



St Sergius

AGED CARE

Trading as the Russian Relief
Association of St Sergius of Radonezh

2021/2022 Annual Report



The Russian Relief Association values
caring for our residents with respect,
trust, quality care, exceptional staff
and management



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Caring for people

St Sergius has a philosophy that we apply and believe that every person has a value and each individual must be treated with respect and dignity.

This same philosophy is adopted to all consumers and their representatives and friends and also to our staff. This encourages everyone to work together. With looking after each other in the way we do this in turn results in happier consumers and high retention of staff.

Our Vision Statement

Our Vision

The Board of Management of Russian Relief Association of St. Sergius of Radonezh is committed to achieving the highest possible standards of care for our consumers in the tradition of their heritage and culture.

Our Philosophy

In providing care of the highest possible quality for the aged and infirm members of our community, we are inspired by the principles of Christian benevolence. We aim to provide a lifestyle for our residents in the traditions of the Russian Culture and the rites of the Russian Orthodox Church. We believe that growing old is a further stage of development, which should be approached with dignity and confidence in one's ability to achieve the full potential that is possible for this time of life. At the same time, we recognize and accept the notion that all consumers irrespective of their physical, emotional, mental state or denomination have the same right as all Australian citizens and should be treated with utmost care and consideration.



Their sense of personal dignity and self-respect should be maintained at all times.

Values

- Striving to understand another person's experience, being aware of their feelings, their discomfort and suffering, and being motivated to respond.
- Upholding the right of every individual to be held in positive regard, to be treated with dignity and in a way that acknowledges their full human potential.
- Achieving and maintaining the optimum standard of service in every area through continuous quality improvement.
- Demonstrating willingness to contribute in full, and to cooperate with one another to achieve our shared vision for the future.
- Acting with fairness and openness in such a way that individual and organizational values are displayed through our facility.



Objectives

- To create a familiar and comforting atmosphere in which our consumers feel at home by providing specific home style cooked meals, observance of religious feasts and other customs relating to Russian culture.
- To maintain the highest standard of nursing care, meeting physical,
- psychological, spiritual and emotional needs of residents in a professional and safe manner.
- To treat residents with kindness and dignity and maintain quality of life at the highest level.
- To provide an atmosphere where mutual respect exists between staff and residents.
- To enable residents to maintain their independence, privacy and individuality, yet encourage them to take an interest in daily activities.
- To implement recreational and social programmes to meet the individual needs of residents.
- To provide in-service training and opportunities for external education for staff development.
- To offer our support to relatives and friends and help them come to terms with the changed circumstances

Board of Directors

President - Dr. A. Pesce

1st Vice President - Mr. N. Pitchuev

2nd Vice President - Mr. N. Maksymow

Treasurer - Mr. V. Ignatenko

Dr. I. Rotenko-Harvey

Mr. I. Kazagrandi

Mr. M. Apollonov

Mr. M. Dubinin

Mrs. T. Prolov

Mr. D. Zakroczymski

Internal Audit

Mr. Adrian Lapardin

Mrs. Veronica Hoare

Mr. Alexander Peniazev

People are our most important resource



President's Report 2021-2022

The last year has once again been a challenging one for St Sergius, but I am pleased to report that in spite of the various challenges, we have continued to carry on the work towards fulfilling our mission to provide support for the aged and infirm in the Russian and other Orthodox communities.

As in the previous year, the COVID 19 pandemic continued to affect the lives of our community, residents and staff. As all of you know, there was a major outbreak in Sydney in January 2022 which impacted severely on St Sergius. This placed us under severe stress, to which everyone in our association responded magnificently. I must pay special tribute to our residents and their families, who bore the pain of the severe restrictions on visiting which were mandated by the NSW Ministry of Health. I also need to recognize the dedication of our staff who continued to work under severe duress, observing all infection control precautions which I as a doctor understand makes a nurse's work even more difficult. Our staff continued to work throughout the peak of the pandemic, often working extra and prolonged shifts to ensure enough nursing care was available despite many staff needing to take pandemic leave when they or their own family members became ill. Our management led by example, taking on extra duties to provide care for our residents.



Despite the burden of the pandemic, I am pleased to report that our financial performance (as summarized in the Treasurer's Report) was maintained, and we are able to report a profit for the year. I must acknowledge the extra financial contributions of the Commonwealth government which provided significant extra funding which was necessary to pay the costs of COVID 19 infection control measures, as well as providing surge staffing to cover times when we faced shortages due to staff COVID 19 medical leave.

The Board continues to focus on the need to expand our accommodation, but even this has been affected by the pandemic, with significant delays in obtaining approval to proceed with our plans to build a Dementia unit on the site of the old hostel. The Board has decided to focus on three objectives

1. Provide purpose-built accommodation for residents with Dementia.
2. Decrease the number of shared rooms, reflecting a strong preference of single rooms amongst our community.
3. Build the project without incurring debt.



These objectives are being realized by converting unoccupied Independent Living Units to residential aged care rooms with refurbishment of those areas to provide improved amenities, and proceeding with final plans after our Development Application was approved by Council.

The board is proceeding with plans to relocate the Kitchen and Laundry as our existing facilities need a major upgrade, and it is more cost effective to relocate to a new site rather than refurbish existing amenities. This will then also free up further space for future expansion of residential accommodation.

The Board is progressing prudently. There is much uncertainty in the Aged Care Sector, with significant changes in how the Commonwealth funds Aged care and moves towards a preference for Aged care in the person's home. The Aged Care Act has undergone significant amendment which changes how aged care is funded and moves away from the previous Aged Care Funding Instrument, towards a new model, and increases in the regulatory and statutory obligations we must meet, both in our day to

day operations, and in our reporting and board governance.

Finally, the Aged Care workforce is itself under much pressure, with increasing difficulty recruiting and retaining high quality staff. The board recognizes that the quality of care St Sergius depends on our ability to maintain dedicated and skilled staff and is providing initiatives to improve remuneration, incentives to remain at St Sergius and provide career improvement opportunities for our staff.

The Board was pleased to welcome Don Zakroczymski as a newly elected director following the April 2022 Annual General Meeting. His experience and knowledge have considerably expanded the capability of the Board

I am confident we are responding to these challenges, and for their continuing work I thank our volunteers, staff, management and Directors.

Dr. A. Pesce
President

Treasurer's Report 2021-2022

While the costs associated with COVID-19 and the failure of Government subsidies to keep up with true costs were significant, St Sergius Aged Care finished the year in a strong position. The 2021-2022 Financial Year has been one of the most challenging ever faced by the Aged Care sector. The ongoing threat of COVID-19 has continued to have a significant financial impact. The responsibility of maintaining the safety and wellbeing of more than 285 residents/clients and 235 staff members/contractors continues to be all-consuming and has come at a significant financial cost.

Federal Budget

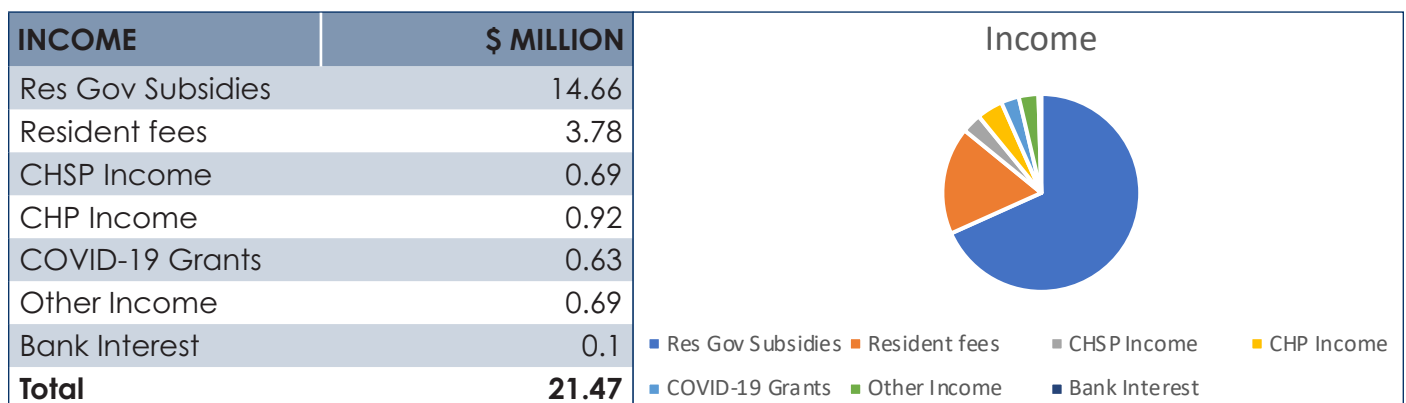
The Government response to the recommendations of the Royal Commission into Aged Care Quality and Safety, particularly in relation to funding has the new Australian National Aged Care Classification (AN-ACC) funding model starting on the 1st of October 2022. We are optimistic about the future and believe that the new classification system will provide funding that better match resident care needs.

Financial Result

As you can see in the Financial report Page 5 the organisation returned an operating profit of \$2.99 million before depreciation and other adjustments for the year ending June 30, 2022. An indexation applied to the Government subsidies for the year 2021-2022 financial year was 1.6%, far less than actual cost increases relating to wages and other expenses. At the same time, the Fair Work Commission has awarded a 2.5% increase to the modern award rates and the superannuation guarantee has increased by 0.5% additionally. Despite these challenges St.Sergius Aged Care achieved a very good result with \$1.9 million in Net Profit after depreciation.

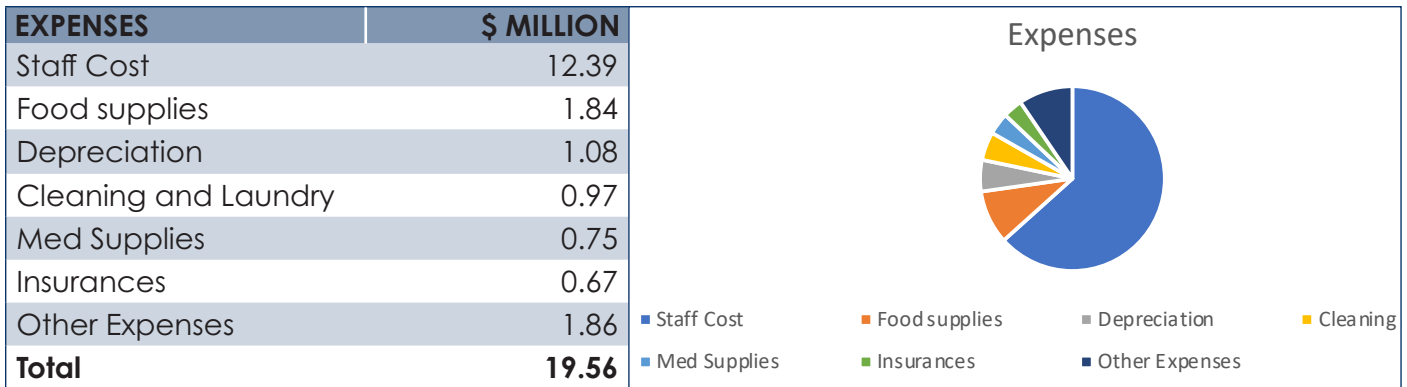
Income

As usual, the largest individual source of revenue came from Commonwealth Government subsidies - Residential - \$14.66 million or 68.30% of total revenue. Resident fees, including Daily Accommodation Payments, was the next highest source of revenue at \$3.78 million or 17.60% of total our income.



Expenses

Our workforce remains the single largest expenses item and totalled \$12.39 million for the year or 63.30% of total St.Sergius’ expenses. Over the past few years the proportion of Staff cost to overall expenses has remained relatively stable, confirming our commitment to maintain industry-leading staffing levels despite the reduced Government subsidy in real terms year on year.



Taking into account depreciation and other adjustments, the organisation returned an overall surplus of \$1.91 million for the year.

The company’s Statement of Financial position remains exceptionally strong, with net assets of more than \$65.56 million as at 30 June, 2022. Liquid assets in the form of cash and listed investments totalled more than \$23.92 million and ensures the organisation can refund accommodation deposits (RAD) when necessary.

All funds received from the various services provided, have been directed towards many initiatives for our Residents and Clients, as well as protecting our people (Residents/Clients and Staff members).

Overall, it’s an outstanding result. On behalf of the Finance Committee and the Board of Directors, I would like to thank the management and staff for their extraordinary dedication. We are well placed to face any future challenges.

Mr. Victor Ignatenko
Treasurer



Russian Relief Association of St Sergius of Radonezh Board of Directors



Dr. A. Pesce
President



Mr. N. Pitchuev
1st Vice President



Mr. N. Maksymow
2nd Vice President



Mr. V. Ignatenko
Treasurer



Dr. I. Rotenko-Harvey
Secretary



Mr. I. Kazagrandi
Director



Mr. M. Appollonov
Director



Mr. M. Dubinin
Director



Mrs. T. Prolov
Director



Mr. D. Zakroczymski
Director

Russian Relief Association of St Sergius of Radonezh Management



Helen Workman
CEO



Tatiana Fedoseeva
Director of Finance



Natalya Zaytseva
Director of Care



Alexander Kojevnikov
Maintenance
Manager



Svetlana Grabovsky
Homecare Services
Manager



Elena Ouchakova
Accountant



Lisa McCarron
Human Resources
and Office Manager



Dusica Matic Maho
Quality Compliance
Manager



Stanka Katic
Hospitality
Services
Coordinator



Milana Milic
Education
Coordinator



Irene Jarrett
Leisure and
Lifestyle
Coordinator



Sinisa Skoric
Occupational
Therapist



Eun Pyung Yoo
Physiotherapist

Internal Audit Committee Report 2021-2022

IAC is an independent committee, elected at the Annual Meetings for 3 years by the members of the RRA. We are to identify potential threats to the reputation and profitability of the RRA, monitor financial monthly statements, treatment of residents and how financial risks are being managed.

Despite the best efforts of the managements, performance of the RRA was still affected by Covid 19 with several lockdowns during 2021-2022 FY. However due to exceptional efforts by our Management and staff, RRA still managed to obtain profit of \$1,908,929.00 this financial year.

Average occupancy during this financial year was 98%, which is an excellent result considering current health's and economical factors in industry. IAC put most of their efforts into monitoring the well being of the residents and their activities. Again Covid19 lockdowns restricted our efforts due to precautions for Covid 19 possible cross infestation.

IAC tested food prepared for the residents every time following the monthly meetings and found food well prepared nourishing and satisfactory. We are satisfied with the performance of the kitchen.

Samovar Coffee shop changed their ownership is functioning well. We wish them all the best in the next year.

IAC noticed apparently high cost of consultants for building projects.

The Finance department monthly reports didn't show any unexpected or unusual expenses.

Many extra expenses were due to Covid restrictions and reforms. The success of the Financial Director must be noticed, who obtained special Government grants which added extra \$920,160.00 to the Retained Profit.



The building alterations activities are in planning stage and likely will start in second half of 2022.

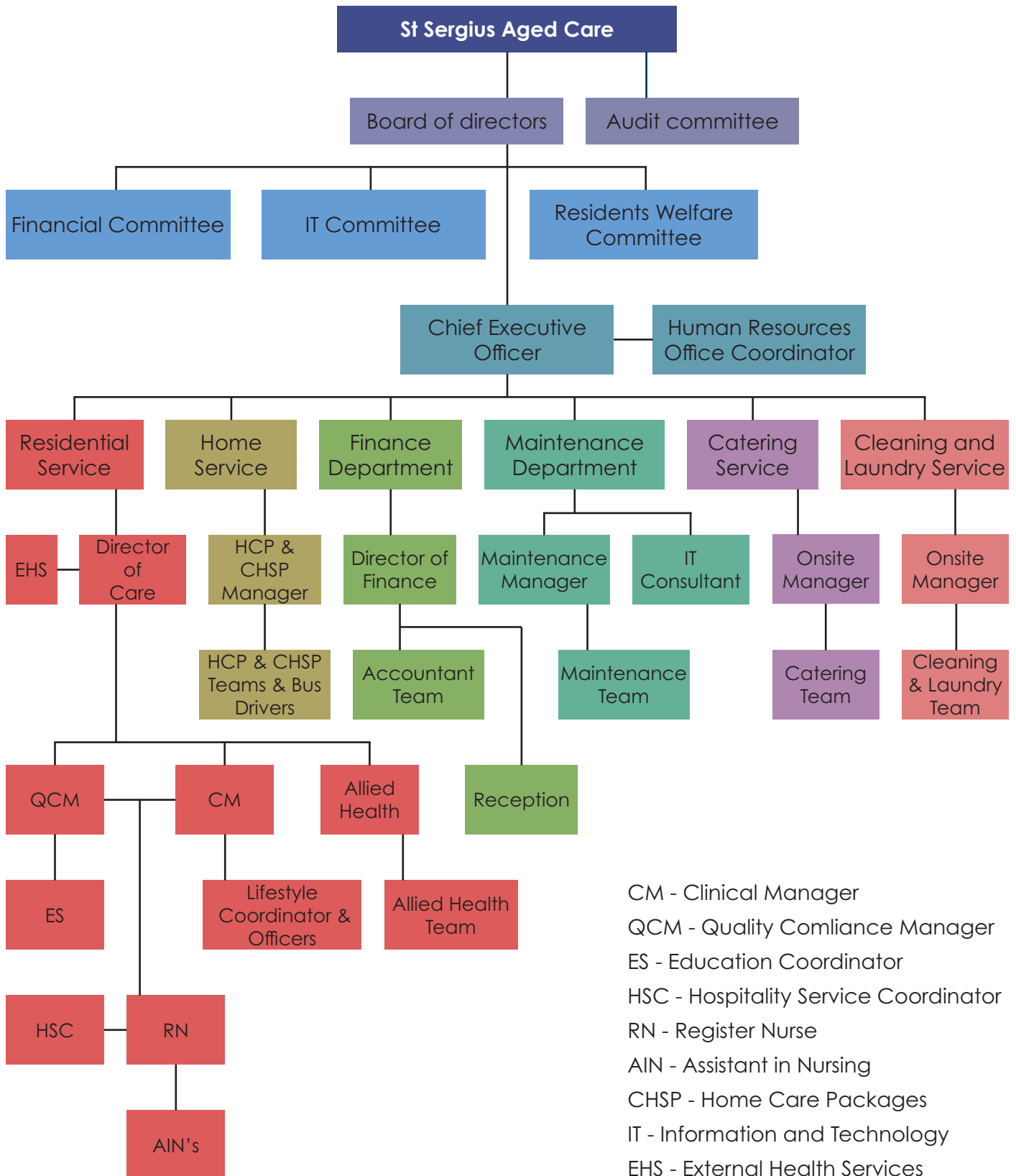
We ask and suggest that the Board of Directors should revise Memorandum of Articles of Association and propose to our members a revised Memorandum, which will include and reflect all new statutory laws and requirements. The current Memorandum is obviously outdated and needs to be updated. That would allow Directors, CEO, and IAC to achieve the goals.

We also would like to congratulate President, Directors, CEO, senior managers and all staff for the efforts to effectively run RRA and despite difficult year achieve a very good result in 2021-2022 FY

IAC would like to thank CEO Mrs. H. Workman for the general information and overall input and Financial Director Mrs. T. Fedoseeva for always providing us with any financial information we requested.

Internal Audit Committee

Russian Relief Association of St Sergius of Radonezh Organisation Chart

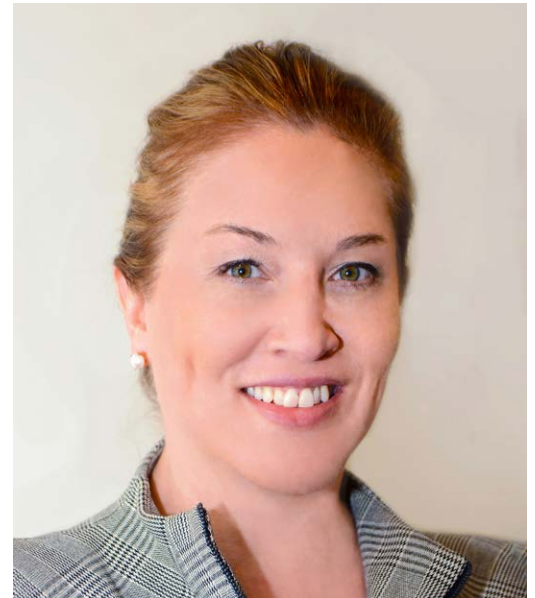


CEO's Report 2021-2022

Welcome to St Sergius' Annual Report for the 2022 Financial Year.

I am extremely proud of our team at St Sergius Aged Care for their continuing dedication and care for our residents and clients and their families during the 2022 Financial Year.

The pandemic which is now in its third year placed enormous strain on our clinical team, support staff and management team. Staff worked every day under the threat of further outbreaks, constrained by on-going requirements to work in PPE and challenged by the workforce shortages across the whole Aged Care and Health sector. We thank staff sincerely for continuing to deliver empathetic and quality care to our residents and we thank them sincerely for their professionalism during these difficult times.



2022 Financial Year has seen many changes in the Aged Care sector, key changes have been announced and will be implemented in the next year. We await to see the impact the reforms will have on the quality of care delivered. St Sergius supports the objective of lifting quality of care across the sector by increasing workforce minutes and the accountability and transparency of providers performance. However, these objectives have not yet been matched with funding from the government for these extra improvements. There is a disconnect between the extra requirements already being asked of the sector and its workforce, and the funding needed to deliver a higher level of care requirements is becoming more apparent. Fixing this basic challenge of a shortage of staff, increased care minutes and the sustainability of sector funding is a key focus for both the new Government and Aged Care providers in the year ahead.

St Sergius is proud of its continuous improvement and commitment to quality care driven from the Board and Management through to our frontline teams.



The focus on removal of shared rooms to improve the quality of our care has started with plans to convert several independent living units to residential care rooms in the next year and it remains consistent with current resident expectations. Further reviews will be part of our work program in the year ahead. The building of the new balconies and refurbishment of the old balconies has commenced and it will give

outdoor access to all residents. The Construction Certificate for the new dementia unit has also been submitted for assessment.

St Sergius home care services continue to expand in terms of package numbers and service offerings. Our current services continued to support our clients throughout COVID without interruption.

During the Financial Year St Sergius commenced providing Residential Transitional Care working in conjunction with South Western Sydney Health.

In closing, I am pleased to report that despite all the challenges our company has faced in Financial Year 2022, I believe we are in a strong position heading into 2023. We have a very capable management team, have strengthened our operational capabilities and investment in our employees, and we continue to put resident, client and family care and safety at the forefront of what we do.

Helen Workman
CEO





St Sergius
AGED CARE

Financial Statements

for the year ended 30th June 2022

**Russian Relief Association of
St Sergius of Radonezh Limited**

ABN: 20 071 400 470

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RUSSIAN RELIEF ASSOCIATION OF ST SERGIUS OF RADONEZH LIMITED
ABN: 20 071400 470

RESPONSIBLE ENTITIES' REPORT

The Responsible Entities (Directors) present their report on the Company for the financial year ended 30 June 2022.

1. Responsible Entities (Directors) Details

The qualifications, experience and special responsibilities (if any) of the Directors in office at any time during the financial year and at the date of the report are:

<u>NAME</u>	<u>QUALIFICATIONS & EXPERIENCE</u>	<u>SPECIAL RESPONSIBILITIES</u>
Mr. Nick Ostin	Managing Director (Manufacturing)	President until 10/04/2022
Dr. Andrew Pesce	Specialist Medical Practitioner	1st VP until 10/04/2022 President from 10/04/2022
Mr. Nick Pitchuev	City Council Officer	1st VP from 5/05/2022
Mr. Nicholas Maksymow	Managing Director Aged Care Facility	Treasurer until 5/05/2022 2ndVP from 5/05/2022
Mr. Victor Ignatenko	Retired Accountant	Treasurer from 5/05/2022
Mr. Igor Kazagrandi	Lawyer	2nd VP until 5/05/2022 Director
Dr. Irene Rotenko-Harvey	Specialist Medical Practitioner	Secretary from 5/05/2022
Mr. Michael Appollonov	Food Authority Soecialist/Retired	Director
Mr. Michael Dubinin	Salesman/Retired	Director
Mrs. Tatiana Prolov	Retired Forensic Scientist	Director
Mr. Don Zakroczymski	Work Health & Safety Professional	Director from 10/04/2022

RUSSIAN RELIEF ASSOCIATION OF ST SERGIUS OF RADONEZH LIMITED
ABN: 20 071400 470

RESPONSIBLE ENTITIES' REPORT

During the financial year, thirteen (13) meetings of the Company's Responsible Entities (Directors) were held. Each Responsible Entity (Director) of the Company attended the following number of meetings:

<u>NAME</u>	<u>NUMBER OF BOARD MEETINGS ELIGIBLE TO ATTEND</u>	<u>NUMBER OF BOARD MEETINGS ATTENDED</u>
Mr. Nick Ostin	11	10
Dr. Andrew Pesce	13	13
Mr. Nick Pitchuev	13	12
Mr. Nicholas Maksymow	13	8
Mr. Victor Ignatenko	13	13
Mr. Igor Kazagrandi	13	10
Dr. Irene Rotenko-Harvey	13	11
Mr. Michael Appollonov	13	11
Mr. Michael Dubinin	13	11
Mrs. Tatiana Prolov	13	13
Mr. Don Zakroczymski	2	2

2. Principal Activities

The principal activities of the Russian Relief Association of St Sergius of Radonezh Limited (Russian Relief Association) during the financial year was to provide:

- Accommodation and support services for the aged, primarily aged care for those with an ethnically Russian background as well as to others from the community;
- Ancillary services related to the provision of these services.

Short-term Objectives

The Russian Relief Association's short-term objective is to achieve improved performance within the constraint of providing high quality services to residents and clients whilst ensuring the long-term sustainability of the Russian Relief Association. To expand the attendance at day care and develop home care.

Long-term Objectives:

Provision of accommodation and support services for the aged and to be financially viable for the long term.

3. Results Review

The net profit after tax was \$1,908,929, compared to 2021 year's net profit after tax of \$1,733,917. The Russian Relief Association is exempt from income tax.

4. Financial Position

The entity is in a very strong financial position with Net Assets totaling \$65,567,689, compared to \$63,658,759 for year in 2021.

RUSSIAN RELIEF ASSOCIATION OF ST SERGIUS OF RADONEZH LIMITED
ABN: 20 071400 470

RESPONSIBLE ENTITIES' REPORT

Results Overview

5. Business Strategies and Performance

The Russian Relief Association operates as a not-for-profit organisation depending on recurrent Commonwealth Government support augmented by donations, residents' contributions, bequests and interest on investments.

The Russian Relief Association will continue to invest in the refurbishment of its aged care facilities to maintain modern standards of best practice and maintain optimal occupancy.

The Russian Relief Association is committed to attracting and retaining quality staff and volunteers, who are committed to assisting and nursing the aged.

The Directors are committed to the needs of both residents and their families.

6. Significant Changes

COVID-19

There is uncertainty of the impact of COVID-19 on the services of the Russian Relief Association of St Sergius of Radonezh Limited. Lockdowns of the facility and other contingency measures were established.

Property

The Association acquired the adjoining property at 2A Gilbert Street Cabramatta NSW2166.

7. After Balance Date Events

There have been no significant after balance date events outside the normal operations of the company.

8. Environmental Issues

The Russian Relief Association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

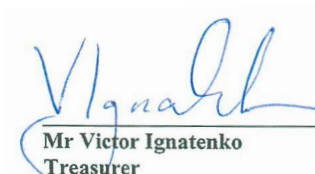
9. Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 4 of the financial report.

Signed in accordance with a Resolution of the Board of Responsible Entities.



Dr Andrew Pesce
President



Mr Victor Ignatenko
Treasurer

Dated: 16 September 2022

CMPITT&CO
Chartered Accountants

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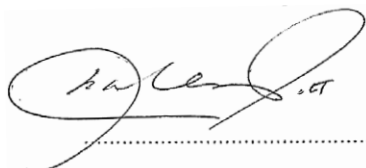
**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-C SECTION 60-40 OF THE
AUSTRALIAN CHARITIES AND NOT-FOR -PROFITS COMMISSION ACT 2012**

To: The Directors of Russian Relief Association of St Sergius of Radonezh Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been:

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

Signature:



Name of Firm: CM Pitt & Co

Name of Partner: Mr Charles M Pitt

Date: 16 September 2022

Address: Unit 6, 2 Philip Street, Strathfield NSW 2135

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 \$	2021 \$
REVENUES	2.1	21,472,659	20,191,913
EXPENDITURE			
Depreciation expenses		1,084,448	1,050,913
Donation		1,580	6,509
Employee Benefits expenses		12,543,549	11,795,910
Occupancy expenses		795,535	1,006,118
Residents expenses		2,943,247	2,704,818
Other expenses		2,195,371	1,893,728
TOTAL EXPENDITURE		19,563,730	18,457,996
Surplus/ (deficit) from ordinary activities		1,908,929	1,733,917
Income tax expense		-	-
NET SURPLUS FOR THE YEAR		1,908,929	1,733,917
Other comprehensive income for the year		-	-
Valuation of Land		-	2,000,000
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR			2,000,000
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY		1,908,929	3,733,917

The statement of comprehensive income should be read in conjunction with the accompanying notes

**STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2022**

	NOTE	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4.1	23,112,140	23,389,291
Trade debtors and other receivables	4.2	817,593	444,144
Inventories		-	57,943
Total current assets		23,929,733	23,891,378
Non-current assets			
Land & buildings	5.1	47,993,906	47,576,333
Furniture & equipment	5.2	2,627,770	2,394,801
Total non-current assets		50,621,676	49,971,134
TOTAL ASSETS		74,551,409	73,862,512
LIABILITIES			
CURRENT LIABILITIES			
Trade creditors and other payables	4.3	1,468,175	1,551,873
Refundable Accommodation Deposits	4.4	5,409,862	6,705,000
Employee benefits	3.1	1,619,037	1,465,005
Total current liabilities		8,497,074	9,721,878
NON-CURRENT LIABILITIES			
Provisions	3.1	486,646	481,874
Total non-current liabilities		486,646	481,874
TOTAL LIABILITIES		8,983,720	10,203,752
NET ASSETS		65,567,689	63,658,760
COMMITMENT FOR EXPENDITURE	6.1	2,200,000	2,000,000
EQUITY RESERVES			
General reserves		35,830,058	34,096,141
Asset revaluation reserve		27,828,702	27,828,702
Total equity reserves		63,658,760	61,924,843
Retained Earnings		1,908,929	1,733,917
TOTAL EQUITY		65,567,689	63,658,760

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

STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	GENERAL RESERVE	ASSET REVALUATION	RETAINED EARNINGS	TOTAL
Balance at 01 July 2020		32,586,831	25,828,702	1,509,310	59,924,843
Net surplus as at 2020		1,509,310	-	-	1,509,310
Net surplus as at 2021		-	-	1,733,917	1,733,917
Other comprehensive income		-	2,000,000	-	2,000,000
Transfer to general reserve		-	-	(1,509,310)	(1,509,310)
BALANCE AT 30 JUNE 2021		34,096,141	27,828,702	1,733,917	63,658,760
Balance at 01 July 2021		34,096,141	27,828,702	1,733,917	63,658,760
Net surplus as at 2021		1,733,917	-	-	1,733,917
Net surplus as at 2022		-	-	1,908,929	1,908,929
Other comprehensive income		-	-	-	-1,733,917
Transfer to general reserve		-	-	-1,733,917	-
BALANCE AT 30 JUNE 2022		35,830,058	27,828,702	1,908,929	65,567,689

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

**STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	2022 \$ INFLOW (OUTFLOW)	2021 \$ INFLOW (OUTFLOW)
Cash flows from Operating activities			
Receipts from Commonwealth Government		15,381,476	14,402,608
Residents fees		3,437,136	3,652,574
Community Support Services - Grants		390,865	384,331
Community Support Services Respite and Transport Grant		281,607	267,259
Community Support Services - Client Contributions		13,491	20,598
Payments to suppliers and employees		(18,381,083)	(17,163,224)
		1,123,492	1,564,146
Interest received		105,532	209,996
Covid -19 Support Receipts		203,624	337,076
Receipts from Rents		326,236	215,893
Receipts from Others		994,095	549,808
NET CASH FLOWS FROM OPERATING ACTIVITIES	2.3	2,752,979	2,876,919
Cash flows from Investing activities			
Purchase of equipment and building progress payments		(1,734,992)	(1,032,795)
NET CASH FLOWS FROM INVESTING ACTIVITIES		\$(1,734,992)	\$(1,032,795)
Cash flows from Financing activities			
Refundable Accommodation Deposits - Received		1,378,103	3,080,000
Refundable Accommodation Deposits - Paid		(2,673,241)	(1,277,000)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(1,295,138)	\$1,803,000
Net Increase/(Decrease) In Cash Held		(277,151)	3,647,124
Cash & Cash Equivalents at beginning of year		23,389,291	19,742,167
CASH & CASH EQUIVALENTS AT END OF YEAR	4.1	23,112,140	23,389,291

CASH

For purposes of the Statement of Cash Flows, cash includes deposits at call which are readily convertible to cash of hand.

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

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

1.1 Corporate information

The Russian Relief Association of St Sergius of Radonezh Limited as an individual entity incorporated and domiciled in Australia. Russian Relief Association of St Sergius of Radonezh Limited is a company limited by guarantee. The company is a registered charity with the Australian Charities and Not-for-Profit Commission which is exempt from income tax.

The financial report of the not-for-profit company The Russian Relief Association of St Sergius of Radonezh Limited for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the directors on 13 September, 2022.

The principal place of business is:
Russian Relief Association of St Sergius of Radonezh Limited
1 Gilbert Street
Cabramatta NSW 2166

Members guarantee

The liability of the members is limited by guarantee. Every member of the Company undertakes to contribute to the property of the Company in the event of the same being wound up while he/she is a member or within one year after he/she ceases to be a member for payment of the debts and liabilities of the Company contracted before he/she ceased to be a member and for the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required not exceeding twenty dollars (\$20.00). At 30 June 2022 there were 277 members (30 June 2021 - 271 members)

1.2 Basis of Preparation

The general-purpose financial report has been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission (ACNC) Act 2012, Australian Accounting Standards, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The company is a not for profit entity for the purpose of preparing financial statements.

Historical cost convention

The financial report has been prepared on the basis of historical cost (based on the fair value of the consideration given in exchange for assets) except for the following.

- Land and buildings are measured at fair value less accumulated depreciation on buildings and any impairment losses.

Currency and rounding of amounts

The financial report is presented in Australian dollars, which is the company's functional and presentation currency.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

1.3 Significant Accounting Policies

The significant accounting policies documenting the measurement basis used in preparing the financial information and other accounting information relevant to an understanding of the financial report are discussed in the relevant note.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities that is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

1.4 Significant accounting judgements, estimates and assumptions

The preparation of financial information requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Specific accounting judgements and estimates are discussed in the relevant note.

2.1 Revenue

(a) Disaggregation of revenue

Revenue has been disaggregated based on type of goods or services provided and source of

	2022	2021
Type of good or service	\$___	\$___
Residents' Fees & Subsidies	18,443,530	17,629,382
Commonwealth Home Support Programme	685,963	672,188
Home Care Service	918,075	537,258
Transition Care Service	51,480	-
Retention Bonus	129,340	351,840
Covid -19 Grants	790,821	583,600
Renting Independent Living Unit & Other	326,236	215,893
Staff Replacement Training	22,610	10,780
Membership	1,930	1,770
Interest	102,674	183,869
Other	-	5,333
	21,472,659	20,191,913

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

Source of Funds 2022

	REVENUE FROM CONTRACTS WITH CUSTOMERS (AASB 15)	REVENUE UNDER AASB 1058	TOTAL
	\$___	\$___	\$___
Government	17,240,618	-	17,240,618
Residents	4,104,827	-	4,104,827
Members	1,930	-	1,930
Other	<u>125,284</u>	-	<u>125,284</u>
	21,472,659	-	21,472,659

Source of Funds 2021

	REVENUE FROM CONTRACTS WITH CUSTOMERS (AASB 15)	REVENUE UNDER AASB 1058	TOTAL
	\$___	\$___	\$___
Government	15,949,130	-	15,949,130
Residents	4,041,031	-	4,041,031
Members	1,770	-	1,770
Other	<u>199,982</u>	-	<u>199,982</u>
	20,191,913	-	20,191,913

(b) Revenue from Government sources

	2022	2021
	\$___	\$___
Commonwealth government		
Department of Health	17,189,138	15,899,130
Australian Taxation Office	-	50,000
State government		
Liverpool Hospital	51,480	-
Local government		
	-	-
	17,240,618	15,949,130

Economic dependency

The company (RRA) is dependent upon the ongoing receipt of grants from the Commonwealth Department of Health shown in the table above to ensure the continuance of its health care and community services.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

(c) Revenue recognition policy for revenue from contracts with customers (AASB 15)

AASB 15 requires revenue to be recognised when control of a promised good or service (performance obligations) is passed to the customer at an amount which reflects the expected consideration. The customer for these contracts is usually the fund provider. Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

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

Interest from deposits with Australian banks is recognised on an accrual basis using the effective interest method.

Donations and Bequest are treated as income at the time they are receipted or credited to the Company

Significant estimates and judgements relating to revenue

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with several parties at the corporation, review of the proposal documents prepared phase and consideration of the terms and conditions.

Grants received by the company have been accounted for under AASB 15 depending on the terms and conditions and decisions made.

If this determination was changed then the revenue recognition pattern would be different from that recognised in this financial report.

Several parties at the company, review of the proposal documents prepared phase and consideration of the terms and conditions.

2.2 Expenses

	2022 \$	2021 \$
Auditor's remuneration		
Audit of the financial report	26,000	25,500
Other Services	3,500	3,500
	29,500	29,000

Expenses accounting policy

All expenditure is accounted for on an accruals basis and has been classified under headings reflecting the relevant function of the corporation which incurred the cost. Where costs cannot be directly attributed to a particular category, they have been allocated to activities on a basis consistent with use of the resources.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

2.3 Cash flows information
Reconciliation of Cash flow from operations with profit from ordinary activities

	2022 \$	2021 \$
Net Cash provided by Operations	2,752,979	2,876,919
Depreciation	(1,084,448)	(1,050,913)
	-	-
Entry Contributions	-	5,333
Change in Operating Assets & Liabilities		
Change in receivables	338,597	146,437
Change in payables	83,696	(59,064)
Change in stock	(57,943)	57,943
Change in employee benefits	(158,804)	(228,339)
Change in prepayments	<u>34,852</u>	<u>(14,399)</u>
Profit for the year	1,908,929	1,733,917

3.1 Employee provisions

	2022 \$	2021 \$
Personal leave - current	262,936	207,270
Annual leave - current	1,043,013	968,359
Long-service leave - current	121,662	120,469
Provision for Superannuation - current	191,426	168,907
Long-service leave - non-current	<u>486,646</u>	<u>481,874</u>
	2,105,683	1,946,879

Employee benefits accounting policy

Employee benefits comprise wages and salaries, personal leave, annual leave, long-service leave and contributions to superannuation plans.

Liabilities for short-term employee benefits expected to be wholly settled within 12 months of the reporting date in respect of employees' services up to the reporting date are recognised at the when the liabilities are settled. Liabilities for personal leave are recognised when the leave is taken and are measured at the amounts expected to be paid rates paid or payable.

The liability for long-term benefits is measured as 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 anticipated 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 corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

3.2 Related parties and related-party transactions

(a) Directors' compensation

The directors act in an honorary capacity and receive no compensation for their services

(b) Transactions with director-related entities

No amounts are payable to or receivable from directors or director-related entities at the reporting date.

(c) Key management personnel compensation

The compensation paid to key management personnel during the year was \$709,935 (2021:\$702,467).

4.1 Cash and cash equivalents

	2022 \$	2021 \$
Cash at bank	164,429	533,002
Cash at call	500,000	3,000,081
Term deposits	22,444,711	19,853,208
Cash on hand	3,000	3,000
	23,112,140	23,389,291

Cash accounting policy

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and Term deposits with an original maturity of one year where the investment is convertible to known amounts of cash value. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

4.2 Trade debtors and other receivables

	2022 \$	2021 \$
Accrued Interest	48,453	51,311
Prepayments	74,846	39,994
Other debtors	683,984	342,529
Security bonds	10,310	10,310
Total trade debtors and other receivables	817,593	444,144

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

4.3 Trade creditors and other payables

	2022 \$	2021 \$
Trade creditors	539,566	463,133
Other creditors	203,609	298,692
Residents Entry Contributions - Independent living units	725,000	725,000
Home Care Packages	-	65,048
Total trade creditors and other payables	1,468,175	1,551,873

Trade and Other Payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current with the amount normally paid within 30 days of recognition of the liability.

Entry contributions are amounts paid by individuals & occupied independent living units. The liabilities are reduced in accordance with the various resident agreements. These reductions are recorded as income in the statement of profit or loss and other comprehensive income. Repayment of the contributions are also in accordance with the various resident agreements. Interest is not payable on these liabilities.

4.4 Refundable accommodation deposits

	2022 \$	2021 \$
	5,409,862	6,705,000

Non - Supported Residents admitted to any aged care facilities before 01 July, 2014 paid an Accommodation Bond. Non - supported residents admitted to any aged care facilities first time after this date can choose to pay Refundable Accommodation Deposit (RAD) lump sum or by Daily Accommodation Payment (OAP). The RAD is money placed on deposit with Russian Relief Association with no interest payable to the residents. The amount refundable is on agreement with the Association less any amounts have agreed to have deducted. The Association maintains all its cash deposits at Authorised Deposit-taking institution(ADI) to cover repayments of bonds. The Investment Management Strategy (IMS) is in accordance with the Aged Care Act 1997. Refundable accommodation payments both deposits and bonds are refundable within 14 days.

4.5 Financial risk management

The company's financial instruments consist mainly of deposits with bank accounts receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 9 are as follows:

**NOTES TO AND FORMING PART OF THE ACCOUNTS
 FOR THE YEAR ENDED 30 JUNE 2022**

	NOTE	WITHIN 1 YEAR		TOTAL CONTRACTUAL CASH FLOW	
		2022	2021	2022	2021
Financial assets		\$___	\$___	\$___	\$___
Cash at bank	4.1	164,429	533,002	164,429	533,002
Cash at call	4.1	500,000	3,000,081	500,000	3,000,081
Term deposits	4.1	<u>22,444,711</u>	<u>19,853,208</u>	<u>22,444,711</u>	<u>19,853,208</u>
		23,109,140	23,386,291	23,109,140	23,386,291
Cash on hand	4.1	3,000	3,000	3,000	3,000
Trade debtors and other receivables	4.1	<u>817,593</u>	<u>444,144</u>	<u>817,593</u>	<u>444,144</u>
Total financial assets		23,929,733	23,833,435	23,929,733	23,833,435
Financial Liabilities					
Trade creditors	4.3	539,566	463,133	539,566	463,133
Other creditors	4.3	203,609	298,692	203,609	298,692
Residents Entry Contributions	4.3	725,000	725,000	725,000	725,000
Home Care Packages	4.3	-	65,048	-	65,048
RAD	4.4	<u>5,409,862</u>	<u>6,705,000</u>	<u>5,409,862</u>	<u>6,705,000</u>
Total Financial Liabilities		6,878,037	8,256,873	6,878,037	8,256,873

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and equity price risk.

(a) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company.

The Company does not have any material credit risk exposure as its major source of revenue is the receipt of Commonwealth Government funding for aged care services. Credit risk is further mitigated as 76% of the revenue being received from Commonwealth Government is in accordance with funding agreements which ensure regular funding for a period of 3 years with renewal of the accreditation as an aged care provider.

(b) Exchange Rate Risk Exposures

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 4.2

The company has no significant concentration of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

provided in Note 4.2

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy. Such policy requires that surplus funds are only invested with Authorised Deposit-taking Institution (ADI) that are Australian banks.

(c) Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financial activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

NOTES TO AND FORMING PART OF THE ACCOUNTS
 FOR THE YEAR ENDED 30 JUNE 2022

5.1 Land & Buildings 2022

	AGED CARE LAND	AGED CARE & INDEPENDENT LIVING UNITS BUILDINGS	LAND & OTHER BUILDINGS	BUILDING WORK IN PROGRESS	TOTAL
	\$	\$	\$	\$	\$
Gross carrying amount					
Balance 1 July 2021	12,000,000	32,330,889	2,460,224	785,220	47,576,333
Additions	-	870,290	22,850	199,642	1,092,782
Transfer	-	-	-	-	-
Disposals	-	-	-	-	-
Write back of depreciation on revaluation	-	-	-	-	-
Valuation Increase	-	-	-	-	-
Balance 30 June 2022	12,000,000	33,201,179	2,483,074	984,862	48,669,115
Less:					
Depreciation and impairment					
Balance 1 July 2021					
Disposals	-	-	-	-	-
Depreciation	-	(639,687)	(35,522)	-	(675,209)
Write back of depreciation on revaluation	-	-	-	-	-
Balance 30 June 2022	-	(639,687)	(35,522)	-	(675,209)
Carrying amount 30 June 2022	12,000,000	32,561,492	2,447,552	984,862	47,993,906

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

5.1 Land & Buildings 2022

	AGED CARE LAND	AGED CARE & INDEPENDENT LIVING UNITS BUILDINGS	LAND & OTHER BUILDINGS	BUILDING WORK IN PROGRESS	TOTAL
	\$	\$	\$	\$	\$
Gross carrying amount					
Balance 1 July 2020	10,000,000	32,954,818	2,495,745	113,368	45,563,931
Additions	-	13,232	-	671,852	685,084
Transfer	-	-	-	-	-
Disposals	-	-	-	-	-
Write back of depreciation on revaluation	-	-	-	-	-
Valuation Increase	2,000,000	-	-	-	2,000,000
Balance 30 June 2021	12,000,000	32,968,050	2,495,745	785,220	48,249,015
Less:					
Depreciation and impairment					
Balance 1 July 2020					
Disposals	-	-	-	-	-
Depreciation	-	(637,161)	(35,521)	-	(672,682)
Write back of depreciation on revaluation	-	-	-	-	-
Balance 30 June 2021	-	(637,161)	(35,521)	-	(672,682)
Carrying amount 30 June 2021	12,000,000	32,330,889	2,460,224	785,220	47,576,333

NOTES TO AND FORMING PART OF THE ACCOUNTS
 FOR THE YEAR ENDED 30 JUNE 2022

5.2 Furniture & Equipment

	2022 \$	2021 \$
Furniture and equipment - at cost	6,102,225	5,460,015
Less: Provision for depreciation	(3,474,455)	(3,065,214)
Total Furniture and Equipment	2,627,770	2,394,801

Movement in Carrying Amounts

The movement in the carrying amounts for Furniture and Equipment between the beginning and the end of the current financial year:

	2022 \$	2021 \$
The total at beginning of the year:	2,394,801	2,425,318
Capital Additions	642,210	347,711
Write back of depreciation	-	48,157
Depreciation	(409,241)	(378,079)
Disposals	-	(48,306)
	2,627,770	2,394,801

Property, plant and equipment accounting policies

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

Freehold land and buildings are brought to account at cost or at directors' valuation.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Land and buildings

Land and buildings are measured using the cost model method or at valuation.

Plant and equipment

Plant and equipment are measured using the cost model method

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

The estimated useful life for each class of depreciable asset are:

Buildings	40 years
Plant and Equipment	5 - 20 years
Furniture and Fittings	5 - 20 years

Impairment

The carrying amount of all fixed assets is reviewed annually by directors to ensure it is not in excess of the recoverable amount of those assets indicating impairment. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining the recoverable

6.1 Commitments

There are no contingent liabilities that have been incurred by the company in relation to 2022.

	2022 \$	2021 \$
Purchase of adjoining property 2A Gilbert Street	-	800,000
Upgrading of residents accommodation	2,200,000	1,200,000
	2,200,000	2,000,000

6.2 Contingencies

There are no contingent assets or liabilities that have been incurred by the association in relation to 2022

6.3 Events subsequent to reporting period

COVID-19

The impact of COVID-19 cannot be reasonably estimated nor predicted. There may be subsequent to 30 June 2022 a change in the degree of participation activities and community contact due to COVID-19. The full impact is unknown.

There has been no significant impact on revenue for the year ended 30 June 2022.

There continues to be Government funding of Aged Care and Home Care Packages.

The Directors are aware of this uncertainty and the effects on Aged Care Residential providers after the reporting date hence the inclusion of this disclosure in the Notes to the Financial Statements is deemed appropriate.

RUSSIAN RELIEF ASSOCIATION OF ST SERGIUS OF RADONEZH LIMITED
ABN: 20 071400 470

DIRECTORS' DECLARATION



In the opinion of the Responsible Entities (Directors) of Russian Relief Association of St Sergius of Radonezh Limited:

a) The financial statements and notes of Russian Relief Association of St Sergius of Radonezh Limited are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

(i) Giving a true and fair view of its financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

(ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profit its Commission Regulation 2013; and

b) There are reasonable grounds to believe that Russian Relief Association of St Sergius of Radonezh Limited will be able to pay its debts as and when they become due and payable.


Dr Andrew Pesce
President
Mr Victor Ignatenko
Treasurer

Dated: 16 September 2022

CMPITT&CO
Chartered Accountants

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**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF RUSSIAN RELIEF ASSOCIATION
OF ST SERGIUS OF RADONEZH LIMITED
ABN: 20 071 400 470**

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Russian Relief Association of St Sergius of Radonezh Limited, which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entities' declaration.

In my opinion, the financial report of Russian Relief Association of St Sergius of Radonezh Limited, has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance for the year ended; and
 - (b) complying with Australian Accounting Standards to the extent described in Note 1, and division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.
- basis for opinion.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am an independent of the registered entity in accordance with the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



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Directors' Responsibility for the Financial Report

The Directors of the Russian Relief Association of St Sergius of Radonezh Limited, are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities & Not for Profits Commission Act 2012. The Directors' responsibility also includes such internal control as to determine the committee 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 committee is responsible for assessing the Russian Relief Association of

St Sergius of Radonezh Limited's, ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

My 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 my 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 financial report.

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

- Identify and assess the risks of material misstatement of the financial report, 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 my 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.

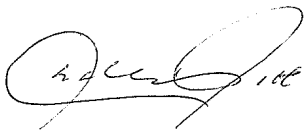


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- Conclude on the appropriateness of responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Charles M Pitt
C M PITT & CO
CHARTERED ACCOUNTANTS
Unit 6 & 7, 2 Philip Street Strathfield NSW 2135

CA ANZ Membership No. 20180
Registered Company Auditor No. 2944

Dated: 16 September 2022



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2021/2022 Annual Report



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Trading as the Russian Relief Association of St Sergius of Radonezh