

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

NAPS ID: 3492

Financial Statements

For the Year Ended 30 June 2022

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

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For the Year Ended 30 June 2022

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NewDirection Bellmere Pty Ltd

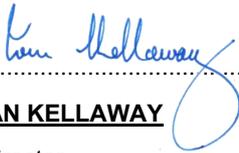
ABN 24 152 202 027

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of NewDirection Bellmere Pty Ltd

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

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KMB AUDITING PTY LIMITED



IAN KELLAWAY

Director

North Sydney

Dated: 21st October 2022



NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue	5	11,341,547	11,086,951
Other income		631,580	407,682
		<hr/>	<hr/>
Agency Staff Cost	5	11,973,127	11,494,633
Employee benefits expense		(638,132)	(95,303)
Depreciation and amortisation expense		(8,837,519)	(9,425,481)
Resident care costs		(95,067)	(69,674)
Other operating expenses		(646,262)	(638,968)
Finance expenses	6	(1,501,664)	(1,648,024)
		<hr/>	<hr/>
Profit/(loss) before income tax		149,638	(443,452)
Income tax expense	8	(10,068)	-
		<hr/>	<hr/>
Profit/(loss) for the year		139,570	(443,452)
Other comprehensive income, net of income tax		-	-
		<hr/>	<hr/>
Total comprehensive income/(loss) for the year		139,570	(443,452)

The accompanying notes form part of these financial statements.

NewDirection Bellmere Pty Ltd

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Statement of Financial Position

As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	2,001	369,364
Trade and other receivables	11	514,179	199,764
Inventories		89,802	71,449
Loans and Advances	12	22,326,230	22,614,281
Other assets	13	206,337	118,736
TOTAL CURRENT ASSETS		<u>23,138,549</u>	<u>23,373,594</u>
NON-CURRENT ASSETS			
Property, plant and equipment	14	564,609	568,193
Deferred tax assets	15	1,194,505	1,204,573
Intangible assets	16	215,023	215,023
TOTAL NON-CURRENT ASSETS		<u>1,974,137</u>	<u>1,987,789</u>
TOTAL ASSETS		<u>25,112,686</u>	<u>25,361,383</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	1,551,198	1,159,314
Bank overdrafts	18	829,353	689,088
Loans from related parties	19	2,450,762	1,119,845
Employee benefits	20	396,261	454,928
Refundable Accommodation Deposits & Bonds	21	23,204,705	25,397,371
TOTAL CURRENT LIABILITIES		<u>28,432,279</u>	<u>28,820,546</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>28,432,279</u>	<u>28,820,546</u>
NET ASSETS		<u>(3,319,593)</u>	<u>(3,459,163)</u>
EQUITY			
Issued capital	22	1	1
Retained earnings		(3,319,594)	(3,459,164)
TOTAL EQUITY		<u>(3,319,593)</u>	<u>(3,459,163)</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2022

2022

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2021	1	(3,459,164)	(3,459,163)
Total other comprehensive income for the year	-	139,570	139,570
Balance at 30 June 2022	1	(3,319,594)	(3,319,593)

2021

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2020	1	(3,015,712)	(3,015,711)
Total other comprehensive income/(Loss) for the year	-	(443,452)	(443,452)
Balance at 30 June 2021	1	(3,459,164)	(3,459,163)

The accompanying notes form part of these financial statements.

NewDirection Bellmere Pty Ltd

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Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	11,672,230	11,285,745
Payments to suppliers and employees	(11,400,806)	(11,972,740)
Interest received	-	32
Finance costs	(104,842)	(44,874)
Net cash provided by/(used in) operating activities	<u>166,582</u>	<u>(731,837)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	9,770
Purchase of property, plant and equipment	(91,485)	(126,538)
Net cash provided by/(used in) investing activities	<u>(91,485)</u>	<u>(116,768)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net advance from related parties	1,609,941	279,983
Net movement in refundable accommodation deposits and bonds	(2,192,666)	171,876
Net cash provided by/(used in) financing activities	<u>(582,725)</u>	<u>451,859</u>
Net increase/(decrease) in cash and cash equivalents held	(507,628)	(396,746)
Cash and cash equivalents at beginning of year	(319,724)	77,022
Cash and cash equivalents at end of financial year	10 <u>(827,352)</u>	<u>(319,724)</u>

The accompanying notes form part of these financial statements.

NewDirection Bellmere Pty Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2022

The financial report covers NewDirection Bellmere Pty Ltd as an individual entity. NewDirection Bellmere Pty Ltd is a for-profit proprietary Company, incorporated and domiciled in Australia.

The functional and presentation currency of NewDirection Bellmere Pty Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

2 Change in Accounting Policy

This is the first financial report of the company prepared in accordance with Australian Accounting Standards - Simplified Disclosures. The prior year financial report was a special purpose financial report that was prepared in accordance with the recognition and measurement requirements of all Australian Accounting Standards and the disclosure requirements of some, but not all, Australian Accounting Standards. The transition from the previous financial reporting framework to Australian Accounting Standards - Simplified Disclosures has not affected the company's reported financial position, financial performance and cash flows.

3 Summary of Significant Accounting Policies

(a) Going concern

The Company is registered as an Approved Provider and must operate in accordance with the Aged Care Act 1997 (Cth) and related subordinate legislation, including the User Rights Principles 1997 (Cth).

The Company is required to maintain a Liquidity Management Strategy in relation to its ability to demonstrate that it has access to sufficient financial resources to enable it to comply with the regulations pertaining to the repayment of Resident Accommodation Bonds. The Directors have undertaken the necessary steps to ensure that the Company has access to sufficient available financial resources to enable the Company to comply with all requirements pertaining to the actual and anticipated repayment of Resident Accommodation Bonds as and when they may occur.

Accordingly, the financial report has been prepared on a going concern basis. The impact of COVID-19 has been taken into consideration in preparing the financial report on a going concern basis.

(b) Revenue and other income

Revenue from contracts with customers

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

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

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

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Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Specific revenue streams

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

Department of Health Funding (Government subsidies)

The Federal Government assesses the company's entitlement to revenue in accordance with the provisions of the Aged Care Act 1997. The subsidy received is based on the Aged Care Funding Instrument ("ACFI") assessment and recognised on an ongoing daily basis. The amount of Government revenue received is determined by Federal Government regulation rather than a direct contract with the customer. The funding is determined by a range of factors, including the resident's care needs; whether the home has been significantly refurbished; levels of supported resident ratios at the home; and the financial means of the resident.

Resident basic daily fee

The basic daily fee is a daily living expense paid by all residents as a contribution towards the provision of care and accommodation in accordance with the Aged Care Act 1997. This fee is calculated daily in accordance with the rates set by Federal Government, and invoiced on a monthly basis. In addition to the basic daily fee, if the resident has been assessed by the Federal Government as having the financial means, an additional means tested care fee is payable by the resident as a contribution to their care fees. This is also calculated on a daily basis and invoiced monthly.

For each resident, a single performance obligation that reflects a series of distinct services that are substantially the same and have the same pattern of transfer has been identified, being the ongoing daily delivery of care to the resident. The Group recognises revenue on a daily basis in line with the care given to residents. Residents are invoiced on a monthly basis for services provided, with payment due upon invoicing.

Other resident fees

These include fees recognised by the company for additional services to residents, charged to residents under mutually agreed terms and conditions, depending upon the agreed room price and additional services requested.

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

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

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

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

NewDirection Bellmere Pty Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(d) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

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Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Summary of Significant Accounting Policies

- (d) **Goods and services tax (GST)**
classified as operating cash flows.

- (e) **Property, plant and equipment**

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

Depreciation

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

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

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

Fixed asset class	Depreciation rate
Plant and Equipment	10% - 20%
Furniture, Fixtures and Fittings	10% - 20%
Motor Vehicles	12.5%
Office Equipment	20% - 50%
Computer Equipment	25%
Leasehold improvements	25% - 50%

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

- (f) **Impairment of non-financial assets**

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Summary of Significant Accounting Policies

(f) Impairment of non-financial assets

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Intangible Assets

Bed licences

Bed licences for the company's aged care homes are initially carried at cost or if acquired in a business combination, at fair value at the date of acquisition in accordance with AASB 3 Business Combinations. Following initial recognition, the licences are not amortised but are measured at cost less any accumulated impairment losses. Bed licences are tested for impairment annually as at 30 June and when circumstances indicate that the carrying value may be impaired.

Bed licences are assessed as having an indefinite useful life as they are issued for an unlimited period and therefore are not amortised. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable.

(h) Cash and cash equivalents

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

(i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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 satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(j) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Company.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - Loans to related parties

The loan receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. Based on directors' assessment no impairment provision is required as the entire balance is considered collectible.

Grant Income

During the year the Company submitted claims totaling \$372,435 to the Government relating to expenses incurred in managing the impacts of COVID-19. As a result of high volumes of applications being processed across the sector the Company has received only \$252,553 from the Government subsequent to year end. The Company believes that its unpaid claims meet substantially all the grant's eligibility criteria and expect approval from the Government in the near future. As a result the Company has recognised paid and unpaid grant (\$372,435) from the Government as income for the year ended 30 June 2022 in accordance with the Australian Accounting Standards.

5 Revenue and Other Income

	2022	2021
	\$	\$
Revenue		
- Commonwealth subsidies	7,985,575	7,469,462
- Resident fees	3,067,495	3,617,489
- Other Income	288,477	-
	11,341,547	11,086,951
- ATO Cash Flow Boost	-	50,000
- Workforce Retention Bonus received from the Department of Health	74,400	270,200
- Grant Income	372,435	-
- Revenue from cafe and corner store	72,698	49,288
- Sundry resident income	40,558	22,863
- Other income	71,489	15,331
	11,973,127	11,494,633

Grant income

Refer note 4 for details.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

6 Finance Expenses

	2022	2021
	\$	\$
Finance costs - Bank	7,281	6,760
Finance costs - RADs interest	97,561	53,875
Total finance expenses	104,842	60,635

7 Result for the Year

The result for the year includes the following specific expenses:

	2022	2021
	\$	\$
Other expenses:		
Employee benefits expense	8,837,519	9,425,481
Depreciation and amortisation expense	95,067	69,674
Covid expenses - other	24,041	-

8 Income Tax Expense

(a) The major components of tax expense (income) comprise:

	2022	2021
	\$	\$
Current tax expense		
Deferred tax expense		
Origination and reversal of temporary differences	10,068	-
	10,068	-

(b) Reconciliation of income tax to accounting profit:

	2022	2021
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2021: 26%)	37,409	(115,297)
Add:		
Tax effect of:		
- Unrecognised tax losses and temporary differences	65,768	128,297
	103,177	13,000

Less:

Tax effect of:

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Notes to the Financial Statements

For the Year Ended 30 June 2022

8 Income Tax Expense

	2022	2021
	\$	\$
- Non-taxable income	93,109	13,000
Income tax expense	10,068	-

9 Segment Reporting

The Approved Provider, NewDirection Bellmere Pty Ltd, provides only residential aged care services in Australia and this General Purpose Financial Report therefore relates only to such operations.

10 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank and in hand	2,001	369,364
	2,001	369,364

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2022	2021
	\$	\$
Cash and cash equivalents	2,001	369,364
Bank overdrafts	(829,353)	(689,088)
Balance as per statement of cash flows	(827,352)	(319,724)

11 Trade and Other Receivables

	2022	2021
	\$	\$
CURRENT		
Trade receivables	103,511	163,286
GST receivable	16,119	11,629
COVID-19 grant receivable	372,435	-
Other receivables	22,114	24,849
Total current trade and other receivables	514,179	199,764

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

11 Trade and Other Receivables

Refer note 4 for details on COVID-19 grant receivable (\$372,435) from the Government.

12 Loans and Advances

	2022	2021
	\$	\$
Loan - New Direction Care Pty Ltd	100,935	52,115
Loan - Bexwyn Unit Trust	22,225,295	22,562,166
	<u>22,326,230</u>	<u>22,614,281</u>

The directors have assessed that the loans constitute a permitted use of RAD funds under the Aged Care Act 1997. The loans are unsecured, interest-free and repayable at call.

13 Other non-financial assets

	2022	2021
	\$	\$
CURRENT		
Prepayments	206,337	118,736
	<u>206,337</u>	<u>118,736</u>

14 Property, plant and equipment

	2022	2021
	\$	\$
Capital works in progress		
At cost	293,044	293,044
Total capital works in progress	<u>293,044</u>	<u>293,044</u>
Plant and equipment		
At cost	211,750	179,838
Accumulated depreciation	(108,908)	(66,119)
Total plant and equipment	<u>102,842</u>	<u>113,719</u>
Furniture, fixtures and fittings		
At cost	88,545	78,034
Accumulated depreciation	(37,964)	(25,939)
Total furniture, fixtures and fittings	<u>50,581</u>	<u>52,095</u>
Motor vehicles		
At cost	30,037	30,037
Accumulated depreciation	(18,753)	(15,008)
Total motor vehicles	<u>11,284</u>	<u>15,029</u>

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Notes to the Financial Statements For the Year Ended 30 June 2022

14 Property, plant and equipment

	2022	2021
	\$	\$
Office equipment		
At cost	27,726	3,311
Accumulated depreciation	(2,841)	(1,230)
Total office equipment	<u>24,885</u>	<u>2,081</u>
Computer equipment		
At cost	146,909	122,262
Accumulated depreciation	(71,946)	(40,649)
Total computer equipment	<u>74,963</u>	<u>81,613</u>
Leasehold Improvements		
At cost	16,025	16,025
Accumulated amortisation	(9,015)	(5,413)
Total leasehold improvements	<u>7,010</u>	<u>10,612</u>
Total property, plant and equipment	<u>564,609</u>	<u>568,193</u>

15 Deferred Tax Assets

	Opening Balance	Charged to Income	Closing Balance
	\$	\$	\$
Deferred tax assets			
Provisions - employee benefits	98,952	-	98,952
Accruals	2,683	-	2,683
Deferred tax assets attributable to tax losses	1,073,281	-	1,073,281
Other temporary differences	29,657	-	29,657
Balance at 30 June 2021	<u>1,204,573</u>	<u>-</u>	<u>1,204,573</u>
Provisions - employee benefits	98,952	-	98,952
Accruals	2,683	-	2,683
Deferred tax assets attributable to tax losses	1,073,281	(10,068)	1,063,213
Other temporary differences	29,657	-	29,657
Balance at 30 June 2022	<u>1,204,573</u>	<u>(10,068)</u>	<u>1,194,505</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2022

15 Deferred Tax Assets

Deferred tax assets have not been recognised in respect of the following:

	2022	2021
	\$	\$
Tax losses	-	69,773
Temporary differences	65,768	31,580

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which NewDirection Bellmere Pty Ltd can utilise the benefits therein.

16 Intangible Assets

	2022	2021
	\$	\$
Intangible assets under development		
Project NDC at cost	215,023	215,023
Net carrying value	215,023	215,023

The Company has reviewed the the NDC project and based on latest information received it believes there is no requirement to impair the intangible asset at the reporting date.

17 Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	689,225	429,323
Other payables	861,974	729,991
	1,551,199	1,159,314

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

18 Bank overdraft

	2022	2021
	\$	\$
CURRENT		
Secured liabilities:		
Bank overdraft	829,353	689,088
Total current borrowings	829,353	689,088

The bank overdraft is secured by bed licences held by the Company and a registered first mortgage over freehold properties as held by related parties' entities.

19 Loans from related parties

	2022	2021
	\$	\$
CURRENT		
Loan - CoastalBreeze Pty Ltd	350,308	349,852
Loan - Director	263,232	268,037
Loan - Synovum Care Group Pty Ltd	179,144	162,200
Loan - Bexwyn Pty Ltd	891,557	272,795
Loan - IBIS No.3 Pty Ltd	766,521	66,961
	2,450,762	1,119,845

Loans from related parties are unsecured, interest-free and repayable at call.

20 Employee Benefits

	2022	2021
	\$	\$
Current liabilities		
Provision for employee benefits	396,261	454,928
	396,261	454,928

21 Other Financial Liabilities

	2022	2021
	\$	\$
CURRENT		
Refundable accommodation deposits and bonds		
Other financial liabilities	23,204,705	25,397,371
Other financial liabilities	23,204,705	25,397,371
Total	23,204,705	25,397,371

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2022

21 Other Financial Liabilities

Terms and conditions relating to refundable accommodation deposits (RADs) and accommodation bonds (Bonds)

The RADs and Bonds are paid by residents upon their admission to homes and are refunded after a resident departs a home in accordance with the Aged Care Act 1997. Providers must pay a base interest rate on all refunds of RADs and Bonds within legislated time frames and must pay a higher rate on refunds that are not made within legislated time frames.

RAD and Bond refunds are guaranteed by the Government under the Accommodation Payment Guarantee Scheme, in the event that a provider is unable to refund the amounts. Providers are required to maintain sufficient liquidity to ensure that they can refund all amounts as they fall due. As required under legislation, the Group maintains a Liquidity Management Policy, which is monitored on regular basis and a full review is undertaken on an annual basis as a minimum, with the intention of ensuring it has sufficient liquidity, in the form of cash or undrawn lines of credit, to meet its RAD and Bond refund and other financial obligations.

To ensure that funds are readily available when required, the minimum level of funds chosen by the Approved Provider, NewDirection Bellmere Pty Ltd, are to be held in cash (placed on deposit but readily available) or met by undrawn lines of credit from a its bank.

RADs and Bonds are classified as a current liability as the Approved Provider, NewDirection Bellmere Pty Ltd, does not have an unconditional right to defer settlement for at least twelve months after the reporting date. The total RAD and Bond liability represents the sum of separate payments from a significant number of individual residents in different locations with differing circumstances. The repayment of individual balances that make up the total current balance will be dependent upon the actual tenure of individual residents, which can be more than ten years but averages approximately 2 -2.5 years.

22 Issued Capital

	2022	2021
	\$	\$
1 (2021: 1) Ordinary shares	1	1
Total	1	1

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

23 Key Management Personnel Disclosures

During the year the Company paid key management personnel services as rendered by NewDirection Care Pty Ltd for \$40,000 (2021: \$Nil).

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2022

24 Auditors' Remuneration

	2022	2021
	\$	\$
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	32,468	31,255
Total	32,468	31,255

25 Related Parties

(a) The Company's main related parties are as follows:

The Sole Director, who is an Australian resident, has control over the Company and owns 100% of NewDirection Bellmere Pty Ltd.

Key management personnel - refer to Note 23.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NewDirection Care Pty Limited (a director-related entity) provided key management personnel services (\$40,000) to the Company during the year.

During the year the Company rented aged care building facilities from NewDirection Properties Pty Ltd as trustee for Bexwyn Unit Trust for \$1. There is no formal agreement in place.

(c) Loans to/from related parties

Loans from related parties - refer note 19.

26 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (30 June 2021:None).

27 Bed Licences - Resident Places

Resident places are issued by the Federal Government to Approved Providers, and can also be purchased and transferred from third parties with the approval of the Department of Health.

Resident places are stated at cost, or at fair value at acquisition, less any accumulated impairment losses. All resident places held by the Company have been applied for through the relevant Government approval rounds, and as such there are no direct costs of acquisition applicable.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2022

27 Bed Licences - Resident Places

Where there is a carrying value for Resident Places, this value is not amortised as the Company's Sole Director, based on current Government regulations, believes that they have a long indeterminate life and are not expected to diminish in value over time.

The Sole Director has ascertained that the above bed licences would be worth not less than \$6,000,000, should they be made available for sale as stand-alone assets – as opposed to any value that may be recognised or attributable to the sale of any of the aforementioned facilities

28 Events Occurring After the Reporting Date

The financial report was authorised for issue on October 2022 by the board of directors.

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

29 Statutory Information

The registered office of the company is:

NewDirection Bellmere Pty Ltd
C/- KMB Business Advisors
Level 11, 80 Mount St
North Sydney NSW 2060

The principal place of business is:

41 Lotus Avenue
Bellmere QLD 4510

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Directors' Declaration

The sole Director of the Company declares that:

1. The financial statements and notes, as set out on pages 2 to 20, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company.
2. In the director's opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

This declaration is made in accordance with a resolution of the Sole Director of the Company.

Director *Natasha Chadwick*
Natasha Chadwick

Dated: 25th October 2022

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

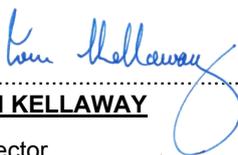
Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

KMB AUDITING PTY LIMITED



IAN KELLAWAY

Director

North Sydney

Dated: 26th October 2022