



## Independent auditor's report

To the Rosebud residents of Baptist Village Baxter Limited

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### Our opinion

We have audited the Rosebud Statement of Income and Expenditure (statement) from 1 July 2023 to 30 June 2024. In our opinion the accompanying statement presents fairly, in all material respects, the Rosebud Statement of Income and Expenditure of Baptist Village Baxter Limited (the Company) from 1 July 2023 to 30 June 2024 in accordance with Note 1 relevant to preparing such a statement.

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### Basis for opinion

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 statement* section of our report.

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

### *Independence*

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & 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 statement in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### Emphasis of matter - basis of accounting and restriction on distribution and use

We draw attention to Note 1, which describes the basis of accounting. The statement has been prepared to assist the directors to meet the requirements of clause 34(3) of the Retirement Villages Act 1986. As a result, the statement may not be suitable for another purpose. Our report is intended solely for Baptist Village Baxter Limited and its residents and should not be distributed to or used by parties other than Baptist Village Baxter Limited and Rosebud residents of the Independent Living Units owned by Baptist Village Baxter Limited. Our opinion is not modified in respect of this matter.

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### Responsibilities of the directors for the statement

The directors of the Company are responsible for the preparation and fair presentation of the statement in accordance with Note 1, and for such internal control as the directors determine is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

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### Auditor's responsibilities for the audit of the statement

Our objectives are to obtain reasonable assurance about whether the statement 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 the statement.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by the directors.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  
PricewaterhouseCoopers

  
Anthony Vlavianos  
Partner

Melbourne  
27 August 2024

**Baptist Village Baxter Limited**  
**Rosebud Independent Living Units**

**Statement of Income and Expenditure for the year ended 30th June 2024**

	Actuals \$	Budget \$	Per Unit Per Week per unit
<b><u>INCOME</u></b>			
Resident Service Fees	683,669	678,000	125.21
Other Income	104,679	105,780	19.17
<b><u>Total Income</u></b>	<b><u>788,348</u></b>	<b><u>783,780</u></b>	<b><u>144.39</u></b>
<b><u>EXPENDITURE</u></b>			
Admin Staff Wages & Oncosts	191,700	169,080	35.11
Maintenance Staff Wages & Oncosts	100,248	103,248	18.36
Nurses Wages & Oncosts	98,090	89,760	17.97
Workers Compensation	12,161	10,860	2.23
Water Rates	73,349	63,000	13.43
Council Rates	69,671	64,032	12.76
Waste Removal	1,433	15,984	0.26
Electricity	84,115	84,936	15.41
Insurances	37,884	37,872	6.94
Admin Allocation	39,180	39,180	7.18
Other Admin & Support Services	55,965	49,566	10.25
Repairs & Maintenance	24,513	38,200	4.49
Motor Vehicles	7,876	8,000	1.44
Catering & Cleaning	12,933	10,000	2.37
<b><u>Total Expenditure</u></b>	<b><u>809,117</u></b>	<b><u>783,718</u></b>	<b><u>148.19</u></b>
<b><u>Operating Profit/(Loss)</u></b>	<b>- 20,770</b>	<b>62</b>	<b>(4)</b>

**Note 1**

This statement has been prepared under the historical cost convention  
The statement has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards to the extent applicable to the statement, for the purposes of complying with clause 34(3) of the Retirement Villages Act 1986.



## *Independent assurance report on the expenditure forecast*

To the Rosebud residents of Baptist Village Baxter Limited

### *Scope*

We have been engaged to report on the attached Rosebud Independent Living Units Anticipated Expenditure Forecast (the expenditure forecast or forecast) of Baptist Village Baxter Limited (the company) for the year ending 30 June 2025. As agreed in our engagement letter dated 17 April 2024, this report is prepared solely for distribution to the Rosebud residents of the Independent Living Units of the company (the Rosebud residents). The basis of preparation of the forecast is recognition and measurement principles contained in Australian Accounting Standards to the extent applicable to the forecast, for the purposes of complying with clause 34(3) of the *Retirement Villages Act 1986* (stated basis of preparation).

### *Director's responsibility*

The directors are responsible for the preparation and presentation of the forecast for the year ending 30 June 2025 and the information contained therein, including the best-estimate assumptions on which the forecast is based. This includes responsibility for such internal controls as directors determine are necessary to enable the preparation of a forecast that is free from material misstatement, whether due to fraud or error.

### *Our responsibility*

We have conducted an independent limited assurance of the forecast in order to express a limited assurance conclusion on the forecast, best-estimate assumptions underlying the forecast, whether the forecast is prepared based on those assumptions and the stated basis of preparation noted above and the reasonableness of the forecast itself, based on our work. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance engagement consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It is substantially less in scope than a reasonable assurance engagement (audit) conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

There is a considerable degree of subjective judgement involved in preparing a forecast since it relates to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the forecast since anticipated events or transactions frequently do not occur as expected and the variation may be material.

Directors' best-estimate assumptions on which the forecast is based relate to future events and transactions that directors expect to occur and actions that directors expect to take and are also subject to uncertainties and contingencies, which are often outside the control of the company. Evidence may be available to support directors' best-estimate assumptions on which the forecast is based; however such evidence is generally future-oriented and therefore speculative in nature.

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## *Independent assurance report on the expenditure forecast (continued)*

We are therefore not in a position to obtain the level of assurance necessary to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly provide a lesser level of assurance on the reasonableness of directors' best-estimate assumptions. The limited assurance conclusion expressed below in this assurance report has been formed on the above basis.

Readers of the forecast should be aware of the material risks and uncertainties in relation to the inherent uncertainty relating to the forecast. Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecast will be achieved.

The forecast has been prepared by the directors for the purposes of complying with clause 34(3) of the *Retirement Villages Act 1986*. We disclaim any assumption of responsibility for any reliance on this report, or on the forecast to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of management and directors of the company that all material information concerning the prospects and proposed operations of the company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

### *Limited Assurance Conclusion*

Based on our limited assurance engagement, which is not a reasonable assurance engagement, nothing has come to our attention which causes us to believe that:

- a) director's best-estimate assumptions do not provide reasonable grounds for the preparation of the Rosebud Independent Living Units Anticipated Expenditure Forecast of Baptist Village Baxter Limited for the year ending 30 June 2025; and
- b) in all material respects, the forecast:
  - is not prepared on the basis of director's best-estimate assumptions; and
  - is not presented fairly in accordance with the above stated basis of preparation, being recognition and measurement principles contained in Australian Accounting Standards to the extent applicable to the forecast, for the purposes of complying with clause 34(3) of the *Retirement Villages Act 1986*; and
- c) the forecast itself is unreasonable.



## *Independent assurance report on the expenditure forecast (continued)*

### *Reliance on this report*

The forecast has been prepared for distribution to the Rosebud residents for the purpose of fulfilling the financial reporting obligations of the directors in compliance with clause 34(3) of the *Retirement Villages Act 1986*. We disclaim any assumption of responsibility for any reliance on this report or on the forecast to which it relates to any person other than to the company and the Rosebud residents or for any purpose other than that for which it was prepared.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

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Anthony Vlavianos  
Partner

Melbourne  
27 August 2024

**Baptist Village Baxter Limited**  
**Rosebud Independent Living Units**

Anticipated Expenditure 01/07/2024 - 30/06/2025

Based on 105 Units

	\$	\$ per week per unit
<b><u>EXPENDITURE</u></b>		
Admin Staff Wages & Oncosts	175,000	32.05
Maintenance Staff Wages & Oncosts	109,300	20.02
Nurses Wages & Oncosts	96,100	17.60
Workers Compensation	11,400	2.09
Water Rates	63,000	11.54
Council Rates	69,090	12.65
Waste Removal	16,700	3.06
Electricity	88,500	16.21
Insurances	39,800	7.29
Admin Allocation	40,000	7.33
Other Admin & Support Services	49,000	8.97
Repairs & Maintenance	40,140	7.35
Motor Vehicles	7,900	1.45
Catering & Cleaning	11,000	2.01
<b><u>Total Expenditure</u></b>	<b><u>816,930</u></b>	<b><u>149.62</u></b>