



EUNICE

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Wintringham is a not-for-profit welfare company providing housing, care and support to frail and elderly people, many of whom are financially disadvantaged.

From its inception in 1989, the company has always been guided by the principle that its elderly residents are entitled to receive the same standards of care that the rest of the community sees as its right.

Currently Wintringham operates, or is developing:

- McLean Lodge, a 34-bed hostel in Flemington
- Wintringham Hostel, a 60-bed hostel in Williamstown
- 60 independent Living Units for the elderly in Williamstown
- Wintringham Port Melbourne, a 35-bed hostel at Beacon Cove
- A 40-bed Community Housing Programme in Melbourne's CBD
- Outreach Projects funded under the Commonwealth's ACHA Programme as well as a Victorian Government's Community Connections Program in Melbourne's CBD and Eastern Suburbs
- Atkins Terrace, 20 one-bedroom apartments in Kensington Banks
- 271 Community Aged Care Packages in Melbourne's eastern and western suburbs
- The Ron Conn Nursing Home, a 60-bed facility in Avondale Heights (scheduled for completion in early 2005)

As well, Wintringham participates in a range of forums that seek to widen and improve access to community services for aged homeless people.

Wintringham was created from the conviction that the elderly poor should not have to live and die in homeless persons' night shelters. Since then, the company's revolutionary approach to aged care, its forward thinking and its motivating philosophy of "Options, Rights, Dignity" for its residents have made it a global pacesetter in the care of the elderly homeless.

The company bears the name of "Tiny" Wintringham, a homeless man who, in the late 1960s, gathered support from government, unions and the media to prevent the closure of Gordon House, a night shelter in the Melbourne CBD. Tiny's successful fight against what appeared to be insurmountable obstacles continues to inspire the company named in his honour.



JOSEPH

MILESTONE

All three Wintringham residential aged care facilities – McLean Lodge, Port Melbourne and Williamstown Hostels – passed all 44 required accreditation standards during their triennial audit.

I would like to take the opportunity in this years annual report to thank the Directors, Bryan Lipmann AM, Harry Georgalas, Frances Mirabelli and all the staff of Wintringham for another excellent year.

Wintringham has again had an exciting and constructive year.

Whilst there are numerous highlights over the past year I mention just a few:

- The approval of the Town Planning Permit for the Ron Conn Nursing Home.
- The commitment and dedication of the staff to maintaining and improving the results from Accreditation.
- The extent and quality of work undertaken through the Community Care Packages.
- Ongoing support and encouragement from Ministers, their Department Heads and their staff.
- Ongoing generous contributions from a number of Philanthropic Trusts.
- Completion of the second stage and commencement of the final stage of construction of units at Lionsville in Williamstown.

In addition during the year Wintringham has been involved and monitored the developments in relation to the concept of Housing Associations.

I appreciate the efforts of the Directors, who have been fully involved over the last twelve months in conducting an ongoing review of an extensive range of risk analysis issues and I thank the Vice President Ross Cooke for leading this area of the Boards work. The Directors also gave up their time at the end of the financial year to be a part of a Strategic Planning Day which gave us an opportunity to reflect on past achievements and plan for the future.

I again thank Bryan, Harry and Frances and all the Wintringham staff for their ceaseless and selfless commitment to our clients and their needs.

Jame Lewis, President



Jame Lewis, President



Bryan Lipmann AM, Chief Executive Officer

The business of running a welfare company seems to get harder each year as all of us in the industry battle increased demand and higher accountability standards with a level of funding that is clearly insufficient. Yet in spite of this, it has been a remarkably busy year for Wintringham and one of our most successful to date.

I am very proud to say that the Board and management of Wintringham has resisted the temptation to tighten or withdraw services, and has instead decided that the needs of the elderly homeless remain sufficiently serious that they warrant accepting the risks associated with embarking on a major expansion of our aged care services.

Ron Conn Nursing Home

For some time now, we have been very aware that the obvious gap in our provision of services has been in high level or nursing home care. We have tried to redress this problem by increasing the dependency levels at our low care residential facilities, but we have always seen this approach as being reactive and not addressing the fundamental issue of a lack of nursing home beds for elderly homeless men and women.

We therefore set ourselves the goal of building a nursing home which in the memorable phrases of one of our clients, would be "a home until stumps". While winning the bed licences in a competitive national aged care tender round was a major achievement, the problem we faced was always going to be how we would pay for the construction of the home.

With an impoverished client base and a very narrow focus of service delivery, Wintringham was never going to be able to raise funds or service a debt in the way that mainstream aged care providers can. The solution was to put into practice the policy principle that we have advocated in numerous forums and with many government ministers, that there is an inextricable link between housing and aged care.

We were fortunate in being able to convince the Commonwealth and the State governments that this linkage was real and particularly relevant for the homeless clients of Wintringham. We argued that if both governments wanted to encourage Wintringham to build a nursing home for homeless people, they needed to recognise that the only way it could be funded in the current policy environment of almost zero capital dollars for aged care projects, was to commit housing dollars to the project.

As a result of these negotiations, the Commonwealth Department of Health and Ageing has committed \$1.7 million and the State Department of Human Services has pledged \$3.4 which includes the rent free use of a wonderful site in Avondale Heights. Philanthropic Trusts have also contributed \$1 million to this project, in particular the William Buckland Foundation, the Helen Macpherson Smith Trust and the Ian Rollo Currie Estate Foundation.

Wintringham will be contributing the balance, which will be approximately \$2.5 million.

We have received wonderful support from local residents in Avondale Heights, councillors and staff from the City of Moonee Valley, and from State Ministers Bronwyn Pike and Rob Hulls. Reflecting this support, Council received no objections to the proposal and has granted a Town Planning Permit. At the time of writing this Annual Report, we are at building tender and hope to have the successful builder on site in November. Exciting times ahead!

Housing development projects

Two large housing development projects are nearing completion in Williamstown and East Bentleigh.

Both are Office of Housing projects which Wintringham has been appointed to manage. The Williamstown project is a massive 60 one bedroom apartment development over a three year building program. The project includes a common room for the use of the residents, full wheelchair accessibility, the provision of 6 small laundries and each room being fitted with fire sprinklers.

As these and other additions have added considerable cost to the project, we would like to go on record as acknowledging the commitment of the Office of Housing in accepting our advice on meeting the living and safety needs of the frail elderly residents. The end result is a wonderful project which the Office of Housing can be justly proud of. Certainly the residents of the new units are delighted with their homes.

A smaller development in East Bentleigh is also nearing completion. Residents of this project will also enjoy the safety and access improvements that originated during design discussions for the Williamstown project with the Office of Housing.

Unfortunately, the East Bentleigh project has been dogged by persistent local resident objection, and this is the first time Wintringham has ever experienced any form of local unhappiness about one of our projects. Hopefully once the elderly residents move into their new homes, the local opposition will dissipate as residents accept the right for aged people to have a secure home.

In other housing news during the year, ownership of the two apartment blocks that we manage in central Melbourne, has passed to Melbourne Affordable Housing (MAH) following the closure of Ecumenical Housing Inc. I am pleased to be able say that MAH has restated its wish that all existing residents can retain their housing and that Wintringham will retain full nomination rights for all 40 units. This new agreement with MAH ensures that Wintringham continues with its city based housing presence.

During the year, we were also very pleased to secure Housing Establishment Funds (HEF) from the Office of Housing for our housing and outreach teams. This additional

source of funds is already proving to be of great assistance to our housing workers.

Aged care services

Our extensive range of aged care services provided in our three hostels and our wide ranging community care program, continues to run well and provides the highest quality care.

Both the Williamstown Hostel and McLean Lodge celebrated their tenth birthdays with both facilities electing to party at local centres. It was great seeing residents, family, friends and staff celebrating these very important milestones for Wintringham. We were also able to celebrate with those residents and staff who have been with Wintringham for those entire ten years. What an achievement!

During the later part of the year, we were visited by the Accreditation Standards Agency as part of their normal triennial audit. All three facilities passed all 44 standards and we congratulate staff on this outstanding result.

The Community Aged Care Package Program operating in both the southern region of Melbourne (at our McKinnon office) and western region (at our Seddon office), has performed exceptionally well. Although Wintringham commenced providing community based care in a small way in 1997, it has only been quite recently that the program has grown to its present size of 271 individual packages.

This rapid growth in the size of the program has not just resulted in increased employment opportunities but has necessitated significant changes in the way the program is managed. We are delighted with the way the CACP program is developing and look forward to further growth.

Policy development

Influencing public policy in the areas of housing, aged care and homelessness has always been a key objective for Wintringham, and one that we consider to be as important as any of the actual services that we provide.

Wintringham was a member of two national ministerial advisory committees during the year: the Commonwealth Advisory Committee on Homelessness (CACH) reporting to Amanda Vanstone, Minister for Family and Community Services and the Review of Pricing Arrangements in Residential Aged Care reporting to Kevin Andrews, Minister for Aged Care.

In response from a request from Minister Vanstone, the CACH developed a National Homelessness Strategy, which includes a policy section on the aged homeless. Unfortunately the Strategy did appear to be "limbo", but with the appointment of a new Minister (Kay Patterson), perhaps the Strategy will now receive a greater deal of attention.

In direct contrast to the sense of frustration which permeated much of the CACH's work, it has been a most



GLORIA

MILESTONE

A Town Planning Permit was granted for Wintringham's Ron Conn Nursing Home in Avondale Heights. The City of Moonee Valley received not a single objection to Wintringham's proposal. Building is due to start before the end of 2003.

rewarding experience sitting on Professor Warren Hogan's Review of Pricing Arrangements in Residential Aged Care. The Review is covering all aspects of the provision of aged care in an industry which receives \$4.3 billion from the Commonwealth per year. Professor Hogan has been set a massive task, and all of us who have had the pleasure of working with him this past year have been impressed with the great breadth of understanding that he has and the thoroughness of his work.

While the final report to the Government will not be made public, Wintringham is hopeful that matters that we have argued strongly on, will be included. The issue that is most dear to us and one that we have argued for over 12 years in a wide variety of forums and private ministerial meetings, is the need to make Aged Homelessness a Special Needs Group of the aged care policy planning process.

During the year, Wintringham participated in an international research longitudinal study of elderly homeless people with three welfare organisations in Britain and the United States. We gratefully acknowledge the financial support of the Department of Family and Community Services which enabled us to participate in the study, the results of which will shortly be available.

An extensive article was also published during the year in the American Journal of Long Term Home Health Care, detailing the work of Wintringham with the elderly homeless and describing our unique model of care.

Board Strategic Planning

Wintringham is very fortunate to have an enthusiastic and committed Board that cares deeply about the elderly homeless and their right to have fair and equal access to quality housing and aged care services. Unusually for most welfare organisations, the Wintringham Board of Directors has an equal mix of males and females with an average age of 45 years. Importantly, the Board also has a strong leadership group made up of a number of Directors who have been with Wintringham for more than five years and who are able to provide the Board with a rich understanding of the company's history and vision.

During the year, the Board convened a Strategic Planning Day with every Director attending. As a result of the work from that day, Directors and senior management share a clear vision for the future.

With regard to the Board, I would again like to thank all Directors and particularly President Jame Lewis and Vice President Ross Cooke for their support and encouragement during the year.

I would also like to acknowledge all staff members and especially Frances Mirabelli and Harry Georgalas for their terrific work during the year and the loyalty they show me. It is very much appreciated.

Bryan Lipmann AM, Chief Executive Officer



ELIZABETH

MILESTONE

McLean Lodge & Williamstown Hostels both celebrated their tenth year of providing quality aged care services to Wintringham clients.

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DIRECTORS' REPORT

The Directors present their report on the Company for the financial year ended 30 June 2003.

DIRECTORS

The names of directors in office at any time during or since the end of the year are:

Mr Jame Lewis
 Ms Netty Horton
 Dr Elizabeth Ozanne
 Dr Brendan Hyland (resigned October 2002)
 Mr Ross Cooke
 Mr Howard Ronaldson (commenced November 2002)
 Mr Jeff Gole
 Ms Sue Rosenhain (commenced June 2003)
 Ms Emily Nolan
 Mr Bryan Lipmann (commenced November 2002)
 Mr Graham Shotter (resigned July 2002)

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

PRINCIPAL ACTIVITIES

The principal continuing activity of the organisation is the provision of housing and support services to homeless aged persons. There has been no change in the nature of the Company's principal activity during the year.

RESULTS

The operating surplus after abnormal items and income tax for the year ended 30 June 2003 was \$101,044 (30 June 2002, \$49,939).

REVIEW OF OPERATIONS

A review of the operations of the company during the financial year and the results of those operations are as follows:

Aged Care Facilities – Hostels

Gross turnover at our three hostels rose by 6.2% to \$4,228,347 with increasingly higher care levels and frailty amongst residents. These increases were offset by higher salary and wages cost attributable to meeting these needs as well as higher WorkCover, agency staff and training needs. The continuing drought severely impacted the cost of food at all hostels with an 18% blow out in costs in that area. Hostel operations reported an overall loss of \$356,586 in the current year.

Housing and Outreach

Operating results remain satisfactory with the exception of the Assistance with Care and Housing for the Aged (ACHA) program operating in the Melbourne CBD and Williamstown. Minimal growth in funding has meant that this program reported operating losses in the current year.

Nursing Home Development

Design and development work in relation to the Ron Conn Nursing Home continues. Total works to date total \$206,837.

Community Aged Care Packages

CACP's growth contributed an additional \$1.16 million to operating revenue in the current year with the full utilisation of all 250 packages, as well as the successful allocation of 21 additional places in the 2002 funding round. The Program continues to make a positive contribution to Wintringham's operating performance.

DIVIDENDS

The Constitution expressly prohibits the distribution of any surplus to the members of the Company and accordingly no dividend shall be paid.

LIKELY DEVELOPMENTS

The likely developments in the operations of the Company and the expected results of those operations in future financial years are as follows:

The Board are committed to the construction and commencement of the Ron Conn Nursing Home in Avondale Heights. It is anticipated that construction will begin in November 2003 and the nursing home will welcome its first resident in January 2005.

STATE OF AFFAIRS

There has been no significant change in the state of affairs of the Company during the year.

INFORMATION ON DIRECTORS

Jame Lewis

President
LIB. B.Comm.
Commercial Lawyer
Appointed Director April 1995
Member: Executive Committee

Ross Cooke

Bachelor of Commerce (Melbourne University)
Extensive experience with financial consulting in Healthcare industry
Appointed Director November 1998
Member: Executive Committee

Netty Horton

BA (Hons) MA Public Policy
Former CEO of Council to Homeless Persons
Appointed Director May 1998
Member: Executive Committee from 2 July 2002

Elizabeth Ozanne

Head of Ageing and Long Term Care Research Unit and Chair of Research and Graduate Studies
School of Social Work, University of Melbourne.
Appointed Director September 1994

Emily Nolan

Graduate Diploma of Applied Finance 1999
Bachelor of Accountancy (Property Valuation) 1995
Certificate in Real Estate Agency 1994
Property Investment Manager, Industry Superannuation Property Trust
Appointed Director December 2001

Jeff Gole

Certificate of Real Estate 1985
Certificate of Business Studies 1988
Managing Director, Gole Peden Pty Limited
Fellow of Real Estate Institute of Australia, 2001
Past President of REIV 2000
Appointed Director December 2001

Howard Ronaldson

Secretary, Department of Infrastructure
Bachelor of Economics
Graduate Diploma of Accounting and Finance
Master of Business Administration
Appointed Director November 2002

Sue Rosenhain

PhD, BAppSci (Phy),
Grad Dip HP
Appointed Director June 2003

Bryan Lipmann AM

Chief Executive Officer of Wintringham
Bachelor of Economics
Bachelor of Social Work
Appointed Director November 2002

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.

MEETINGS OF DIRECTORS

During the financial year, twelve meetings of Directors (including committees) were held.

Attendances were:

	Director's Meetings		Executive Committee Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Jame Lewis	11	8	1	1
Ross Cooke	11	10	1	1
Netty Horton	11	8	1	1
Elizabeth Ozanne	11	10		
Brendan Hyland (resigned October 2002)	4	3		
Emily Nolan	11	10		
Jeff Gole	11	10		
Howard Ronaldson (commenced November 2002)	6	5		
Sue Rosenhain (commenced June 2003)	1	1		
Graham Shotter (resigned July 2002)	1	0		
Bryan Lipmann (commenced November 2002)	7	6	1	1

INDEMNIFYING OFFICER OR AUDITOR OF THE COMPANY

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or of a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred by an officer or auditor for the costs or expenses to defend legal proceedings.

With the exception of the following matters:

During the financial year the Company has paid premiums to insure each of the following persons against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of officers of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

Jame Lewis	Emily Nolan
Ross Cooke	Netty Horton
Brendan Hyland	Elizabeth Ozanne
Bryan Lipmann	Jeff Gole
Howard Ronaldson	Sue Rosenhain

Details of the premium are not disclosed as required under the terms and conditions of the insurance policy.

ENVIRONMENTAL ISSUES

The company's operations are not subject to significant environmental regulation under the law of the Commonwealth and State.

PROCEEDINGS ON BEHALF OF 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. The company was not a party to any such proceedings during the year.

Signed at Melbourne, this 2nd day of September, 2003.

In accordance with a resolution of the Directors.

Ross Cooke
Director

Bryan Lipmann
Director

INDEPENDENT AUDIT REPORT TO THE MEMBERS**Scope**

We have audited the attached financial report, being a special purpose financial report, of Wintringham for the year ended 30 June 2003. The company's directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of Wintringham. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Audit Opinion

In our opinion, the financial report of Wintringham is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2003 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - (ii) complying with Accounting Standards in Australia to the extent described in Note 1 and the Corporations Regulations 2001; and

- (b) other mandatory professional reporting requirements to the extent described in Note 1.

C.W. STIRLING & CO.
Chartered Accountants

John A. Phillips
Partner

Dated at Melbourne, this 2nd day of September, 2003.

DIRECTORS DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

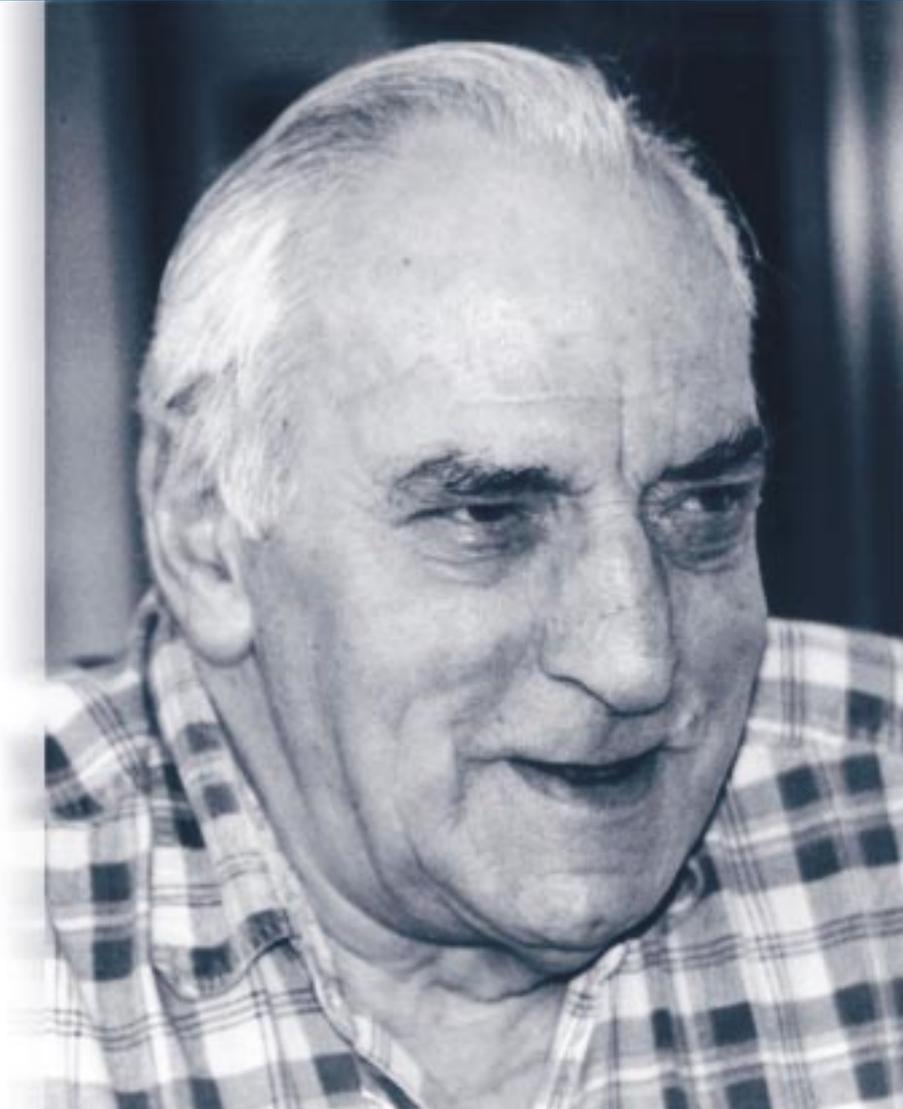
The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 16:
 - (a) comply with Accounting Standards, as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the Company's financial position as at 30 June 2003 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the opinion of the Directors, 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 this 2nd day of September, 2003.

Ross Cooke
Director

Bryan Lipmann
Director



RICHARD

MILESTONE

Stage II of the Lionsville housing development at Williamstown was completed. 48 elderly residents have moved into their new homes.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2003

	NOTE	\$ 2003	\$ 2002
Revenue from ordinary activities	2	8,493,315	6,721,428
Expenses from ordinary activities			
Employee benefits expense		5,322,972	4,406,874
Resident and Client Services		1,265,855	850,278
Property Maintenance, Utilities and Insurance		625,119	543,913
Administration and other expenses		692,259	387,814
Total Expenses		7,906,205	6,188,879
Surplus before tax and depreciation		587,110	532,549
Depreciation on property and plant and equipment		486,066	482,610
Surplus from ordinary activities before Income tax expense	4	101,044	49,939
Income tax expense relating to ordinary activities	1(d)	-	-
Surplus from ordinary activities after Income tax expense		101,044	49,939

The statement of financial performance should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2003

	NOTE	\$ 2003	\$ 2002
CURRENT ASSETS			
Cash Assets		203,337	173,188
Receivables	5	308,641	680,034
Investments	6	3,306,953	2,986,252
Total current assets		3,818,931	3,839,474
NON-CURRENT ASSETS			
Property, plant and equipment	7	15,740,134	15,778,819
Total non-current assets		15,740,134	15,778,819
Total assets		19,559,065	19,618,293
CURRENT LIABILITIES			
Accounts payable	8	586,016	466,812
Provisions	9	415,197	342,608
Other	10	390,664	825,690
Total current liabilities		1,391,877	1,635,110
NON-CURRENT LIABILITIES			
Provisions	9	196,488	132,815
Other	10	2,114,033	2,094,745
Total non-current liabilities		2,310,521	2,227,560
Total liabilities		3,702,398	3,862,670
Net assets		15,856,667	15,755,623
ACCUMULATED FUNDS & RESERVES			
Asset Revaluation Reserve	11	3,507,554	3,507,554
Accumulated funds	12	12,349,113	12,248,069
Total accumulated funds and reserves		15,856,667	15,755,623

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2003

	NOTE	\$ 2003	\$ 2002
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		9,236,835	6,620,974
Interest received		154,202	126,016
Cash payments in the course of operations		(8,719,563)	(6,283,659)
Net cash provided by operating activities	16(ii)	671,474	463,331
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on sale of non-current assets		247,708	16,636
Payments for property, plant and equipment		(666,034)	(799,704)
Net cash used in investing activities		(418,326)	(783,068)
CASH FLOWS FROM FINANCING ACTIVITIES			
Donated capital inflows		155,000	230,000
Proceeds from capital subsidies		-	102,500
Net receipts / payments from accommodation bonds		(41,097)	151,534
Net cash provided by financing activities		113,903	484,034
Net increase/(decrease) in cash held		367,051	164,297
Cash at the beginning of the financial year		3,007,692	2,843,395
Cash at the end of the financial year	16(i)	3,374,743	3,007,692

The statement of cash flows is to be read in conjunction with the accompanying notes

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report prepared in order to meet the needs of members. The Directors have determined that the company is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards, UIG Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board, with the exception of the following:

AASB 1017: Related Party Disclosure

AASB 1033: Presentation and Disclosure of Financial Instruments

The financial report is also prepared on an accrual basis. It is based on historical costs and does not take into account changing money values on, except where specifically stated, current valuations of non-current assets.

The financial report covers Wintringham as an individual entity. Wintringham is a company limited by guarantee, incorporated and domiciled in Australia.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

(a) Acquisitions of Assets

Fixed assets are included at cost or at Directors' valuation. Cost is determined as the fair value of the assets given at the date of acquisition plus costs incidental to the acquisition.

(b) Property, Plant and Equipment

Depreciation is calculated on a diminishing value and/or straight line basis so as to write off the net cost of each item of property, plant and equipment over its expected useful life commencing from the time the asset is held ready for use

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Office equipment	6-50%
Fixtures and fittings	9-18%
Motor vehicles	22.5%

(c) Land and Buildings

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

(d) Income Tax

Wintringham is exempt from income tax under Item 1.1 Section 50-5 of the Income Tax Assessment Act 1997.

(e) Company Status

The Australian Securities Commission pursuant to Section 150 of the Corporations Act 2001 has authorised Wintringham to be registered as a Company with limited liability without the addition of the word "Limited" to its name.

(f) Employee Entitlements

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages, salaries and annual leave which will be settled after one year have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

(g) Unearned Accommodation Bonds

In accordance with the Commonwealth Department of Health and Aged Care guidelines, Hostels are entitled to retain a portion of a resident's accommodation bond. The amount which may be retained depends on the amount of the contribution and the length of time the resident has stayed in the Hostel. Unearned accommodation bonds represent that sum of accommodation bonds as yet unearned and payable to residents at year end should they leave the Hostel.

(h) Cash

For purposes of the statement of cash flows, cash includes:

- (i) Cash in hand and in at call deposits with banks or financial institutions, and
- (ii) Investments in money market instruments as these are considered as readily convertible to cash on hand.

(i) Revenue

Revenue from the delivery of personal care services is recognised upon the delivery of services to residents based on Commonwealth funding levels.

Resident fees are calculated in accordance with the Aged Care Act 1997.

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

(j) Comparatives

When necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

2. REVENUE	Note	\$ 2003	\$ 2002
OPERATING ACTIVITIES			
Client income		1,456,729	1,263,055
Government operating subsidies		5,992,445	4,742,587
Accommodation bond retentions		120,054	104,051
Other operating income		215,394	196,582
		7,784,622	6,306,275
NON OPERATING ACTIVITIES			
Investment earnings		154,202	132,842
Government capital grants		-	102,500
Donations		281,474	154,488
Proceeds on disposal of plant and equipment	3	247,708	16,636
Other non-operating income		25,309	8,687
		708,693	415,153
Total revenue		8,493,315	6,721,428

3. DISPOSAL OF FIXED ASSETS

Revenue from sale of plant and equipment		247,708	16,636
Expense from sale of plant and equipment		(219,970)	(15,842)
Gain on sale of plant and equipment		27,738	794

4. OPERATING SURPLUS

Surplus / (Deficit) from ordinary activities before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the entity:

i Expenses

AUDITORS REMUNERATION			
AUDITING ACCOUNTS		17,317	13,500
other services		-	-
DEPRECIATION			
buildings		270,284	265,456
plant		100,781	101,284
motor vehicle		115,001	115,870
Long service leave		64,074	57,345
Annual leave		393,093	309,026
Loss on disposal of non-current assets		250	2,657
Rental expense operating lease—minimum lease payments		16,508	16,029

	\$ 2003	\$ 2002
ii Crediting as Income		
Interest received or receivable – other persons	154,202	132,842
Profit on sale of non-current assets	27,738	794

5. RECEIVABLES

Accommodation bonds receivable	162,845	519,412
Trade debtors	44,878	91,193
Prepayments	67,431	54,373
Sundry debtors	33,487	15,056
	308,641	680,034

6. INVESTMENTS

Cash management trusts	1,018,859	797,158
Commercial bills	2,288,094	2,189,094
	3,306,953	2,986,252

7. PROPERTY, PLANT & EQUIPMENT

Land - at Directors' valuation: (30 June, 2000)	4,429,961	4,429,961
Buildings at Directors Valuation:	10,250,000	10,250,000
Subsequent additions at cost:	838,317	651,991
Total land and buildings – at cost and valuation	15,518,278	15,331,952
Less Accumulated depreciation on buildings	(792,838)	(522,554)
	14,725,440	14,809,398
Plant and equipment	2,126,623	1,993,791
Less Accumulated depreciation	(1,111,929)	(1,024,370)
	1,014,694	969,421
Total	17,644,901	17,325,743
Less Accumulated depreciation	(1,904,767)	(1,546,924)
	15,740,134	15,778,819

a. Movements in Carrying Amounts

	Land	Buildings	Plant and Equipment	Total
Balance at beginning of year	4,429,961	10,379,437	969,421	15,778,819
Additions	-	186,326	479,708	666,034
Disposals	-	-	(218,653)	(218,653)
Depreciation expense	-	(270,284)	(215,782)	(486,066)
Carrying amounts at end of year	4,429,961	10,295,479	1,014,694	15,740,134

- b. Land and buildings were revalued as at 30 June 2000 in accordance with a resolution of the Board of Directors dated 3 October 2000. The revaluation was made in accordance with a policy of regular revaluation of property, plant and equipment. The valuation used by the Directors was based on a continuation of existing use.

No provision for deferred income tax is raised in respect of any potential capital gains tax, as Wintringham is exempt from income tax (Refer note 1(d)).

- c. The Williamstown Hostel is built on land owned by the Victorian Government. Wintringham was appointed as Committee of Management for the Williamstown Homes for the Aged Reserve under Section 14 of the Crown Land (Reserves) Act 1978 effective from 1 March 1990. As the property represented a resource utilised by Wintringham in the carrying out of its activities, it was included in the balance sheet. The inclusion of this asset in the balance sheet is consistent with the definition of an asset in the Statement of Accounting Concepts SAC4 "Definition and Recognition of the Elements of Financial Statements".

8. ACCOUNTS PAYABLE

	\$ 2003	\$ 2002
Trade creditors	126,671	103,767
Other creditors and accruals	310,996	230,900
Resident's fees received in advance	26,386	24,614
Subsidies received in advance	9,693	10,102
Residents' funds in trust	112,270	97,429
	586,016	466,812

9. PROVISIONS

	\$ 2003	\$ 2002
CURRENT		
TAX LIABILITY	31,746	12,611
Employee entitlements	383,451	329,997
	415,197	342,608
NON-CURRENT		
Employee entitlements	196,488	132,815

The number of employees at year end was 176 (2002, 102).

10. OTHER LIABILITIES

	\$ 2003	\$ 2002
CURRENT		
Accommodation bonds	102,500	485,690
Capital funds received in advance	288,164	340,000
	390,664	825,690
NON-CURRENT		
Accommodation bonds	2,114,033	2,094,745

11. ASSET REVALUATION RESERVE	\$	\$
	2003	2002
Balance at year end	3,507,554	3,507,554

There was no movement during the financial year.

12. ACCUMULATED FUNDS	\$	\$
	2003	2002
Accumulated funds at the beginning of the financial year	12,248,069	12,198,130
Surplus / (Deficit) from ordinary activities	101,044	49,939
Accumulated funds at the reporting date	12,349,113	12,248,069

13. SEGMENT REPORTING

The Company provides welfare services in Melbourne, Australia.

14. CONTINGENT LIABILITIES

- a. On the 18 September, 1996 the Director of Housing gifted land valued at \$720,000 to Wintringham as part of the Victorian Government's contribution to the construction of the Port Melbourne Hostel. As part of this contribution, on the 30 January, 1997 a first mortgage was created over the property located at Port Melbourne by the Director of Housing, which will become payable should Wintringham cease to provide for the needs of frail older people who are homeless or at risk of homelessness.
- b. On 16 July 1998, the Director of Housing made a grant totalling \$1,645,000 to Wintringham as part of the Victorian Government's contribution to the development of 20 one bedroom independent living units at Kensington. In February 1999 a first mortgage was created over the property located at Kensington by the Director of Housing which will become payable should Wintringham cease to provide for the needs of frail older people who are homeless or at risk of homelessness.

15. MEMBERS' GUARANTEE

The Company is limited by guarantee. If the Company is wound up, the Constitution states that:

Every member of the Company undertakes to contribute to the assets of the Company in the event of the Company being wound up while he or she is a member, or within one year of ceasing to be a member such amount as may be required not exceeding twenty dollars (\$20.00), for the payment of the debts and liabilities of the Company contracted whilst the member or past member as the case may be was a member of the Company, and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves. At 30 June 2003 the number of members was 51.

16. NOTES TO THE STATEMENT OF CASH FLOWS

		\$	\$
i	Cash as at the end of the financial year is reconciled as follows:	Note	
		2003	2002
	Cash (Excluding resident Trust monies)	67,790	21,440
	Investments	6 3,306,953	2,986,252
		3,374,743	3,007,692
ii	Reconciliation of cash flow from operations with operating profit after income tax		
	Operating (deficit)/surplus after income tax	101,044	49,939
NON-CASH FLOWS IN OPERATING PROFIT			
	Depreciation	486,066	482,558
	Write off fixed assets		7,563
	Loss / (Profit) on sale of property , plant & equipment	(27,738)	(794)
	Donated capital funds brought to account	(206,837)	-
ADD / (LESS) ITEMS CLASSIFIED AS INVESTING / FINANCING ACTIVITIES			
	Amounts received for financing purposes	-	(102,500)
	Increase / (decrease) in provisions	104,689	120,095
	Increase / (decrease) in debtors & receivables	40,385	(101,016)
	Increase / (decrease) in trade creditors and accruals	173,865	7,486
	Cash flow from operations	671,474	463,331

17. EVENTS SUBSEQUENT TO BALANCE DATE

No other matter has arisen since the end of the financial year that significantly affected or may effect the operations of Wintringham, the results of those operations, or the state of affairs in subsequent years.

18. BED LICENCES

At 30 June 2003, Wintringham held licences to provide accommodation to residents at facilities operated by the Company. The Directors have valued these licences at \$3,870,000 reflecting a current market valuation at 30 June 2001. It is the Director's intention to assess the valuation of bed licences on a three yearly basis.



VALMA

MILESTONE

Wintringham's southern and western region offices are now providing community based care to a record 271 aged people, after the company won a further 21 CACP places in 2002.

Wintringham

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