



ANNUAL REPORT 2025

179 Napier Street Hostel Association Incorporated

***PROVIDING HIGH-QUALITY COMMUNITY & RESIDENTIAL
CARE & SUPPORT TO OLDER MEMBERS OF OUR COMMUNITY
REGARDLESS OF FINANCIAL STATUS***

Our mission

To provide high quality community and residential care and support to older members of our community regardless of financial status

Our vision

Compassionate care of our community

Our Values

Respect

At Napier Street Aged Care, respect lies at the heart of everything we do. We believe in fostering meaningful relationships based on trust, understanding, and honest communication. We treat each resident with the utmost dignity, honoring their individuality and unique life experiences.

Compassion

With compassion as our guiding principle, we strive to create a warm and caring community that embraces each resident with open arms. Our staff exemplify true empathy, going beyond the basic needs to understand and meet the emotional well-being of our residents.

Innovation

Our commitment to staying at the forefront of best practices drives us to explore new ideas and approaches. We encourage our staff members to contribute innovative solutions. By incorporating cutting-edge technologies and practices, we optimize care delivery to meet the evolving needs of our residents.

Inclusiveness

We are committed to creating a supportive environment where all residents feel welcomed, valued, and a vital part of our community. Our diverse and culturally sensitive approach ensures that each resident's unique background is embraced and celebrated.

Excellence

We strive for the highest standards in care, service, and support, making it our common purpose to provide the best at all times. Our staff undergo continuous learning and development to deliver exceptional care, and we actively seek feedback from residents and families to improve our services further.

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OUR PEOPLE

Board members

Name	Position	Year Joined
Frank O'Connor	Chairperson	1993
Maryanne McPhee	Vice Chairperson	2014
Brenda Nowlan	Secretary	1999
Patricia (Tricia) Tracey	Director	1994
John Coldham	Director	2000
Pablo Salina	Director	2013
Louise Crawford	Director	2016
Libby Van Leeuwen	Director	2022
Richard Whiting	Clinical Governance	2015

Frank O'Connor

Qualifications:

ARMIT, MACS (Snr), GAICD

Experience and expertise:

Frank is a retired senior executive of a financial services organisation where he had responsibility for IT, HR, Property and Legal functions. Frank has held numerous non-executive Director roles with not for profit and local community organisations.

As well as being the current Chair of Napier Street Aged Care Services, Frank is a director of Catholic Care Victoria Ltd and recently retired as a director of Housing First Ltd. Frank was Mayor of the City of Port Phillip 2008-2010 and served on the former South Melbourne Council including two years as Mayor.

Maryanne McPhee

Qualifications:

Bachelor of Applied Science, Speech Pathology.

Post Graduate Certificate and Diploma in Palliative Care.

Prince 2 Project Management – Foundation and Practitioner.

Experience and expertise:

Maryanne has extensive clinical experience in neuro-palliative care, working in Australia and the United Kingdom, and is currently working at Calvary Health Care Bethlehem. Maryanne also co-authored several journal articles and more recently a chapter on "Interdisciplinary Management of Communication" in David Oliver's book Palliative Care In ALS (Motor Neurone Disease). In the past, Maryanne has held a number of other non- executive Director roles.

Maryanne is currently a member of the State Council for the Motor Neurone Disease association Victoria.

Brenda Nowlan

Qualifications:

Bachelor of Arts (Monash University)
Graduated Diploma of Mathematics Education
T.S.T.C.

Experience and expertise:

Brenda is a retired teacher who had a long career as a senior mathematics teacher in both state and private schools where she occupied a number of leadership positions.

In retirement, Brenda has been a volunteer at a major public hospital for more than 10 years, acting in a number of different roles involving close contact with patients. Brenda has been a lay member of the hospital's Human Research and Ethics Committee for the past 8 years.

As a lifelong resident of the City of Port Phillip, Brenda has many local connections and has a good understanding of the local community.

Patricia (Tricia) Tracey

Qualifications:

B.A.(Hons) B.Ed.

Experience and expertise:

Tricia has been an academic at major Australian universities for many years teaching and researching in psychology and politics, specialising later in her career in the latter field. Tricia was a member of senior committees which addressed university management, coordination and operations, and has been widely recognised for her strengths in people management, policy formulation and strategic planning.

Tricia has contributed to several other community programs including pre marriage education with couples and language education with refugees

John Coldham

Qualifications:

BA, LL. B

Experience and expertise:

John was a partner of national law firm Hall & Wilcox from 1984 to 2019 where he is now a consultant. John formed and managed large teams providing statutory insurance legal services to government and business and was also actively involved in establishing and expanding Hall & Wilcox's interstate offices.

John was a member of the Hall & Wilcox Board of Management and is currently a board member of a number of not-for-profit community organisations.

Pablo Salina

Qualifications:

B. A

Experience and expertise:

Pablo is a qualified secondary school teacher - teaching at-risk youth for many years and has worked in the Community School sector for 10 years and is a passionate advocate for young people.

Pablo has also worked in the juvenile justice system, specifically with incarcerated young offenders and as a youth drug and alcohol residential worker. Pablo spent 10 years in the automotive industry in sales and management roles before moving into the community sector.

Pablo managed an Electorate Office for a member of the Southern Metropolitan Region in the Victorian Legislative Council and worked as a ministerial adviser - focusing on trade and international education. Currently Pablo works as an engagement manager in the Victorian public service. Pablo has extensive experience in community engagement, education and local politics.

Louise Crawford

Qualifications:

BA – Arts

Experience and expertise:

Louise is a professional actor by trade with a BA in Arts. Louise was elected to the City of Port Phillip in 2016 and is currently serving her second term on council, where she served as Mayor in 2021.

Elizabeth (Libby) Van Leeuwen

Qualifications:

RN, ICU Cert, B.Ed., M. PET, Cert IV TAE

Experience and expertise:

Libby has been a registered nurse for 40 years and worked across the public and private health sector. She has primarily focussed on clinical care, workforce education and management with her most recent position being the Director of Nursing at Great Ocean Road Health, Apollo Bay campus.

Dr. Richard Whiting

Qualifications:

M.B., B.S., F.R.A.C.P.

Experience and expertise:

Richard is a recently retired Consultant Geriatrician. Richard has extensive experience as a board member (including as chairperson) of residential aged care facilities in the not-for-profit sector. Richard has led large hospital units and small commercial enterprises. Richard have advised state and commonwealth governments on health and aged care issues.

Senior Team

Name	Position	Employed During
Marie Crossland	Chief Executive Officer	2017
Gabriel Villaflor	Clinical Care Manager	2017
Kathryn Guiao	Quality & Education Manager	2018
Wei Zhang	Business & Finance Manager	2023
Dennis Suwal	Lifestyle Coordinator	2021
Philippe Haquin	Day Centre Coordinator	2018

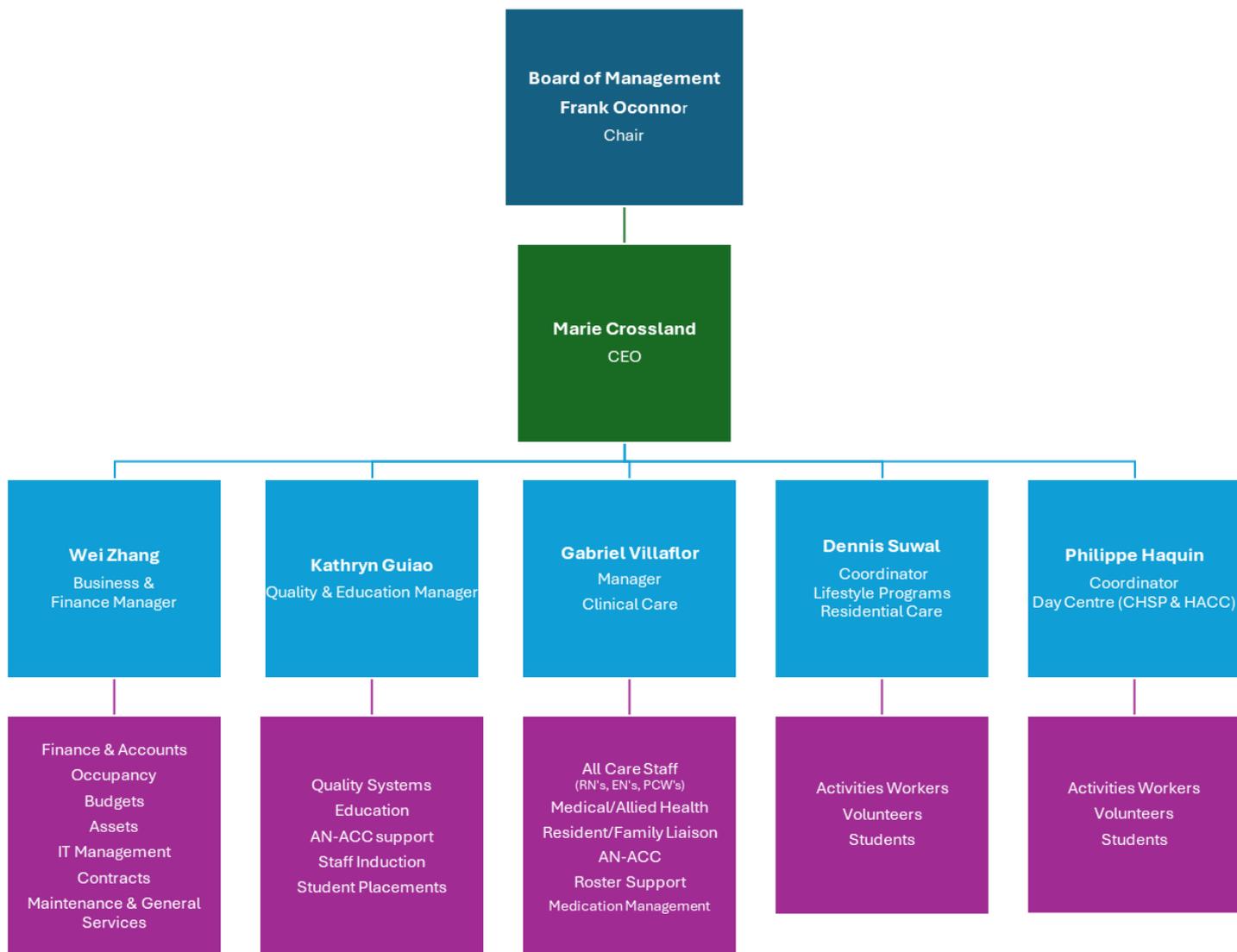
Members

Agostino Pat
Arnott Muriel
Bond Jager
Brown Patricia
Capes Nicholas
Collins Carmel
Grieb Elizabeth
Grieb Hartmut
Hunter Judy
Hutchens Gary
Lewisohn John
Lewisohn Penelope
McIntosh Barry
McIntosh Gwen
Stokes Rosalyn
Wilson Gael

179 Napier Street Hostel Association Incorporated is registered with the Australian Charities and Not-for-profits Commission (ACNC).

AUDITOR: StewartBrown- Level 2 Tower 1/495, Victoria Avenue, Chatswood, NSW 2067

Organisation and Reporting Structure



CHAIRPERSON'S REPORT

FRANK O'CONNOR

Chairperson



The Board has great pleasure in reporting to our members in this Annual Report.

This is not just the usual reporting regarding our on-going care for and commitment to our residents. That's our fundamental belief and what we do so well. As a Board, we congratulate Marie, our fantastic CEO, and all our staff. They believe our residents must be placed first in all the work they do.

As reported last year, and through our communications through this year, we have been working hard on examining the opportunities that would exist with a merger of Napier Street Aged Care with Claremont & South Port Aged Care. We are now pleased to report that we have reached an appropriate arrangement for merging the two organisations.

We have signed a Merger Deed which lays out the legal and operational details for merging the two organisations, which, subject to our members' approval at the AGM, will be completed over the next few months. Despite the size difference between the two entities, it will be a real partnership between the two. We're pleased to note that, subject to agreement of members of each organisation, this merged entity will have a governance Board of ten Directors, five from each of the existing entities.

It's important to note that the two physical facilities will continue to operate as they have for decades but with the added reassurance that the viability of each will be strengthened by being under one organisation. To simplify the process of bringing the two together, we at Napier Street decided that we should wind up our legal entity and move the functioning parts of it to a renewed CaSPA Care. The final decision will be made by our members at our respective Annual General Meetings.

As we have said for many years, this has been another year of significant challenges but because of our fantastic staff, Marie our CEO, the wonderful management team, clinical staff and all the team, we have continued to give our residents a home and lifestyle to meet their needs. The level of increased regulatory requirements means that we are putting our absolute focus on the care of our residents which is the way we have always operated, namely, our residents first and maintaining our strong connection to the local community.

Despite the challenges of the COVID-19 pandemic having significantly passed, there are on-going risks which we have successfully managed. We are totally indebted to our staff for their dedication over nearly six years that has ensured that we have been able to minimise the impacts on residents, their families and visitors and our staff. This means that we have been able to protect our residents from the potentially devastating effects of COVID, and we have, by extension, protected families, visitors and staff.

The next big challenge for us and for all residential aged care facilities is the new Aged Care Act which comes into effect on 1 November. We believe we are well prepared for this but the current lack of clarity around various regulations and procedures are a concern.

Again, this year it's been my pleasure as Chair to work with such a committed Board. They provide all the necessary challenges and oversight to ensure that our governance is first class. I would particularly like to recognise the additional work put in by Maryanne McPhee as Deputy Chair, and Richard Whiting and Libby Van Leeuwen who together with Maryanne have contributed invaluable skills and experience in relation to clinical care matters through the Clinical Governance Committee.

On a sad note, we have accepted the resignation of Nick Capes from our Board as he needs time to recover from a nasty bike riding accident. Nick's role as Treasurer over nearly nine years has been exemplary and his personal style with other Directors and the senior staff has been uplifting. We wish him well and hope for a speedy recovery.

The Board continues to be indebted to Marie Crossland as our CEO and our other senior staff for their dedicated work. And all of our care staff who continue to make Napier Street a great place for our residents.

We are looking forward to the next chapter of residential aged care in this area under our combined umbrella of Napier Street and CaSPA Care.

Frank O'Connor
Chair



CEO'S REPORT

MARIE CROSSLAND
Chief Executive Officer



A successful year on many levels.

This year has continued with a trend away from the extremes with which Covid impacted our lives; however, this awareness has brought new learnings and changes to the way we operate during any infectious outbreak. Staff swing into action when needed and can identify early onset symptoms of infectious illnesses.

We have embarked on the massive project of a complete renovation of the kitchen; there was much planning before this could begin the works are expected to be completed before the end of the year. The works have been significantly delayed due to the condition of the floor which has necessitated major repair and a new floor slab and waterproofing being installed.

We have continued to maintain star ratings at a high level, and the public are beginning to have an awareness of these ratings when researching aged care.

Much work has been undertaken during the year to prepare for the changes brought about by the new Aged Care Act which came into play on 1 November 2025.

The amazing culture of the staff continues to be evidenced via compliments from residents and families. I am truly fortunate to be supported in my role by such great staff.

The senior management team of Wei, Gabriel, and Kathryn continue to excel in providing a caring, nurturing environment, whilst driving excellence in all we do, and I am deeply indebted to them all.

We sincerely thank all the companies and organisations who have supported us with grants throughout the year.

My last, but not least, thank you, is to the amazing Board members. The time that is so generously given to support and guide Napier Street Aged Care Services is second to none. Board members serve on committees and support and advise whenever needed. The residents are very pleased with the level of transparency and access they have with the Board members.

TREASURER'S REPORT

NICK CAPES

Treasurer (Retired September 2025)



For the year ended June 2025 Napier Street Aged Care Services (NSACS) had a very pleasing financial result with a Total Comprehensive Income for the year of \$263K (compared to the prior year Total Comprehensive Income of \$213K). The Total Comprehensive results include the change in capital value of investments held by NSACS, which was a gain of \$358K in 2025, compared to a gain of \$143K in 2024.

At an operating level (excluding capital gains on investments) the comparative figures are an operating loss of \$95k in 2025 compared to an operating gain of \$70k in 2024. It is also important to note that at a cash level (namely total comprehensive result excluding the non-cash depreciation expense) the comparative comprehensive results are a surplus of \$838k in 2025 and \$857k in 2024.

Total operating revenue in 2025 was \$9.6m, a 6% increase above the prior year of \$9.1m, again aided by the higher AN-ACC level funding and an increase in term deposit interest rates during the year. Occupancy during the year averaged 93.7%, which was higher than the prior year at 92.6%.

Operating costs at \$ 9.7m were 7% above prior year of \$9.0m, again mainly driven by increased employee costs due to staff increases to prepare to meet the increased care minutes requirements under AN-ACC funding. We also reflected higher depreciation costs as we continued our building upgrade.

During the year we spent a further \$0.5m on our refurbishment program, which was again delayed by several COVID lockdowns and shortages of construction staff. We now expect to complete the refurbishment program by the end of October. In addition, Kitchen renovations, with a budget for \$318K scheduled for completion by mid-November.

NSACS continues to be in a very strong financial position with \$23.9m in cash and financial assets, covering our total liabilities of \$20.8m (which includes resident accommodation deposits of \$11.08m). We continue our conservative policy of ensuring our resident deposits are always fully covered by our term deposit balances.

This report has been written on behalf of Nick who retired in September due to illness. We are indebted to Nick for the guidance, support and dedication he has shown to us all during his lengthy tenure as Treasurer.

Clinical Governance Committee Report

Maryanne McPhee
Clinical Governance Committee Chair



The Clinical Governance committee closely monitors and evaluates all areas of clinical care provided at Napier Street Aged Care Services (NSAC), through regular and rigorous review of clinical quality and safety performance data. (Including: falls, skin tears, call bell response times, medication incidents, infections and other clinical indicators). The committee also closely monitors and ensures appropriate staffing levels, credentialing of medical staff and consultants, care minutes and the use of agency staff.

The Clinical Governance Committee meets on a monthly basis. At most meetings there are three board members in attendance, alongside the management team and key clinical staff. We welcome staff joining and participating in these meetings.

As part of good clinical oversight, there is also a quarterly Medication Advisory Committee meeting that reviews all medication related incidents and issues. Three board members, management staff, senior clinical staff, the local pharmacist and a specialist consultant pharmacist all attend. One of the main focuses of this group is to review all Napier Street medication data and discuss any concerns and to benchmark this with other Aged Care facilities. As an organisation we are performing very well across all measures.

During 2025 the clinical team have been able to complete a number of continuous improvement projects. The NSAC quality team have ensured that all staff involved in resident care are aware of incidents and have the opportunity to suggest clinical improvements. Collected data and results have driven resident focussed education for the team and created learning opportunities for all involved, including the timely responses to infections and preventing extensive outbreaks and isolation for residents.

One very successful project that commenced in 2024, focused on improving call bell response times for all residents. This has been monitored through 2025– with last month's average time for 18357 calls of 2mins and 6sec. A fantastic achievement by all involved -better than the best average time last year. Other projects have focused on early recognition of residents who may be at risk of falls, investigating the causes of skin tears and skin conditions and working with a dietitian to create a survey to assess good levels of fluid intake. These projects are ongoing and we hope to see great results in 2026.

Finally, the purpose of clinical governance is to support the workforce and visiting practitioners in our service to provide safe, quality clinical care as part of a holistic, person-centred approach to aged care that is based on the needs, goals and preferences of our residents at NSAC.

Thank you to all members of the committee for their commitment and focus over the last 12 months.

Maryanne McPhee, Libby Van Leeuwen and Dr Richard Whiting.

Kathryn Guiao
Quality and Education Manager



Napier Street Aged Care Services (NSACS) continues their commitment to deliver best practice quality care to their residents. One of the measures to demonstrate compliance and quality care is the star rating system. Our overall star rating ranges from good (4-star rating) to excellent (5-star rating). This rating is based on this organisation's performance in relation to Compliance, Quality Measures, Residents' Experience, and Staffing where NSACS mostly scored 4star to 5 stars respectively. The residents' experience has significantly improved from acceptable (3-star rating) to good (4-star rating) this year.

NSACS remained focused on resident's feedback and experiences. The organisation holds the consumer advisory committee every 4 months (as resident's preferred) where most procedures, updated legislative guidelines and recommendations are discussed. Once completed, the committee forwarded this information to the clinical governance team and to board members.

Further feedback comes from feedback forms, face to face consultation, staff meetings, food focus meetings and surveys. The focus remains on residents' wellbeing and preferences.

The education team focused on staff wellbeing this year. Ongoing education is crucial to ensure staff are updated with best practice. Education is also part of staff professional development. The team continued to arrange virtual reality (VR) training by Dementia Australia and Reverse Placement Training by Program of Experience in the Palliative Approach (PEPA). In addition to this, NSACS commenced working with the Palliative in Aged Care Outcome Program (PACOP) tool for early deterioration, identification and further management.

NSACS dedication to staff wellness is demonstrated through participating in mental health awareness training and mental health respondents training. The team also arranged an onsite support from the Employee Assistance Program to further support the staff for any challenges and showing how we greatly value our staff. As the New Aged Care Act and strengthened standards will come into effect. The team continuously working to ensure our compliance and practice.

As always, I would like to thank everyone for an amazing year we had. To all staff, thank you for all your participation and being open to further improvement and learning. To the residents, families, friends and members of the community- thank you for your involvement, feedback and recommendations you share with us.



I have been asked by residents and their family a few times – What is the best part of your job? Without hesitation my response would be, “Funerals.” Allow me to explain this.

Being in this role, I get the privilege to meet residents first through onboarding. To see the relief on their faces when we set goals or when we reassure them that even if we may not meet their expectations, but we can offer a close alternative, brings a sense of hope which I carry with me as I work towards an exceptional relationship with family and residents.

Initially, I thought knowing the residents and their quirky routines, individual preferences would allow us to know them. Not long after, I realized that we have been getting a sanitized version of their lives and what they did. Suddenly, knowing a resident truly meant knowing who they were before. “I am an artist” “He was a teacher”, “He was into Politics”, “she was a Nurse”. These lines piqued my interests They stay with us, get to know them and they pass away.

Then we attend funerals and memorials.

I then hear the stories of their lives. Decades of friendship that have not ended but halted with distance, medical issues but reconnected in a memorial of a life well live. Tales of love, failure and triumph that show you a colorful life well lived.

I am an artist – she was an RMIT professor who guided her students in expressing their thoughts in brushstrokes and colors. Students came to her funeral. Brought in paintings they made with her that changed their lives.

He was a teacher – This is an understatement of immense proportion. He was a high school teacher who built a boat with his students who were troubled, sailed with them and pushed them to become better people. I saw his students who were about 70 years old weeping for their beloved teacher and encouraged them to do better in their school.

He was into politics- His funeral was packed with Hundreds of people. Photos with Prime ministers and awards for the things he’s done for his community.

She was a Nurse – She lost her son in the war, she took care of her only grandson who died young, she took care of ger grandchildren and great grandchildren and taught them to be happy with life even if life is not fair. Memorials and funerals, grim as it sounds, I now look forward to this. To me this is the most meaningful part of this job.

We see our residents when the sun almost sets in their lives, but the funerals give us a glimpse at the time when the sun was high and in their prime. It shows our team we had the tremendous privilege of caring for someone who has left this world with a remarkable legacy.

Philippe Haquin
Day Centre Coordinator



The new legislation promoting the elderly to stay at home through care support packages has increased private clients asking for our services.

For the first 9 months of the year, the group slowly increased to ten clients. The integration of the new arrivals went well. The harmony and the homogeneity of the group gives a secure, supportive and homely environment. Some residents from our aged care come to join in the Day Centre activities to maintain community friendships. During the last three months some clients have moved to permanent residential aged care. Our objective is to grow the service and offering next year.

The HACC program is doing very well. We have experienced trips to the Lume exhibition centre, Heidelberg Museum of Modern Art (we saw an American female war photographer and Picasso partner, the Tulip Festival as well as the Autumn one and some went to see the show, Tina. We have a core group of ladies who join our program from Lake House. This group is increasing which we take as a sign that the clients are appreciating what Napier Street is offering them.

We are looking for an ever-better year with more clients and more outings.





As we reflect on the year 2024–25, we continue our mission to provide residents and clients of Napier Street Aged Services with the highest quality care and support. This past year has been one of connection, creativity, and community — filled with milestones, joyful moments, and ongoing improvements to enhance the wellbeing of every resident.

Throughout the year, our focus remained on enriching the daily lives of residents through a wide range of programs designed to promote physical, cognitive, social, and emotional wellbeing. With approximately 59 residents aged between 65 and 99 years — including both cognitively well and dementia-care residents — our team strives to offer activities that are inclusive, engaging, and meaningful for all. Together, we work to create a warm, welcoming environment where residents feel valued, connected, and supported in every aspect of their lives.

Our calendar has remained full and vibrant. Daily routines such as morning exercise sessions regularly conducted by accredited physiotherapists help maintain mobility and wellbeing. Happy Hour continues to be a highlight for residents, offering laughter, music, and shared connection.

Weekly programs including active games, bus outings, quizzes, and the walking group encourage movement and participation, while bingo and board games, held twice a week, are enduring favourites that foster friendly competition and camaraderie.

Fortnightly sessions such as craft, cooking, and live music performances add variety and creativity to the schedule. Monthly events including Mass and church services, conducted by Father Matthew and Reverend Michelle respectively, provide spiritual support, while the recently introduced High Tea gatherings have quickly become a resident favourite, offering a touch of elegance and togetherness.

Annual highlights — including our Footy Tipping Competition and Christmas Lunch and Raffle — bring the whole community together in celebration.

We are deeply grateful for our partnerships with Red Cross, Sacred Heart, and Elder Rights Advocacy (ERA), who continue to support our involvement in the Aged Care Volunteer Visitors Scheme (ACVVS). These visits bring companionship and joy to residents, ensuring no one feels isolated.

Our collaboration with the children's centre next door remains one of our most heartwarming initiatives. The regular children's visits foster intergenerational connection and bring smiles to residents and young visitors alike.

This year saw the introduction of several exciting additions to our program calendar. Fortnightly live music performances are now a regular feature, bringing rhythm and joy to our community. Our monthly High Tea events have been embraced wholeheartedly by residents and families alike.

Looking forward, we are excited to introduce new activities such as Chat with ChatGPT, offering residents a fun and educational way to explore technology; meditation and mindfulness sessions to promote calm and relaxation; and a Men's Group, creating a space for connection and shared interests among our male residents.

As our residents' needs and preferences evolve, one of our ongoing challenges has been expanding the variety of activities to keep everyone engaged and motivated. To meet this goal, we have focused on increasing the number of small group activities and one-on-one sessions, allowing for more personalised attention and deeper engagement.

The coming year will build on the strong foundation we have created together. We plan to continue broadening our lifestyle offerings, deepen our community partnerships, and explore innovative ways to use technology and creativity in our programs.

A heartfelt thank you to all who have contributed to our lifestyle program — residents, families, staff, volunteers, and community partners. Your participation, support, and feedback inspire us every day.

The Lifestyle Department remains committed to creating a vibrant, fulfilling lifestyle for every resident at Napier Street Aged Services. Together, we celebrate the achievements of the past year and look forward with enthusiasm to the journey ahead. I sincerely thank Faye and Simon for all the work they do which makes our team so dynamic.





179 NAPIER STREET HOSTEL ASSOCIATION INC.
ABN 11 648 685 928

FINANCIAL REPORT - 30 JUNE 2025

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179 NAPIER STREET HOSTEL ASSOCIATION INC.
ABN 11 648 685 928

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
ASSETS			
Cash and cash equivalents	6	12,493,636	13,596,379
Trade and other receivables	7	2,477,101	506,064
Financial assets	8	8,965,091	3,010,073
Capital work in progress	9	1,900	115,338
Property, plant and equipment	10	<u>8,186,403</u>	<u>7,501,967</u>
TOTAL ASSETS		<u>32,124,131</u>	<u>24,729,821</u>
LIABILITIES			
Trade and other payables	11	4,437,905	2,481,982
Refundable loans expected to be paid within 12 months	12	4,311,066	1,463,368
Employee benefits expected to be paid within 12 months	13	826,398	592,354
Refundable loans expected to be paid later than 12 months	12	11,085,600	8,956,773
Employee benefits expected to be paid later than 12 months	13	<u>195,073</u>	<u>230,491</u>
TOTAL LIABILITIES		<u>20,856,042</u>	<u>13,724,968</u>
NET ASSETS		<u>11,268,089</u>	<u>11,004,853</u>
FUNDS			
Accumulated funds		<u>11,268,089</u>	<u>11,004,853</u>
TOTAL FUNDS		<u>11,268,089</u>	<u>11,004,853</u>

The accompanying notes form part of these financial statements

179 NAPIER STREET HOSTEL ASSOCIATION INC.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
Revenue	4	9,639,959	9,113,376
Other income	4	<u>358,308</u>	<u>143,207</u>
		<u>9,998,267</u>	<u>9,256,583</u>
Expenses			
Accommodation and care expenses		(951,073)	(731,770)
Administration expenses		(488,498)	(309,405)
Consultancy expenses		(10,179)	(164,490)
Contract expenses		(116,613)	(108,284)
Day centre expenses		(76,270)	(70,636)
Depreciation and amortisation	5	(575,249)	(643,978)
Employee benefits expense		(6,851,321)	(6,426,030)
Finance costs	5	(55,473)	(20,081)
Maintenance and repairs		(435,155)	(355,986)
Utilities		<u>(175,200)</u>	<u>(212,495)</u>
		<u>(9,735,031)</u>	<u>(9,043,155)</u>
Surplus before income tax		263,236	213,428
Income tax expense		<u>-</u>	<u>-</u>
Surplus for the year		263,236	213,428
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>263,236</u></u>	<u><u>213,428</u></u>

The accompanying notes form part of these financial statements

179 NAPIER STREET HOSTEL ASSOCIATION INC.

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2025

	Accumulated Funds	Total
	\$	\$
Balance at 1 July 2023	10,916,425	10,916,425
Prior period adjustment (refer note 20)	<u>(125,000)</u>	<u>(125,000)</u>
	10,791,425	10,791,425
Comprehensive income		
Surplus for the year	213,428	213,428
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>213,428</u>	<u>213,428</u>
Balance at 30 June 2024	<u>11,004,853</u>	<u>11,004,853</u>
Balance at 1 July 2024	11,004,853	11,004,853
Comprehensive income		
Surplus for the year	263,236	263,236
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>263,236</u>	<u>263,236</u>
Balance at 30 June 2025	<u>11,268,089</u>	<u>11,268,089</u>

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers and government		9,504,365	8,847,170
Payments to suppliers and employees		(9,289,789)	(8,917,913)
Donations and bequests received		62,609	19,410
Interest and distributions received		1,143,502	454,927
Interest paid		<u>(55,473)</u>	<u>(20,081)</u>
<i>Net cash flows from operating activities</i>		<u>1,365,214</u>	<u>383,513</u>
Cash flows from investing activities			
Proceeds from sale of financial assets		2,883,545	-
Purchase of financial assets		(8,227,290)	(519,425)
Net reinvestments in financial assets		(252,965)	(66,386)
Purchase of property, plant and equipment - residential		(560,284)	-
Purchase of property, plant and equipment - other		(197,132)	(165,695)
Purchase of capital work in progress - residential		<u>(388,831)</u>	<u>(893,999)</u>
<i>Net cash flows from investing activities</i>		<u>(6,742,957)</u>	<u>(1,645,505)</u>
Cash flows from financing activities			
Proceeds from refundable loans		8,525,000	2,825,000
Repayment of refundable loans		<u>(4,250,000)</u>	<u>(270,000)</u>
<i>Net cash flows from financing activities</i>		<u>4,275,000</u>	<u>2,555,000</u>
Net increase (decrease) in cash and cash equivalents		(1,102,743)	1,293,008
Cash and cash equivalents at the beginning of the financial year		<u>13,596,379</u>	<u>12,303,371</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>12,493,636</u></u>	<u><u>13,596,379</u></u>

The accompanying notes form part of these financial statements

179 NAPIER STREET HOSTEL ASSOCIATION INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 1 - Corporate information

The financial report includes the financial statements and notes of 179 Napier Street Hostel Association Inc. 179 Napier Street Hostel Association Inc is registered under the *Australian Charities and Not-for-profits Commission Act 2012* and is domiciled in Australia.

The Association provides residential aged care services and day centre activities.

The registered address and principal place of business of the Association is: 179-

197 Napier Street
South Melbourne VIC 3205

The financial statements were approved by the Members of the Board on 8 October 2025.

Note 2 - Basis of preparation

Statement of Compliance

These general purpose financial statements have been prepared in compliance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Accounting Standards - Simplified Disclosures*. The Association is a not-for-profit entity for the purposes of preparing these financial statements.

Basis of measurement

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

Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical accounting estimates and judgements

The Board evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key estimates

Impairment

The Board assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Long service leave provision

The liability for long service leave is 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 rates and pay increases through promotion and inflation have been taken into account.

179 NAPIER STREET HOSTEL ASSOCIATION INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 2 - Basis of preparation (continued)

New and revised standards that are effective for these financial statements

Several amendments and clarifications to Australian Accounting Standards and interpretations are mandatory for the 30 June 2025 reporting period. These include:

- *AASB 2020-1, AASB 2022-6 and AASB 2023-3: Amendments to AASB 101 – Classification of Liabilities as Current or Non-current*
- *AASB 2023-1: Amendments to AASB 7 and 107 – Supplier Finance Arrangements*
- *AASB 2024-1: Amendments to AASB 1060 – Supplier Finance Arrangements: Tier 2 Disclosures*

The application of these amendments and clarifications have not had a material impact on the carrying values of the Association's asset, liability or equity balances; nor a material impact on the disclosures in the financial report nor the recognition and measurement of the Association's revenue or expenses.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2025 reporting periods and have not been early adopted by the Association. These include:

- *AASB 18 – Presentation and Disclosure in Financial Statements* (applicable for the year ending 30 June 2028)
- *AASB S1 – General Requirements for Disclosure of Sustainability-related Financial Information* (applicable for the year ending 30 June 2026, depending on criteria qualification outcomes)
- *AASB S2 – Climate-related Disclosures* (applicable for the year ending 30 June 2026, depending on criteria qualification outcomes)

It is not expected that *AASB 18*, *AASB S1* or *AASB S2* will have a material impact on the Association in future reporting periods. *AASB S1* and *AASB S2* will only have mandatory application to entities required to report under Chapter 2M of the *Corporations Act 2001* for annual reporting periods commencing on or after 1 July 2025. The Association is currently assessing whether there will be any material change to disclosures in financial reporting in future years as a consequence of sustainability reporting requirements. As at the date of this financial report *AASB S1* and *AASB S2* do not have mandatory application to the Association as the Association prepares its financial report under the *Australian Charities and Not-for-profits Commission Act 2012* financial reporting framework.

Presentation of Statement of Financial Position on a liquidity basis

The Directors have taken the view that in complying with the requirements of AASBs, the treatment of refundable loans (accommodation bonds and refundable accommodation deposits) as current liabilities does not reflect the true liquidity of the entity as these liabilities are not likely to be repaid in the next 12 months.

Accordingly, in the current year the Directors have chosen to present its statement of financial position under the liquidity presentation method (*AASB 101 Presentation of Financial Statements*) on the basis that it presents a more reliable and relevant view.

Note 3 - Accounting policies

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

Income tax

179 Napier Street Hostel Association Inc is a not-for-profit Charity and Public Benevolent Institution and is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

179 NAPIER STREET HOSTEL ASSOCIATION INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 3 - Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include 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.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Resident fees, daily accommodation payments and recurrent government subsidies

Revenue from residents' fees, daily accommodation payments and related government subsidies are recognised on a proportional basis to take account of the delivery of service to or occupancy by residents.

Interest

Revenue from interest is recognised on an accrual's basis.

Retentions from accommodation bonds

The retention income earned from accommodation bonds is recognised as revenue over the first five years of the resident's occupation of the facility.

Deposits

Deposits include term investments held with financial institutions with original maturity dates of greater than three months that are held by the Association. All term deposits are held with Authorised Deposit-taking Institutions (ADIs) that are authorised under the *Banking Act 1959*.

Trade receivables

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

A provision for impairment in relation to doubtful receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

179 NAPIER STREET HOSTEL ASSOCIATION INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 3 - Accounting policies (continued)

Property, plant and equipment

Recognition and measurement

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Property

Land and leasehold improvements are carried at cost, less depreciation on leasehold improvements and impairment losses.

Plant and equipment

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

Impairment

Property, plant and equipment including leasehold improvements are subject to the Association's policy for impairment review whereby an asset is tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Depreciation

The depreciable amount of all property, plant and equipment including leasehold improvements is depreciated on a straight line basis over the asset's useful life to the Association commencing from the time the asset is held ready for use.

The depreciation effective life used for each class of depreciable assets is:

Buildings	21 years
Equipment and fittings	3 to 10 years
Motor vehicles	4 to 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Financial instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the Association commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately. Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 3 - Accounting policies (continued)

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

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 high quality corporate 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.

Refundable accommodation deposits

Refundable accommodation deposits are non-interest-bearing deposits made by aged care facility residents to the Association upon their admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident.

Segment reporting

The approved provider delivers only residential aged care services, and this general-purpose financial report therefore relates only to such operations.

179 NAPIER STREET HOSTEL ASSOCIATION INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
<u>Note 4 - Revenue and other income</u>		
Operating revenue		
Government subsidies and recurrent grants	6,123,008	5,701,389
Government support - COVID-19	24,465	371,358
Resident and client fees and charges	2,199,312	1,933,731
Daily accommodation payments and accommodation charges	376,139	325,774
	<u>8,722,924</u>	<u>8,332,252</u>
Other revenue		
Donations	62,609	19,410
Investment income	854,001	701,803
Other revenue	425	59,911
	<u>917,035</u>	<u>781,124</u>
<i>Total revenue</i>	<u>9,639,959</u>	<u>9,113,376</u>
Other income		
Fair value gain on financial assets	358,308	143,207
<i>Total other income</i>	<u>358,308</u>	<u>143,207</u>
<i>Total revenue and other income</i>	<u>9,998,267</u>	<u>9,256,583</u>
<u>Note 5 - Expenses</u>		
Depreciation and amortisation		
Leasehold improvements	400,222	398,831
Furniture and equipment	127,814	125,270
Computer equipment	47,213	119,877
<i>Total depreciation and amortisation</i>	<u>575,249</u>	<u>643,978</u>
Finance costs	55,473	20,081
<u>Note 6 - Cash and cash equivalents</u>		
Cash at bank and on hand	2,752,947	1,730,198
Term deposits	9,740,689	11,866,181
<i>Total cash and cash equivalents</i>	<u>12,493,636</u>	<u>13,596,379</u>
<u>Note 7 - Trade and other receivables</u>		
<u>Expected to be settled within 12 months</u>		
Trade receivables	2,360,843	40,611
Interest receivable	72,824	362,325
Other receivables	5,373	75,812
Prepayments	38,061	27,316
<i>Total trade and other receivables</i>	<u>2,477,101</u>	<u>506,064</u>

179 NAPIER STREET HOSTEL ASSOCIATION INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
Note 8 - Financial assets		
<u>Expected to be settled within 12 months</u>		
Financial assets at fair value through profit or loss		
Managed funds	8,965,091	3,010,073
<i>Total financial assets</i>	<u>8,965,091</u>	<u>3,010,073</u>
Movements in carrying amount		
Opening net carrying amount	3,010,073	2,281,055
Additions	8,227,290	519,425
Net portfolio reinvestments	252,965	66,386
Disposals	(2,883,545)	-
Fair value movement	358,308	143,207
Closing net carrying amount	<u>8,965,091</u>	<u>3,010,073</u>

Note 9 - Capital work in progress

Residential

Cost	1,900	115,338
<i>Total capital work in progress</i>	<u>1,900</u>	<u>115,338</u>

Movements in carrying amounts

Opening net carrying amount	115,338	101,179
Additions	388,831	893,999
Reclassification - property, plant and equipment	(502,269)	(879,840)
Closing net carrying amount	<u>1,900</u>	<u>115,338</u>

Note 10 - Property, plant and equipment

	Buildings	Equipment and Fittings	Computer Equipment	Total
	\$	\$	\$	\$
At 30 June 2024				
Cost	9,200,723	1,051,430	509,245	10,761,398
Accumulated depreciation	(2,222,199)	(606,013)	(431,219)	(3,259,431)
<i>Net carrying amount</i>	<u>6,978,524</u>	<u>445,417</u>	<u>78,026</u>	<u>7,501,967</u>
Movements in carrying amounts				
Opening net carrying amount	6,978,524	445,417	78,026	7,501,967
Additions - residential	560,284	-	-	560,284
Additions - non residential	-	73,022	124,110	197,132
Reclassification - capital work in progress	502,269	-	-	502,269
Depreciation charge for the year	(400,222)	(127,814)	(47,213)	(575,249)
Closing net carrying amount	<u>7,640,855</u>	<u>390,625</u>	<u>154,923</u>	<u>8,186,403</u>
At 30 June 2025				
Cost	10,263,276	1,067,950	521,802	11,853,028
Accumulated depreciation	(2,622,421)	(677,325)	(366,879)	(3,666,625)
<i>Net carrying amount</i>	<u>7,640,855</u>	<u>390,625</u>	<u>154,923</u>	<u>8,186,403</u>

179 NAPIER STREET HOSTEL ASSOCIATION INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
<u>Note 11 - Trade and other payables</u>		
<u>Expected to be settled within 12 months</u>		
Trade payables	660,059	147,290
Refundable loans payable	3,265,140	1,650,000
Other payables	<u>512,706</u>	<u>684,692</u>
<i>Total trade and other payables</i>	<u><u>4,437,905</u></u>	<u><u>2,481,982</u></u>

Note 12 - Refundable loans

<u>Expected to be settled within 12 months</u>		
Refundable accommodation deposits	<u>4,311,066</u>	<u>1,463,368</u>
<u>Expected to be settled after 12 months</u>		
Refundable accommodation deposits	<u>11,085,600</u>	<u>8,956,773</u>
<i>Total refundable loans</i>	<u><u>15,396,666</u></u>	<u><u>10,420,141</u></u>

Movement in refundable accommodation deposits

Opening net carrying amount	10,420,141	9,145,141
New RADs received	10,875,000	2,825,000
Allowable deductions	(33,335)	-
RADs refunded	<u>(5,865,140)</u>	<u>(1,550,000)</u>
Closing net carrying amount	<u><u>15,396,666</u></u>	<u><u>10,420,141</u></u>

Terms and conditions

Refundable accommodation deposits and accommodation bonds (loans) are repayable on the following basis: -

- (i) If the resident gives notice more than 14 days prior to departure then the loan is payable on the date of departure;
- (ii) If the resident gives notice less than 14 days prior to departure the loan is payable within 14 days after notice is given;
- (iii) If the resident gives no notice the loan is repayable 14 days after departure; and
- (iv) If the resident dies, the loan is repayable within 14 days from the date that notice is received of the granting of probate or letters of administration.

	2025	2024
	\$	\$
<u>Note 13 - Employee benefits</u>		
<u>Expected to be settled within 12 months</u>		
Annual leave	519,692	409,272
Long service leave	<u>306,706</u>	<u>183,082</u>
	<u>826,398</u>	<u>592,354</u>
<u>Expected to be settled after 12 months</u>		
Long service leave	<u>195,073</u>	<u>230,491</u>
	<u>195,073</u>	<u>230,491</u>
<i>Total employee benefits</i>	<u><u>1,021,471</u></u>	<u><u>822,845</u></u>

Note 14 - Key management personnel

Remuneration of key management personnel

The aggregate amount of compensation paid to key personnel during the year was:	<u>778,461</u>	<u>889,183</u>
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179 NAPIER STREET HOSTEL ASSOCIATION INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
<u>Note 15 - Auditor's remuneration</u>		
Fees paid to StewartBrown, Chartered Accountants:		
Audit of the financial report	19,600	18,700
Preparation of the financial report	4,000	3,700
Other advisory services	-	3,887
<i>Total auditor's remuneration</i>	<u>23,600</u>	<u>26,287</u>

Note 16 - Related party transactions

Board members' remuneration

In accordance with the Association's constitution the Board members of the Association hold that position in an honorary capacity and thus receive no remuneration or retirement or superannuation benefits for their services.

Related party transactions

There were no related party transactions during the year (2024: \$Nil).

Note 17 - Commitments

Operating lease commitments

The property is leased from Port Phillip City Council for a period of 21 years which commenced on 1 January 2016. There is no rent paid unless the organisation is no longer using the building for the approved purpose being an aged care facility.

Note 18 - Economic dependency

The Board considers that the Association is economically dependent on revenue received from the Commonwealth Government Department of Health, Disability and Ageing with respect to its residential aged care facilities and community care programs. The Board believes that this revenue will continue to be made available to the Association for the foreseeable future.

The total amount of recurrent government funding received during the financial year was \$5,974,123 (2024: \$5,925,177) and this represented 59.8% of total revenues (2024: 64.0%).

Note 19 - Events occurring after balance date and commitment at balance date

Subsequent to balance date the organisation has committed to merging its operations with another approved provider of residential care services operating in the general location of the organisation and has executed a merger deed to that effect.

Note 20 - Prior period adjustment

During the year the Association identified that an additional liability to residents had not been recorded. The value of unrecorded liability is estimated to be \$125,000 at balance date.

Therefore, in accordance with the treatment as prescribed in AASB 108 "Accounting Policies, Changes in Estimates and Errors" The Association has retrospectively disclosed the recognition of the liability by restating the prior periods and the opening balances as follows:

	Balance as per 2024 Financial Statements	Balance as per 2024 Restated Comparatives
	\$	\$
Refundable loans (note 12)	10,295,141	10,420,141
Accumulated funds	11,129,853	11,004,855

179 NAPIER STREET HOSTEL ASSOCIATION INC.
ABN 11 648 685 928

FINANCIAL REPORT - 30 JUNE 2025

STATEMENT BY THE MEMBERS OF THE BOARD

The Members of the Board of 179 Napier Street Hostel Association Inc declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2025, and the statement of comprehensive profit or loss and other income, statement of changes in funds and statement of cash flows for the year ended on that date, and notes to the financial statements, including material accounting policy information, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with *Australian Accounting Standards - Simplified Disclosures* (including Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Association.
2. In the opinion of the Members of the Board, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Members of the Board:



Frank O'Connor
Chairman

South Melbourne, 8 October 2025

179 NAPIER STREET HOSTEL ASSOCIATION INC.
ABN 11 648 685 928

FINANCIAL REPORT - 30 JUNE 2025

AUDITOR'S INDEPENDENCE DECLARATION UNDER s60-40
OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE MEMBERS OF 179 NAPIER STREET HOSTEL ASSOCIATION INC.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



StewartBrown
Chartered Accountants



David Gallery
Partner

8 October 2025

179 NAPIER STREET HOSTEL ASSOCIATION INC.
ABN 11 648 685 928

FINANCIAL REPORT - 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
179 NAPIER STREET HOSTEL ASSOCIATION INC.

Opinion

We have audited the financial report of 179 Napier Street Hostel Association Inc which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the Statement by the Members of the Board.

In our opinion, the accompanying financial report of 179 Napier Street Hostel Association Inc is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Association's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- b) complying with *Australian Accounting Standards - Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (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 confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Members of the Board of the Association, would be in the same terms if given to the Members of the Board as at the time of this auditor's report.

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

Members of the Board's Responsibility for the Financial Report

The Members of the Board of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards - Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Members of the Board determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Members of the Board are responsible for assessing the Association'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 Members of the Board either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Members of the Board are responsible for overseeing the Association's financial reporting process.

179 NAPIER STREET HOSTEL ASSOCIATION INC.

ABN 11 648 685 928

FINANCIAL REPORT - 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
179 NAPIER STREET HOSTEL ASSOCIATION INC.

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* and the website address is <http://www.auasb.gov.au/Home.aspx>

We communicate with the Members of the Board 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.



Stewart Brown
Chartered Accountants



David Gallery
Partner

8 October 2025

CONTACT US

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Napier Street Aged Care Services

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