Andrea Nguyen
Hostel Manager



SELF CARE LIAISON CO-ORDINATOR'S REPORT

JUNE 2011



Monika Bebb

Greetings! Once again, the year has revealed a myriad of changes in the life of Christophorus House and its residents. I take this opportunity to mention our dear friends and residents who passed away this year: Dora Palmer and Bill Harris. They are in our thoughts and their presence and special contribution here in the Village is remembered and much appreciated. We also say farewell to Richard Harding and Bob Edmunds who moved on to new environments to better support changes in their health and wellbeing. And we welcome two new residents to the Village who have now made their home here: Mavis Bennett and Robyn Hutchison. They are settled quite well now after all the hard work of moving from their previous home.

The year in review brings to mind the many activities and events here in the Cottage for our residents and the wider community. An important visit was the visit by Ray Horsburgh from T.A.R.S (The Aged-Care Rights Service) who provided information and education for older persons' rights and obligations. A talk/information session by the R.V.R.A in North Turramurra brought residents greater awareness of legislative changes in Retirement Village living. Residents were made aware of having a *Living Will*. This and other advance directives describe a person's preferences regarding end-of-life care because unexpected situations can happen at any age.

A food tasting experience with Maureen from T.L.C. (*Tender Loving Cuisine*) was well attended as residents were treated to a lunchtime tasting of a selection of meals available from their frozen range of foods. In June last year, naturopath, herbalist and lecturer Katrina Clark gave an interesting and informative talk on nutrition and challenged us to some taste testing!

Thank you to *Jacqui Ciddor & Friends* whose musical concert in celebration of Ascension was well attended. Jacqui and her players have delighted residents and visitors for a number of years now, thanks to Rose-Marie's long connection with her.

The *Wesley Singers* also visited us in June. The singers sang songs of yesteryear and also devotional themes. Thanks to Kath Smith's long connection with Judy Dawkins, the co-ordinator of the group, we were able to again enjoy the performance of this delightful group of ladies who volunteer their time.

Greg Dimmock came again this year with his touch of Australiana in our social room and his *A Bag Full of Instruments*. Everyone enjoyed singing along while Greg showed us his many instruments and told some interesting stories about them.

Midwinter often keeps residents at home but with the *Midwinter Soup Night* it's different. Residents enjoyed socialising with each other over a selection of soups on the menu. Many thanks to the soup makers and those delicious desserts!

Raimund Pohl's talks are well attended. His very popular series of well-presented talks on earth, crystals, water and air are not only interesting, they are informative and one learns a lot about the world in which we live. His world travels fuel his knowledge which is reflected in his presentations!

Jan has been very creative this year with her crocheting and here she shows her innovative and colourful 'hats for



jars' which she has been doing to help raise funds for the CWA. She's also been busy making finger puppets and was previously quite involved in the art of hyperbolic crocheting. You will see some of her colourful handcraft on her walker.

Artists were attracted to the talk by water colour artist Tzeming Chan. Tzeming engaged the audience in an interactive experience of her technique. The room was filled with a quiet intensity as we experienced placing the watercolour on the paper. To me, it felt like a gentle breathing process – very delicate. Thank you, Tzeming!

An outing to the Epping Boys High School to hear a concert by students was enjoyed by both Self Care and Hostel residents. The school hall was filled to capacity and the students sang to an appreciative audience.

Two residents celebrated their 90th birthday this past year. What a grand age – congratulations to Iris and Molly! Residents and friends were invited to *High Tea* where they shared special memories of their long life.

Rev Lisa Devine of The Christian Community has been holding a religious service on several occasions.

Her insightful and interesting talks afterwards have provided nourishment on a deeper level. We are very appreciative that Lisa is able to come to Christophorus House as her work around Sydney and other parts of the country keeps her very busy.

Our long time gardener and friend to all at the Village, Jason Ibbett, married his sweetheart Liz, in early April this year. Family, friends and residents were invited to celebrate their special day in July with a special morning tea here in the cottage. We were able to experience their special day with memories that were recorded on DVD as well as photos. It was a very enjoyable occasion. Congratulations again, Liz and Jason!

The bi-monthly Self Care Residents' meeting provides a vehicle for residents to hear what is going on in and around the Village and is also an opportunity for them to voice their concerns and raise awareness about maintenance issues. The Social Group meets every three months to plan social events and/or outings.

The Cottage's social room is a good space to accommodate the many activities that take place. Thanks to management's generosity, we now

have a large screen TV mounted on a cabinet which is mobile for easy movement around the room. Residents are welcome to view DVDs, watch TV or make use of the room as needed. An additional space in the Annex is where the library is housed as well as the computer for residents' use. The library has now been updated and has a comfy chair where one can read and have a cup of tea. It also provides an intimate space for the reading group which meets weekly.

As always, my work keeps me occupied year round with organising events and meetings but also producing our Village's newsletter four times a year. It's sometimes quite a challenge to keep up with everything. I continue to strive to improve how I do things to help serve our residents better. I take this opportunity to say thank you to the residents who have been so kind and supportive this past year in my work here at Christophorus House.

Monika Bebb
Self Care Liaison Co-ordinator



REPORT FROM THE RESIDENTS COMMITTEE

JUNE 2011



Standing: Rose-marie, Iris
Front Row: Veronica, Jan, Joyce,
Elizabeth, Barbara
Absent: June, Alison

The Residents' Committee endeavour to be a forum for discussing residents' questions and concerns, and then meeting with our C.E.O. to discuss and clarify these further.

I would like to pay a special tribute to our office holders, firstly to Barbara Harding who so ably is our Chairperson and has guided us equitably, ensuring that each person has a voice, and ensuring that the final outcome of each meeting is a balanced representation of Village life. And then to our Minute Taker, Veronica Grace, who has the knack of capturing the essence and important points of the meeting and passing these on to Jan Garland for typing. In this way we are always up to date and with good

reference to our deliberations. Both of these are quite an art - thank you Veronica and Jan.

Through the new legislation, 2010-2011 has seen the instalment of air conditioners in units which did not have one, and the transfer of responsibility of the maintenance of these to admin. (previously this had been the responsibility of each resident.).

Subjects covered in discussion in meetings have been: care of grounds and gardens now that many residents are unable to work in their gardens, updating the Self-Care Information booklet given to new residents, questions in connection with transferring from Self-Care to the Hostel or onto a Nursing Home, details of Fire Security and other Emergencies

document, Future Development, discussion re Living Wills, and important changes to the Retirement Villages Act and Regulation which came into effect on the 1 March, 2011. From now on office bearers are to stand down after 3 years. Hopefully there will be residents ready to take over from present office bearers when the time comes.

We wish to thank Milan Telford, our C.E.O. for the always open door and readiness to enter into discussion and negotiation.

We wish also to thank the Board of Directors for their thoughtful work on our behalf, and say how much we appreciate Monika Bebb's untiring efforts as Liaison Officer which contributes so much to our happiness. We have a wonderful team in the two brothers Ibbett, Hayden who is an outstanding Maintenance Manager and always there to resolve problems, and Jason who is the artist with our extensive gardens. We are deeply grateful to Andrea for the open house to Self-Care residents in the Hostel and for the back up that is given to us. We now, once again, feel we are an extended Christophorus House family.

Rose-Marie van Hoogstraten
Residents' Committee Member
on behalf of Barbara Harding,
Chairperson.
September 2011



CORPORATE GOVERNANCE STATEMENT

JUNE 2011

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 Officer.

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 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, in conjunction with the CEO, responsible for the Board liaison with the Hostel Manager on clinical and Hostel resident care; Self Care Liaison, in conjunction with the CEO, responsible for liaison with the Self Care residents, Strategic Planning Co-ordinator, and an Investment Committee comprising members of the Board. CHRV also has Hostel and Self Care residents committees.

Principle 2: Structure of the Board to add value

The directors backgrounds and expertise are described on page 12. 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 two years.

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.

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.

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 undertake annual performance reviews of the CEO.

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.

The Board acknowledges the rights of residents and family to make complaints and hence a comprehensive policy and procedure document is available to residents in relation to this.

BOARD OF DIRECTORS

JUNE 2011



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.



John Kingsland

John Kingsland holds an Honours Diploma Food Technology and a Diploma in Business Management. He was born in New Zealand and came to Australia at a very young age, completing his higher schooling in Sydney. John has three children and his youngest, a son, attends Inala School. John has had a long

association with Inala and had served on its Board for a number of years. He was also Chairperson at Interchange, a local respite organisation servicing the Northern Beaches area. John hopes to bring his commercial experience to Christophorus House which he has gained in the manufacturing industry over 30 years.



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 passion. On leaving Inala and after a months archaeological tour of Greece, Mary was asked to become the Hostel Manager of Christophorus House in August 1996. Resigned 2003 and became a director in 2005.



Graham Long

B.Sc. B.E.

Prior to retiring, Graham had 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 a member of the Anthroposophical Society in Australia.



Rev. Sune Nielsen

Reverend Sune Nielsen was born in Denmark. He attended a local Steiner School from kindergarten to year 10 and then moved away from home to attend year 11 and 12 at another larger Steiner School. Rev. Sune Nielsen's destiny led him to Finland where he spent 10 months working as a co-worker in a Camphill Village (caring for people with disabilities, termed villagers). During the course of Rev. Sune Nielsens destiny path, he moved to Germany where he worked in various roles; farm hand, cheese factory, and a bakery where he trained as a baker and pastry chef. After four years, the calling returned and he made his way to the priest seminary in Stuttgart where

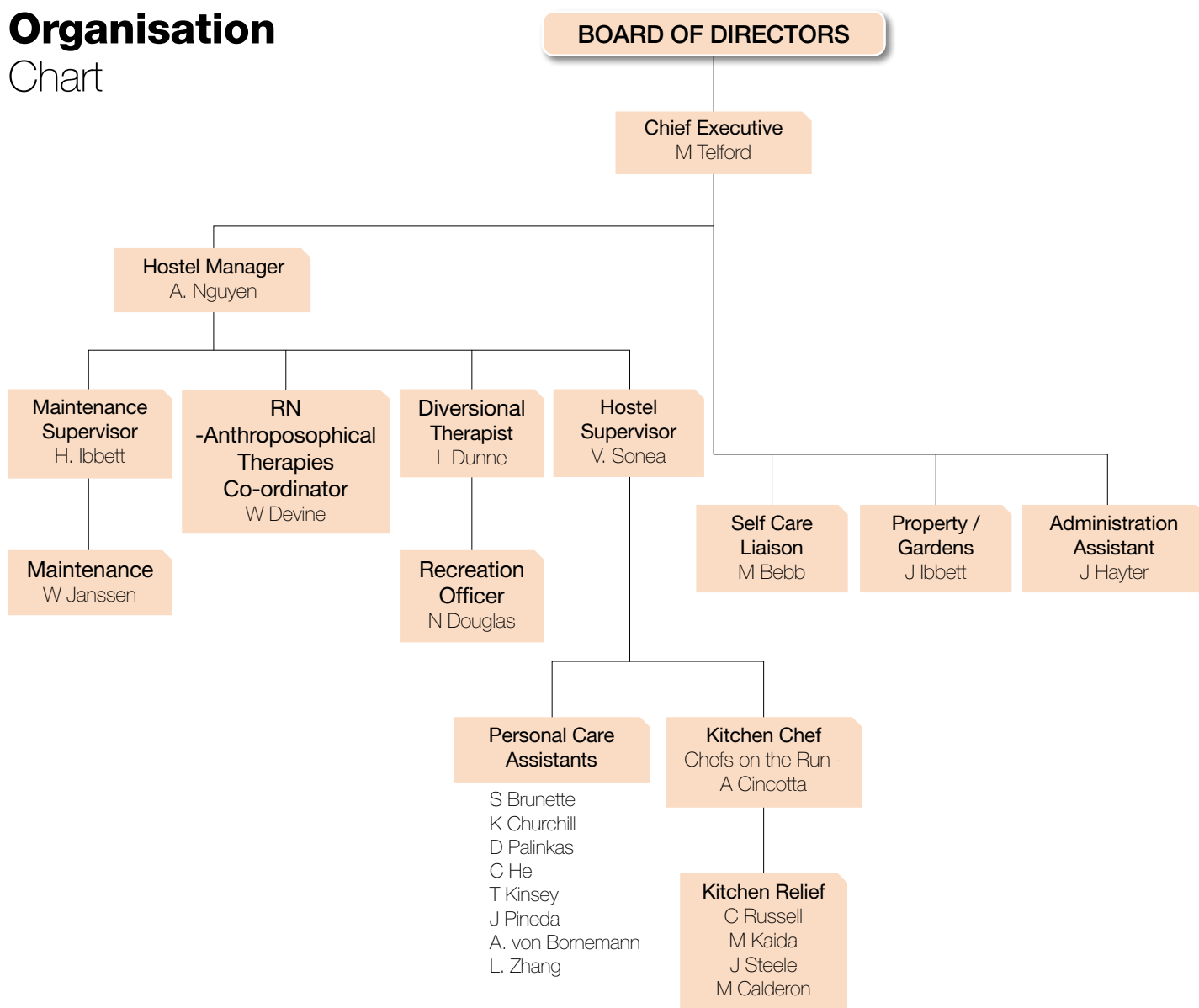
he met his wife Anna. Rev. Sune Nielsen and his wife Anna eventually moved to Adelaide South. There he worked as a baker at a German owned bread bakery, whilst also trying to build up his own patisserie business. After operating his own business successfully for two years, the need to complete the priest training became his most important question and they closed down the little business and moved back to Germany. Rev. Sune Nielsen was ordained on the 12 March 2006 in Berlin. After working 20 months in Karlsruhe (south Germany) he was redirected to Sydney, where he commenced working as one of the two priests in The Christian Community in September 2007. He is currently on sabbatical leave.

STAFF MEMBERS

JUNE 2011

Organisation

Chart



CEO
Milan Telford

Milan graduated from the University of New England with a Bachelor of Financial Administration in 1985. He is a fellow of the Society of Certified Practicing Accountants. In 1990 he completed examinations for admission to the Institute of Chartered Secretaries & Administrators and was admitted as an associate. In 2007 he completed the Postgraduate Diploma in Applied Corporate Governance and in May 2009 was made a fellow of the Institute. In 2008, Milan also

completed the Legal Profession Admission Board – Diploma of Law. Milan has been CEO of Christophorus House for over 6 years.



Hostel Manager
Andrea Nguyen

Andrea was educated in Germany where she received the equivalent to a Bachelor of Nursing. She completed her Post Graduate Diploma in Gerontology at the University of Sydney in 1999. In 2008 she also completed a Certificate IV in Training & Assessment. Andrea is a registered nurse. She speaks fluent German and intermediate Vietnamese. In 2008, Andrea undertook volunteer work in an orphanage in Saigon, Vietnam. She was the Director of Nursing for 6 years at St Hedwig Village, a facility with a

75 bed Nursing Home, 58 bed Hostel, 28 Community Care Packages, 51 Self Care units. Before this time, Andrea worked as a deputy Director of Nursing and Registered Nurse. In August 2006, she was awarded the 'Better Practice in Aged Care Award', from the Australian Aged Care Standards and Accreditation Agency. The award acknowledged her research program addressing challenging behaviour associated with dementia.

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2011

Your directors present this report on Christophorus House Retirement Village Ltd for the financial year ended 30 June 2011.

Directors

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

Mr Robert Charles Allerdice
Mr Graham Robert Long
Mrs Mary Arndell
Rev. Sune Nielsen
Mr John Murray Kingsland

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

Company Secretary

The following person held the position of the Company secretary at the end of the financial year:

Mr Milan Telford – Bachelor of Financial Accounting (UNE), Diploma in Law (LPAB – NSW), Postgraduate Diploma in Applied Corporate Governance (CSA), Fellow of Society of Certified Practising Accountants, Fellow of Institute of Chartered Secretaries and Administrators in Australia, Justice of Peace. Mr Telford is a member of the Anthroposophical Society in Australia. Mr Telford has worked for Christophorus House Retirement Village for the past 6 years, performing management roles. Mr Telford was appointed company secretary on 19 February 2005.

Principal Activities and Long Term Objectives

The principle activities of the Company in the course of the financial year were to provide a range of accommodation and residential services for the aged population, including independent living units and a hostel with low to

high care ageing-in-place support, encompassing social, spiritual and artistic impulses in accordance with the indications given by Dr Rudolf Steiner.

No significant changes in the nature of the Company activities occurred during the financial year.

Operating Results

The operating surplus for the Company amounted to \$142,457 (2010: \$47,985).

Dividends Paid or Recommended

The Company is prohibited by its Constitution from paying dividends.

Review of Operations

A review of operations of the Company during the financial year shows that receipts were higher than in the previous year, by \$186,497, increasing from \$1,408,217 in 2010 to \$1,594,714 in 2011. Revenue from operations increased due to nearly full occupancy levels, whilst interest earnings improved by 33% up by \$90,772. Expenditure increased during the year by \$89,792 reflecting Enterprise Agreement wage level increases and general price rises.

Significant Changes in the State of Affairs

No significant changes in the state of affairs of the Company occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Future Developments and Short Term Objectives

The Company expects to maintain the present status and level of operations in the coming year. The Company has an Option to purchase land and buildings to the value of \$2,600,000, such Option to be exercised by 8 February 2012. The Board of the Company is currently undertaking due diligence relating to the exercise of the Option. The purchase, if it goes ahead will impact the operating result of the Company to the approximate amount of \$155,000 per annum in lost interest earnings, until such time as the land is developed. The Company believes it can sustain these losses for the period of 3 to 4 years whilst the new development is under construction, with retained surpluses as at June 2011 of \$1,640,127.

Environmental Issues

The Company operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of the state of NSW.

Options

Christophorus House Retirement Village Ltd is a company limited by guarantee and does not have any issued shares. Hence no options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Information on Directors

Mr Robert C Allerdice - Director Qualifications

Bachelor of Arts, Master of Laws,
Associate Member of Law Society
of NSW

Experience

Director appointed 2005. Board
member of Inala Ltd for several years.

Special Responsibilities

Chairman of Board, Treasurer;
Investment Committee Member

Mr Graham R Long - Director Qualifications

Bachelor of Science, Bachelor in
Engineering

Experience

Director appointed in 2004. Re-
appointed in 2007.

Special Responsibilities

Self Care Liaison; Chairman -
Investment Committee; Member of
Planning Committee

Mrs Mary Arndell - Director Qualifications

Bachelor of Arts (History),
Registered Nurse

Experience

Director appointed 2005.

Special Responsibilities

Hostel Liaison

Rev. Sune Nielsen - Director Qualifications

Priest Seminary (Germany); Master
Baker (Germany)

Experience

Director appointed 2008

Special Responsibilities

Anthroposophical Liaison

Mr John M Kingsland - Director Qualifications

Diploma in Management; Honours
Diploma in Food Technology

Experience

Director appointed 2009

Special Responsibilities

Member of Planning Committee

Meetings of Directors

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

DIRECTORS MEETINGS		
	Number Eligible to Attend	Number Attended
Mr Robert C Allerdice	11	10
Mr Graham R Long	11	10
Mrs Mary Arndell	11	11
Rev. Sune Nielsen	11	7
Mr John M Kingsland	11	7

Members Guarantee

The Company is incorporated under
the Corporations Act 2001 and is a
Company limited by Guarantee and if
wound up, the Constitution states that
each member is required to contribute
a maximum of \$50.00 each to towards
meeting any outstanding obligations
of the entity. At 30 June 2011, the total
amount that members of the Company
are liable to contribute if the Company
is wound up is \$2,200.

Indemnifying Directors Officers or Auditor

No indemnities have been given or
insurance premiums paid, during or
since the end of the financial year, for
the auditor of Christophorus House
Retirement Village. Directors and
Officer insurance premiums are paid
to indemnify officers of the Company
against unlawful legislative acts.

Proceedings on Behalf of the Company

No person has applied for leave of
Court to bring proceedings on behalf
of the Company, or intervene in any
proceedings to which the Company
is a party, for the purpose of taking
responsibility on behalf of the
Company for all or any part of those
proceedings.

Directors Benefits

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

Director Mrs Mary Arndell has a
relative resident at Christophorus
House Retirement Village, Hostel

Director Mr Robert Allerdice has a
relative resident at Christophorus
House Retirement Village, Hostel.

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, a 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
370C of the Corporations Act 2001, for
the year ended 30 June 2011, is obtained
and can be found on page 23 of the
Director's Report.

Signed in accordance with a resolution
of the Board of Directors

Director
ROBERT CHARLES ALLERDICE
(Director)



STIRLING INTERNATIONAL

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S 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 statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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. Those 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 judgment, 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 of the financial report that gives a true and fair view 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Christophorus House Retirement Village Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

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: office@stirlinginternational.com.au

Telephone (02) 8236 7500 Facsimile (02) 8236 7599
Liability limited by a scheme approved under Professional Standards Legislation

Opinion

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

- (i) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*

Name of Firm: Stirling International

Name of Partner:

A handwritten signature in black ink, appearing to read 'R Williams', with a long horizontal flourish extending to the right.

Roger Charles Williams

Date: 29th August 2011

AUDITOR'S INDEPENDENCE DECLARATION

UNDER S. 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CHRISTOPHORUS HOUSE RETIREMENT VILLAGE LTD



STIRLING INTERNATIONAL

CHARTERED ACCOUNTANTS

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 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 30 June 2011 there have been:

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

Name of Firm: Stirling International

Name of Partner:

Roger Charles Williams

Date: 8th August 2011

Address: Level 11, 111 Elizabeth Street, Sydney NSW

11th Floor, St James Centre, 111 Elizabeth Street, Sydney NSW 2000
GPO Box 7019, Sydney NSW 2001 A.B.N. 65 085 182 822
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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED
30 JUNE 2011

	Note	2011 \$	2010 \$
Revenue	2	1,238,483	1,083,186
Other Income	2	356,231	327,274
Employee benefits expense		(887,293)	(843,556)
Repairs, maintenance and vehicle expense		(102,367)	(83,965)
Providoring expense		(84,968)	(80,569)
Depreciation expense		(46,533)	(52,536)
Cleaning		(44,402)	(40,682)
Fuel, light and power expense		(44,096)	(40,271)
Professional expense		(34,197)	(31,884)
Therapies		(19,724)	(23,165)
General Insurances		(18,215)	(17,834)
Staff Training		(17,673)	(9,491)
Laundry		(14,791)	(14,058)
Printing and stationery		(14,246)	(11,275)
Advertising, marketing and communications		(13,713)	(11,540)
Water & Sewerage		(10,554)	(11,576)
Rental property expenses		(10,555)	(7,620)
Telephone		(10,232)	(8,703)
Legal		(8,721)	(264)
Audit fees		(8,440)	(8,641)
Interest paid		(8,140)	(10,225)
Pharmaceuticals		(6,702)	(8,634)
Rubbish removal		(5,943)	(6,632)
Loss on sale of fixed assets		(4,717)	(-)
Equipment replacement		(4,220)	(7,841)
Bad Debts		(-)	(596)
Other expenses		(31,815)	(30,917)
Profit before Income Tax		142,457	47,985
Income Tax		-	-
Profit for the year		142,457	47,985
Other comprehensive income:			
Net gain on revaluation of non-current assets		1,160,370	-
Other comprehensive income for the year		1,160,370	-
Total Comprehensive Income for the year		1,302,827	47,985
Profit attributable to members of the Company		142,457	47,985
Total Comprehensive Income attributable to members		1,302,827	47,985

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

AS AT
30 JUNE 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	4,917,677	3,949,992
Trade and other receivables	5	158,061	130,696
Total Current Assets		5,075,738	4,080,688
NON CURRENT ASSETS			
Property, plant and equipment	6	11,104,042	9,766,210
Total Non-Current Assets		11,104,042	9,766,210
TOTAL ASSETS		16,179,780	13,846,898
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	476,627	671,437
Short-term provisions	8	31,196	33,258
Total Current Liabilities		507,823	704,695
NON CURRENT LIABILITIES			
Trade and other payables	7	8,520,401	7,287,068
Long-term provisions	8	37,157	35,161
Total Non-Current Liabilities		8,557,558	7,322,229
TOTAL LIABILITIES		9,065,381	8,026,924
NET ASSETS		7,114,399	5,819,974
EQUITY			
Reserves	9	5,474,262	4,305,794
Retained earnings	10	1,640,137	1,514,180
TOTAL EQUITY		7,114,399	5,819,974

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED
30 JUNE 2011

	Retained Earnings	Asset Revalue Reserve	Concessional ILU Fund	Fire Protection Fund	Social Club Fund	Anthroposophical Bequest Fund	Total
Balance at 1 July 2009	1,473,695	4,186,595	87,854	27,164	6,492	9,872	5,791,672
Profit attributable to entity	47,985	-	-	-	-	-	47,985
Transfers to and from reserves funds:-							
- Fire Protection				(15,794)		-	(15,794)
- Social Club					(3,799)	-	(3,799)
- Anthrop. Fund						(90)	(90)
Transfers from retained profits	(7,500)	-	4,500	-	3,000	-	-
Balance at 30 June 2010	1,514,180	4,186,595	92,354	11,370	5,693	9,782	5,819,974
Profit attributable to members	142,457	-	-	-	-	-	142,457
Transfers to and from reserves funds:-							
- Concess. ILU							-
- Fire Protection				(2,957)			(2,957)
- Social Club					(5,343)		(5,343)
- Anthroposophical Fund						(102)	(102)
Transfers from Retained Profits	(16,500)		13,000		3,500		-
Other comprehensive income		1,160,370	-		-	-	1,160,370
Balance at 30 June 2011	1,640,137	5,346,965	105,354	8,413	3,850	9,690	7,114,399

The accompanying notes form part
of these financial statements

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED
30 JUNE 2011

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Governmental subsidies received		532,827	479,880
Receipts from residents		523,677	422,803
Interest received		254,695	107,996
Dividend Income		-	1,368
Other income		80,408	141,578
Payments to suppliers and employees		(1,405,820)	(1,298,596)
Net Cash used in operating activities	11(b)	(14,213)	(144,971)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase for property, plant and equipment		(229,714)	(773,793)
urchase of available-for-sale investments		-	(41,754)
Proceed from sale of available-for-sale investments			43,997
Proceeds from sale of plant and equipment		1,002	0
Net cash used in investing activities		(228,712)	(771,550)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from entry contributions		3,243,343	2,000,740
Repayment of entry contributions		(2,032,733)	(1,234,673)
Net cash provided by financing activities		1,210,610	766,067
Net increase/(decrease) in cash held		967,685	(150,454)
Cash at the beginning of the financial year		3,949,992	4,100,446
Cash at the end of the financial year	11(a)	4,917,677	3,949,992

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 greater positive cash flow from operations.

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

The financial report is for Christophorus House Retirement Village Ltd, as an individual entity, incorporated and domiciled in Australia. Christophorus House Retirement Village Ltd., is a company limited by guarantee, incorporated in New South Wales under the Corporations Act 2001.

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting interpretations) and the Corporations Act 2001

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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

Accounting Policies

(a) Revenue

Revenue from sale of services and goods is recognised upon delivery of services and goods to customers

Grant revenue is recognised in the Statement of Comprehensive Income when the Company obtains control of the grant and it is probable that the economic benefits gained from the

grant will flow to the Company and the amount of the grant can be measured reliably.

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

Donations and bequests are recognised as revenue when received. Interest revenue is recognised using the effective rate method.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST) if applicable.

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost.

(c) Property, Plant and Equipment

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

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, valuations by external independent valuers. No depreciation has been provided on buildings on the grounds of immateriality and maintenance of buildings up to, as new standard.

Increases in the carrying amount arising on the variation of land

and buildings are recognised in other comprehensive income and accumulated in a revaluation reserve in member's equity. The decreases that offset previous increases of the same asset are recognised in other comprehensive income under the revaluation surplus heading. All other decreases are charged to the Income Statement.

Plant and Equipment

Plant and Equipment are measured on the cost basis less depreciation and impairment losses.

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.

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 building 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 and Equipment	7.5% - 30.0%
Furniture and Fittings	7.5% - 30.0%
Office Equipment	7.5% - 30.0%
Motor Vehicles	20.0%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

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.

(d) Resident 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 line with the Company's investment policy which includes conservative cash management accounts, term deposits and investment in equities.

Interest is now payable under the Aged Care Act 1997 and associated regulations, to pay interest on loans repayable to ex residents of the Hostel, between the time that the room becomes vacant and appropriate documentation for release of funds is received.

(e) Financial Instruments

Recognition and measurement

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 effective interest rate method.

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

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, or when they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(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.

(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 after five years 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 twelve months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(h) 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 expense. Receivables and payables in the Statement of Financial Position are shown inclusive of inclusive of GST.

(i) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*

(j) 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 administration offices or deposited to the Company bank account. As specified in the Act, unsolicited donations, member's 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

	2011 \$	2010 \$
Note 2: Revenue and Other Income		
Revenue		
<i>Revenue from government grants</i>		
- federal government grants	532,827	479,880
	<u>532,827</u>	<u>479,880</u>
<i>Other revenue</i>		
- fees	517,409	419,725
- retentions	187,594	181,941
- other income	653	1,640
	<u>705,656</u>	<u>603,306</u>
Total Revenue	<u>1,238,483</u>	<u>1,083,186</u>
<i>Other Income</i>		
- interest earnings	275,008	184,230
- property	79,838	48,984
- donations & bequests	570	89,091
- profit on sale of equity investments	-	2,243
- dividend income	-	1,847
- other miscellaneous income	815	879
Total Other Income	<u>356,231</u>	<u>327,274</u>
Total Revenue and other income	<u>1,594,714</u>	<u>1,410,460</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

	2011 \$	2010 \$
Note 3: Profit for the Year		
(a) Expenses		
Depreciation of property, plant and equipment		
- plant and equipment	24,649	36,828
- furniture and fittings	21,655	15,546
- motor vehicle	229	163
Total Depreciation	46,533	52,537
Auditor Remuneration		
- audit services	8,440	8,641
Interest Paid	8,140	10,225
Provision for annual leave	4,020	8,704
Provision for long service leave	1,643	10,225
(b) Significant Expenses		
Salaries and wages and related expenses	887,293	843,556
Note 4: Cash and Cash Equivalents		
Cash on hand	3,300	3,800
Cash at bank – cheque accounts	41,113	32,842
Cash at bank – cash management accounts	905,539	239,782
Short-term bank deposits	3,967,725	3,673,568
	4,917,677	3,949,992
Note 5: Trade and Other Receivables		
Trade Receivables	4,257	9,872
Prepayments and Other Debtors	153,804	120,824
	158,061	130,696

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

	2011 \$	2010 \$
Note 6: Property, plant and equipment		
Land and Buildings		
Freehold land at fair value:-		
- Independent valuation 2005	-	4,205,000
- Independent valuation 2011	5,423,435	-
Total Land	5,423,435	4,205,000
Buildings and Improvements at fair value:-		
- At cost	-	852,378
- Work in Progress	138,630	-
- Independent valuation 2005	-	4,225,000
- Independent valuation 2011	5,076,566	-
Total Building and Improvements	5,214,926	5,077,378
Total Land and Buildings	10,638,361	9,282,378
Plant and Equipment		
Furniture and fittings – at cost	191,274	163,875
Less: accumulated depreciation	77,477	55,822
	113,797	108,053
Plant and equipment – at cost	762,010	765,705
Less: accumulated depreciation	410,126	390,155
	351,884	375,550
Motor Vehicle – at cost	39,213	39,213
Less: accumulated depreciation	39,213	38,984
	-	229
Total Plant and Equipment	465,681	465,832
Total Property, Plant and Equipment	11,104,042	9,766,210

Land and buildings were re-valued on 31 May 2011 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
30 JUNE 2011

Note 6 cont.

Movement 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 year

	Freehold Land	Buildings	Plant & Equipment & Vehicles	Furniture & Fittings	Total
2010					
Balance at the beginning of the year	4,205,000	4,378,314	347,683	113,957	9,044,954
Additions at cost	-	699,064	65,087	9,642	773,793
Depreciation expense	-	-	(36,991)	(15,546)	(52,537)
Carrying amount at the end of the year	4,205,000	5,077,378	375,779	108,053	9,766,210
2011					
Balance at the beginning of the year	4,205,000	5,077,378	375,779	108,053	9,766,210
Additions at cost	-	195,613	6,700	27,399	229,712
Disposals	-	-	(5,717)	-	(5,717)
Revaluation	1,218,435	(58,065)	-	-	1,160,370
Depreciation expense	-	-	(24,878)	(21,655)	(46,533)
Carrying amount at the end of the year	5,423,435	5,214,926	351,884	113,797	11,104,042

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

Note 6 cont.

Asset Revaluations

The freehold land and buildings were independently valued at 31 May 2011. The valuation was based on fair value less cost to sell. The valuation resulted in a revaluation increment of \$1,160,370 being recognised in the Revaluation Reserve for the year ended 30 June 2011.

At 30 June 2011, the directors reviewed the key assumptions made by the valuer at 31 May 2011. They have concluded that these assumptions remain materially unchanged, and are satisfied that the carrying value does not exceed the recoverable amount of land and buildings at 30 June 2011

	2011 \$	2010 \$
Note 7: Trade and other payables		
<i>Current</i>		
Sundry creditors and accruals	69,804	54,297
Loans and deposits	4,080	4,080
Entry Contributions - ILU Units	97,135	366,362
Entry Contributions - Hostel	305,608	246,698
	476,627	671,437
<i>Non Current</i>		
Entry contributions – ILU Units	4,843,393	4,135,421
Entry contributions – Hostel	3,677,008	3,151,647
	8,520,401	7,287,068
Note 8: Provisions		
<i>Current</i>		
Annual leave provision	31,196	33,258
	31,196	33,258
<i>Non Current</i>		
Long service leave provision	37,157	35,161
	37,157	35,161

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

	2011 \$	2010 \$
Note 9: Funds and Reserves		
<i>Funds Total</i>		
Opening Balance	4,305,794	4,317,977
Increase in valuation of property	1,160,370	-
Transfers in	18,534	8,485
Transfers out	(10,426)	(20,668)
Closing Balance	5,474,262	4,305,794
<i>Represented by:</i>		
<i>Concessional I.L.U. Fund</i>		
Opening Balance	92,354	87,854
Transfers in	13,000	4,500
Transfers out	-	-
Closing Balance	105,354	92,354
<i>Special Reserve Fund – Fire Protection</i>		
Opening Balance	11,370	27,164
Transfers in	-	-
Transfers out	(2,957)	(15,794)
Closing Balance	8,413	11,370
<i>Resident Social Club Fund</i>		
Opening Balance	5,693	6,492
Transfers in	4,084	3,635
Transfers out	(5,927)	(4,434)
Closing Balance	3,850	5,693
<i>Anthroposophical Bequests Fund</i>		
Opening Balance	9,782	9,872
Transfers in	1,450	350
Transfers out	(1,552)	(440)
Closing Balance	9,680	9,782
<i>Asset Revaluation Reserve</i>		
Opening Balance	4,186,595	4,186,595
Increase in valuation of property	1,160,370	-
Closing Balance	5,346,965	4,186,595

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

	2011 \$	2010 \$
Note 10: Retained Surplus		
<i>Retained Surplus as at the beginning of the financial year</i>	1,514,180	1,473,695
Net profit for the year	142,457	47,985
Less: Transfers to Reserves	(16,500)	(7,500)
Retained Surplus carried over to next financial year	1,640,137	1,514,180
Note 11: Cash Flow Information		
(a) Reconciliation of Cash		
Cash on Hand	3,800	3,800
Cash at Bank	946,651	272,624
Short-term bank deposits	3,967,725	3,673,568
	4,917,677	3,949,992
(b) Reconciliation of Cash Flow from operations with profit from ordinary activities		
Profit from ordinary activities	142,457	47,985
Non – cash flows in profit from ordinary activities		
- amortisation of entry contributions	(187,594)	(181,941)
- charges to provisions	36,665	18,929
- depreciation	46,533	52,537
- profit on sale of investments	-	(2,243)
- profit of sale of plant and equipment	4,717	-
Cash flow in operating activities but not in profit from ordinary activities: -		
- payments out of provision and reserves	(45,133)	(28,729)
Changes in Assets and Liabilities		
- (Increase) in trade receivables	(27,365)	(52,494)
- Increase in trade payables	15,507	985
Net Cash used in Operating Activities	(14,213)	(144,971)
(c) Financing Arrangements		
Standby arrangement to provide funds and support		
Credit facilities	-	-
Amount utilised	-	-
Unused Credit Facility	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

Note 12: Segment Reporting

\$000's

INCOME STATEMENT	Hostel		Self Care		Village/Admin		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue - Operating								
Govt. Subsidies	532.8	479.9					532.8	479.9
Resident Fees	440.2	346.7	77.2	73.1		-	517.4	419.8
Retentions					187.6	181.9	187.6	181.9
Interest					275.0	184.2	275.0	184.2
Donations					0.6	89.1	0.6	89.1
Property Rentals					79.8	49.0	79.8	49.0
Other Misc Income	0.7	1.6			0.8	5.0	1.5	6.6
Total Revenue - Operating	973.7	828.2	77.2	73.1	543.8	509.2	1,594.7	1,410.5
Expenses - Operating								
Wages & Super - Care	552.3	500.7	18.2	43.6			570.6	544.3
Wages & Super - Admin	44.0	44.0	26.2	26.2	124.3	122.8	194.5	193.0
Wages & Super - Other	79.7	72.5	18.7	17.7	17.6	14.0	116.0	104.2
Wage On-costs (excl. Super.)	94.9	68.0	5.7	7.4	14.2	9.1	114.8	84.5
Providoring	85.0	80.6					85.0	80.6
Depreciation	32.0	37.2	1.6	3.0	13.0	12.4	46.5	52.6
Interest	8.1	10.2					8.1	10.2
Loss on sale fixed assets	4.7						4.7	
Repairs & Maintenance	31.0	22.7	20.6	11.7	1.4	2.0	53.0	36.4
Insurance	8.1	7.5	3.0	3.2	7.1	7.1	18.2	17.8
Motor Vehicle	2.3	2.2	2.3	2.2	0.0		4.6	4.4
Utilities	56.9	55.4	4.9	4.8	9.1	7.0	70.8	67.2
Central cost redistribution	133.3	112.7	133.3	112.7	(266.6)	(225.4)	0.0	
Other	61.6	92.7	4.3	5.0	99.5	69.6	165.4	167.3
Total Expenses - Operating	1,193.9	1,106.4	238.9	237.5	19.5	18.6	1,452.3	1,362.5
Net Profit from Operations	(220.2)	(278.2)	(161.7)	(164.4)	524.3	490.6	142.4	48.0
Other Comprehensive Revenue								
Capital Grants								
Revaluation Increase	316.9		795.8		47.7		1,160.4	
Other non-operating revenue								
Total Comprehensive Income	316.9		795.8		47.7		1,160.4	
Net profit plus Other Comprehensive Income	96.7	(278.2)	634.1	(164.4)	572.0	490.6	1,302.8	48.0

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

Note 12:
\$000's

Segment Reporting

BALANCE SHEET

	Hostel		Village/Self Care		Total	
	2011	2010	2011	2010	2011	2010
ASSETS						
Current Assets						
Cash			945.7	272.4	945.7	272.4
Investments	1,478.9	1,706.4	2,493.0	1,971.2	3,972.0	3,677.6
Trade Receivables	4.7	9.9			4.7	9.9
Other Debtors & Prepays	36.3	53.4	132.3	65.7	132.3	119.1
Inventory						
Total Current Assets	1,519.9	1,769.7	3,571.0	2,309.3	5,054.7	4,079.0
Non-Current Assets						
Property, plant & equipment	2,786.9	2,539.9	8,317.1	7,226.3	11,104.0	9,766.2
Total Non-Current Assets	2,786.9	2,539.9	8,317.1	7,226.3	11,104.0	9,766.2
Total Assets	4,306.8	4,309.6	11,888.2	9,535.6	16,158.7	13,845.2
LIABILITIES						
Current Liabilities						
Trade payables	33.5	8.2	112.2	44.4	145.7	52.6
Employee provisions	25.2		6.0	33.3	31.2	33.3
Accommodation bonds	305.6	246.7	97.1	366.4	402.7	613.1
Other current liabilities						
Total Current Liabilities	364.3	254.9	215.3	444.1	579.6	699.0
Non-Current Liabilities						
Long term borrowings			4.2	4.1	4.2	4.1
Employee provisions	29.4	15.7	7.7	19.4	37.2	35.1
Accommodation bonds	3,677.0	2,764.3	4,746.3	4,522.7	8,423.3	7,287.0
Other non-current liabilities						
Total Non-Current Liabilities	3,706.4	2,780.0	4,758.2	4,546.2	8,464.7	7,326.2
Total Liabilities	4,070.7	3,034.9	4,973.6	4,990.3	9,044.3	8,025.2
Net Assets	236.1	1,274.7	6,914.6	4,545.3	7,114.4	5,820.0

The Company only operates in NSW Australia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2011

Note 13: Key Management Personnel Compensation

	Short-term Benefits	Post - Employment Benefits	Total Benefits
2011			
Total compensation	207,002	-	207,002
2010			
Total compensation	191,036	-	191,036

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
30 JUNE 2011

Note 15: Fund Raising and Donations Income

Expenses

	2011 \$	2010 \$
(i) Details of Aggregate Gross Income		
Gross Proceeds from Fundraising and Donations	570	89,091
Less: Cost of Fundraising and Donations	-	-
Net Surplus of Fundraising and Donations	570	89,091

(ii) Application of Funds for Charitable Purposes

During the year the Company achieved a net surplus of \$nil from fundraising 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 2011.

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 \$50.00 each towards the meeting of any outstanding obligation of the Company. At 30 June 2011 the number of members was 43, (2010: 57).

DIRECTOR'S DECLARATION

JUNE 2011

The directors of the Christophorus House Retirement Village declare that:

1. The financial statements and notes, as set out on pages to, are in accordance with the Corporations Act 2001:
 - a) Comply with Australian Accounting Standards; and
 - b) Give a true and fair view of the financial position as at 30 June 2011 and of the 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 directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director 

ROBERT CHARLES ALLERDICE (Director)

Dated this Fifteenth day of August 2010.

CHARTER OF RESIDENTS' RIGHTS AND RESPONSIBILITIES

JUNE 2011

Preamble

Every person has the right to freedom and respect and the right to be treated fairly by others. A person's rights do not diminish when he or she moves into a nursing home or hostel, regardless of his or her physical or mental frailty or ability to exercise or fully appreciate his or her rights.

A positive, supportive and caring attitude by family, friends, nursing home or hostel proprietors and staff, carers and the community will help people who live in nursing homes or hostels to continue as integral, respected and valued members of society.

Australian society has a strong commitment to social justice principles. Those principles recognise the aspirations of all Australians to a dignified and secure way of life with equal access to health care, housing and education, and equal rights in civil, legal and consumer matters. They form the basis of a society, which is free of prejudice and is caring, just and humane.

This Charter affirms those social justice principles.

The personal, civil, legal and consumer rights of each resident are not diminished in any way when he or she moves into a nursing home or hostel.

The Charter also recognises that residents of nursing homes or hostels have the responsibility to ensure that the exercising of their individual rights does not affect others' individual rights, including those providing care. The Charter recognises that residents have specific rights and responsibilities which balance the needs of the individual against the needs of the nursing home

and hostel community as a whole.

Each resident of a residential care service has the RIGHT:

- to full and effective use of his or her personal, civil, legal and consumer rights;
- to quality care appropriate to his or her needs;
- to full information about his or her own state of health and about available treatments;
- to be treated with dignity and respect, and to live without exploitation, abuse or neglect;
- to live without discrimination or victimisation, and without being obligated to feel grateful to those providing his or her care and accommodation;
- to personal privacy;
- to live in a safe, secure and homelike environment, and to move freely both within and outside the residential care service without undue restriction;
- to be treated and accepted as an individual, and to have his or her individual preferences taken into account and treated with respect;
- to continue his or her cultural and religious practices, and to keep the language of his or her choice, without discrimination;
- to select and maintain social and personal relationship with anyone else without fear, criticism or restriction;
- to freedom of speech;
- to maintain his or her personal independence;
- to accept personal responsibility for his or her own actions and choices, even though these may involve an element of risk, because the resident has the right to accept the risk and

not to have the risk used as a ground for preventing or restricting his or her actions and choices;

- to maintain control over, and to continue making decisions about, the personal aspects of his or her daily life, financial affairs and possessions;
- to be involved in the activities, associations and friendships of his or her choice, both within and outside the residential care service;
- to have access to services and activities available generally in the community;
- to be consulted on, and to choose to have input into, decisions about the living arrangements of the residential care service;
- to have access to information about his or her rights, care, accommodation and any other information that relates to the residents personally;
- to complain and to take action to resolve disputes;
- to have access to advocates and other avenues of redress; and
- to be free from reprisal, or a well-founded fear of reprisal, in any form for taking action to enforce his or her rights.

Each resident of a residential care service has the RESPONSIBILITY:

- to respect the rights and needs of other people within the residential care service, and to respect the needs of the residential care service community as a whole;
- to respect the rights of staff and the proprietor to work in an environment free from harassment;
- to care for his or her own health and well-being, as far as he or she is capable; and
- to inform his or her medical practitioner, as far as he or she is able, about his or her relevant medical history and current state of health.

BARBARA HARDING

A TIME OF REFLECTION



Barbara Harding

Where were you born?

I was born in Lakemba on the 17th of June, 1930. I am the oldest of three girls. The next sister is two years younger and the youngest is four years younger than me. We are fairly close. I was actually my mother's second child as the first child, a son, didn't survive more than a few days. It was a great sadness for her. She died relatively young at fifty three.

We lived in Willeroo Street, Lakemba. There were a few paddocks around. Roselands was a golf course. We used to go for walks in the paddocks which weren't that far from home.

My dad was paper ruler in a small factory. He used to rule up papers for book keeping, etc. It was a trade. He must have been a good one as he was never out of work during the depression. We were better off than

lots of people. My father was also a musician and he played the clarinet. He used to play in the picture show orchestras in the late nineteen twenties. After I was born, the talkies came in and that was the end of that. He continued to play the clarinet and he used to play on Sunday afternoons. I used to enjoy that. He knew a lot about music. He had an interest in classical music.

I went to Lakemba public school. It probably took about half an hour to walk to the school. We used to walk everywhere as we didn't have a car. Once we went into second class, the schooling was segregated. I went to a girl's school in high school – St George Girls High school in Kogarah. That was and is a selective school.

My father used to take me into town on Saturday mornings to a place in the city where he played billiards. I used to sit and watch him. I wasn't to tell my mother as she would have been horrified about these dens of iniquity that I was taken to on Saturdays. It was dark with a light over the billiard tables. I quite enjoyed being with him. I never played billiards as I was quite small.

I was nine when the war began. When I went to high school, I was aware that quite a few of the girls had brothers or fathers in the armed forces. I had an older cousin who was in the air force. He would be able to get special treats for us like chewing gum. He didn't actually serve overseas. My father wasn't in the army forces as he was probably a bit old.

I went to my intermediate certificate. Then I spent a year at the Metropolitan Business College, learning typing, shorthand and bookkeeping. I really enjoyed that year.

After I had finished, I got a job in a solicitor's office in Martin Place as a bookkeeper. I wasn't very comfortable in that position. It was a big responsibility. I had my own office. I stayed there for two years and then I then went into an accountant's office and learnt how to use the comptometer. Subsequently, I then went with two or three accountants as they audited various firms, such as W. D and H. O. Wills. It wasn't very interesting as all you had to do was to check everything. I stayed there for a couple of years as well. I then went to a big pharmaceutical company in Surrey Hills where I was working on the comptometer in the accounting department.

What did you do with your spare time?

I used to play tennis. My sister Wendy and I used to have lessons and we would play on Saturday afternoons. We were in a competition but we didn't make much headway. We used to have dancing lessons also on Saturday afternoons. My sister Wendy was the beauty of the family: she really stood out. She had dark curls and she was really quite lovely. We would go to the dancing classes and all the boys used to want to dance with Wendy but not me. I used to read a lot. We would listen to the radio. We had a record player and I joined a record club that was in the city. It was like a lending library for records. I used to get mostly classical records



out as that is what I liked.

Can you remember anything of the Depression?

I was quite young but I realised a little later, that while my father was always in work, it was quite a struggle financially. They were buying a house and had three young children. My mother was a good mother. She was a very good cook. We ate well – always fruit and vegetables. I can remember her outstanding cakes and puddings.

When did you meet Richard?

I was nineteen when I met him. He worked with my cousin's husband. They met through a course they did for ex-servicemen. He often went to my aunt's place – she thought: he is a nice young man – he would be just right for Barbara. She was responsible for my cousin organising a blind date. We met in late 1949 and we married in 1953. He was my first boyfriend. I was working with another group of solicitors when I married Richard. I was more mature then and could handle the responsibility in the office. I continued to work until we moved into our house in 1956. The next year our son was born. Steven still lives down that way. David was born in 1959. When David was six, we took Susan who was a State Ward in, in 1965. She was only sixteen months old and David was a little upset about that. It wasn't easy.

David has had the biggest impact on the course of my life. He went to the handicapped centre in Sutherland when he was four. He seemed quite

happy. He went into a special class for moderately handicapped children at Kirrawee. He was there until he was ten, then he went to Warrah.

I saw a programme on television on Inala. There was an interview with a woman who had a child with Down's syndrome. She mentioned that he was musical and how Inala had fostered his talents. David was nine at the time. I thought that was interesting as I didn't think that it was possible to see musical talent in a child with Down's syndrome. I rang Inala but they had a long waiting list. Inala said that Warrah was just starting up. We went out to see Warrah with David when he was ten but there wasn't a place available there either. He was able to go to Warrah when he was fourteen. I had never heard of Rudolf Steiner until the programme. This made a big impact on my life. I felt Steiner's philosophy made sense about the destiny of having a handicapped child. It helped me to accept it much better.

In 1974, I enrolled in a Welfare Course at Sydney Tech. This was a three year course. I became interested in that because of my connection to David and being interested in the welfare of handicapped people. That eventually led me to a position as a Welfare Officer in the Social Work Department of Sutherland Hospital. I was there for seventeen years. It was very interesting work but it wasn't easy. I did enjoy working with that group of people. When I did retire, I missed my colleagues. Dick retired at the same time.

What do you think is the most important thing that you have learnt in your life?

In 1984, I did a mediation course over three months in the city. There were a couple of meetings per week as well as some day intensives. I learnt from that course that I am responsible for what happens to me. I can't blame anybody else. Rudolf Steiner's teaching is along those lines as well. My son, Steven, said the only thing that he could see as a result from the course was that I stopped doing his ironing! I stopped smoking during that course. I am proud that I achieved that. I also learnt what I wanted out of life: what I want is what I have.

Is that a message you might pass onto a younger person?

Six years ago, I was diagnosed with cancer. Until then I was the sort of person who always helped others. What I learnt was to accept support and help from others. The illness brought Richard and I closer together as I could see how much I meant to him. I have overcome the cancer and have been free from the illness for five years.

I feel very close to both my sisters.

David has contributed to my life. I used to think, 'why me?' he was a much wanted and loved child. He has made a big difference to the way our lives have turned out. For me, he has been the source of a lot of happiness and satisfaction. I met the works of Steiner through David. Also I might never have become interested in helping others through the welfare, had it not been for David.



TRIBUTES

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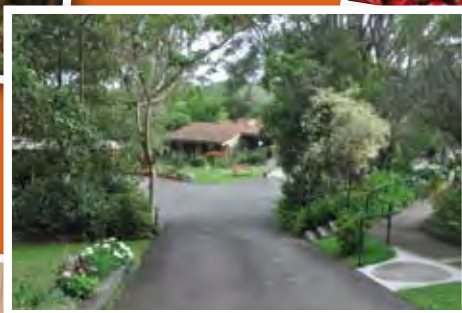
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CHRISTOPHORUS HOUSE

retirement village