

# **Sunshine Hospice Ltd**

**ABN 59 111 950 924**

**Annual Report - 30 June 2022**

**Sunshine Hospice Ltd**  
**Directors' report**  
**30 June 2022**

The directors present their report, together with the financial statements, on Sunshine Hospice Ltd ('the company') for the year ended 30 June 2022.

**Directors**

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Frank William Lewins  
Basil Stewart Charles Wood  
Susan May Mason-Baker  
Beverley Marie Barton  
Phillip Alexander George Dance  
Jessica Elizabeth Popple (appointed on 26 August 2021)

**Objectives**

Sunshine Hospice is committed to providing high quality palliative care services and supports to individuals, families and communities of the Sunshine Coast and compassionate support for people in their end-of-life journey along with their carers, partners, families and friends.

**Principal activities**

Sunshine Hospice Ltd trading as Mingary Care delivers free, short term crisis palliative care and end-of-life services and supports for people of the Sunshine Coast. We fill gaps in services and supports to those diagnosed with a life limiting condition or to those who are recently bereaved. Our care model is based on a referral system, and we engage local community care providers to deliver in-home care on our behalf. We provide compassionate support for the individual as well as their carer(s) and loved ones.

Our model of care aims to deliver the following:

1. Community awareness – improved understanding of death and dying.
2. Services – funding for in-home care such as respite, personal care, domestic assistance and bereavement counselling.
3. Supports – funding for items such as equipment, medications, wound dressings, fuel vouchers and parking.
4. Last Wishes – helping individuals achieve certain goals or make "wishes" come true.

The charity continues to rely predominately on revenue from Op Shops to fund our purpose. We opened a fifth Op Shop at Warana in September 2022. This is in addition to the existing shops located at Maroochydore, Bli Bli, Tewantin and Montville. Fundraising activities remain subdued following the COVID pandemic.

More information is available on our website [www.mingarycare.org.au](http://www.mingarycare.org.au) or by following us on Facebook.

**Information on directors**

|                           |   |
|---------------------------|---|
| Name:                     | Frank William Lewins  |
| Title:                    | Non-Executive Chairman  |
| Qualifications:           | PhD, BA (Hons), Dip. Physio   |
| Experience and expertise: | Frank has been chairman of the Board since 2012. With undergraduate degrees and a PhD in the social sciences, he was formerly Professor of Sociology at The Australian National University. Having studied or worked in seven universities in Australia, Canada and China, Frank acquired considerable management experience over and above his teaching and publishing record. |
| Special responsibilities: | None  |

**Sunshine Hospice Ltd  
Directors' report  
30 June 2022**

Name: Basil Stewart Charles Wood  
Title: Non-Executive Director  
Qualifications: M.Sc., B.Sc.  
Experience and expertise: Stewart brings to the Board over 40 years of experience as a Government and Private Company Director and is the Company Secretary for the company. Stewart has used his commercial experience to assist in the expansion and restructuring of the Company's trading activities.  
Special responsibilities: Company Secretary

Name: Beverley Marie Barton  
Title: Non-Executive Director  
Qualifications: Retired Health Professional  
Experience and expertise: Bev obtained qualifications as a registered nurse and held senior positions within the hospital system in New Zealand where she and her husband also built and operated an aged care centre and retirement village. Bev has been involved in the charity since 2006 and has been an active and successful fundraiser for the charity.  
Special responsibilities: Fundraising

Name: Phillip Alexander George Dance  
Title: Non-Executive Director  
Qualifications: BRTP (Hons)  
Experience and expertise: Phil joined the board in 2020. He trained as a town planner at the University of Queensland and practiced in that field for all of his professional life. He worked at both state and local government levels before establishing his own consultancy, based for many years in Townsville. Whilst Phil is now professionally retired, he is very active in supporting Mingary Care.  
Special responsibilities: None

Name: Susan May Mason-Baker  
Title: Managing Director  
Qualifications: BBus (Acc), FCPA, GAICD  
Experience and expertise: Sue has been Treasurer since 2010 and became the Managing Director in March 2017. With a degree in Business (Accounting) and having worked at executive levels in acute hospital, primary health and community service settings, Sue brings a broad range of skills and experience to the table, leading the organisation through significant government and social reforms.  
Special responsibilities: Treasurer

Name: Jessica Elizabeth Popple  
Title: Non-Executive Director (appointed 26 August 2021)  
Qualifications: Masters of Applied Law (Family Law) (College of Law, 2021), Graduate Diploma of Legal Practice (College of Law, 2018) Bachelor of Laws / Bachelor of Arts (majoring in Justice and minoring in Legal Studies) (University of the Sunshine Coast, 2017)  
Experience and expertise: Jessica joined the Board in 2021. She is a Solicitor with Pippa Colman & Associates in Maroochydore and practices in family law, domestic violence and wills and estates matter. Jess is also the President of the Sunshine Coast Law Association and sits on the board of the Suncoast Community Legal Service amongst others.  
Special responsibilities: None

**Company secretary**

Basil Stewart Charles Wood has held the role of Company Secretary since January 2011.

**Sunshine Hospice Ltd**  
**Directors' report**  
**30 June 2022**

**Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each director were:

|                                | Full Board |      |
|--------------------------------|------------|------|
|                                | Attended   | Held |
| Frank William Lewins           | 12         | 12   |
| Basil Stewart Charles Wood     | 11         | 12   |
| Phillip Alexander George Dance | 12         | 12   |
| Susan May Mason-Baker          | 12         | 12   |
| Beverley Marie Barton          | 11         | 12   |
| Jessica Elizabeth Popple       | 9          | 10   |

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

**Contributions on winding up**

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each.

The total amount that members of the company are liable to contribute if the company is wound up is \$280, based on 28 current ordinary members.

**Auditor's independence declaration**

A copy of the auditor's independence declaration is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Susan May Mason-Baker  
Director



Basil Stewart Charles Wood  
Director

Dated at Maroochydore, this *8<sup>th</sup>* day of December 2022.



BDO  
BDO Audit Pty Ltd  
ABN 62 629 691 234

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BDO Audit Pty Ltd  
100 St Georges Road  
Sydney NSW 2000  
Australia

## DECLARATION OF INDEPENDENCE BY BRUCE SWAN TO THE DIRECTORS OF SUNSHINE HOSPICE LTD

As lead auditor of Sunshine Hospice Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Bruce Swan  
Director

BDO Audit Pty Ltd

Maroochydore, 08 December 2022

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**General information**

The financial statements cover Sunshine Hospice Ltd as an individual entity. The financial statements are presented in Australian dollars, which is the functional and presentation currency of Sunshine Hospice Ltd.

Sunshine Hospice Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

**Registered office and principal place of business**

46 Aerodrome Road  
Maroochydore  
Queensland 4558

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 08 December 2022. The directors have the power to amend and reissue the financial statements.

**Sunshine Hospice Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2022**

|  | <b>Note</b> | <b>2022</b>    | <b>2021</b>    |
|--|-------------|----------------|----------------|
|  |             | <b>\$</b>      | <b>\$</b>      |
| <b>Revenue</b>   | 3           | 870,097        | 968,528        |
| Interest revenue calculated using the effective interest method  |             | 29,923         | 9,873          |
| <b>Expenses</b>  |             |                |                |
| Employee expense   | 4           | (242,225)      | (224,425)      |
| Depreciation and Amortisation  | 4           | (109,613)      | (97,833)       |
| Administration expenses  |             | (126,688)      | (113,199)      |
| Packages of Support  | 4           | (123,101)      | -              |
| Other expenses   | 4           | (157,283)      | (123,354)      |
| Donations  | 4           | -              | (29,215)       |
| Loss on disposal of assets   | 9           | -              | (2,919)        |
| <b>Surplus before income tax expense</b>   |             | 141,110        | 387,456        |
| Income tax expense   |             | -              | -              |
| <b>Surplus after income tax expense for the year attributable to the members of Sunshine Hospice Ltd</b> | 15          | 141,110        | 387,456        |
| Other comprehensive income for the year, net of tax  |             | -              | -              |
| <b>Total comprehensive income for the year attributable to the members of Sunshine Hospice Ltd</b>       |             | <u>141,110</u> | <u>387,456</u> |

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Sunshine Hospice Ltd**  
**Statement of financial position**  
**As at 30 June 2022**

|                                      | Note | 2022<br>\$       | 2021<br>\$       |
|--------------------------------------|------|------------------|------------------|
| <b>Assets</b>                        |      |                  |                  |
| <b>Current assets</b>                |      |                  |                  |
| Cash and cash equivalents            | 5    | 544,724          | 540,949          |
| Trade and other receivables          | 6    | 37,167           | 21,956           |
| Investments                          | 7    | 650,000          | 550,000          |
| <b>Total current assets</b>          |      | <u>1,231,891</u> | <u>1,112,905</u> |
| <b>Non-current assets</b>            |      |                  |                  |
| Right of use assets                  | 8    | 1,144,367        | 142,523          |
| Property, plant and equipment        | 9    | 150,513          | 132,605          |
| <b>Total non-current assets</b>      |      | <u>1,294,880</u> | <u>275,128</u>   |
| <b>Total assets</b>                  |      | <u>2,526,771</u> | <u>1,388,033</u> |
| <b>Liabilities</b>                   |      |                  |                  |
| <b>Current liabilities</b>           |      |                  |                  |
| Trade and other payables             | 10   | 31,100           | 27,384           |
| Employee benefits                    | 11   | 21,698           | 13,107           |
| Lease liabilities                    | 12   | 75,684           | 84,746           |
| <b>Total current liabilities</b>     |      | <u>128,482</u>   | <u>125,237</u>   |
| <b>Non-current liabilities</b>       |      |                  |                  |
| Employee benefits                    | 13   | 9,050            | 7,326            |
| Lease liabilities                    | 14   | 1,052,423        | 59,764           |
| Provisions                           |      | 4,500            | 4,500            |
| <b>Total non-current liabilities</b> |      | <u>1,065,973</u> | <u>71,590</u>    |
| <b>Total liabilities</b>             |      | <u>1,194,455</u> | <u>196,827</u>   |
| <b>Net assets</b>                    |      | <u>1,332,316</u> | <u>1,191,206</u> |
| <b>Equity</b>                        |      |                  |                  |
| Retained surpluses                   | 15   | <u>1,332,316</u> | <u>1,191,206</u> |
| <b>Total equity</b>                  |      | <u>1,332,316</u> | <u>1,191,206</u> |

*The above statement of financial position should be read in conjunction with the accompanying notes*



**Sunshine Hospice Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2022**

|   | <b>Retained<br/>surpluses<br/>\$</b> | <b>Total equity<br/>\$</b> |
|---|--------------------------------------|----------------------------|
| Balance at 1 July 2020                              | 803,750                              | 803,750                    |
| Surplus after income tax expense for the year       | 387,456                              | 387,456                    |
| Other comprehensive income for the year, net of tax |                                      |                            |
| Total comprehensive income for the year             | <u>387,456</u>                       | <u>387,456</u>             |
| Balance at 30 June 2021                             | <u>1,191,206</u>                     | <u>1,191,206</u>           |
| Balance at 1 July 2021                              | 1,191,206                            | 1,191,206                  |
| Surplus after income tax expense for the year       | 141,110                              | 141,110                    |
| Other comprehensive income for the year, net of tax | -                                    | -                          |
| Total comprehensive income for the year             | <u>141,110</u>                       | <u>141,110</u>             |
| Balance at 30 June 2022                             | <u>1,332,316</u>                     | <u>1,332,316</u>           |

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Sunshine Hospice Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2022**

|  | <b>Note</b> | <b>2022</b>             | <b>2021</b>             |
|--|-------------|-------------------------|-------------------------|
|  |             | <b>\$</b>               | <b>\$</b>               |
| <b>Cash flows from operating activities</b>                      |             |                         |                         |
| Receipts from customers (inclusive of GST)                       |             | 930,310                 | 1,068,581               |
| Payments to suppliers and employees (inclusive of GST)           |             | <u>(706,016)</u>        | <u>(559,001)</u>        |
|  |             | 224,294                 | 509,580                 |
| Interest received  |             | 29,923                  | 9,873                   |
| Interest paid for AASB16 lease liabilities                       |             | <u>(4,674)</u>          | <u>(8,305)</u>          |
| Net cash from operating activities                               | 22          | <u>249,543</u>          | <u>511,148</u>          |
| <b>Cash flows from investing activities</b>                      |             |                         |                         |
| Payments for property, plant and equipment                       | 9           | (46,502)                | (92,687)                |
| Proceeds from sale of property, plant and equipment              |             | -                       | 1,818                   |
| Net cash used in investing activities                            |             | <u>(46,502)</u>         | <u>(90,869)</u>         |
| <b>Cash flows from financing activities</b>                      |             |                         |                         |
| Lease payments   |             | <u>(99,266)</u>         | <u>(80,068)</u>         |
| Net cash used in financing activities                            |             | <u>(99,266)</u>         | <u>(80,068)</u>         |
| Net increase in cash and cash equivalents                        |             | 103,775                 | 340,211                 |
| Cash and cash equivalents at the beginning of the financial year |             | <u>1,090,949</u>        | <u>750,738</u>          |
| Cash and cash equivalents at the end of the financial year       | 5 & 7       | <u><u>1,194,724</u></u> | <u><u>1,090,949</u></u> |

*The above statement of cash flows should be read in conjunction with the accompanying notes*

### **Note 1. Significant accounting policies**

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

#### **New or amended Accounting Standards and Interpretations adopted**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

#### *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel and related parties.

#### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations and the *Corporations Act 2001*, as appropriate for not-for-profit oriented entities.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention.

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

#### **Revenue recognition**

The company recognises revenue as follows:

#### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

#### *Sales revenue*

Events, fundraising and raffles are recognised when received or receivable.

#### *Donations*

Donations are recognised at the time the donation is received.

**Note 1. Significant accounting policies (continued)**

*Grants*

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

*Interest*

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

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

*Volunteer services*

The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

**Income tax**

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

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Contract assets**

Contract assets are recognised when the company has transferred goods or services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

**Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

**Note 1. Significant accounting policies (continued)**

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

|                       |             |
|-----------------------|-------------|
| Office Equipment      | 5-8 years   |
| Plant and equipment   | 5-40 years  |
| Motor vehicles        | 5-7 years   |
| Fixtures and fittings | 10-20 years |

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Contract liabilities**

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

**Note 1. Significant accounting policies (continued)**

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2022. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

*Estimation of useful lives of assets*

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

**Note 2. Critical accounting judgements, estimates and assumptions (continued)**

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

*Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the entity's operations; comparison of terms and conditions to prevailing market rates; incurrance of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

*Lease make good provision*

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

**Note 3. Revenue**

|  | 2022<br>\$     | 2021<br>\$     |
|--|----------------|----------------|
| <i>Revenue from contracts with customers</i> |                |                |
| Shop sales                                   | 825,383        | 903,141        |
| Grants                                       | 23,000         | -              |
|  | <u>848,383</u> | <u>903,141</u> |
| <i>Other revenue</i>                         |                |                |
| Donations                                    | 12,666         | 2,023          |
| Grants                                       | -              | 60,486         |
| Memberships                                  | 250            | 170            |
| Fundraising                                  | -              | 704            |
| Other revenue                                | 8,798          | 2,004          |
|  | <u>21,714</u>  | <u>65,387</u>  |
| Revenue                                      | <u>870,097</u> | <u>968,528</u> |

**Sunshine Hospice Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 4. Expenses**

|   | <b>2022</b>    | <b>2021</b>    |
|---|----------------|----------------|
|   | <b>\$</b>      | <b>\$</b>      |
| Surplus before income tax includes the following specific expenses: |                |                |
| <i>Employee expenses</i>  |                |                |
| Salaries and Wages  | 209,181        | 202,521        |
| Superannuation  | 20,955         | 15,528         |
| Other employee expenses   | 12,089         | 6,376          |
| Total employee expenses   | <u>242,225</u> | <u>224,425</u> |
| <i>Depreciation and amortisation</i>                                |                |                |
| Property, plant and equipment                                       | 28,594         | 18,177         |
| Right of use assets   | 81,019         | 79,656         |
| Total depreciation and amortisation                                 | <u>109,613</u> | <u>97,833</u>  |
| <i>Packages of Support</i>  |                |                |
| Palliative Care Queensland  | 50,000         | -              |
| Integratedliving Australia  | 54,546         | -              |
| Packages of Care  | 18,555         | -              |
| Total Packages of Care  | <u>123,101</u> | <u>-</u>       |
| <i>Other expenses</i>   |                |                |
| Rent  | 115,065        | 90,414         |
| Electricity   | 11,627         | 11,169         |
| Interest  | 4,674          | 8,305          |
| Other   | 25,917         | 13,466         |
| Total other expenses  | <u>157,283</u> | <u>123,354</u> |
| <i>Donations</i>  |                |                |
| Donations   | -              | 21,020         |
| Loss on disposal of assets (note 9)                                 | -              | 8,195          |
| Total donations   | <u>-</u>       | <u>29,215</u>  |

**Note 5. Current assets - cash and cash equivalents**

|                      | <b>2022</b>    | <b>2021</b>    |
|----------------------|----------------|----------------|
|                      | <b>\$</b>      | <b>\$</b>      |
| Cash on hand         | 1,285          | 1,450          |
| Cash at bank         | 243,439        | 289,499        |
| Cash on term deposit | 300,000        | 250,000        |
|                      | <u>544,724</u> | <u>540,949</u> |



**Sunshine Hospice Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 6. Current assets - trade and other receivables**

|                   | <b>2022</b>   | <b>2021</b>   |
|-------------------|---------------|---------------|
|                   | \$            | \$            |
| Deposits          | 28,879        | 12,907        |
| Other receivables | 8,288         | 9,049         |
|                   | <u>37,167</u> | <u>21,956</u> |

**Note 7. Current assets - investments**

|                  | <b>2022</b>    | <b>2021</b>    |
|------------------|----------------|----------------|
|                  | \$             | \$             |
| Investments held | 650,000        | 550,000        |
|                  | <u>650,000</u> | <u>550,000</u> |

**Note 8. Non-current assets - right-of-use assets**

|                                   | <b>2022</b>      | <b>2021</b>    |
|-----------------------------------|------------------|----------------|
|                                   | \$               | \$             |
| Land and buildings - right-of-use | 1,380,672        | 297,809        |
| Less: Accumulated depreciation    | (236,305)        | (155,286)      |
|                                   | <u>1,144,367</u> | <u>142,523</u> |

**Note 9. Non-current assets - property, plant and equipment**

|                                 | <b>2022</b>    | <b>2021</b>    |
|---------------------------------|----------------|----------------|
|                                 | \$             | \$             |
| Plant and equipment - at cost   | 37,424         | 18,517         |
| Less: Accumulated depreciation  | (12,871)       | (8,378)        |
|                                 | <u>24,553</u>  | <u>10,139</u>  |
| Office equipment - at cost      | 28,502         | 28,503         |
| Less: Accumulated depreciation  | (20,362)       | (16,727)       |
|                                 | <u>8,140</u>   | <u>11,776</u>  |
| Fixtures and fittings - at cost | 37,528         | 37,501         |
| Less: Accumulated depreciation  | (23,526)       | (19,049)       |
|                                 | <u>14,002</u>  | <u>18,452</u>  |
| Motor vehicles - at cost        | 124,500        | 124,500        |
| Less: Accumulated depreciation  | (48,251)       | (32,262)       |
|                                 | <u>76,249</u>  | <u>92,238</u>  |
| Work in Progress – At Cost      | 27,569         | -              |
|                                 | <u>150,513</u> | <u>132,605</u> |

**Sunshine Hospice Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 9. Non-current assets - property, plant and equipment (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

|                         | Plant and<br>equipment<br>\$ | Office<br>equipment<br>\$ | Fixtures and<br>fittings<br>\$ | Motor<br>vehicles<br>\$ | Work in<br>progress<br>\$ | Total<br>\$    |
|-------------------------|------------------------------|---------------------------|--------------------------------|-------------------------|---------------------------|----------------|
| Balance at 1 July 2020  | 21,803                       | 16,787                    | 22,332                         | 10,105                  | -                         | 71,027         |
| Additions               |                              |                           | 2,900                          | 89,787                  | -                         | 92,687         |
| Disposals               | (8,195)                      | (152)                     | (1,219)                        | (3,217)                 | -                         | (12,789)       |
| Depreciation expense    | (3,469)                      | (4,853)                   | (5,561)                        | (4,437)                 | -                         | (18,320)       |
| Balance at 30 June 2021 | 10,139                       | 11,776                    | 18,452                         | 92,238                  | -                         | 132,605        |
| Additions               | 18,906                       | -                         | 27                             | -                       | 27,569                    | 46,502         |
| Depreciation expense    | (4,492)                      | (3,636)                   | (4,477)                        | (15,989)                | -                         | (28,594)       |
| Balance at 30 June 2022 | <u>24,553</u>                | <u>8,140</u>              | <u>14,002</u>                  | <u>76,249</u>           | <u>27,569</u>             | <u>150,513</u> |

Sunshine Hospice donated plant and equipment in kind to Sundale and Cittamani Hospice during the 2021 financial year. As such the disposal of \$8,195 above has been included as a donation expense in 2021 (refer to note 4).

**Note 10. Current liabilities - trade and other payables**

|                | 2022<br>\$    | 2021<br>\$    |
|----------------|---------------|---------------|
| Trade payables | 11,337        | 1,497         |
| Accruals       | 12,709        | 19,701        |
| Other payables | 7,054         | 6,186         |
|                | <u>31,100</u> | <u>27,384</u> |

**Note 11. Current liabilities - employee benefits**

|                            | 2022<br>\$    | 2021<br>\$    |
|----------------------------|---------------|---------------|
| Liability for annual leave | <u>21,698</u> | <u>13,107</u> |

**Note 12. Current liabilities – lease liabilities**

|                 | 2022<br>\$    | 2021<br>\$    |
|-----------------|---------------|---------------|
| Lease liability | <u>75,684</u> | <u>84,746</u> |

**Sunshine Hospice Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 13. Non-current liabilities - employee benefits**

|                                  | <b>2022</b>  | <b>2021</b>  |
|----------------------------------|--------------|--------------|
|                                  | \$           | \$           |
| Provision for long service leave | <u>9,050</u> | <u>7,326</u> |

**Note 14. Non-current liabilities – lease liabilities**

|                 | <b>2022</b>      | <b>2021</b>   |
|-----------------|------------------|---------------|
|                 | \$               | \$            |
| Lease liability | <u>1,052,423</u> | <u>59,764</u> |

**Note 15. Equity - retained surpluses**

|   | <b>2022</b>      | <b>2021</b>      |
|---|------------------|------------------|
|   | \$               | \$               |
| Retained surpluses at the beginning of the financial year | 1,191,206        | 803,750          |
| Surplus after income tax expense for the year             | <u>141,110</u>   | <u>387,456</u>   |
| Retained surpluses at the end of the financial year       | <u>1,332,316</u> | <u>1,191,206</u> |

**Note 16. Key management personnel disclosures**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

|                        | <b>2022</b>    | <b>2021</b>    |
|------------------------|----------------|----------------|
|                        | \$             | \$             |
| Aggregate compensation | <u>103,948</u> | <u>113,948</u> |

**Note 17. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by BDO, the auditor of the company:

|                                   | <b>2022</b>  | <b>2021</b>   |
|-----------------------------------|--------------|---------------|
|                                   | \$           | \$            |
| <i>BDO</i>                        |              |               |
| Audit of the financial statements | 8,000        | 7,900         |
| Other account services            | <u>1,994</u> | <u>2,200</u>  |
|                                   | <u>9,994</u> | <u>10,100</u> |

**Note 18. Contingent liabilities**

The company had no contingent liabilities as at 30 June 2022 and 2021.

**Sunshine Hospice Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 19. Commitments**

During the 2021 financial year, Sunshine Hospice developed a new service model based on collaborative relationships at its core. Funding has been committed to two organisations that will deliver palliative care services and supports in conjunction with Mingary Care.

The amounts committed by the company to aligned organisations at 30 June 2022 is \$50,000 (\$250,000: 30 June 2021). The executive funding agreements were signed in June 2022 (pre year-end).

The breakdown funding commitment are as follows:

|                             | 2022<br>\$    | 2021<br>\$     |
|-----------------------------|---------------|----------------|
| intergratedliving Australia | -             | 200,000        |
| Palliative Care Queensland  | 50,000        | 50,000         |
|                             | <u>50,000</u> | <u>250,000</u> |

**Note 20. Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 16.

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

**Note 21. Events after the reporting period**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Note 22. Reconciliation of surplus after income tax to net cash from operating activities**

|  | <b>2022</b>    | <b>2021</b>    |
|--|----------------|----------------|
|  | <b>\$</b>      | <b>\$</b>      |
| Surplus after income tax expense for the year      | 141,110        | 387,456        |
| Adjustments for:                                   |                |                |
| Depreciation and amortisation                      | 109,613        | 97,833         |
| Loss on disposal of fixed assets                   | -              | 11,114         |
| Change in operating assets and liabilities:        |                |                |
| Decrease/(increase) in trade and other receivables | (15,211)       | 3,200          |
| Increase in trade and other payables               | 3,716          | 6,250          |
| Increase in employee benefits                      | 10,315         | 5,295          |
| Net cash from operating activities                 | <u>249,543</u> | <u>511,148</u> |

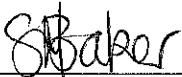
**Sunshine Hospice Ltd**  
**Directors' declaration**  
**30 June 2022**

In the directors' opinion:

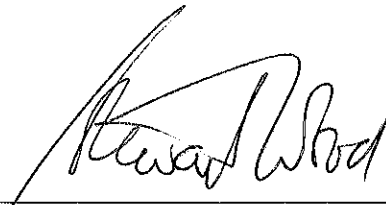
- the attached financial statements and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards - Simplified Disclosures, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

On behalf of the directors



\_\_\_\_\_  
Susan May Mason-Baker  
Director



\_\_\_\_\_  
Basil Stewart Charles Wood  
Director

Dated at Maroochydore, this *8<sup>th</sup>* day of December 2022



## INDEPENDENT AUDITOR'S REPORT

To the members of Sunshine Hospice Ltd

### Report on the Audit of the Financial Report

#### Qualified opinion

We have audited the financial report of Sunshine Hospice Ltd (the Entity), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion, except for the effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial report of Sunshine Hospice Ltd, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* and the *Corporations Act 2001*.

#### Basis for qualified opinion

Fundraising revenue through opportunity shop sales, events and donations are a significant source of fundraising revenue for the registered entity. The registered entity has determined that it is impracticable to establish control over the collection of opportunity shop sales, events and donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding fundraising revenue from this source was limited, our audit procedures with respect to opportunity shop sales, events and donations had to be restricted to the amounts recorded in the financial records amounting to \$838,299. We therefore are unable to express an opinion whether opportunity shop sales, events and donations the registered entity recorded are complete.



We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### **Other information**

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in Sunshine Hospice Ltd's annual report, but does not include the financial report and our auditor's report thereon.

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

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

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

#### **Responsibilities of responsible entities for the Financial Report**

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures, the ACNC Act, the *Corporations Act 2001* and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

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





### **Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Bruce Swan', written over a large, stylized flourish.

Bruce Swan  
Director

Maroochydore, 08 December 2022