

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

NAPS ID: 3492

Financial Statements

For the Year Ended 30 June 2023

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Contents

For the Year Ended 30 June 2023

	Page
Financial Statements	
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	1
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Directors' Declaration	21
Independent Audit Report	22
Disclaimer	24

NewDirection Bellmere Pty Ltd

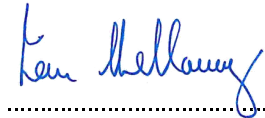
ABN 24 152 202 027

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 2023, 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: 30 October 2023

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue	4	12,961,917	11,341,547
Other income		385,564	631,580
		<hr/>	<hr/>
	4	13,347,481	11,973,127
Agency Staff Cost		(255,850)	(638,132)
Employee benefits expense		(9,818,055)	(8,837,519)
Depreciation and amortisation expense		(101,031)	(95,067)
Resident care costs		(751,891)	(646,262)
Other operating expenses		(2,161,957)	(1,501,664)
Finance expenses	5	(101,339)	(104,842)
		<hr/>	<hr/>
Profit/(loss) before income tax		157,358	149,638
Income tax expense	7	-	(10,068)
		<hr/>	<hr/>
Profit/(loss) for the year		157,358	139,570
		<hr/>	<hr/>
Other comprehensive income, net of income tax		-	-
		<hr/>	<hr/>
Total comprehensive income/(loss) for the year		157,358	139,570
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	2,501	2,001
Trade and other receivables	10	546,605	514,179
Inventories		91,744	89,802
Loans and Advances	11	19,030,424	22,326,230
Other assets		129,512	206,337
TOTAL CURRENT ASSETS		19,800,786	23,138,549
NON-CURRENT ASSETS			
Property, plant and equipment	12	652,257	564,609
Deferred tax assets	13	1,194,505	1,194,505
Intangible assets	14	215,023	215,023
TOTAL NON-CURRENT ASSETS		2,061,785	1,974,137
TOTAL ASSETS		21,862,571	25,112,686
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	990,432	1,551,198
Bank overdrafts	16	675,079	829,353
Loans from related parties	17	2,814,972	2,450,762
Employee benefits	18	438,222	396,261
Refundable Accommodation Deposits & Bonds	19	20,084,903	23,204,705
TOTAL CURRENT LIABILITIES		25,003,608	28,432,279
NON-CURRENT LIABILITIES			
Employee benefits	18	21,199	-
TOTAL NON-CURRENT LIABILITIES		21,199	-
TOTAL LIABILITIES		25,024,807	28,432,279
NET ASSETS		(3,162,236)	(3,319,593)
EQUITY			
Issued capital	20	1	1
Retained earnings		(3,162,237)	(3,319,594)
TOTAL EQUITY		(3,162,236)	(3,319,593)

The accompanying notes form part of these financial statements.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Statement of Changes in Equity

For the Year Ended 30 June 2023

2023

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2022	1	(3,319,594)	(3,319,593)
Profit for the year	-	157,358	157,358
Balance at 30 June 2023	1	(3,162,236)	(3,162,235)

2022

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

The accompanying notes form part of these financial statements.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	13,320,508	11,672,230
Payments to suppliers and employees	(13,523,458)	(11,400,806)
Finance costs	(101,340)	(104,842)
Net cash provided by/(used in) operating activities	<u>(304,290)</u>	<u>166,582</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(81,150)</u>	<u>(91,485)</u>
Net cash provided by/(used in) investing activities	<u>(81,150)</u>	<u>(91,485)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net advance from related parties	3,660,016	1,609,941
Net movement in refundable accommodation deposits and bonds	(3,119,802)	(2,192,666)
Net cash provided by/(used in) financing activities	<u>540,214</u>	<u>(582,725)</u>
Net increase/(decrease) in cash and cash equivalents held	154,774	(507,628)
Cash and cash equivalents at beginning of year	<u>(827,352)</u>	<u>(319,724)</u>
Cash and cash equivalents at end of financial year	9 <u>(672,578)</u>	<u>(827,352)</u>

The accompanying notes form part of these financial statements.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

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*.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 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.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 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

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 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

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 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.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 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

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and accumulated impairment losses.

(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.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 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.

Loans receivable from related parties

The Company has reviewed the loans receivable from related parties to determine whether there is any objective evidence of impairment. Based on the Company's assessment, no impairment provision is required as the entire balance is considered collectible.

Government Grant Income

Government grant income is recognised in the statement of profit or loss when there is reasonable assurance that the grant will be received and the company has complied with all the attached conditions. This requires the Company to make critical accounting estimates and judgements about the timing and amount of grant income to be recognised.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

4 Revenue and Other Income

	2023	2022
	\$	\$
Revenue		
- Commonwealth subsidies	9,369,130	7,985,575
- Resident fees	3,374,500	3,067,495
- Other Income	218,287	288,477
	12,961,917	11,341,547
- Workforce Retention Bonus received from the Department of Health	-	74,400
- Grant Income	243,391	372,435
- Revenue from cafe and corner store	-	72,698
- Sundry resident income	-	40,558
- Other income	142,173	71,489
	13,347,481	11,973,127

5 Finance Expenses

	2023	2022
	\$	\$
Finance costs - Bank	7,240	7,281
Finance costs - RADs interest	94,099	97,561
Total finance expenses	101,339	104,842

6 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Other expenses:		
Employee benefits expense	9,818,055	8,837,519
Depreciation and amortisation expense	101,031	95,067
Covid expenses - other	35,001	24,041

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

7 Income Tax Expense

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

	2023	2022
	\$	\$
Current tax expense		
Deferred tax expense		
Change in unrecognised deductible temporary difference	-	10,068
	<u>-</u>	<u>10,068</u>

(b) Reconciliation of income tax to accounting profit:

	2023	2022
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2022: 25%)	39,339	37,409
Add:		
Tax effect of:		
- Unrecognised tax losses and temporary differences	51,509	65,768
	<u>90,848</u>	<u>103,177</u>
Less:		
Tax effect of:		
- Non-taxable income	90,848	93,109
Income tax expense	<u>-</u>	<u>10,068</u>

8 Segment Reporting

The Company has one reportable segment for management reporting purposes. It provides residential aged care services in Australia as its main business and geographical segment.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

9 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank and in hand	2,501	2,001
	<u>2,501</u>	<u>2,001</u>

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:

	2023	2022
	\$	\$
Cash and cash equivalents	2,501	2,001
Bank overdrafts	(675,079)	(829,353)
Balance as per statement of cash flows	<u>(672,578)</u>	<u>(827,352)</u>

10 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	124,959	103,511
GST receivable	21,572	16,119
Subsidy receivable	14,569	-
COVID-19 grant receivable	363,391	372,435
Other receivables	22,114	22,114
Total current trade and other receivables	<u>546,605</u>	<u>514,179</u>

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.

11 Loans and Advances

	2023	2022
	\$	\$
Loan - New Direction Care Pty Ltd	121,796	100,935
Loan - Bexwyn Unit Trust	18,908,628	22,225,295
	<u>19,030,424</u>	<u>22,326,230</u>

The Sole Director has evaluated that the loans receivable comply with the permissible use of Refundable Accommodation Deposits (RAD) funds, in accordance with the Aged Care Act 1997. These loans have no security attached, accrue no interest, and are subject to repayment upon request.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

12 Property, plant and equipment

	2023	2022
	\$	\$
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	261,833	211,750
Accumulated depreciation	(140,700)	(108,908)
Total plant and equipment	<u>121,133</u>	<u>102,842</u>
Furniture, fixtures and fittings		
At cost	116,183	88,545
Accumulated depreciation	(49,466)	(37,964)
Total furniture, fixtures and fittings	<u>66,717</u>	<u>50,581</u>
Motor vehicles		
At cost	30,037	30,037
Accumulated depreciation	(22,497)	(18,753)
Total motor vehicles	<u>7,540</u>	<u>11,284</u>
Office equipment		
At cost	27,726	27,726
Accumulated depreciation	(5,732)	(2,841)
Total office equipment	<u>21,994</u>	<u>24,885</u>
Computer equipment		
At cost	257,865	146,909
Accumulated depreciation	(119,753)	(71,946)
Total computer equipment	<u>138,112</u>	<u>74,963</u>
Leasehold Improvements		
At cost	16,025	16,025
Accumulated amortisation	(12,308)	(9,015)
Total leasehold improvements	<u>3,717</u>	<u>7,010</u>
Total property, plant and equipment	<u><u>652,257</u></u>	<u><u>564,609</u></u>

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

13 Deferred Tax Assets

	Opening Balance	Charged to Profit and Loss	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	(10,068)	1,063,213
Other temporary differences	29,657	-	29,657
Balance at 30 June 2022	1,204,573	(10,068)	1,194,505
Provisions - employee benefits	98,952	-	98,952
Accruals	2,683	-	2,683
Deferred tax assets attributable to tax losses	1,063,213	-	1,063,213
Other temporary differences	29,657	-	29,657
Balance at 30 June 2023	1,194,505	-	1,194,505

14 Intangible Assets

	2023	2022
	\$	\$
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.

15 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	437,618	689,225
Other payables	552,815	861,973
	990,433	1,551,198

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.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

16 Bank overdraft

	2023	2022
	\$	\$
CURRENT		
Secured liabilities:		
Bank overdraft	675,079	829,353
Total current borrowings	675,079	829,353

The bank overdraft is secured by bed licences held by the Company and freehold properties held by related parties.

17 Loans from related parties

	2023	2022
	\$	\$
CURRENT		
Loan - CoastalBreeze Pty Ltd	352,008	350,308
Loan - Director	247,540	263,232
Loan - Synovum Care Group Pty Ltd	182,452	179,144
Loan - Bexwyn Pty Ltd	861,329	891,557
Loan - IBIS No.3 Pty Ltd	1,171,643	766,521
	2,814,972	2,450,762

The Company has outstanding loans from related entities that can be demanded for repayment at any time, without any interest charges or collateral requirements. These loans are disclosed as current liabilities.

18 Employee Benefits

	2023	2022
	\$	\$
Current liabilities		
Provision for employee benefits	438,222	396,261
	438,222	396,261
Non-current liabilities		
Provision for long service leave	21,199	-
	21,199	-

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

19 Other Financial Liabilities

	2023	2022
	\$	\$
CURRENT		
Refundable Accommodation Deposits and Accommodation Bonds	20,084,903	23,204,705
Total	20,084,903	23,204,705

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.

20 Issued Capital

	2023	2022
	\$	\$
1 (2022: 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.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

21 Key Management Personnel Disclosures

During the year the Company paid key management personnel services as rendered by NewDirection Care Pty Ltd for \$60,000 (2022: \$40,000).

22 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	38,750	32,468
Total	38,750	32,468

23 Related Parties

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

The Company is fully owned and controlled by the Sole Director, who resides in Australia.

Key management personnel - refer to Note 21.

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.

During the year, the Company obtained key management personnel services from Synovum Care Group Pty Ltd, a related party of the director, for a fee of \$60,000 (2022: \$40,000).

The Company also leased aged care building facilities from NewDirection Properties Pty Ltd as trustee for Bexwyn Unit Trust, another related party of the same director, for \$720,000 (2022: \$1) during the year. There is no formal contract.

(c) Loans to/from related parties

Loans from related parties - refer note 18.

24 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022:None).

25 Events Occurring After the Reporting Date

The financial report was authorised for issue on 30th October 2023 by the board of directors.

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Notes to the Financial Statements

For the Year Ended 30 June 2023

25 Events Occurring After the Reporting Date

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

26 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 2023 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

Dated: 30 / 10 / 2023

NewDirection Bellmere Pty Ltd

Independent Audit Report to the members of NewDirection Bellmere Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NewDirection Bellmere Pty Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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



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



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IAN KELLAWAY

Director

North Sydney

Dated: 30 October 2023

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

Disclaimer

For the Year Ended 30 June 2023

The additional financial data presented on page 25 is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 30 June 2023. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than NewDirection Bellmere Pty Ltd) in respect of such data, including any errors or omissions therein however caused.

KMB AUDITING PTY LIMITED



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IAN KELLAWAY

Director
North Sydney

Dated: 30 October 2023



NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

For the Year Ended 30 June 2023

Detailed Profit and Loss Account

	2023	2022
	\$	\$
Income		
Commonwealth subsidies	9,369,130	7,985,575
Resident fees	3,374,500	3,067,495
Other Income	218,287	288,477
Grant Income	243,391	372,435
Workforce Retention Bonus received from the Department of Health	-	74,400
Sundry resident income	-	40,558
Revenue from cafe and corner store	-	72,698
Other income	142,173	71,489
Total income	13,347,481	11,973,127
Less: Expenses		
Accounting fees	39,019	39,275
Administration and management fees	60,000	40,000
Advertising	56,093	67,736
Agency Staff Cost	255,850	638,132
Brokerage fee	(1,623)	3,350
Consulting and professional fees	104,757	177,889
Covid expenses - other	35,001	24,041
Depreciation	101,031	95,067
Donations	38	-
Electricity and water	158,092	184,988
Finance costs - external	101,339	104,842
Fire brigade fees	5,633	4,122
Flowers and decorations	-	131
Fringe benefits tax	2,287	-
Gardening	7,294	10,753
Gas	3,747	2,553
Insurance	70,047	61,889
IT Expenses	159,355	163,353
Lease	720,000	-
Leave pay	41,961	(68,788)
Long service leave	21,199	-
Motor vehicle expenses	18,018	12,314
Office equipment rental	82,466	83,804
Payroll tax	438,278	399,853
Permits, licenses and fees	68,046	57,744
Pest control	12,900	17,543
Postage	260	-
Printing and stationery	25,072	14,926
Rates and taxes	41,871	38,959
Recruitment costs	6,176	-
Repairs and maintenance	248,229	185,086

NewDirection Bellmere Pty Ltd

ABN 24 152 202 027

For the Year Ended 30 June 2023

Detailed Profit and Loss Account

	2023	2022
	\$	\$
Resident costs - Food	450,719	333,981
Resident costs - Medical supplies	164,838	175,078
Resident costs -Therapy services	38,941	19,620
Resident costs - Cleaning and laundry	62,138	73,705
Resident costs - Entertainment & Toiletries	23,575	22,408
Resident costs - Allied Health	11,680	21,470
Retention bonus	-	72,800
Wages and salaries	8,270,468	7,404,531
Security costs	12,959	108,205
Staff training	21,781	76,077
Staff counselling costs	43,724	43,957
Store operating costs	109,157	108,428
Subscriptions	44,021	26,982
Sundry expenses	42,187	30,964
Superannuation contributions	827,123	739,954
Telephone and fax	23,924	25,098
Travel - domestic	5,680	1,170
Waste disposal	9,714	10,361
Workers compensation insurance	145,058	169,135
Total Expenses	13,190,123	11,823,489
Profit/(Loss) before income tax	157,358	149,638