

2023 Audited Financial Statements



Ronald McDonald
House Charities®
North Australia

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

ABN: 24 254 114 823

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

ABN: 24 254 114 823

Financial Statements

For the Year Ended 31 December 2023

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For the Year Ended 31 December 2023

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Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

ABN: 24 254 114 823

Director's Report

Directors present their report together with the Financial Report of Ronald McDonald House Charities (RMHC) North Australia for the year ended 31 December 2023 and the Independent Auditor's Report thereon.

Principal activities

During the year, the principal activities of the RMHC North Australia were to supply accommodation and associated support for regional families of seriously ill or injured children who received treatment at Townsville University Hospital. RMHC North Australia also conducts other associated programs such as:

- Ronald McDonald Family Room at Townsville University Hospital
- Ronald McDonald Family Room at Mackay Base Hospital
- Ronald McDonald Family Retreat at Palm Cove
- Ronald McDonald Learning Program throughout North Queensland and the Northern Territory
- RMHC Hospitality Cart at Mount Isa Hospital

In the reporting year, RMHC North Australia added two additional programs, with the commencement of the RMHC Hospitality Cart at Townsville University Hospital in February 2023 and RMHC Hospitality Cart at Royal Darwin Hospital in July 2023.

Operating Result

The surplus for the year was \$1,105,811 (2022: \$122,716 surplus). 2022 had a unique one-off expense item of \$1,072,482, transferring the newly build Ronald McDonald Family Room asset to Mackay Hospital and Health Service (MHHS).

Overall, net fundraising revenue for the year was \$1,517,966 growth of 10% from 2022 result of \$1,384,896 with record results for events such as Townsville gala and golf day. Staff vacancies throughout the year resulted in expenses lower than budgeted.

The Charity's Balance Sheet remains strong and is well positioned for the ongoing operational needs and future growth to support advancing Charity service demands.

Strategic Plan

The Charity mission is to improve the health and well-being of seriously ill children and their families through practical care programs. Our strategic priorities are to:

- Deliver first class service to all families, guests and stakeholders
- Enhance the skills and abilities of staff and volunteers to retain and recruit top talent
- Prioritize Board succession and renewal to support future organizational growth
- Review and evaluate current program sustainability and opportunities to innovate
- Strengthen key stakeholder relationships and regional awareness
- Grow fundraising income through diversification of revenue streams
- Optimize technology while streamlining business systems and processes

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Director's Report

Board of Directors

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

Mrs Aileen Cull – Board Chair	(Community Representative)
Mrs Janelle Doyle – Board Secretary	(McDonald's Licensee)
Mrs Susan Kinobe – Board Treasurer	(Community Representative)
Mr Matthew Mason	(Community Representative)
Mr Trevor Prior	(Hospital & Health Services Representative)
Dr Andrew White	(Hospital & Health Services Representative)
Mr Michael Jones	(Community Representative)
Mr Micheal Luck	(Community Representative)
Mr Michael Muller	(McDonald's Licensee)

Appointment of New Director 2023

Brig David McCammon	(Community Representative – elected April 2023)
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Director's tenure ended

Mr Paul Rissman	(McDonald's Licensee – tenure ended April 2023)
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Resignation

Mrs Vicki Carson	(Hospital & Health Services Representative – resigned October 2023)
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The Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Director's Report

Director Information

Mrs Aileen Cull Board Chair

Qualifications Fellow Certified Practising Accountant – FCPA

Experience Aileen has had an extensive career in Financial Services, including 10 years as Chief Executive Officer of the Queensland Country group until March 2019. Prior to this she spent thirteen years in Melbourne and Sydney in varying accounting positions. Aileen was elected as Board Director in April 2017, Treasurer in 2018 and joint position of Treasurer/Deputy Chair in 2022.

Mrs Susan Kinobe Board Treasurer

Qualifications Master of Business Administration (MBA) – University of South Australia
Bachelor of Commerce (BCom) – James Cook University
Certificate IV in Work Health & Safety – TAFE Queensland
Fellow Certified Practising Accountant (FCPA)
Fellow of the Institute of Managers and Leaders (FIML)
Justice of the Peace, Qualified – JP(Qual)
PRINCE2 Foundation Project Management Certification
ICAM Lead Investigator

Experience Susan has held several senior leadership and Board Directorship positions across the private, public and stock exchange listed organisations both in Australia and Canada. Susan is currently the General Manager at TAFE Queensland. Previously the Deputy Director and Project Manager, Financial and Business Services at James Cook University. She has held several Board positions prior to joining RMHC North Australia and has a passion for advocating for North Queensland in the community. Elected as Board Director in 2014, Treasurer 2014-2018, Deputy Chair 2016-2018.

Mrs Janelle Doyle Board Secretary

Experience Janelle is a McDonald's Franchisee of three restaurants in the Townsville region. Janelle was elected as a Board Director in 2013 and has been Board Secretary since 2014.

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Director's Report

Mr Matthew Mason Board Director

Qualifications Bachelor of Law – LLB – James Cook University
Bachelor of Commerce – Bcom - James Cook University
Australian National Mediator Accreditation – Bond University

Experience Matthew Mason was appointed as Board Director in August 2014, elected as Deputy Chair in April 2018-2019 and Board Chair in 2019. Matt has worked as the Chief Compliance Officer at Tropic Petroleum, Regional Queensland's oldest independent fuel distributor, for the last eight years. Prior to this he worked as a Solicitor for Roberts Nehmer McKee Lawyers for seven years.

Mrs Vicki Carson Board Director (Resigned October 2023)

Qualifications Bachelor of Health Science, Nursing – Central Queensland University
Diploma of Neonatal Intensive Care & Special Care, Critical Care Nursing – University of West England
Master of Public Health & Tropical Medicine – James Cook University
Graduate Diploma Health Management – Queensland University of Technology

Experience Vicki is the Service Group Director for Health and Wellbeing, Townsville Hospital and Health Service. Vicki has a significant interest in leading the provision of high-quality safe health care in women's, children's and community care services. Vicki has held leadership positions as a registered nurse and midwife and her clinical, management, leadership and policy experience spans acute and critical care, community and primary health care settings. Vicki coordinated the Commonwealth Regional Cancer Centre grant application for paediatric oncology and the Ronald McDonald Family Room in 2009. Elected as Board Director in 2001.

Mr Paul Rissman Board Director (tenure ended April 2023)

Experience Paul is a McDonald's Franchisee of a group of restaurants in the Townsville region. Paul started his McDonald's Franchise journey with the acquisition of the McDonald's Ayr restaurant in 2002. He now owns and operates eight McDonald's restaurants in the region. Paul has held numerous Franchisee Leadership positions across the McDonald's system. He has almost 20 years of diverse experience across multiple business disciplines and is actively involved in the community. He has held a position as Board Director of Cowboys Rugby League Football Ltd since 2020. Paul has been involved with RMHC North Australia for over 18 years elected as a Board Director in 2004, serving as Board Chair 2009-2014, 2016-2019 and Deputy Chair 2005-2009, 2014-2016, 2019-2022.

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Director's Report

Dr Andrew White Board Director

Qualifications Bachelor of Medicine, Bachelor of Surgery (MBBS) – University of Adelaide
Fellow of Royal Australasian College of Physicians (FRACP)
Master of Public Health & Tropical Medicine (MPHTM) – James Cook University
Diploma of Obstetrics – Royal College of Obstetricians and Gynaecologists

Experience Andrew is currently the Clinical Director of Paediatrics at Townsville University Hospital (TUH) and Associate Professor at James Cook University, School of Medicine. He contributes to paediatric outreach to Palm Island Indigenous community and to the remote communities of Hughenden and Richmond.

Andrew worked in Alice Springs Hospital in the mid 1990's as a registrar and subsequently worked at Menzies School of Health Research in Darwin from 1998-2000 researching antecedents of renal disease. He then worked in outreach paediatrics and public health paediatrics in Central Australian communities from 2000-2008.

Andrew moved to Townsville in 2008 and has worked since then at Townsville University Hospital and James Cook University. A strength of the TUH Department of Paediatrics is training and developing paediatricians who will work in regional and remote Australia. He has served on the General Paediatric Advanced Training Committee of the Royal Australasian College of Physicians for the past six years. Appointed Board Director in 2017.

Mr Trevor Prior Board Director

Qualifications Advanced Diploma in Electrical Engineering

Experience Trevor is a former Guest Family of a Ronald McDonald House in New South Wales and holds the position of Cultural Practice Program Coordinator at our partner hospital, Townsville Hospital and Health Service. Since 2012, Trevor has been a part of RMHC North Australia's Aboriginal and Torres Strait Islander Advisory Group. He provides the Charity with his time to run Cultural Awareness Training for all staff and volunteers. He has also been instrumental in assisting our Chapter create and bring to life two Innovate Reconciliation Action Plans. Elected as Board Director in 2013.

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Director's Report

Mr Michael Jones Board Director

Experience Michael is the Chief Executive Officer at The Ville Resort-Casino Townsville. He has previously worked as General Manager at Harrup Park Country Club and as the Casino Manager at Lasseters Casino in Alice Springs. Michael has a wealth of board experience with Townsville Enterprise, the Morris Family Foundation, AFL Queensland Advisory Board and was a previous Chair of Mackay Hospital Foundation. Appointed Board Director in 2019.

Mr Micheal Luck Board Director

Qualifications Graduate Diploma of Business Commerce – Auckland University of Technology
Post Graduate Diploma Business Administration & Management - Auckland University of Technology
Master of Business Administration & Management (MBus) – Auckland University of Technology

Experience Micheal is a former professional Rugby League footballer who played for the North Queensland Cowboys and the New Zealand Warriors. In 2012 Micheal joined the North Queensland Toyota Cowboys staff and is currently the General Manager of Football. He also serves on the Boards of Queensland Rugby league Clubs of the Northern Pride and the Mackay Cutters. Elected as Board Director in 2019.

Mr Michael Muller Board Director

Experience Michael is a McDonald's Franchisee in the Whitsunday region. He has been affiliated with the McDonald's system for over 25 years. Michael commenced with McDonald's in 1996. Opening his first store in Airlie Beach in 1998, now in Bowen and Cannonvale. Elected as Board Director in 2022.

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Director's Report

Brigadier

David McCammon Board Director

Experience Brigadier McCammon assumed his current appointment as Commander 3rd Brigade on the 14/12/2022. He completed Australian Command and Staff College in 2010 and holds a Bachelor's Degree, a Master of Arts in International Relations, a Graduate Diploma of Strategy in Defence Studies and is a graduate of the Centre for Defence Research Apollo course on Future War Analysis.

His awards include: a Distinguished Service Medal and Bar for service in Afghanistan and Iraq; a Commander Australian Theatre Commendation for Leadership in East Timor; a Secretary/CDF Commendation for the Force Structure Review; a US Army Bronze Star for service in RC(S); and a US Army Commendation Medal for services to Police Mentoring in the Chora Valley.

Elected as Board Director in April 2023.

Meetings of Directors

Directors	Director's Meetings	
	Number eligible to attend	Number attended
Mrs Aileen Cull – Chairperson	7	7
Mrs Susan Kinobe - Treasurer	7	4
Mrs Janelle Doyle – Secretary	7	6
Mr Matthew Mason	7	7
Mr Paul Rissman	3	3
Mrs Vicki Carson	6	6
Mr Michael Jones	7	3
Mr Micheal Luck	7	5
Mr Mike Muller	7	7
Mr Trevor Prior	7	4
Dr Andrew White	7	6
Brig David McCammon	6	4

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue	3	3,926,643	3,472,876
Employee benefits expense		(1,386,682)	(1,222,853)
Depreciation		(221,693)	(222,224)
Donation of asset		-	(1,072,482)
Other operating expenses		(1,207,110)	(829,591)
Finance costs		(5,347)	(3,010)
Surplus before income tax		1,105,811	122,716
Income tax expense		-	-
Surplus for the year		1,105,811	122,716
Other comprehensive income for the year		-	-
Total comprehensive income for the year		1,105,811	122,716

The accompanying notes form part of these financial statements.

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Statement of Financial Position As At 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	7,882,448	6,999,096
Trade and other receivables	5	106,781	95,830
Contract assets	6	50,000	-
Other assets		53,221	35,721
TOTAL CURRENT ASSETS		<u>8,092,450</u>	<u>7,130,647</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	4,934,508	4,838,719
TOTAL NON-CURRENT ASSETS		<u>4,934,508</u>	<u>4,838,719</u>
TOTAL ASSETS		<u>13,026,958</u>	<u>11,969,366</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	205,727	84,479
Employee benefits	10	136,640	117,374
Contract liabilities	9	82,388	279,138
TOTAL CURRENT LIABILITIES		<u>424,755</u>	<u>480,991</u>
NON-CURRENT LIABILITIES			
Employee benefits	10	19,756	11,739
TOTAL NON-CURRENT LIABILITIES		<u>19,756</u>	<u>11,739</u>
TOTAL LIABILITIES		<u>444,511</u>	<u>492,730</u>
NET ASSETS		<u>12,582,447</u>	<u>11,476,636</u>
EQUITY			
Reserves		2,500,000	2,500,000
Retained surplus		10,082,447	8,976,636
TOTAL EQUITY		<u>12,582,447</u>	<u>11,476,636</u>

The accompanying notes form part of these financial statements.

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Statement of Changes in Equity For the Year Ended 31 December 2023

2023

	Retained Surplus	Capital Renewal Reserve	Total
	\$	\$	\$
Balance at 1 January 2023	8,976,636	2,500,000	11,476,636
Surplus for the year	1,105,811	-	1,105,811
Balance at 31 December 2023	10,082,447	2,500,000	12,582,447

2022

	Retained Surplus	Capital Renewal Reserve	Total
	\$	\$	\$
Balance at 1 January 2022	9,353,920	2,000,000	11,353,920
Surplus for the year	122,716	-	122,716
Transfer to capital renewal reserve	(500,000)	500,000	-
Balance at 31 December 2022	8,976,636	2,500,000	11,476,636

The accompanying notes form part of these financial statements.

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Statement of Cash Flows For the Year Ended 31 December 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	3,405,584	3,137,067
Payments to suppliers and employees	(2,430,603)	(3,024,878)
Interest received	225,853	60,837
Net cash provided by/(used in) operating activities	14 <u>1,200,834</u>	<u>173,026</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(317,482)</u>	(115,776)
Net cash provided by/(used in) investing activities	<u>(317,482)</u>	<u>(115,776)</u>
Net increase/(decrease) in cash and cash equivalents held	883,352	57,250
Cash and cash equivalents at beginning of year	<u>6,999,096</u>	6,941,846
Cash and cash equivalents at end of financial year	4 <u>7,882,448</u>	<u>6,999,096</u>

The accompanying notes form part of these financial statements.

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Notes to the Financial Statements

For the Year Ended 31 December 2023

The financial report covers Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia as an individual entity. Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 31 December 2023 were to provide a home away from home for seriously ill children and their families.

The functional and presentation currency of Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

The financial statements have been prepared on an accruals basis and are based on historical costs.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

2 Material Accounting Policy Information

(a) Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(c) Revenue

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

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.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Sales revenue

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

Donations

Donations collected, including cash and goods resale, are recognised as revenue when the Company gains control of the asset.

Sponsorship Income

Sponsorship income is recognised over a period of time as the Company becomes entitled.

Grant Revenue

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

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

Other Revenue

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

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customers.

When a performance obligation is satisfied by transferring a promised goods or services to the customer before the customer pays consideration or before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable.

When an amount consideration is received from a customers prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Material Accounting Policy Information

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

(e) Property, plant and equipment

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

Depreciation

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

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5 - 10%
Plant and Equipment	10 - 33%
Furniture, Fixtures and Fittings	10 - 20%
Computer Hardware	20 - 50%
Computer Software	20 - 50%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Employee provisions

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Notes to the Financial Statements For the Year Ended 31 December 2023

3 Revenue

	2023	2022
	\$	\$
Accommodation income	738,170	669,120
Sales & commission	14,896	13,340
RMHC funding	600,755	847,700
Events income	882,797	579,528
Merchandise	664	8,146
Major donors	61,024	31,750
Individual donations	120,587	52,672
Community donations	389,332	233,736
Corporate donations	177,170	189,770
McDonald's & licensees income	266,362	296,944
Interest received	225,853	60,837
Other income	8,236	10,726
COVID-19 related income	-	1,366
Donated goods and services	167,897	114,088
Grants	272,900	12,066
Capital campaign	-	351,087
Total revenue	3,926,643	3,472,876

4 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash on hand	662	1,400
Bank balances	4,381,786	3,497,696
Term deposits	3,500,000	3,500,000
Total cash and cash equivalents	7,882,448	6,999,096

5 Trade and Other Receivables

	2023	2022
	\$	\$
Trade receivables	98,294	83,444
GST receivable	8,487	12,386
Total current trade and other receivables	106,781	95,830

6 Contract Balances

	2023	2022
	\$	\$
Grant funding - Resources Community Infrastructure Fund	50,000	-
Total current contract assets	50,000	-

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Notes to the Financial Statements For the Year Ended 31 December 2023

7 Property, Plant and Equipment

	2023	2022
	\$	\$
Buildings		
At cost	6,473,700	6,473,700
Accumulated depreciation	(1,978,793)	(1,803,273)
Total buildings	<u>4,494,907</u>	<u>4,670,427</u>
Capital works in progress		
At cost	247,921	-
Total capital works in progress	<u>247,921</u>	<u>-</u>
Plant and equipment		
At cost	214,699	163,657
Accumulated depreciation	(92,619)	(70,438)
Total plant and equipment	<u>122,080</u>	<u>93,219</u>
Furniture, fixtures and fittings		
At cost	59,575	56,079
Accumulated depreciation	(26,869)	(19,510)
Total furniture, fixtures and fittings	<u>32,706</u>	<u>36,569</u>
Computer hardware and software		
At cost	103,558	88,536
Accumulated depreciation	(66,664)	(50,032)
Total computer hardware and software	<u>36,894</u>	<u>38,504</u>
Total property, plant and equipment	<u><u>4,934,508</u></u>	<u><u>4,838,719</u></u>

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Notes to the Financial Statements
For the Year Ended 31 December 2023

7 Property, Plant and Equipment
(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Capital Works in Progress	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Computer Hardware and Software	Total
	\$	\$	\$	\$	\$	\$
Year ended 31 December 2023						
Balance at the beginning of year	-	4,670,427	93,219	36,569	38,504	4,838,719
Additions	278,414	-	24,046	-	15,022	317,482
Transfers	(30,493)	-	26,997	3,496	-	-
Depreciation expense	-	(175,520)	(22,182)	(7,359)	(16,632)	(221,693)
Balance at the end of the year	247,921	4,494,907	122,080	32,706	36,894	4,934,508
	Capital Works in Progress	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Computer Hardware and Software	Total
	\$	\$	\$	\$	\$	\$
Year ended 31 December 2022						
Balance at the beginning of year	57,875	4,770,836	100,117	36,443	25,184	4,990,455
Additions	-	76,920	15,512	7,211	16,133	115,776
Transfers	(57,875)	-	-	-	12,587	(45,288)
Depreciation expense	-	(177,329)	(22,410)	(7,085)	(15,400)	(222,224)
Balance at the end of the year	-	4,670,427	93,219	36,569	38,504	4,838,719

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Notes to the Financial Statements For the Year Ended 31 December 2023

8 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	6,115	16,979
Credit cards	10,720	5,257
GST payable	1,602	-
PAYG payable	23,449	15,336
Suspense account	2,960	98
Accrued expenses	141,937	28,206
Superannuation payable	14,765	12,713
Qleave Levies Payable	4,180	5,890
Total trade and other payables	205,728	84,479

9 Contract Liabilities

	2023	2022
	\$	\$
CURRENT		
Revenue received in advance	82,388	117,138
Unearned income	-	162,000
Total contract liabilities	82,388	279,138

10 Provisions

	2023	2022
	\$	\$
CURRENT		
Annual leave	136,640	117,374
Total current employee benefits	136,640	117,374
NON-CURRENT		
Long service leave	19,756	11,739
Total non-current employee benefits	19,756	11,739

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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Notes to the Financial Statements For the Year Ended 31 December 2023

11 Capital and Leasing Commitments

(a) Operating Leases

	2023	2022
	\$	\$
Minimum lease payments under operating leases:		
	-	-
- not later than one year	1,369	1,369
- between one year and five years	1,372	2,736
- later than five years	4	5
	<u>2,745</u>	<u>4,110</u>

Castle Hill Spinney Ltd and the State of Queensland entered a lease for the land on which the houses has been constructed on the 31st December 2001. The lease payments are \$1 per annum for 30 years. After the period of 30 years or upon termination of the lease, the State of Queensland may demolish the improvements provided that the lessor pays an amount of compensation to the lessee in accordance with the lease agreement. In addition to the above leases, the Company currently has two printers leased for the facility's use.

12 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor, for:		
- auditing the financial statements	6,460	5,640

During the financial year the above fees were paid or payable for services provided by Crowe Audit Australia, the Auditor of the company.

13 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 31 December 2023 (31 December 2022:None).

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

ABN: 24 254 114 823

Notes to the Financial Statements For the Year Ended 31 December 2023

14 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
Surplus for the year	1,105,811	122,716
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	221,693	222,224
- prior year work in progress written off to profit and loss	-	45,288
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(10,951)	11,912
- (increase)/decrease in other assets	(67,500)	8,048
- increase/(decrease) in trade and other payables	121,249	8,436
- (increase)/decrease in contract liabilities	(196,750)	(286,883)
- increase/(decrease) in employee benefits	27,282	41,285
Cashflows from operations	<u>1,200,834</u>	<u>173,026</u>

15 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

16 Statutory Information

The registered office and principal place of business of the company is:

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North
Australia
100 Angus Smith Drive
DOUGLAS QLD 4811

Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

ABN: 24 254 114 823

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022*.

Susan Kinobe

Responsible person

Aileen Cull

Responsible person

Dated this 03/04/2024

Independent Auditor's Report to the Members of Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

Opinion

We have audited the special purpose financial report of Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia (the Company), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion, the accompanying financial report of the Company 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 Company's financial position as at 31 December 2023 and of its financial performance and cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 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 Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the Company 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 and Not-for-profits Commission Act 2012* and the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the 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 directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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Independent Auditor's Report to the Members of Castle Hill Spinney Ltd T/A Ronald McDonald House Charities North Australia

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.

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

- Identify and assess the risks of material misstatement of the 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of those charged with governance's 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the 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.

We 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 we identify during the audit.

Crowe Audit Australia

CROWE AUDIT AUSTRALIA



Tracey Mayhew

Partner

Townsville, 03/04/2024