



Conserving Our Heritage, Creating Our Future

2022–2023 Annual Report



Acknowledgement of Country

We acknowledge the traditional custodians who have walked upon and cared for tens of thousands of years the land on which we work. We acknowledge their deep spiritual relationship to country and pay our respects to their Elders past, present and emerging. We also pay respect to our collective ancestry, for whom we care for in our cemeteries.

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Our Purpose

Our purpose is the heartbeat of our organisation – it is about why we do what we do, the impact we have on people’s lives and why we insist on excellence.



We honour every life through our own Catholic rituals, those of other faiths, and those of none.



We will accompany and comfort those who mourn, as we have done for nearly 160 years.



We are living out the Corporal Works of Mercy from Jesus’ teachings in the Gospels.

Our 2022–23 Focuses

Road mapping the future, mitigating risks whilst remaining innovative.



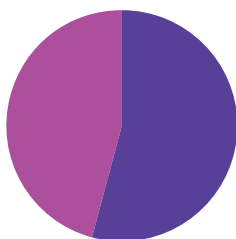
Our Impact



Our Team

96

members of staff

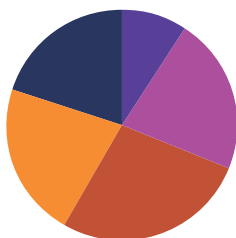
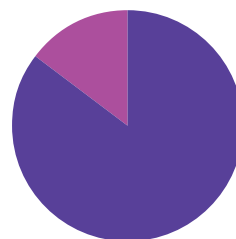


Staff Diversity

● Male	52
● Female	44

Employment Mix

● Permanent	82
● Part-time & Casual	14

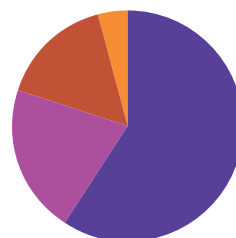


Age Diversity

● 20's	9
● 30's	21
● 40's	26
● 50's	21
● 60's	19

Length of Service

● 0-5 years	57
● 6-10 years	20
● 11-20 years	15
● 21+ years	4



Our Services

3,399

total services

515

chapel services

2,408

interments

695

live-streamed funeral services

476

cremations



Grief Care

7,013

interactions

5,390
after-funeral
pastoral
calls

1,391
consultations

104
education
sessions

128
debriefing
sessions



Community

124

community groups engaged

15

community and business sponsorships

294

consultations: funeral directors, religious and indigenous groups, schools, aged care, local businesses, communities and government

9,990

followers

820,534

reach

10,093

engagement

14,209

virtual attendees

1,500

cemetery and Grief Care events attendees

71

NPS eastern region

83

NPS western region



Sustainability

3,913

plants and trees

196

trees deadwood removed

340

new roses

3,500

cubic metres of recycled mulch used

160

tonnes of recycled garden soil used

800

palm fronds to community groups for Palm Sunday masses



Economic

\$15.8m

surplus due to gain on investments

\$405k

operating surplus

144

new payment plans written: total value \$1m

\$160m

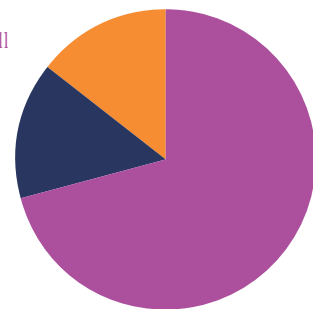
funds under investment

\$35.2m

total sales under contract

\$31.3m paid in full

\$3.9m deferred income

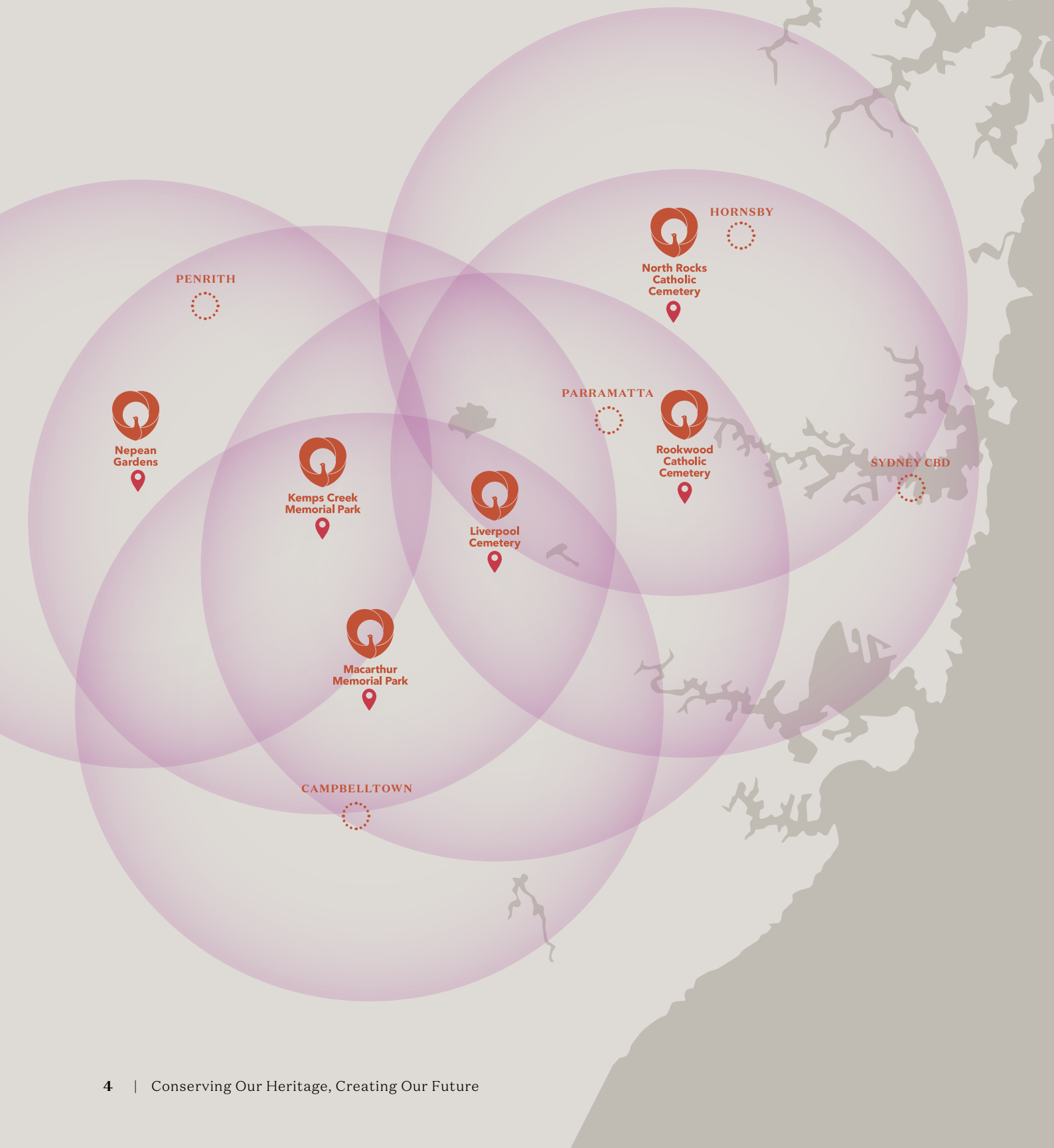


10,003

sales transactions

● 7,241 Rookwood
● 1,519 Liverpool
● 1,243 Kemps Creek
○ 0 Macarthur Park

Our Reach



Our Vision + Mission

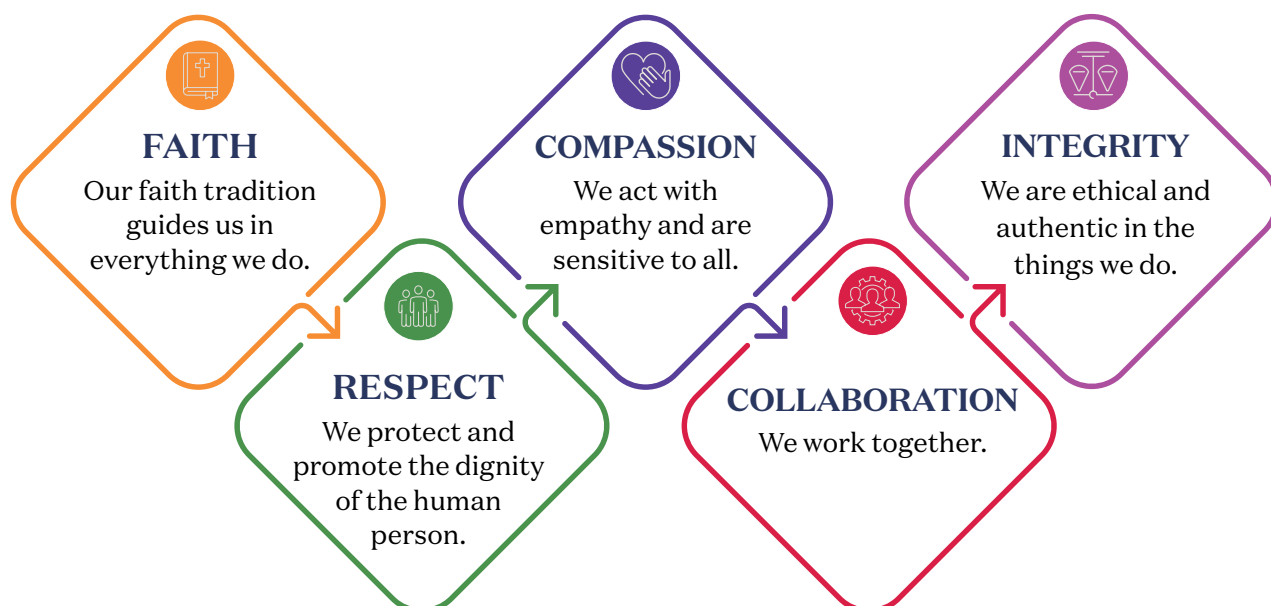
Together our mission and vision statements provide a roadmap for CMCT's direction, motivation, and inspiration. They serve as a touchstone for all decision-making and help ensure we stay focused on our core purpose and long-term goals.



Values

Values have been at the heart of CMCT's identity from its inception. At CMCT, we strive to live our values in our work, decision making and engagement.

As we face the future, CMCT remains committed to these values, which have been part of our fabric for decades.



Key Business Drivers: Catholic Cemeteries Future Secured

Stepping Forward to Solve Sydney's Burial Crisis

Death rates fell over the second half of F23, down 5.1% against the same period Jan to April 22. The decrease in the death rate negatively impacted the at-need burial numbers, the pre-purchase sales continued to perform strongly.

CMCT capital investment in Macarthur region was supported by the population growth in South Western Sydney LGA, which was the fastest growing Sydney LGA, above 2%. The LGA is forecast to grow to 9.9m by 2041.

Aspects of the pending regulatory changes under the Interment Industry Scheme (IIS) first phase have been delayed from October 1 2023 to February 2024. Regardless CMCT has been working in advance on delivering all requirements.

As Australian inflation surged due to increases in gas and oil prices, domestic factors of supply constraints of construction materials and cost of shipping and transportation has impacted on the rising costs of inputs of our major projects. This may dampen demand in the future for pre-purchase sales as consumers are focused on immediate living expenses.

The NSW Government concluded the financial year by issuing CMCT with an Instrument of Appointment as the Crown Land Manager of Macarthur Memorial Park. At the same time, the government announced it would move to a 2-operator model for Sydney's Crown sector. It ends a dispute with the previous NSW Government which in 2021 sought to dismantle CMCT and merge it with four underperforming trusts into one government-operated entity called One Crown—now renamed to Metropolitan Memorial Parklands.

After years of indecision, CMCT welcomed the NSW Government's commitment to a two-operator model for burials. Pleasingly the 155 year history of Catholic Cemeteries and its charitable works will continue to provide much-needed burial and support services to the Greater Sydney community.

CMCT KEY BUSINESS DRIVERS



Community



Regulation



Economic



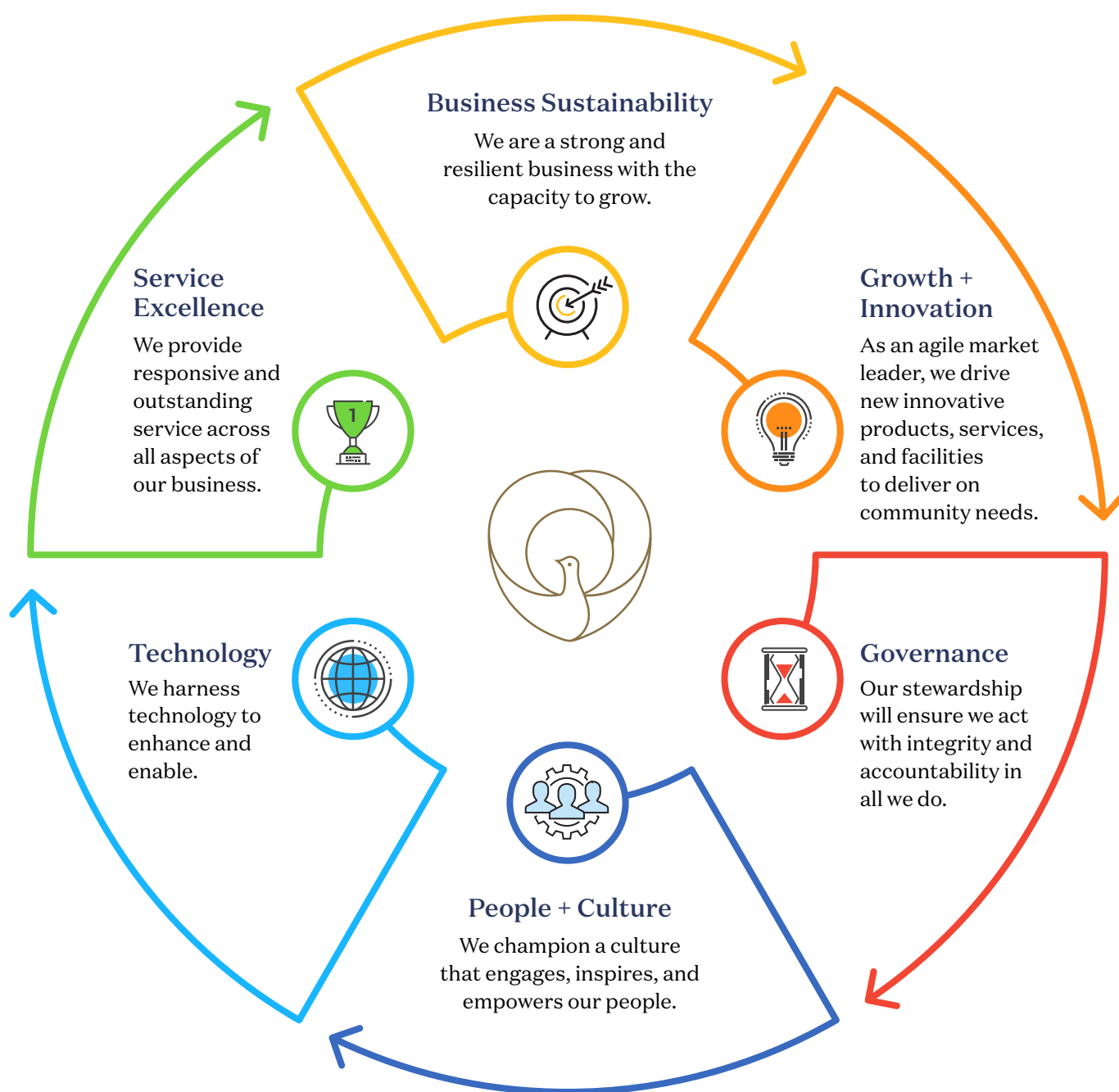
Security



Workforce

23–27 Strategic Plan

Over the next four years, we will focus on six strategic priorities to achieve our goals and maximise our impact.



Our Strategic Priorities: Progress Update

1



First Canine Recruitment

Freda Jesus, cavoodle therapy dog and Grief Care team member, who visits aged-care, palliative care, grieving families, and cemetery staff offices.

STRATEGIC PRIORITY 1:

Service Excellence

OBJECTIVE

We provide responsive and outstanding service across all aspects of our business.

GOALS

- + Further embed a customer and community centric product and service offering.
- + Understand and respond to changing consumer and community needs.
- + Maintain and nurture community connections through collaborative and trusted relationships.

Community Centred Connections

We continue to work with community groups and partner with funeral directors to develop burial products and dedicated areas to meet needs. Key areas were developed at Rookwood including the Korean, Maronite, Vietnamese and Blessed Sacrament Fathers. Mandaean, Croatian, Assyrian, and general lawns at Kemps Creek were also enlarged.

The Stakeholder Engagement Council broadened its diversity with the addition of a Khmer representative and congratulated founding member Ayya Suvira on her appointment to the national peak body representing monks and nuns of all Buddhist traditions in Australia, the Australian Sangha Association (ASA).

Relationships with the Seventh Day Adventist church and nineteen new Catholic parishes were established. Catholic Business Network meetings in Wollongong and Sydney were attended, and involvement with the local indigenous network was facilitated by the Catholic Diocese of Parramatta. The Walk with Christ event was a key sponsorship.

Local government and business chambers in our LGA catchments remain our priority, and we sponsored Ingleburn Chamber of Business Macarthur Memorial Park Presentation Event night, and David Hoy from Urbis as guest speaker event for the Campbelltown Chamber of Commerce.

Multiple collaborations occurred with Aged Care organisations offering support and guidance on end-of-life planning and cemetery service options. Highlight events

- Filipino 125-year Independence Day celebration event
- St Nino Mother's Day "A Tribute to Mothers" Ball
- Feast of Our Lady of Penafrancia Event
- Syriac Mass for the Dead, Kemps Creek
- Chaldean Commemoration of the Dead, Kemps Creek
- Our Lady of Victories Parish Festival
- Croatian Stepincevo Festival
- Croatian Christmas Feast
- Chaldean Commemoration of St Thomas the Apostle & the Chaldean The Feast of St Mary Assumption
- The Alive in Spirit virtual event
- Macarthur WILMA International Ladies Day event
- Legacy in the Park & Legacy Indigenous event

Understanding and Connecting with Customers

Research was commissioned to deepen our understanding of secular customers' decision making regarding Macarthur Memorial Park and funeral experiences, preferences for preneed and funerals. Ongoing surveys of preneed customers are being established and to ensure our products are priced for value, regular competitive monitoring is being conducted.

Integrating technology is at the heart of our services, with exciting new initiatives for FY22-23;

- New websites for Catholic Cemeteries & Crematoria & Sydney Crematorium
- New facebook page for Liverpool Cemetery
- Chat functionality enabled to promptly respond to enquiries
- New chapel streaming services to be integrated through the website
- Recite Me webpage app enabling accessibility for visually impaired or ESL visitors
- Funeral director newsletters and all events and RSVP's managed digitally
- Internal newsletter to ensure accuracy of communication internally and externally
- Our Memory digital platform for publishing memorials, photos and video to a virtual wall is in design stages
- CMCT app upgrade to include amenities; offices, toilets and car parks
- Macarthur Memorial App is in design

Using videos, promoting events and sharing personal stories, our digital following has been steadily growing as we showcase our cemeteries and people.

The Sydney Crematorium launched at Kemps Creek Memorial Park with funeral directors providing positive feedback on the new facilities and caterer at Kemps Creek and Liverpool Cemetery.

Bringing them home
Interment of the Homeless

8 August 2023

Time: 11am
Location: Charles O'Neill Walkway
Presider: Bishop Terry Brady, Bishop Emeritus of Sydney
Followed by Morning Tea

RSVP BY
1 August 2023

MEN'S GRIEF Gathering

Inviting men who are experiencing Grief and Loss, to come together in a safe and welcoming space. No judgements. No fixing. Just listening and walking alongside each other in grief.

When: First Wednesday of the month
Time: From 7-9pm
Where: Lloyds Bistro, Level 1
Dooleys Lidcombe Catholic Club
11-17 Church St, Lidcombe NSW 2141
Hospitality included

For further information contact Jason on 02 9646 6908 (Grief Care)

Visit catholiccemeteries.com.au

Grief Care

Grief Care continues to expand its reach, fulfilling its mission to provide support for those grieving a death or seeking to understand the grief and loss experience. Our families receive support via phone calls made three months after service and on the first anniversary, and are welcomed at memorial masses, monthly masses and support groups.

Commencing in 2022, the Grief Care team has assisted with a growing number of grief accompaniments for those in palliative care and aged care. Having witnessed the increasing trauma experienced in our society, the team has been called on to provide Pastoral Care assistance for critical incidents across Sydney involving tragic/traumatic deaths due to accidents, criminal acts, and suicide.

In November 2022, Grief Care were pleased to attend the official launch of the Road Trauma Support Group NSW at Parliament House. As founding members, Grief Care partners with the NSW Government, NSW Police, Homicide Victims Support Group, HeartFelt and Penthos to assist family members of road trauma victims by providing professional trauma-informed grief support as well as advocating for positive change.

Additionally, this year, the Grief Care Team have provided sensitive accompaniment for war veterans participating in ANZAC Day memorials, facilitation of a Monthly Women's Trauma Group, and a Men's Grief Gathering.

Over the course of the year, the team have coordinated and facilitated over 100 workshops and education sessions for parishes, community groups, health care professionals and educational facilities, continuing to raise awareness of grief responses and support mechanisms.

Grief Care Partnerships & Collaboration

Australian Catholic University; Australian Bereavement Network; Road Trauma Support Group; St Vincent Heath Australia; Calvary Health Care; St Vincent De Paul; Aged Care; Palliative care; Sydney Catholic Schools; Jesuit Social Services; Ambulance Chaplaincy; Wollongong Catholic Education – Macarthur; NSW Parliament; University Chaplaincy; Victims Trauma Groups; Catholic Care Sydney, Western Sydney and Parramatta; St Mary's Cathedral; Parish and ecclesial agencies; Archdiocesan Parish Renewal, Justice and Peace Office, Safeguarding and Ministerial Integrity Office; Aboriginal Catholic Ministry; Abbey Jamberoo; 'Way of The Heart' – Pope Francis 'Worldwide Prayer Network; Grief Australia; Chris O'Brien Life house; Petrea King's 'Quest for Life'; World Pride Chaplaincy; National Liturgical Commission Safeguarding Committee; Prisons chaplaincy; Heartfelt; I4Give; Communities of Care; Family Educators; Good Grief; The Australian Remembrance Foundation.

2

STRATEGIC PRIORITY 2:

Business Sustainability

OBJECTIVE

We are a strong and resilient business with the capacity to grow.

GOALS

- + Sustainable Resource Management
- + Operational Excellence
- + Financial performance is sustainable, accountable, and transparent

Financial Optimisation

In a rising interest rate environment, our short-term cash accounts \$12m have generated \$379k (up from \$96k) over the period, which is used to fund current large projects. The medium term funding of \$53m for major projects generated \$1.8m in interest income at an average of 3.37%. These funds are diversified across BBB+ to AA+ financial institutions, to provide surety of capital and self-fund the developments. Our investment portfolio of \$107m returned 13.2%

this financial year fulfilling, the long term Perpetual Care obligations and providing the capacity to implement the Strategic Plan.

Financial efficiencies were found via;

- An independent assessment was undertaken on our investment advisor's performance resulting in lower fees, enhanced reporting and an updated investment policy.
- Migration to a new cloud based accounting platform with superior reporting and intelligence.
- An 'open market' review of insurance coverage secured new insurance suppliers for FY 22-23
- Successful completion of land & infrastructure valuation resulted in a \$10m increase in our balance sheet for fixed assets.

Operational Excellence

Following the successful implementation of Byond Pro cemetery management system, an integrated contact centre software platform was introduced at Rookwood. The call recording facility has enabled training and coaching opportunities to enhance customer service, with better reporting ensuring customer and funeral director needs are being met.

After 2 years restoration work the 150 year old Angels are now installed near the Catholic office.



Advancing Our Facilities



Restoring Headstones & Monuments for Safety

- Over 520 monuments repaired
- 2.5 years/3 progress – 80% complete
- 21 immediate safety hazards remediated
- 259 Class A repaired
- 900 monuments yet to be repaired
- On schedule with more than 50% of highest priorities addressed



A focus on presentation and cemetery staff uniforms at graveside services created operational changes with additional uniforms available for staff to change mid shift. This has increased presentation levels in response to funeral director feedback from benchmarking research.

Multi skilling of customer service staff commenced to improve family and funeral director service and first call resolution opportunities.

Maximising our Assets

To extend the longevity of existing cemeteries 2209 new graves were added to our portfolio across Rookwood and Kemps Creek in FY22–23, notably:

- Continued expansion of Maronite burial areas including Our Lady of Lebanon, St Charbel, St Raymond and St Michael Maronite Lawns
- Way of the Cross Memorial gardens and family memorials
- Extension of key community burial areas: Vietnamese, Mandaean, Assyrian, Croatian, Polish and a number of general non-denominational areas.

Our focus continues to identify areas for refurbishment and beautification to ensure the cemeteries meet the highest standards of presentation.

Embracing Circular Thinking

From biocycle planting to recycling soil and mulch, our team are innovating how we can reduce our impact and contribute to the community. After donating 800 palm trees for Palm Sunday services, we have partnered with Taronga Zoo to provide leaves and trees to feed different animals.

Large amounts of feed plantations the Zoo relies upon were destroyed by floods, leaving them struggling to obtain regular feed.

A large diseased tree was removed from the Waterway at Rookwood and given to the Zoo, who have also been collecting truckloads of leaves to feed their koalas. As Macarthur Memorial Park land is cleared of African Olive tree, it not only provides sustainably sourced food for giraffes, elephants and primates, it reduces CMCT disposal costs.

STRATEGIC PRIORITY 3:

Growth + Innovation

OBJECTIVE

As an agile market leader, we will drive new innovative products, services, and facilities to deliver on community needs.

GOALS

- + Expansion of cemetery and memorial park portfolio
- + Investigate opportunities to diversify and grow alternate revenue streams.



Sydney Crematorium

In February we launched to funeral directors the newest crematoria in metropolitan Sydney. The state of the art facilities at Kemps Creek will help us achieve our mission of caring for all faith and community groups by providing affordable and high quality death-care services.

The modern office and crematoria provide a contemporary and welcoming environment with family meeting rooms to discuss arrangements and private viewing rooms.

The launch also offered the opportunity to showcase the refurbished chapel, café and condolence lounge at Liverpool Cemetery.

With 70 per cent of Australians choosing cremation over traditional burial, Sydney Crematorium offers the latest technology as a more environmental and cost-friendly option. As the end-to-end cremation process is solely managed by CMCT, the organisation can effectively monitor each step of the operation unlike other commercial entities.



The launch of the Sydney Crematorium marks a significant and exciting expansion of our services. It also represents a significant investment in critical infrastructure by CMCT for the people of south western Sydney and greater Sydney, in one of the largest growth corridors. It has been received positively with over 120 cremations in March-June, and 50% of families using the function facilities.

Macarthur Memorial Park

It has been 10 years since CMCT purchased land at Varroville, recognising that this was the first solution to address the impending shortage of burial space in Sydney. Although approval was initially granted in 2019, construction finally commenced late 2022. When it opens in 2025, Macarthur Memorial Park will be a world-class memorial and botanic parkland destination. It will accommodate 136,000 burial plots over the coming 100 years, responding to the acute need for space in Sydney's rapidly growing and diverse multi-cultural population.

Landscaped over 113 hectares of open space, it is conceived as a whole-of-community sanctuary where visitors can gather, relax and reflect.

Breaking New Ground

Ward Civil commenced onsite in November 2022, and is making excellent progress with the civil works of roads, dams, stormwater, and bulk excavation. Subject to weather, it is anticipated they will finish ahead of schedule, September 2023.

The built forms construction commenced by Paynter Dixon in April 2023. Paynter Dixon is responsible for completion of the design and construction of six new buildings to accommodate cemetery and recreational uses, including a multi-denominational chapel, function room, café and workshop, gatehouse and plant and maintenance building.

The CMCT team continued with the procurement of the final subprojects including landscaping, plant supply, bushland clearance and regeneration.

Operationalising a Greenfield Project

An operational project team has been established to deliver the largest and most ambitious venture undertaken by the organisation to date. The team is led by a project manager specialising in talent acquisition to ensure the project is delivered efficiently and effectively, with expert people in place.

The project team comprises of senior professionals from within CMCT finance, marketing, cemetery management, business relations, IT and administration. They are tasked with delivering an innovative cemetery with a go live date of Q1 2025. Already the team has accomplished

- BAU timing & framework finalised
- Presales preparation; allocation of rooms, legal contracts and discussions with community and faith groups have been initiated
- Identification of Human Resource requirements and timeframes with recruitment commencing for 23/24
- Scoping of interior building fit out including furniture and equipment
- State of the art IT and AV requirements scoped, and design is underway.

4

STRATEGIC PRIORITY 4:

Governance

OBJECTIVE

Our stewardship will ensure we act with integrity and accountability in all we do.

GOALS

- + Continued strengthening of corporate governance ecosystem.
- + Finalisation and implementation of regulatory strategy.

Ready for Regulatory Changes

The pending regulatory changes under the Interment Industry Regulatory Scheme (IIRS) first phase has been delayed from October 1 2023 to February 2024, with Cemetery & Crematoria NSW to act as the Regulator of the IIRS moving forward.

With the impending Interment Industry Scheme (IIS) licencing requirements set to commence in October 2023, we have been working in advance on delivering all requirements; with sales agreements, staff training, consumer feedback and reporting in final stages or ready for implementation. Annual Maintenance Schedules trial underway at Rookwood and maintenance SLA reporting is finalised. Pricing transparency project is underway with initial framework for Basic Adult Cremation, Basic Adult Burial and Basic Adult Cremation Interment.

CMCT's compliance obligations under the Cemeteries & Crematoria Act (C&C Act) and Crown Land Management Act (CLM Act) continue to be reviewed for duplicates and accuracy. The Audit and compliance steering committee is identifying and compiling the legislative and regulatory requirements by department.

Board Governance Review

With CMCT status secure, an audit and assessment was conducted in Q4 (reporting in August 2023) to examine the function, processes, and effectiveness of governance;

- Board: structure, roles, legal standards, committees (including sub-committees)
- Director: roles, remuneration, and succession planning
- Organisation: policies, compliance, management relations, strategy and risk
- Stakeholder: engagement, reporting and relations.

Modern Slavery

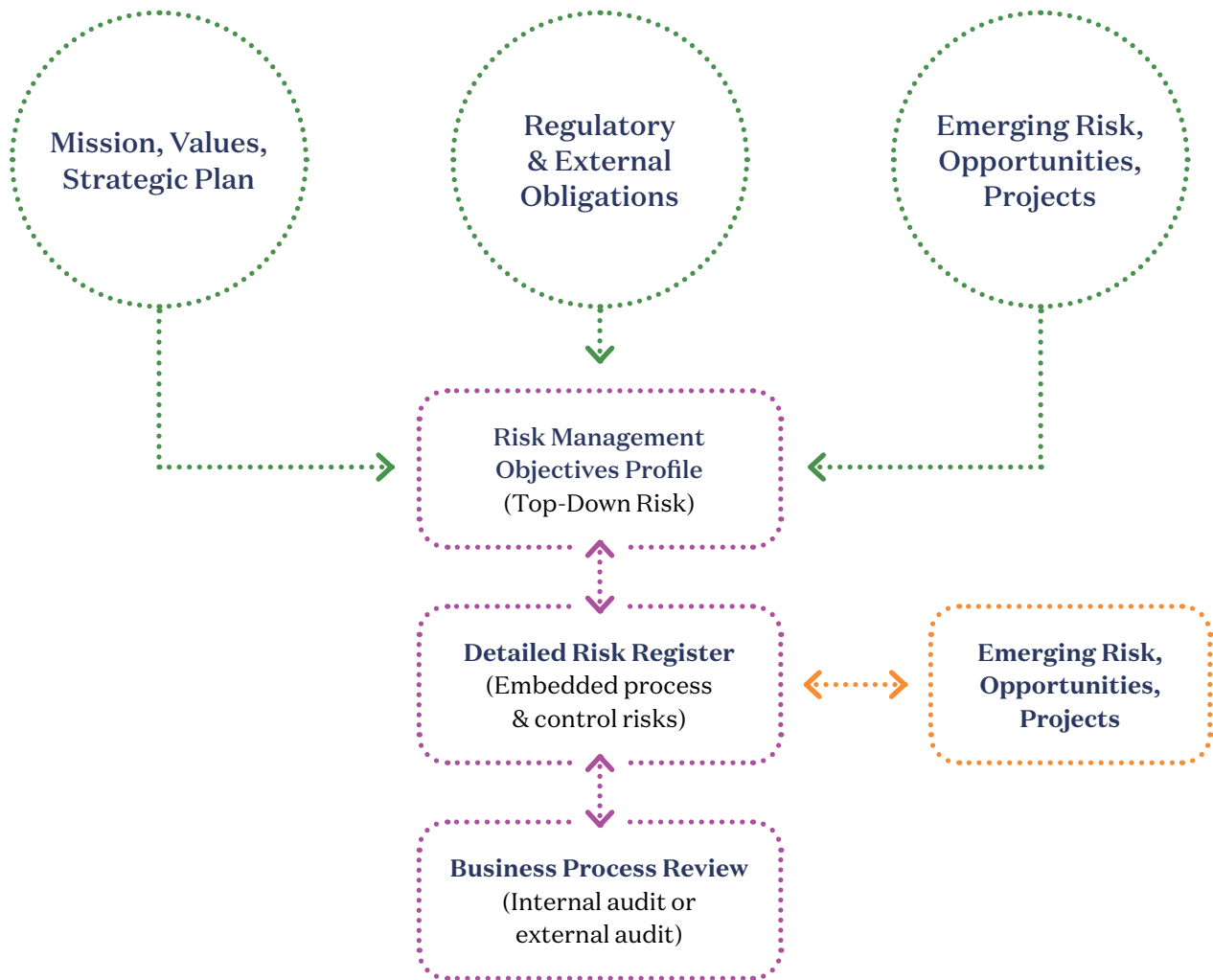
Since 2018 we have committed to respecting human rights and taking meaningful action to address the global human rights issue of Modern Slavery (MS), and joined the Australian Catholic Anti-Slavery Network (ACAN).

In FY 22–23, our focus was on raising suppliers' awareness, risk monitoring and embedding MS principals in all ongoing procurement activities;

- Established anti-slavery clauses in all purchase orders.
- Annual Modern Slavery Statement Published
- Surveyed 60 high-risk suppliers to understand their awareness and approach to MS.
- Implemented Risk Wizard software that incorporates MS into our operations and supply chain.
- Establishment of an internal MS Working Group with representatives from finance and procurement, communications, people, risk + advocacy

The working group will be responsible for fostering collaboration across CMCT and ACAN participating entities to share ideas, initiatives, and information regarding modern slavery risk management. It is also actively supporting the development, implementation and monitoring of CMCT's modern slavery action plan.

CMCT Risk Management Framework



Risk Management

Risk management is every departments' responsibility and incident and reporting management tracks the severity and resolution to avoid recurrences in the future.

COVID-related incidents continued to be reported and RAT testing of all staff remains twice weekly, with all precautionary measures still in place across all sites.

A review of the Risk Appetite Statement, Management Policy & Framework was concluded in June 2023, seeking to achieve effective governance with good stewardship and innovation.

Risks are assessed across the spectrum of

- Strategic
- Reputation
- Investment Portfolio
- Operational
 - Financial
 - Compliance or Legal Liability
 - Service Delivery
 - People/ WHS
 - IT

5

STRATEGIC PRIORITY 5: People + Culture

OBJECTIVE

We champion a culture that engages, inspires, and empowers our people.

GOALS

- + Grow an empowered, collaborative, and customer centric workforce aligned with our values.
- + Embed a proactive health and wellbeing culture.
- + Innovation and development through learning.

Respect at Work Training

The new Respect at Work legislation was enacted in December 2022, requiring employers to proactively prevent workplace sexual harassment and discrimination. As part of our commitment to this framework we conducted employee training for deeper understanding of responsibilities in ensuring a harassment free workplace; and working together to maintain a positive, respectful, inclusive culture.

Our People Matter – Employee Engagement Increase

Our employee engagement score increased by 3% from the 2022 survey, reaching an impressive 79%. A new internal communications plan that was actioned from the previous survey insights has contributed to this growth, and indicates that our deliberate efforts to understand employee needs, provide a positive work environment, and connect everyone to our goals has been successful.

Building Capability

The Capability Framework focuses on the behaviours required to increase individual and organisational development, thereby achieving key performance targets. The framework was extensively consulted with over 90% of staff groups, and after input was included, it has been adopted.

As part of our key focus on creating a culture of growth, the development of our people is critical. Work planning connects the strategy with a business unit's action plan through to an individual's goals. It involves helping individuals shape their development, role and career, and identifying training requirements. Work planning and documentation has been successfully trialled with two employee groups and will continue to roll out in FY22-23.



6

STRATEGIC PRIORITY 6:

Technology

OBJECTIVE

We harness technology to enhance and enable.

GOALS

- + Enhance digital business technologies through the leveraging of new and emerging technologies.
- + Cyber strategy optimisation

System Upgrades

Audio Visuals

To enhance live streaming and services in our chapels, upgraded equipment was installed in:

- Rookwood Mausoleum
- The Mausoleum's existing portable AV system and TV was integrated into St Michael chapel
- Kemps Creek Pavilion
- Liverpool Chapel

Touch screen

- A self-service touchscreen was installed at Liverpool to enhance onsite grave location searches, deceased searches and pricing availability.

HR/Payroll System

- An upgrade to our payroll system ensured compliance with Single Touch Payroll (STP) regulations streamlining processes and providing accurate reporting
- Our leave application system was upgraded to a secure employee self-service system, directly connected to payroll

Wi-Fi Network

- Infrastructure upgrade to Wi-Fi 6 network for better performance, coverage and security

Cyber Vigilance

CMCT's cyber security posture is constantly increasing its strength and resilience for threats. An audit was conducted to identify sensitive data points and the security of service providers. These include

- Microsoft 365
- ByondPro (cemetery management system)
- Document storage
- Financial system
- BPoint payment system
- Payroll
- Stored voice recordings

The audit concluded there are multilayered and complex measures in place to protect client, employee and organisational data. The measures are continuously reviewed to remain optimal for combatting emerging threats.

Security Training

Online training has been introduced to educate employees on the harm of phishing, how to detect and report to reduce CMCT's overall susceptibility to phishing attacks.

Threatlocker

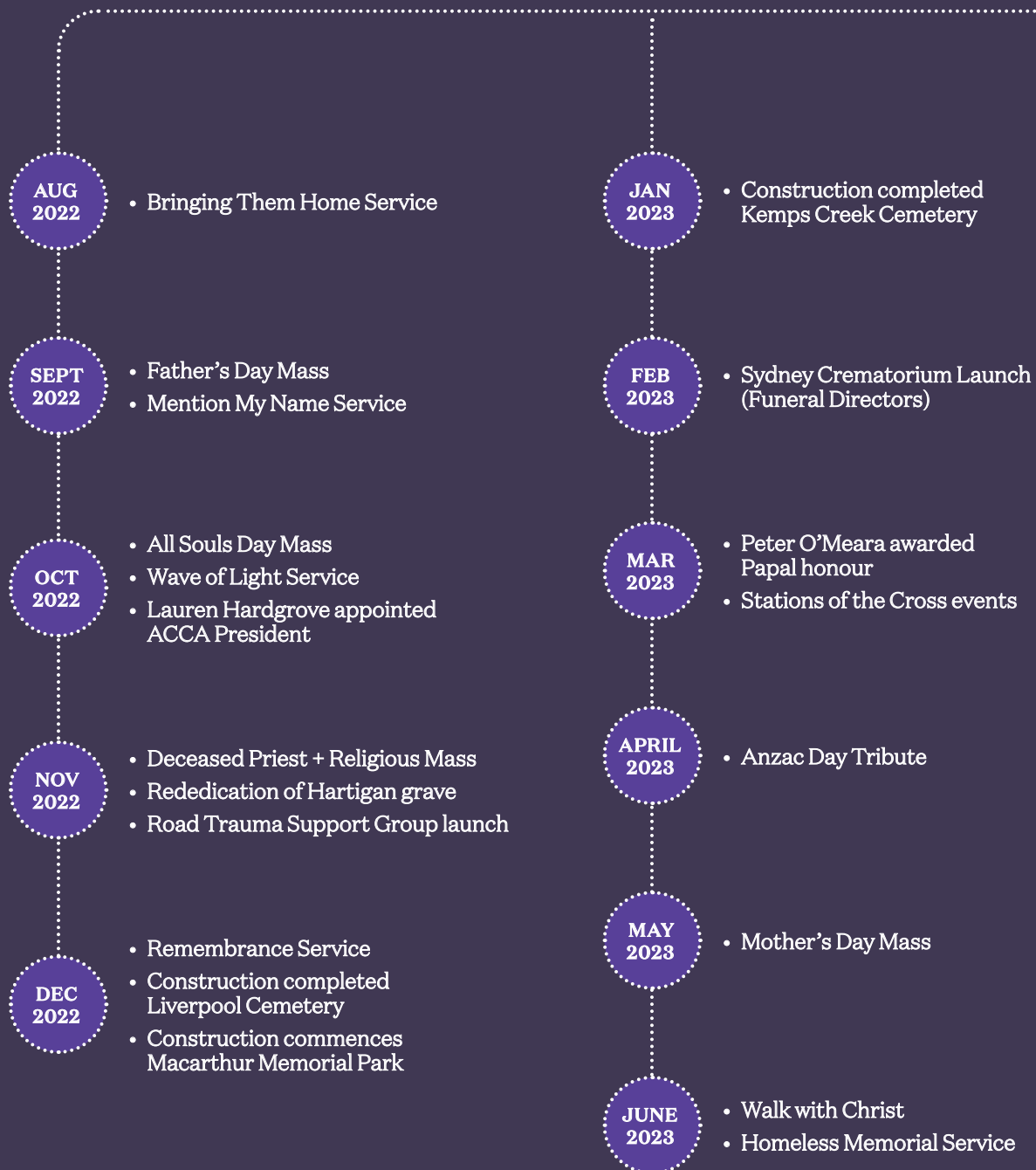
A successful trial was conducted of an application that operates an allow-listing approach which stops malicious software and other unpermitted applications from running. It will be rolled out F24.

Technology to Shape the Future of our Business

Whether it is to digitise, streamline our processes, maximise asset & facilities management or improve customer experience the ICT and marketing team are strategically identifying the technology needed in the future including

- Microsoft Power Apps
- Our Memory Digital Platform
- Mobile apps
- Ecommerce capability

FY 22–23 Highlights



**A message
from our
Chair + CEO**



The Hon Greg Smith SC, Chair



Lauren Hardgrove, Chief Executive Officer

Conserving our Heritage, Creating our Future

It is bittersweet to present this year's annual report.

In June, Peter O'Meara, the former CMCT CEO, sadly passed away. Peter was a highly respected leader and a courageous and tireless advocate for the church's mission to care for the dead. His foresight in acquiring sustainable and adequate burial land supply for future needs and his unwavering determination to ensure CMCT continued the delivery of dignified and affordable end-of-life services to the Sydney community, built a solid and sustainable future for our organisation. A legacy that will live on.

Whilst the 2023 financial year presented challenges, it has been a compelling time of advancement. Construction work finally commenced on our new cemetery, Macarthur Memorial Park, and after years of indecision, we welcomed the NSW Government's commitment to a two-operator model for Sydney's Crown Cemeteries, ensuring CMCT can continue to deliver much-needed burial and support services to the wider Sydney community.

CMCT continues to produce excellent results with an investment surplus of \$15.8m. Our perpetual care reserves exceed our target, providing a strong position to fund capital-intensive infrastructure programs of new cemeteries and facilities. Our revenue grew by 8.5% year on year, and achieved an unprecedented \$31.37m.

This remarkable performance is a testament to our unwavering commitment to excellence, the dedication of our employees and the continued support and trust of our loyal stakeholders and clients.

To remain agile with change, we redefined our vision and Strategic Plan 2023–2027. It sets out our roadmap for the future whilst connecting with our past, and the commitment and determination of our predecessors, to ensure CMCT's enduring role in the NSW cemetery sector.

Customer satisfaction remains at the heart of everything we do. We listen closely to our customers' feedback and leverage insights to enhance our products and services. As a result, our Net Promotor Score for the reporting period remains consistently high at 71.

Our employees are the core of our success, and we continue to invest in their growth and well-being, to create a motivated and engaged workforce. Our employee engagement score increased by 3% year on year, attaining a score of 79% which we are very proud of.

Notable achievements of FY 22–23 include:

- Commencement of construction at Macarthur Memorial Park, the first Crown cemetery to be built in Sydney in over 80 years
- Successful launch of our new cremation service, Sydney Crematorium
- Renovation of Liverpool Cemetery administration building, chapel and function room
- Opening the new administration building at Kemps Creek Memorial Park

- Finalisation of our property portfolio asset management plan
- Expansion of our Grief Care service
- Successful deployment of our employee work plan program, to support capability development and engagement
- Extension of our customer relationship management (CRM) & implementation of a new enterprise resource planning (ERP) platform to deliver integrated platforms and fit for-purpose business solutions
- Advancement of governance and risk management frameworks for compliance with best practice standards
- Compliance readiness for the implementation of IIS.

We move towards a promising future with an unwavering commitment to the community. Our strategic roadmap is focused on enhancing customer experiences, expanding into existing and emerging communities, and leveraging technology to optimise operations. We pursue a culture of continuous improvement, empowering our employees, to create sustainable value for stakeholders and clients.

We thank Archbishop Fisher for his continued support, our Board for their dedication, and our executive leadership team, who play a critical role in our growth. Importantly, we thank our employees for bringing our vision to life, serving our community and using their experience, talent and passion to ensure we deliver seamlessly through change.



The Hon Greg Smith SC
CHAIR



Lauren Hardgrove
Chief Executive Officer



Vale Peter O'Meara

CEO remembered for courage, humour & faithfulness

Beloved CEO and family man Peter O'Meara was farewelled by hundreds of friends and family, and leaders from civic, community and faith organisations following his sad passing on 6 June at the age of 67.

The former head of CMCT was remembered as a courageous and tireless advocate for the church's mission to care for the dead and their grieving loved ones, who maintained his integrity and humour in the face of "ferocious" political opposition.

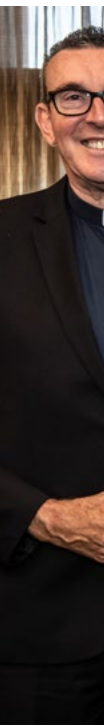
Bishop Terence Brady celebrated Mass at the Mary Mother of Mercy Chapel in Rookwood Cemetery on 17 June, with Archbishop Anthony Fisher OP also in attendance.

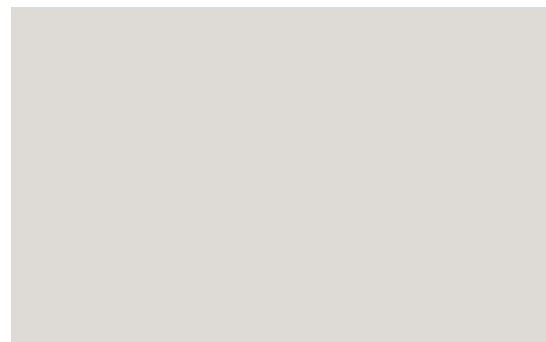
In a service interspersed with tears and bursts of warm laughter, Bishop Brady praised the relationships Mr O'Meara nurtured with the different faith communities including the Islamic, Jewish and Buddhist communities. "His work in breaking down barriers and connecting us together was amazing."

Prior to working for the church Mr O'Meara was the inaugural CEO of the Western Force rugby union club in Western Australia and had also held a senior management position at the Commonwealth Bank. His "twin loves", were the Catholic Church and rugby union, with many wearing blue ribbons, a Western Force team colour and also the colour of the blue cornflower symbol for motor neurone disease. Mr O'Meara was diagnosed last year with the disease that has no cure and no effective treatment.



1. Christmas Remembrance Service at St Mary's Cathedral
2. Staff Christmas Party
3. Walk with Christ
4. IFTAR Dinner at Cathedral House
5. Launch of Archdiocese Anti-Slavery Taskforce
6. Patricia Thomas awarded Papal honour
7. Catholic Business Network Lunch
8. Catholic Business Network Lunch





Peter O'Meara Awarded a Papal Honour

The Papal Honour of the Knight of St Gregory the Great was presented to Peter O'Meara in March 2023 surrounded by his family and friends. The award was presented by Archbishop Anthony Fisher OP in recognition of his extraordinary legacy as a faithful Catholic layman, his tireless promotion of the Corporal Works of Mercy and his lifetime of service to the Church and the wider community.

Well-known as a man of principle, Peter was steadfastly committed to the teachings of the Church and was appointed Chief Executive Officer (CEO) of CMCT in 2010.

When the Church was placed under sustained pressure from the State government to surrender its control of charitable trusts associated with the burial and cremation of the dead, Peter was

acknowledged as a tireless defender of the right of Catholics and all faiths to receive a dignified farewell, and of the right of the Church to continue to exercise this Corporal Work of Mercy.

He persistently negotiated in good faith with the State government, whilst devoting time to ensuring that CMCT improved the services offered to grieving families and communities. Over the period of more than 12 years, Peter transformed the mission of CMCT to the organisation it is today.

In all his dealings with government officials, the board and his own staff, Peter was recognised as a man of great wisdom and boundless patience. He embodies Christian charity in both personal and professional life and was a passionate advocate of the Church's mission to console the afflicted.

Peter received this Papal Honour from His Holiness Pope Francis in recognition of his relentless advocacy for Church rights to continue operating Sydney cemeteries and crematoria. Peter believed that this mission is infinitely more important than a business, yet his strong leadership has ensured the commercial viability of CMCT for many years to come.





The Future Begins – New CEO Lauren Hardgrove

Upon the resignation of Peter O'Meara, the CMCT Board acted decisively and quickly to establish stability across the company. They proceeded to immediately appoint Ms Lauren Hardgrove in the permanent role as new CEO. His Grace Archbishop Fisher gave this his blessing.

Lauren Hardgrove is well known throughout the cemeteries and crematoria sector and CMCT. During her tenure of fourteen years she has been an integral member of the leadership team. Prior to acting as CEO since November 2022, Lauren was Chief Operating Officer. In the previous ten years, Lauren has led operations and client services inside CMCT with responsibility for services, sales, product/cemetery development and community engagement. She oversaw the establishment and growth of the Grief Care team, and is familiar with every aspect of the organisation.

One of Lauren's first steps in her permanent new role was to develop an ambitious new strategy, whilst building carefully on the hard work and

foundations already achieved. Coinciding with the government issue of a new instrument of appointment, CMCT with new leadership is energised and ready to step forward creating the future of cemeteries & crematoria.

Industry Leadership

In further testament to the esteem with which she is regarded within the industry, Lauren was elected as the new President of the Australasian Cemeteries & Crematoria Association (ACCA).

Lauren served on the board of ACCA for several years, before being appointed Vice President in 2019. ACCA is a non-profit professional organisation that provides leadership, professional services and development, communication and networking platforms to the cemetery and crematoria industry.

Congratulations to Lauren for these outstanding achievements and the anticipated positive impact of her appointments both on CMCT and the wider sector.

Breaking Ground – Sydney’s First Cemetery to be built in 80 Years

Macarthur Memorial Park is the first new Crown cemetery to be built in Sydney in over 80 years. The landmark construction commenced in December 2022 on a world-class memorial and botanic parkland destination at Varroville in south-west Sydney. It was welcomed by community groups, particularly Chairman of the Muslim Cemeteries Board, Mr Kazi Ali and The NSW Jewish Board of Deputies, whose communities are facing exhaustion in existing cemetery capacity within 5 years.

New botanic parklands will feature facilities for the local community such as lakes, walking tracks and a café, creating a place to be enjoyed and utilised by the whole community

It adopts a successful overseas model where memorial parklands are quiet and beautiful places of recreation for all the family, for all intents and purposes they are not cemeteries but beautiful open spaces. Burial plots are discreetly positioned inside bush-lined enclosures and the interment practices and beliefs of all religious and cultural groups are respected.





Putting the Customer First



Greg Tucker is a 10 year veteran of the cemeteries and crematoria industry. His latest role at CMCT sees him drawing on that experience to manage cemetery operations, from the delivery of professional customer service to the provision of compassionate grief care.

Greg decided to join CMCT, as the Regional Manager Cemeteries + Grief Care largely due to the calibre of people and what they are trying to achieve with customer service. Greg explains “Their drive and passion was inspiring, I had not come across it before in the industry”.

“Lots of companies talk about customers being their core focus, but not many are able to put that into practise. At CMCT, it is central to everything the company strives towards. They are commercial but have a different way of looking at things.”

The values of CMCT as an organisation mean something to everyone that works there. The company’s mission and the capacity to lead by them are what embeds authenticity and innovation in the company and allows CMCT to place the customer first.

The feedback that Greg receives from funeral directors is confidence – they are assured of the standard of service, that is well organised and if there is a mishap, that staff are empowered to get things resolved quickly. Critically the team learns from these incidents, so they don’t repeat.

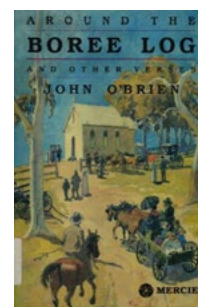
CMCT is also the only operator in Sydney with a dedicated Grief Care team. If there is one thing that Greg has learnt throughout his career, it is that “People are the most important thing in the world” and he takes looking after the families that trust their loved ones to CMCT and the funeral directors who use our memorial parks seriously.

Greg continues to be passionate about the industry he works in and believes it is one of the most rewarding. “We help people at the most terrible time in their lives. It is life-affirming to be part of a team that does everything it can, to help make a difficult time a little easier for our customers.”

Restoring an Australian Literary Legend

On November 2, 2022, a blessing and rededication was held for Monsignor Patrick Joseph Hartigan at North Rocks Catholic Cemetery. Hartigan is one of Australia’s famed and bestselling authors, he was also a priest of Irish descent who served the church in rural NSW and Victoria. He began writing and contributing to magazines such as *The Bulletin* in 1906 and evolved a pseudonym “John O’Brien”, although his connection to the church appeared in many of his poems. A book of his poems, *Around*

the Boree Log and Other Verses, was published in 1921, and a film was created in 1925. At the time of his death in 1952 this had sold approximately 100,000 copies, on par with Banjo Paterson’s *The Man from Snowy River*. His writing was filled with humour and pathos, and paid homage to Australian bush life. He is commemorated annually at the John O’Brien Bush Festival held in the town of Narrandera, NSW.



Larcombe Memorials donated time and resources working with CMCT to ensure the grave is a fitting tribute to an Australian cultural legend.

Creating peaceful sanctuaries



Christine Williams has been responsible for the landscaped gardens at CMCT for more than a decade. With over 30 years horticultural experience, it is not a position she thought she would hold, but one she knows is vitally important and can make a real difference to the community that regularly visit the cemetery grounds.

Christine has seen the team grow from two to nine gardeners. Originally, work was completed in between maintenance and funeral services but has now become integral to our service offering.

She describes her job description as “emotional landscaping”. When the memorial gardens and lawns look their best, this has a positive effect on visitors and makes them feel better “It can really alter someone’s visit, if they are in an area that is well maintained and peaceful, it changes their thinking and makes visiting the cemetery less sad.”

When creating new areas for families and communities, it is essential to consult and include cultural beliefs in the design process for these areas. At Kemps Creek Memorial Park, Christine researched trees that were important to the communities’ culture and included these in the new lawns.

The most rewarding thing about this job is the appreciation from families, which she proudly passes back to her team. Christine enjoys having a chat with regulars and explains that “this is not a counselling session, but it can be moving and emotional” as she gets to know each of them. One of the regulars, has been speaking to Christine for 10 years and brings in home-made curry to say thank you for looking after her husband’s section.

After chatting with a family about Mary MacKillop Rose Garden, a maintenance program was implemented to get rid of dead wood and create a summer spot, so more flowers can bloom which can be enjoyed by all visitors.

Christine has been going above and beyond in helping those unable to make it to the cemetery. During COVID she would send photos of family plots, so people could see the area and it would make them feel better. This CMCT ethos of ongoing care is “beautiful to be able to give people”.

Late last year, an avenue of trees was planted at Kemps Creek Memorial Park. It was a project that bought the team together, when the trees grow this will provide a majestic entrance seen by everyone that comes into the cemetery.

The cemetery gardens and trees provide habitat for varied wildlife including tawny frogmouths, echidnas, goannas, kookaburras and black cockatoos. The team are active in the community with regular donations such as rosemary to Legacy, palm fronds at Easter and foliage to help feed koalas and primates at Taronga Zoo.

Christine and her team have endured several challenges over the past few years, navigating the challenges of COVID and severe weather events.



During the drought period with permission from Sydney Water to keep the gardens alive the team hand watered in lieu of sprinklers. During the La Nina rain period, plants became waterlogged and died. It is an on-going balancing act to maintain the gardens.

During the COVID lockdowns, the team was split up to work autonomously. It was emotional to witness funerals with only eight family members who were not permitted to make physical contact and console one another.

Throughout spring and summer, the gardens bloom with colourful flowers that symbolise remembrance and love. Our cemetery grounds are sacred places that people visit, grieve, and remember their loved ones. Christine and her team make a difference to our customers every day, by creating and maintaining these beautiful peaceful havens.



Overcoming the Stigma of Suicide

With the number of suicides in 2022 in Australia higher than the previous three years, 1 in 6 Australians or approximately 3.3 million people, have experienced suicidal behaviours in their lifetime. Over 38% of people aged over 16 have been close to someone who has taken or attempted to take their own life.

Unfortunately there is still a stigma around suicide and many older people especially carry a burden of unspoken and unresolved guilt and shame about the death of their loved one even several decades later.

Grief Care seeks to carefully address the guilt suffered by the families and friends who have died of suicide during the annual Mention My Name remembrance service. In this years' service, mother Dianne, bravely offered a short reflection on the loss of her adult daughter to suicide. "Death is hard enough, but suicide is a very complex conversation. I am proud to be a mother of my beautiful daughter and to honour her name, Carla. I too now am susceptible, I have a one in six higher chance [of suicide] than the average person who has not experienced a loved one's death from suicide."

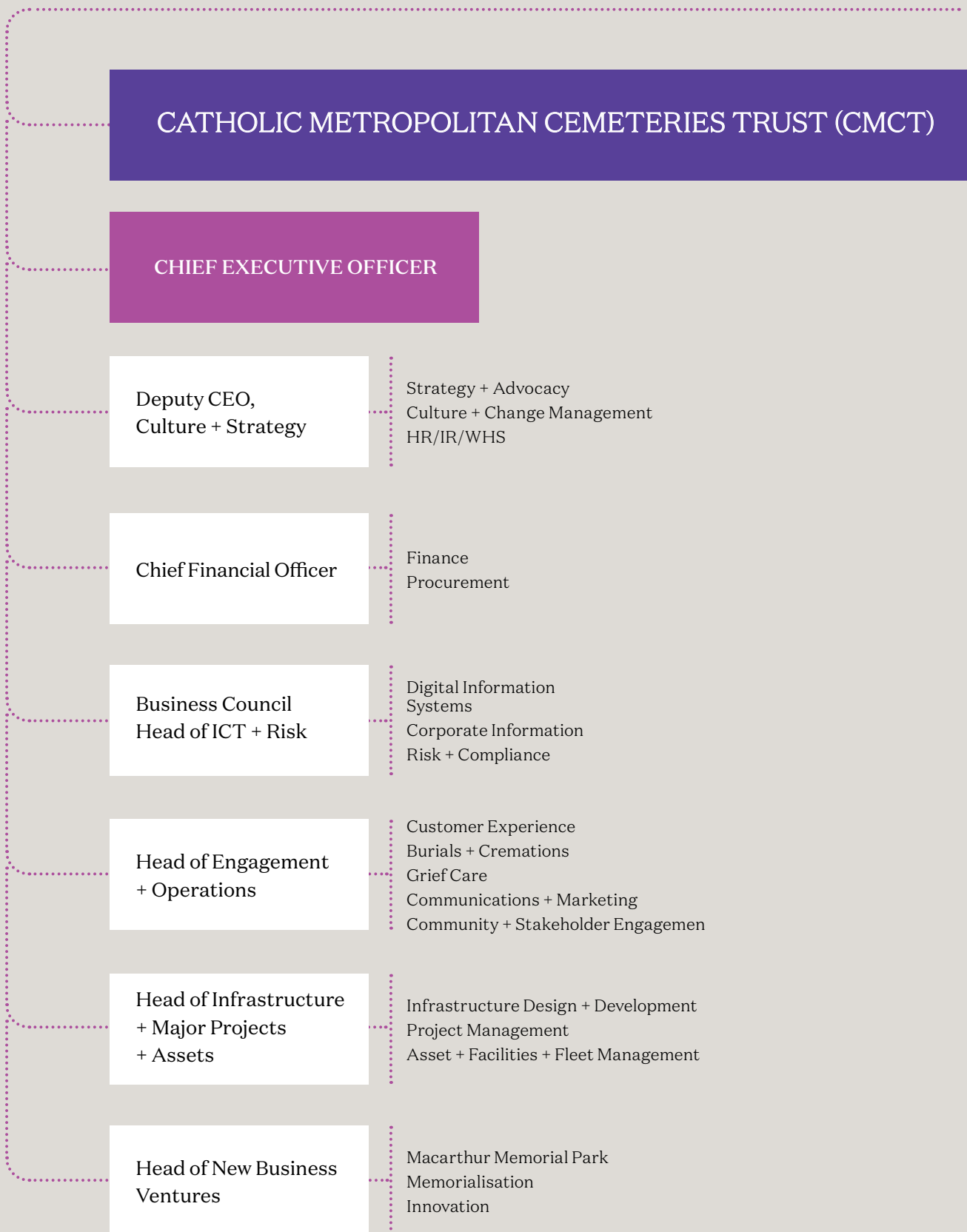
Our Communities



1. New café and florist at Liverpool Cemetery
2. Deceased Clergy + Religious Mass at Rookwood Catholic
3. Homeless Memorial Service at Martin Place
4. Anzac Day tribute at Town Hall
5. Christmas Remembrance Service
6. Sydney Catholic Business Network Lunch
7. Rededication for Monsignor Hartigan at North Rocks Catholic
8. Mention My Name Service



Our Organisation



Our Governance

Excellence in corporate governance is central to achieving our vision of *honouring every life forever*. More than legal compliance, it is central to our long term sustainability, perpetual care and serving our customers to the highest standards, in accordance with our values, particularly faith, compassion and integrity.

Our Board

The Hon Greg Smith SC
Chairperson

Sister Maria Wheeler RSC
Deputy Chairperson

Danny Casey
Governor

Most Rev Terence Brady
Governor (Auxilliary Bishop of Sydney)

Dominic Sullivan
Governor

Our Executive Team

Lauren Hardgrove
CEO

Damian Furlong
Deputy CEO, Culture + Strategy

David Renneberg
Chief Financial Officer

Mel White
Business Council Head of ICT + Risk

Vacant
Head of Engagement + Operations

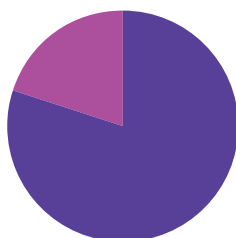
David De Angelis
Head of Infrastructure + Major Projects + Assets

Armen Mikaelian
Head of New Business Ventures



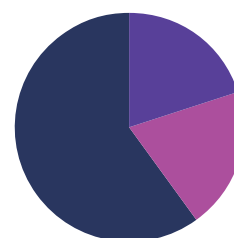
Board Diversity

● Male 80%
● Female 20%



Current Board Tenure

● 1-2 years 20%
● 3-5 years 20%
● 6+ years 60%



Board & Committee Attendance

	Board	Audit, Risk & Governance	Finance, Investment, Remuneration	Project Development	Community Advisory
Greg Smith	6/6	4/4	4/4	3/3	1/4
Maria Wheeler	6/6	3/4	3/4	1/3	–
Danny Casey	6/6	4/4	4/4	3/3	–
Terence Brady	5/6	4/4	4/4	3/3	–
Dominic Sullivan	6/6	3/4	3/4	3/3	–
Chris Zinn	–	–	–	–	4/4

Stakeholder Engagement Council (SEC) Report

We are focused on ensuring all of our decisions and actions deliver on our purpose of creating quality interment practices, which are affordable and accessible for all in the community.

The 16 members of the council reflect greater Sydney's consumer, cultural and social diversity, whilst representing key faith and cultural groups, including Indigenous, Muslim, Buddhist, Hindu, Khmer, and Christian and Orthodox traditions.

Also attended by key executives of CMCT, this year's quarterly meetings were focused on advising and providing feedback to inform decisions on service and product design and policy matters, with Macarthur Memorial Park a priority.

Discussions were broad ranging from how CMCT

- can conduct the Hindu right of immersing ashes in flowing water without pollution
- the preservation of First Nations artefacts
- planning how various communities will use the chapels and function areas
- understanding the impact of drainage on Muslim burial plots
- discussing the allocation of community areas.

Consideration for renewable tenure and how that impacts different community groups in the development of major projects, and understanding the policy, legal and operational issues that need to be balanced in decision-making processes was educational for all.

Enrichment was provided by gaining deeper knowledge of other cultures with this year's spotlight on Muslim, Catholic, Jewish, Polish and Buddhist traditions. It gave us an understanding of how the specific cultures funeral practices affect the community and how CMCT can fulfil the practices and meet community needs.

The Council is developing a series of videos to explain these traditions and rituals which will be used as staff training tools, and helps CMCT meet new licensing requirements.

Minister for Lands and Property Steve Kamper attended the May council meeting to provide assurance that the NSW Government is working with CMCT and is committed to solving the land shortage for the sector, listening to feedback from Council members who were able to represent their community and faith.



Financial Report

Catholic Metropolitan Cemeteries Trust

ABN: 85 744 325 709

General purpose financial
statements for the year
ended 30 June 2023.

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Income
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Auditor's Report

Statement of Comprehensive Income

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	4(a)	31,370,349	28,725,326
Cost of Goods Sold	5	(10,162,758)	(9,314,331)
Gross Profit		21,207,591	19,410,995
Expenses			
Employee & Associated costs	6	10,665,136	8,781,992
Administrative Expenses	7	2,037,253	711,174
Operating expenses	8	4,893,760	3,943,221
Depreciation	13(a)(b)	1,914,933	1,633,542
(Profit) & Loss on Disposal		560,366	(54,840)
Marketing		730,204	630,283
Total Expenses		20,801,652	15,645,372
Results from operating activities		405,939	3,765,623
Interest Income	4(b)	2,957,891	731,178
Investment Income and movement	4(c)	12,285,936	(7,003,175)
Other Income		148,899	81,836
Result for the period		15,798,665	(2,424,538)
Other Comprehensive Income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on revaluation of land	3(f) & 24(b)	9,992,989	–
Total Comprehensive Income for the period		25,791,654	(2,424,538)

The notes on pages 42 to 61 are an integral part of these financial statements.

Statement of Financial Position

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Current Assets			
Cash and cash equivalents	9	12,252,412	19,180,398
Trade and other receivables	10	1,451,519	1,626,916
Inventories	11	12,630,911	15,107,975
Investments	12	160,408,993	156,654,435
Total Current Assets		186,743,835	192,569,724
Non-Current Assets			
Property, Plant & Equipment	13(a)	153,426,482	115,446,492
Intangibles	13(b)	903,468	2,287,248
Total Non-Current Assets		154,329,950	117,733,740
Total Assets		341,073,785	310,303,464
Current Liabilities			
Trade and Other Payables	14(a)	6,747,907	2,210,810
Lease Liability	14(b)	165,689	149,656
Contract Liabilities	15	10,043,682	9,612,645
Employee Benefits	16	1,538,545	1,366,336
Total Current Liabilities		18,495,823	13,339,447
Non-Current Liabilities			
Lease Liability	14(b)	1,041,949	1,207,637
Provisions	14(c)	124,200	124,200
Employee Benefits	16	367,382	379,403
Total Non-Current Liabilities		1,533,531	1,711,240
Total Liabilities		20,029,354	15,050,687
Net Assets		321,044,431	295,252,777
Equity			
Accumulated General Funds	24	273,114,614	257,315,949
Asset Revaluation Reserve	24	47,929,817	37,936,828
Total Equity		321,044,431	295,252,777

The notes on pages 42 to 61 are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2023

	Note	Accumulated surplus funds \$	Asset Revaluation Reserve \$	Total \$
Balance at 30 June 2021		259,740,487	37,936,828	297,677,315
Result for the period		(2,424,538)	–	(2,424,538)
Balance at 30 June 2022		257,315,949	37,936,828	295,252,777
Result for the period		15,798,665	–	15,798,665
Revaluation of Land to Fair Value	3(f) & 24(b)	–	9,992,989	9,992,989
Balance at 30 June 2023		273,114,614	47,929,817	321,044,431

The notes on pages 42 to 61 are an integral part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from Operating Activities			
Cash receipts from customers		37,285,412	33,397,692
Payments to suppliers and employees		(26,658,477)	(22,430,057)
Interest received		1,163,942	455,098
Interest and other finance costs paid		(62,155)	(69,237)
Net cash from Operating Activities	9	11,728,722	11,353,497
Cash flows from Investing Activities			
Proceeds from sale of property, plant and equipment		40,409	96,545
Payment for property, plant and equipment		(29,118,929)	(4,276,626)
Proceeds from realisation other investments		16,271,468	19,815,705
Acquisition of other investments		(5,700,000)	(23,000,000)
Net cash used in Investing Activities		(18,507,052)	(7,364,375)
Cash flows from Financing Activities			
Repayment of Lease Liability		(149,656)	(134,694)
Net cash used in Financing Activities		(149,656)	(134,694)
Net increase/(decrease) in cash and cash equivalents		–	3,854,428
Cash and cash equivalents at the beginning of the year		19,180,398	15,325,970
Cash and cash equivalents at 30 June 2023	9	12,252,412	19,180,398

The notes on pages 42 to 61 are an integral part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2023

1. REPORTING ENTITY

Catholic Metropolitan Cemetery Trust (CMCT), trading as Catholic Cemeteries and Crematoria (CCC), is a Trust constituted under the *Crown Lands Act 1989* (NSW) of which the Catholic Cemeteries Board (CCB) was appointed as the statutory Trust manager pursuant to section 95 of the *Crown Lands Act 1989*.

CMCT is currently a 'transitional reserve trust', as defined by clause 10A(1) of Schedule 7 of the *Crown Land Management Act 2016* (CLM Act). CMCT will remain in operation until 29 February 2024, after which it will transition to a Crown Land Manager on the 'transition day' as defined by clause 2(1) of the CLM Act.

The address of the Trust's registered office is Level 2, 11 Murray Rose Ave, Sydney Olympic Park NSW 2127.

Operations and principal activities

The principal activities of the Trust are to provide, manage and deliver high quality cemetery, support and services to a diverse range of families and communities across Metropolitan Sydney. CMCT currently operates cemeteries at Rookwood (Necropolis), Kemps Creek and Liverpool.

The Financial Statements were approved by the Board of Governors on 23rd August 2023.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASs) adopted by the Australian Accounting Standards Board (AASB), the *Australian Charities and Not-for-profits Commission Act 2012* and the Australian Charities and Not-for-profits Commission Regulation 2022 (ACNC).

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis, except for certain financial instruments and Land, which are measured at fair value. The method used to measure fair value are discussed further within the relevant notes.

(c) Comparative Figures

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

(d) Functional and Presentation of Currency

The financial statements are presented in Australian dollars, which is the Trust's functional currency.

(e) Use of Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 11 – Valuation of Inventory
- Note 13 – Property, Plant and Equipment
- Note 15 – Classification of Deferred Income
- Note 16 – Valuation of Employee Benefits
- Note 17 – Valuation of Contingent Liabilities
- Note 19 – Valuation of Commitments

(f) Fair Value Measurement

When measuring the fair value of an asset or a liability, the Trust uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to the financial statements (continued)

For the year ended 30 June 2023

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies have been consistently applied to all periods presented in these financial statements.

(a) Income Tax

The Trust is a not-for-profit organisation and has been advised by the Australian Charities and Not-For-Profit Commission (ACNC) that it is exempt from Income Tax pursuant to the *Income Tax Assessment Act 1997*. The Trust has been endorsed by the ACNC as a charity.

(b) Revenue

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers*. The standard will apply to all contracts with customers, except for contracts covered by other applicable Standards, such as financial instruments (AASB 9) and leases (AASB 16).

Revenue is recognised at an amount that reflects the consideration to which CMCT is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, CMCT: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

(i) Licenses Granted / Goods Sold

Fees received for the rights of interment for graves, crypts and cremations are recognised as revenue when the performance obligation has been met. Therefore at the time of purchase, full payment for the rights will be recognised on the Statement of Profit or Loss and Comprehensive Income while part payments will be recognised as Deferred Income (refer to 3(j)) on the Statement of Financial Position until full payment has been received

Fees received for interment, cremation and memorialisation products (e.g. plaques) are recognised as revenue from the granting of a burial license or sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns.

(ii) Services

Revenue from services, including interments, cremations and chapel services, is recognised in the Statement of Comprehensive Income in the period that the goods or services are provided.

(iii) Interest and Investment Income

Interest income is recognised as it accrues in the Statement of Comprehensive Income, using the effective interest method. Dividend income is recognised in the Statement of Comprehensive Income on the date that the Trust's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

(c) Goods & 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 these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the Statement of Financial Position.

(d) Financial Instruments

A financial asset shall be measured at amortised cost whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit & loss.

Notes to the financial statements (continued)

For the year ended 30 June 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(i) Debt Securities at Amortised Costs

Debt securities at amortised costs are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial assets are measured at amortised cost using the effective interest method, less any impairment losses. These financial assets comprise investments in term deposits not qualifying for recognition as cash and cash equivalents.

(ii) Financial Assets at Fair Value through Profit or Loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

(iii) Loans and Receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

(iv) Receivables

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Receivables consist predominately of trade debtors in relation to the provision of goods and services. Collectability of debtors is reviewed on an ongoing basis. A provision for impairment is raised when there is some doubt as to whether collection exists.

(v) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, call deposits with banks and other short term, highly liquid investments with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Trust in the management of its short-term commitments.

(vi) Investments and Other Financial Assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit and loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

When an investment is derecognised, the cumulative gain or loss in equity is reclassified to the Statement of Profit or Loss and Comprehensive Income. Investments comprise the Trust's diversified Managed Funds held with Russell Investments.

(e) Inventory – Unsold Burial License

Inventories are classified as either Unsold Burial licences conferring a right of burial or construction of burial sites in progress. They are measured at the lower of cost and net realisable value and consist of the following components:

- (i) Developed costs represent inventories based on the average cost for construction per unit for graves, crypts, cremated remains and vaults. They are finished goods deemed (a) Available for Sale, (b) Reserved and (c) Not Available (where all the Development costs have been incurred). The carrying amount of the Unsold Burial Licences is reviewed annually by the Board to ensure it is not in excess of the recoverable amount of those assets.
- (ii) WIP and grave extensions includes expenditure on inventories partially constructed but not available for sale.
- (iii) Purchase Price Variance (PPV) represent variations between standard and actual costs that are periodically cleared to COGS in the Statement of Comprehensive Income when the project is completed.

Notes to the financial statements (continued)

For the year ended 30 June 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(f) Property, Plant and Equipment

All property, plant and equipment are stated at historical costs less accumulated depreciation and impairment losses, with the exception being Land which is stated at fair value. The depreciable amount of all property, plant and equipment, other than Land, are depreciated over their useful lives commencing from the time the asset is held ready for use. They are depreciated over their expected useful lives using the straight-line method. The carrying amount of the property, plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount of those assets.

Where an asset's life is not expected to greatly exceed twelve months, or expenditure of a minor capital nature up to \$1,000, it is written off and not capitalised. The expected useful lives are as follows:

Buildings & Ground improvements	40 years
Property improvements	10 years
Furniture, Fittings & Fixtures	10 years
Motor Vehicles	7 years
Plant & Equipment, Software and Office Equipment	5 years
Computers & Ancillaries	3 years
Leasehold	As per lease term

The assets residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date. Gains and losses on disposal of property, plant and equipment are taken into account in determining the surplus/loss for the financial year. Capital works projects for improving and extending the economic life of infrastructure is to be capitalised.

All leases to be accounted for 'on-balance sheet' (i.e. Leasehold assets) other than short-term (i.e. less than 12-month term and low value asset leases (i.e. less than \$10,000), which will be expensed to the Statement of Comprehensive Income as incurred.

Leasehold assets are measured at cost and includes:

- Initial measurement of the lease liability,
- Lease payments made at or before commencement date, less any lease incentives received,
- Initial direct costs by CMCT, and
- Estimate of dismantling, removal, restoration costs.

The asset class of Land is stated at fair value for the purpose of cemetery operations. Revaluations shall be made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. CMCT conducts a comprehensive revaluation at least every three years for its land where the market approach is the most appropriate valuation technique. CMCT has obtained Development Approvals for its two greenfield cemetery sites at Varroville and Wallacia and have comprehensive plans to commence the construction of the civil and building works in advance of the pending exhaustion of burial rights across Crown Cemeteries including Rookwood, Liverpool and Kemps Creek.

Increases in the carrying amounts arising on revaluation of land are recognised in other comprehensive income and accumulated in an asset revaluation reserve in equity. To the extent that the increase reverses a decrease previously recognised in the Statement of Comprehensive Income, the increase is first recognised in Statement of Comprehensive Income. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the Statement of Comprehensive Income.

All properties were revalued as at 30 June 2023 by Opteon Solutions. The outcome was a \$9,992,989 increase from 2020. The next revaluation is scheduled for 30 June 2026.

Notes to the financial statements (continued)

For the year ended 30 June 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(f) Property, Plant and Equipment (cont)

The following table details the valuation of the Trust's land.

Cemetery Location	Land Area (HA)	Land Valuation as at 30 Jun 2020 \$	Land Valuation as at 30 Jun 2023 \$	Increased in Land Valuation \$
Rookwood	86	37,112,784	40,015,843	2,903,059
Liverpool	9.5	3,204,540	3,550,492	345,952
Kemps Creek	10.09	9,363,116	9,472,744	109,628
Varroville	113.37	15,871,800	19,839,750	3,967,950
Wallacia	44.44	12,887,600	15,554,000	2,666,400
Total	263.40	78,439,840	88,432,829	9,992,989

(g) Intangibles

CMCT recognises intangible assets only if it is probable that future economic benefits will flow to CMCT, and the cost of the asset can be measured reliably.

Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for CMCT's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

The useful lives of intangible assets are assessed to be finite and amortised on a straight-line basis over the period of their expected benefit, being their finite useful lives of between three and five years. Amortisation commences when the asset is available for use.

Software development acquired in a business combination is capitalised at the fair value on acquisition. Costs incurred in developing products or systems and costs incurred in acquiring software and licences include the external direct costs of materials and services.

An intangible asset arising from software development expenditure on an internal project is recognised only when the consolidated entity can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

(h) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Trust during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

Trade and other payables are recognised initially on trade date at fair value less any directly attributable transaction costs. Subsequent to initial recognition, payables are measured at amortised cost using the effective interest method.

(i) Lease Liability

Lease liabilities are to be measured initially at the present value of unpaid lease payments. These payments may include:

- Fixed payments less incentives,
- Variable payments (e.g. CPI)
- Expected residual value guarantee, and
- Penalty for terminating (if reasonably certain).

The lease payments are to be discounted using the interest rate implicit in the lease. If not available, then the lessee's incremental borrowing rate.

Notes to the financial statements (continued)

For the year ended 30 June 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(j) Deferred Income

Deferred income represents:

- (a) part payments for burial licenses where settlement is generally longer than 3 months from the initial deposit. Upon receiving payment in full, ownership of burial license is transferred to client and all related amounts are then recognised as revenue.
- (b) prepaid future services (i.e. cremations, cremated remain interments and interments) which can be redeemed anytime. Upon redemption, the amounts are then recognised as revenue.

(k) Employee Provisions

Provision is made for CMCT's liability for employee benefits and on costs arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

Contributions are made by the Trust to employee superannuation funds and are charged as expenses when incurred. Provisions are recognised when the Trust has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(l) Impairment

At the end of each reporting period, the Trust assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(m) Segment Reporting

CMCT operates in New South Wales, predominately in one industry, being the cemetery industry wholly within Australia.

(n) Change in accounting policy

The consolidated entity previously capitalised costs incurred in configuring or customising Software-as-a-Service (SaaS) arrangements as intangible assets, as the consolidated entity considered that it would benefit from those costs to implement the SaaS arrangements over the contract term of the arrangements.

Following the IFRS Interpretations Committee ('IFRIC') agenda decision on Configuration or Customisation Costs in a Cloud Computing Arrangement in March 2021, the consolidated entity has reconsidered its accounting treatment and adopted the treatment set out in the IFRIC agenda decision, which is to recognise those costs as intangible assets only if the implementation activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the SaaS arrangement to significantly customise the cloud-based software for the consolidated entity, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

As a result of this change in accounting policy, the consolidated entity has determined that costs totalling \$869,000 relating to the implementation of SaaS arrangements would need to be expensed when they were incurred, as the amounts were paid to third parties; employees of the consolidated entity who did not create separate intangible assets controlled by the consolidated entity; and to the suppliers of the SaaS arrangements who did not create separate intangible assets controlled by the consolidated entity, or significantly customise the cloud-based software for the consolidated entity. The change in policy has been applied retrospectively however, no prior restatement was deemed necessary as the impact on the financial statements was deemed to be immaterial.

Notes to the financial statements (continued)

For the year ended 30 June 2023

4. REVENUE AND OTHER INCOME

	2023 \$	2022 \$
(a) Revenue		
Licences	20,745,117	19,137,773
Interments	6,038,691	6,311,006
Others	4,586,541	3,276,547
	31,370,349	28,725,326

Disaggregation of Revenue

Timing of revenue recognition

Licences transferred at a point in time	20,745,117	19,137,773
Services transferred at a point in time	10,625,232	9,587,553
	31,370,349	28,725,326

(b) Interest Income

Interest Income from Cash Equivalents	378,645	96,506
Interest Income from Term Deposits	1,793,949	277,669
Imputation Credits	785,297	357,003
	2,957,891	731,178

(c) Investment Income from Managed Funds

Realised	3,355,421	10,095,201
Unrealised	9,176,656	(16,825,161)
Management Fee	(246,141)	(273,216)
	12,285,936	(7,003,175)

5. COST OF SALES AND OTHER EXPENSES

Cost of Sales	2023 \$	2022 \$
Licences	(4,842,171)	(5,082,552)
Interments	(2,548,291)	(2,462,213)
Others	(2,772,296)	(1,769,566)
	(10,162,758)	(9,314,331)

Notes to the financial statements (continued)

For the year ended 30 June 2023

6. EMPLOYEE & ASSOCIATED COSTS

	2023 \$	2022 \$
Salary and wages	9,465,830	7,823,331
Superannuation entitlements	958,191	748,386
Employee leave entitlements	323,176	336,167
Fringe benefit tax	54,355	77,792
Associated Costs	537,317	361,800
Cost Recovery to COGS	(2,148,681)	(1,897,458)
Others Employee Costs	1,474,948	1,331,973
	10,665,136	8,781,992

7. ADMINISTRATIVE EXPENSES

	2023 \$	2022 \$
Administrative Expenses	2,931,131	1,596,186
Cost Recovery to COGS	(893,878)	(885,012)
	2,037,253	711,174

8. OPERATING EXPENSES

	2023 \$	2022 \$
Operating Expenses	6,524,165	5,347,518
Cost Recovery to COGS	(1,630,405)	(1,404,297)
	4,893,760	3,943,221

Notes to the financial statements (continued)

For the year ended 30 June 2023

9. CASH AND CASH EQUIVALENTS

	2023 \$	2022 \$
Cash on hand/Petty Cash	2,700	2,700
Bank balances	3,836,351	2,153,826
Call deposits	8,413,361	17,023,872
	12,252,412	19,180,398
Reconciling Surplus for the year for Net Cash Flows from Operating Activities	2023 \$	2022 \$
Result for the period	15,798,665	(2,424,538)
Adjustments for:		
Depreciation	1,914,933	1,633,542
(Gain) & Loss on Disposal	560,366	(54,840)
Investment distributions reinvested	(14,326,026)	6,725,506
(Increase)/Decrease in Trade debtors	537,690	209,916
(Increase)/Decrease in Other Debtors	(362,293)	(410,598)
(Increase)/Decrease in Inventories	2,477,064	4,024,161
Increase/(Decrease) in Trade Creditors	4,804,326	31,627
Increase/(Decrease) in Sundry Creditors	(267,229)	264,911
Increase/(Decrease) in Contract Liabilities	431,037	1,142,325
Increase/(Decrease) in Provisions	160,189	211,485
Net cash from operating activities	11,728,722	11,353,497

10. TRADE AND OTHER RECEIVABLES

	2023 \$	2022 \$
Trade receivables	527,822	1,065,512
Other Debtors & Receivables	923,697	561,404
	1,451,519	1,626,916

Notes to the financial statements (continued)

For the year ended 30 June 2023

11. INVENTORIES

	2023 \$	2022 \$
Grave licences	3,191,277	2,705,486
Crypt licences	8,012,230	9,897,259
Vault licences	105,000	105,000
Cremated remains	1,123,064	2,208,415
Inventory Grave Extensions	199,340	191,815
	12,630,911	15,107,975

The Board has applied current development costs to all developed unsold burial plots resulting in an adjustment to the value to Unsold Burial Licenses. WIP and Grave extensions represent ongoing projects and balances will be cleared upon completion.

12. INVESTMENTS

		2023 \$	2022 \$
Other Financial Assets			
Bills and Term Deposits	(a)	53,157,170	61,934,690
Managed Funds	(b)	107,251,823	94,719,745
Total Investments		160,408,993	156,654,435

- (a) Term deposits are held at cost and are classified as Debt Securities at amortised cost (previously held-to-maturity investments). Term deposits held by the Trust during the financial year had maturity terms ranging from 6 to 12 months with ADI's that have a long-term credit rating ranging between BBB+ to AA+. Interest rates average 3.37% and generated \$1,793,949 in interest income.
- (b) The purpose of Other Financial Assets is to generate real returns to satisfy future maintenance obligations when a cemetery is unable to generate sufficient income as all available burial plots are extinguished. Managed Funds are classified as financial assets at fair value through profit or loss and are managed by Russell Investments.

Notes to the financial statements (continued)

For the year ended 30 June 2023

13. (a) DETAILED PROPERTY, PLANT AND EQUIPMENT AND PROJECTS UNDER CONSTRUCTION (WIP)

Cost	Land	Buildings	Plant and Equipment	Motor Vehicles	Computer & Office Equipment	Ground & Property Improvement	Leasehold	Under Construction	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 Jul 2022	78,439,840	22,012,515	2,559,515	962,498	2,089,676	8,065,743	1,637,296	13,238,836	129,005,919
Transfer of assets	-	5,717,000	112,227	-	373,925	289,247	-	(6,492,399)	-
Additions	-	-	456,535	253,445	209,668	-	-	29,395,362	30,315,010
Disposals	-	(765,206)	(193,539)	(58,338)	(259,538)	(32,286)	-	(267,937)	(1,576,845)
Asset Revaluation	9,992,989	-	-	-	-	-	-	-	9,992,989
Balance 30 Jun 2023	88,432,829	26,964,309	2,934,738	1,157,605	2,413,731	8,322,704	1,637,296	35,873,861	167,737,073
Depreciation and impairment losses									
Balance at 1 Jul 2022	-	(8,228,945)	(1,702,968)	(393,406)	(1,312,669)	(1,389,430)	(532,009)	-	(13,559,427)
Disposal of assets	-	272,270	193,539	43,521	250,615	29,394	-	-	789,339
Transfer of assets	-	-	-	-	-	-	-	-	-
Depreciation till Jun 2023	-	(469,096)	(307,914)	(137,633)	(200,075)	(262,055)	(163,730)	-	(1,540,503)
Balance 30 Jun 2023	-	(8,425,771)	(1,817,343)	(487,518)	(1,262,129)	(1,622,091)	(695,739)	-	(14,310,591)
Carrying amount									
at 1 Jul 2022	78,439,840	13,783,570	856,547	569,092	777,007	6,676,313	1,105,287	13,238,836	115,446,492
at 30 Jun 2023	88,432,829	18,538,538	1,117,395	670,087	1,151,602	6,700,613	941,557	35,873,861	153,426,482

Notes to the financial statements (continued)

For the year ended 30 June 2023

13. (b) DETAILED INTANGIBLE ASSETS

	Software \$	Total \$
Cost		
Balance at 1 Jul 2022	4,220,780	4,220,780
Additions	1,590	1,590
Disposals	(2,291,579)	(2,291,579)
Balance 30 Jun 2023	1,930,791	1,930,791
Depreciation and impairment losses		
Balance at 1 Jul 2022	(1,933,532)	(1,933,532)
Disposal of assets	1,280,639	1,280,639
Depreciation till Jun 2023	(374,430)	(374,430)
Balance 30 Jun 2023	(1,027,323)	(1,027,323)
Carrying amount		
at 1 Jul 2022	2,287,248	2,287,248
at 30 Jun 2023	903,468	903,468

The capitalisation for the ByondPro project has been written down because it is a Software as a Service (SaaS) and does not meet the criteria of AASB 138 Intangible asset criteria.

This resulted in \$869k being written down from capitalised software and reclassified development asset from Property, Plant & Equipment (PPE) to Intangible assets.

CMCT has further reviewed all other software capitalisations and reclassified from Property, Plant & Equipment (PPE) to Intangible assets where appropriate to ensure compliance with accounting standards. This resulted in identifying impairment and obsolescence to the value of \$1.4m.

	Prior Year \$	2022 \$	2023 \$	Total \$
Software Replaced by ByondPro	–	–	1,257,707	1,257,707
Loyalty Program	–	125,587	–	125,587
Others	13,345	–	25,477	38,822
Total	13,345	125,587	1,283,184	1,422,116

Notes to the financial statements (continued)

For the year ended 30 June 2023

14. TRADE AND OTHER PAYABLES

(a) Trade and Non-Trade Payables

	2023 \$	2022 \$
Trade payables	5,253,976	449,650
Non-trade payables and accrued expenses	1,493,931	1,761,160
	6,747,907	2,210,810

Trade payables increased due to Ward Civil \$4.3m progress payment for Macarthur Memorial Park civil construction work in June 2023.

Non-trade payables reduced by \$550,000 because the Deed of Recession of the Wallacia Golf Course and Cemetery property sale contract was executed, and the deposits were refunded to CCB accordingly in December 2022.

Refer to Note 21 (c).

(b) Lease Liability

	2023 \$	2022 \$
Current		
Lease Liability	165,689	149,656
	165,689	149,656
Non-Current		
Lease Liability	1,041,949	1,207,637
	1,041,949	1,207,637
Total Leasehold Liability	1,207,638	1,357,293

(c) Makegood Provision

	2023 \$	2022 \$
Non-Current		
Makegood Provision	124,200	124,200
	124,200	124,200

Notes to the financial statements (continued)

For the year ended 30 June 2023

15. CONTRACT LIABILITIES

	2023 \$	2022 \$
Current		
Prepurchase Plan – Community Group Deals	3,987,335	4,226,925
Prepaid Individual Deals	6,056,347	5,385,720
Total Current Contract Liabilities	10,043,682	9,612,645

CMCT accounts for Prepurchase Plan – Community Group Deals as Current liabilities due to the ability of customers to fully pay the balance of the contract at any time, regardless of the length of the contract.

16. EMPLOYEE BENEFITS

	2023 \$	2022 \$
Current		
Liability for annual leave	1,142,405	1,039,187
Liability for long-service leave	396,140	327,149
Total Current Liability	1,538,545	1,366,336
Non-Current		
Liability for long-service leave	367,382	379,403
Total non-Current Liability	367,382	379,403
Total employee benefit liabilities	1,905,927	1,745,738

17. CONTINGENT LIABILITIES

Sold Unused Burial Licences

The Governors are of the opinion that provisions are not required in respect of these matters. Sold unused burial licenses are recorded as contingent liabilities. The valuation is as per Cemeteries and Crematoria Act 2013 No 105 Section 53 Compensation, valuing the licenses at the higher of purchase price at the time of purchase less 10% impairment of value or 50% of current selling price less 10% impairment of value.

Notes to the financial statements (continued)

For the year ended 30 June 2023

18. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

(a) Accounting classifications and fair values

30 June 2023	Note	Debt Securities at Amortised Cost \$	Loans and Receivables \$	Investments at Fair Value through Por L \$	Other Financial Liabilities \$	Total \$	Fair Value Level
Financial Assets measure at fair value							
Managed Funds	12(b)	-	-	107,251,823	-	107,251,823	Level 1
Term deposits with a maturity greater than 3 months	12(a)	53,157,170	-	-	-	53,157,170	
		53,157,170	-	107,251,823	-	160,408,993	
Financial assets not measured at fair value							
Trade and other receivables	10	-	1,451,519	-	-	1,451,519	
Cash and cash equivalents	9	-	12,252,412	-	-	12,252,412	
		-	13,703,931	-	-	13,703,931	
Financial liabilities not measured at fair value							
Trade payables	14(a)	-	-	-	6,747,907	6,747,907	
Lease Liabilities	14(b)	-	-	-	1,207,637	1,207,637	
		-	-	-	7,955,544	7,955,544	
30 June 2022							Fair Value Level
Financial Assets measure at fair value							
Managed Funds	12(b)	-	-	94,719,745	-	94,719,745	Level 1
Term deposits with a maturity greater than 3 months	12(a)	61,934,690	-	-	-	61,934,690	
		61,934,690	-	94,719,745	-	156,654,435	
Financial assets not measured at fair value							
Trade and other receivables	10	-	1,626,916	-	-	1,626,916	
Cash and cash equivalents	9	-	19,180,398	-	-	19,180,398	
		-	20,807,314	-	-	20,807,314	
Financial liabilities not measured at fair value							
Trade payables	14(a)	-	-	-	2,210,810	2,210,810	
Lease Liabilities	14(b)	-	-	-	1,357,293	1,357,293	
		-	-	-	3,568,103	3,568,103	

Notes to the financial statements (continued)

For the year ended 30 June 2023

18. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONT)

(b) Financial risk management

The Trust has exposure to the following risks arising from financial instruments:

- Credit risk (see (b)(ii))
- Liquidity risk (see (b)(iii))
- Market risk (see (b)(iv))

(i) Risk Management framework

The Board has overall responsibility for the establishment and oversight of the Trust's risk management framework. The Board Members have established the Audit, Risk Management and Corporate Governance Committee, which is responsible for developing and monitoring the Trust's risk management policies. The committee reports regularly to the Board on its activities.

The Trust's risk management policies are established to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities. The Trust, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Trust's Audit, Risk Management and Corporate Governance Committee oversees how management monitors compliance with the Trust's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Trust.

(ii) Credit risk

Credit risk is the risk of financial loss to the Trust if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

The Trust's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and historic trading relationship with the customer.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Trust's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed regularly. At the reporting date, the Trust did not have any provisions for impairment of trade receivable balances.

Cash and cash equivalents

The Trust held cash and cash equivalents of \$12,252,412 at 30 June 2023. The cash and cash equivalents are held with bank and financial institution counterparties, which are rated BBB+, except for Catholic Development Fund (\$3,836,351). Deposits with the Catholic Development Fund are guaranteed by CDPF Limited, a company established by the Australian Catholic Bishops Conference but do not obtain the benefit of the depositor protection provisions of the *Banking Act 1959*.

The Catholic Development Fund and the Trustees of the Roman Catholic Church for the Archdiocese of Sydney are not subject to the provisions of the *Corporations Act 2001* nor are they examined, approved or supervised by the Australian Securities and Investments Commission (ASIC) or by the Australian Prudential Regulatory Authority (APRA). Therefore funds are kept to a minimum working capital level.

(iii) Liquidity risk

Liquidity risk is the risk that the Trust will encounter difficulty in meeting the obligations associated with its financial liabilities. The Trust's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Trust's reputation.

Notes to the financial statements (continued)

For the year ended 30 June 2023

18. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONT)

(b) Financial risk management (continued)

(iv) Market risk

Market risk is the risk that changes in market prices - interest rates and equity prices – will affect the Trust's income or the value of its holdings of financial instruments. An objective of the Finance & Investment Committee is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Details of the investment returns from each of the financial investments listed below has been disclosed in Note 12 to the financial statements.

	Fixed return financial investments \$	Variable return financial investments \$	Carrying value at 30 June 2023 \$
Term deposits	53,157,170	–	53,157,170
Managed Funds	–	107,251,823	107,251,823
Total investments	53,157,170	107,251,823	160,408,993

	Fixed return financial investments \$	Variable return financial investments \$	Carrying value at 30 June 2022 \$
Term deposits	61,934,690	–	61,934,690
Managed Funds	–	94,719,745	94,719,745
Total investments	61,934,690	94,719,745	156,654,435

19. COMMITMENTS

(a) Capital Commitments

As at 30 June 2023, a review of the outstanding balances on purchase orders relating to capital works highlighted the following commitments over the next two financial years.

Capital commitments are funded by Investments.

	2023 \$	2022 \$
Capital Works		
Liverpool Projects	41,082	1,455,963
Kemps Creek Projects	5,350	2,278,085
Macarthur Projects	55,781,950	–
Rookwood Projects	196,034	–
Total	56,024,416	3,734,048

Notes to the financial statements (continued)

For the year ended 30 June 2023

19. COMMITMENTS (CONT)

(b) Perpetual Care Commitments

CMCT has an obligation to provide a level of ongoing maintenance to sold plots in perpetuity (or for the term of the renewal right where applicable), which arise from a combination of: (i) contracts with customers, (ii) community expectation, (iii) legal & regulatory requirements and (iv) an established pattern of past practice.

This ongoing maintenance typically includes the following:

- Maintenance of individual plots, including grave top-ups, maintenance of crypts, niche walls, and cemetery garden plots.
- Maintenance of the cemetery grounds including boundaries, security, paths, lawn mowing, upkeep of gardens and water features and facilities maintenance.
- These perpetual obligations do not include maintenance of privately owned memorials, ornamentation or individual or private gardens or vaults.

All funds except those required for current operations and capital improvements are regarded as Perpetual Care Funds. Perpetual Care funds are accumulated to provide for the above maintenance of the cemeteries after all burial licenses have been sold. These Perpetual Care funds need to be maintained and improved by return on investment, as well as contribution of additional surplus income.

CMCT commissioned KPMG to conduct an actuarial review of perpetual care requirements of its cemeteries as at 30 June 2023. The main source of funding for these obligations are the investments disclosed in Notes 12. Since the last review, investments have increased to \$160.4 million for the purpose of Perpetual Care Target of \$154.6 million estimated as at 30 June 2023.

The perpetual care commitments exclude Varroville and Wallacia cemeteries. The financial position and perpetual care commitment of CMCT is expected to further increase once the two approved cemetery developments at Varroville and Wallacia are completed. Varroville is currently under construction with an expected completion date early 2025.

20. RENTAL & OPERATING LEASES

CMCT has entered into contractual lessee agreements which does not have an option to purchase the property at the expiry of the lease period.

	Photocopiers	Total
0-1 Years	73,764	73,764
1-5 Years	245,880	245,880
	319,644	319,644

Notes to the financial statements (continued)

For the year ended 30 June 2023

21. RELATED PARTY TRANSACTIONS

The following were key management personnel of the Trust at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period.

Non-executive Governors	Executive Management
The Hon Gregory Smith SC – Chairperson	Mr Peter O'Meara (Chief Executive Officer) (Resignation date: 1/03/2023)
Sr Maria Wheeler – Deputy Chairperson	Ms Lauren Hardgrove (Chief Executive Officer) (Appointment date: 13/03/2023)
Bishop Terence Brady DD VG	Ms Lauren Hardgrove (Chief Operations Officer) (1/7/2022–10/03/2023)
Mr Danny Casey	Mr Damian Furlong (Deputy CEO, Strategy + People)
Mr Dominic Sullivan	Mr Damian Furlong (Head of People, Risk + Advocacy)
	Mr Melvyn White (Business Counsel, Head of ICT, Marketing + Risk)
	Mr David Renneberg (Chief Financial Officer)
	Mr David De Angelis (Head of Capital Works)
	Mr Armen Mikaelian (Head of New Business Ventures)

(a) Governors' Stipend payments

With the commencement of the *Cemeteries & Crematoria Act 2013* as of 1 November 2014, Governors are now entitled to compensation for their services in the form of a stipend and Superannuation Guarantee Levy, as well as reimbursement for actual expenses incurred in the course of carrying out their official duties. For the Financial year 2022/23, total remuneration was \$103,752.

(b) Transactions with key management personnel

The key management personnel (KMP) pay and reward framework is a total employment cost package that may be delivered as a combination of cash, other remunerations such as superannuation and prescribed non-financial benefits at management discretion.

	2023 \$	2022 \$
Short-term employee benefits	1,925,025	1,814,692
Post-employment benefits	233,298	130,237
Termination benefits	1,132,375	–
	3,290,698	1,944,929

Termination benefits due to resignation of previous CEO.

(c) Other related Party transactions

CCB Ltd has renewed the Management Agreement with the Broken Day Diocese regarding North Rocks Catholic Cemetery as of 1st July 2021. CMCT is contracted by CCB Ltd to provide operational and administrative support to North Rocks Catholic Cemetery.

	2023 \$	2022 \$
CCB Catholic Cemetery Support	17,808	17,808
	17,808	17,808

In FY2019/20, CMCT received \$550,000 from CCB Ltd as an initial deposit for the expected purchase of the Golf Course and Cemetery property at 13 Park Road Wallacia, NSW 2745. This was subsequently refunded in December 2022 as conditions of the sale were not met.

Notes to the financial statements (continued)

For the year ended 30 June 2023

22. EVENTS SUBSEQUENT TO REPORTING DATE

There have been no events subsequent to balance date which would have a material effect on the Trust's Financial Statements as at 30 June 2023.

23. AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by the auditor; Nexia Australia.

	2023 \$	2022 \$
Audit and review of financial reports:	48,500	50,250
Other services	5,000	9,000
	53,500	59,250

For 2023 the audit fees are \$48,500. Other services of \$5,000 were for audit review of the treatment of capitalised software.

24. CAPITAL AND RESERVES

(a) Accumulated funds

Accumulated Funds are funds that have been set aside for the furtherance of any or all of the Trust's purposes. These include the provision of perpetual care, development of the facilities and the establishment of additional sources of revenue.

(b) Asset Revaluation Reserve

This represents the revaluation of Freehold land to fair value which has allowed us to align with the treatment of all other Crown Cemetery Trusts. Refer note 3(f).

Director's declaration

For the year ended 30 June 2023

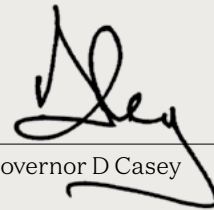
In the opinion of the Board of the Catholic Metropolitan Cemeteries Trust:

- (a) the Trust is publicly accountable;
- (b) the Financial Statements and notes, set out on pages 38 to 61, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Trust's financial position as at 23rd August 2023 and of its performance for the financial year ended on that date in accordance with the basis of preparation set out in Note 2; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 2 to the Financial Statements, and the Australian Charities and Not-for-profits Commission Regulation 2022; and
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of the Catholic Metropolitan Cemeteries Trust.



Governor Hon G Smith SC



Governor D Casey

Dated this 25th day of October 2023

Independent Auditor's Report

For the year ended 30 June 2023



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Independent Auditor's Report to the Members of Catholic Metropolitan Cemeteries Trust

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Catholic Metropolitan Cemeteries Trust (the Entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Board Members' declaration.

In our opinion, the accompanying financial report of the Entity is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- i) giving a true and fair view of the Entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards 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 Entity 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.

Board Members' responsibility for the financial report

The Board Members of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the Board Members 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 Board Members are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Nexia Sydney Audit Pty Ltd (ABN 77 606 785 399) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Nexia Sydney Audit Pty Limited



Brett Hanger

Director

Dated: 26 October 2023
Sydney

Directory

Catholic Metropolitan Cemeteries Trust

ABN 85 744 325 709

Registered Office

Level 2, 11 Murray Rose Ave,
Sydney Olympic Park NSW 2127

Rookwood Catholic Cemetery

Barnet Avenue
Rookwood NSW 2141
PO Box 10
Lidcombe NSW 1825
Phone: 1300 114 997
enquiries@catholiccemeteries.com.au

Liverpool Cemetery

207 Moore Street
Liverpool NSW 2170
Phone: 02 9602 0344
info@liverpoolcemetery.com.au

Macarthur Memorial Park

166 St Andrews Rd
Varroville NSW 2566
info@mmpark.com.au

Nepean Gardens

13 Park Rd
Wallacia NSW 2745
info@nepeangardens.com.au

Kemps Creek Memorial Park

230-260 Western Road
Kemps Creek NSW 2178
Phone: 02 9826 2273
admin@kempscreekcemetery.com.au

North Rocks Catholic Cemetery

North Rocks Road
North Rocks NSW 2151
Phone: 1300 114 997
enquiries@catholiccemeteries.com.au

Websites

catholiccemeteries.com.au
liverpoolcemetery.com.au
mmpark.com.au
nepeangardens.com.au
kempscreekmemorialpark.com.au



“The Works of Mercy provided by Catholic Cemeteries for over 150 years are found in the teachings of Jesus and give us a model for how we should treat all others, as if they are Christ in disguise. They are charitable actions by which we help our neighbours in their time of need and grief. They respond to the basic needs of humanity as we journey together through this life.”

Archbishop Anthony Fischer OP



**Catholic
Cemeteries +
Crematoria**