

**Jacqueline Elizabeth Dillon Business Pty Ltd ATF
Jacqueline Elizabeth Dillon Business Unit Trust trading as
Residency by Dillons Narrogin,
Residency by Dillons Tin Can Bay &
Residency by Dillons Fremantle
NAPS ID 6809
ABN 20 907 629 410
Financial Statements
For the Year ended 30 June 2023**

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

**Annual Report
for the Year Ended 30 June 2023**

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Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

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Income Statement and Other Comprehensive Income**For the year ended 30 June 2023**

	Note	2023 \$	2022 \$
Revenue	2	12,535,695	9,617,970
Expenses excluding Finance Costs	3	12,432,251	9,752,699
Finance Costs	4	1,618,892	680,158
Loss Attributable to Unitholders of the Trust		<u>(1,515,448)</u>	<u>(814,887)</u>
Other Comprehensive Income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Capital Loss Reserve		-	-
Total other comprehensive income attributed to the unitholders of the trust		<u>-</u>	<u>-</u>
Total comprehensive income attributed to the unitholders of the trust		<u>(1,515,448)</u>	<u>(814,887)</u>
Accumulated Loss at End of Year		(4,340,429)	(2,824,981)

The accompanying notes form part of these financial statements.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

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**Balance Sheet
As at 30 June 2023**

	Note	2023 \$	2022 \$
Current Assets			
Cash and Cash Equivalents	6	2,022,708	333,073
Trade and Other Receivables	8	2,485,850	2,185,579
Other		454,765	402,248
Total Current Assets		<u>4,963,323</u>	<u>2,920,900</u>
Non-Current Assets			
Trade and Other Receivables	8	2,216,710	1,674,689
Property, Plant and Equipment	10	11,031,763	11,181,585
Intangible Assets	11	3,165,930	3,152,674
Right-of-Use-Assets	9	2,431,835	2,970,155
Total Non-Current Assets		<u>18,846,238</u>	<u>18,979,103</u>
Total Assets		<u>23,809,561</u>	<u>21,900,003</u>
Current Liabilities			
Trade and Other Payables	12	12,455,639	8,238,485
Financial Liabilities	13	546,267	655,190
Provisions	14	574,041	546,277
Lease Liabilities	15	553,923	536,540
Total Current Liabilities		<u>14,129,870</u>	<u>9,976,492</u>
Non-Current Liabilities			
Financial Liabilities	13	11,518,040	11,731,964
Provisions	14	158,031	118,556
Lease Liabilities	15	2,376,326	2,930,249
Total Non-Current Liabilities		<u>14,052,397</u>	<u>14,780,769</u>
Total Liabilities		<u>28,182,267</u>	<u>24,757,261</u>
Net Assets		<u>(4,372,706)</u>	<u>(2,857,258)</u>
Trust Funds			
Retained Profits	16	(4,340,429)	(2,824,981)
Unit Capital		101	101
Reserves	17	(32,378)	(32,378)
Total Trust Funds	16	<u>(4,372,706)</u>	<u>(2,857,258)</u>

The accompanying notes form part of these financial statements.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

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**Statement of Changes in Equity
For the year ended 30 June 2023**

	2023 \$	2022 \$
Opening Balance	(2,857,259)	(2,042,372)
Undistributed Income		
Profit Attributable to Unitholders	(1,515,448)	(814,887)
	<u>(4,372,707)</u>	<u>(2,857,259)</u>
Other Comprehensive Income		
Capital Loss Reserve	-	-
Closing Balance	<u>(4,372,707)</u>	<u>(2,857,259)</u>
Reconciliation of Undistributed Income		
Opening Balance	(2,824,982)	(2,010,095)
Adjustment upon adoption of AASB 16	-	-
Profit Attributable to Unitholders	(1,515,448)	(814,887)
Closing balance	<u>(4,340,429)</u>	<u>(2,824,982)</u>
Unit Capital	101	101
Capital Loss Reserve		
Other Comprehensive Income	(32,378)	(32,378)
Closing Balance	<u>(32,378)</u>	<u>(32,378)</u>
Closing Balance	<u>(4,372,707)</u>	<u>(2,857,259)</u>

The accompanying notes form part of these financial statements.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

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Statement of Cash Flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash Flows from Operating Activities			
Receipts from Customers		3,720,186	2,118,152
Government Grants & Subsidies		8,510,529	7,017,753
Other Revenue		292,930	446,219
Payments to Suppliers and Employees		(7,352,490)	(7,321,770)
Interest Received		121,648	117,694
Finance Costs		<u>(1,618,892)</u>	<u>(680,158)</u>
Net Cash Inflow from Operating Activities	7	3,673,911	1,697,890
Cash Flows from Investing Activities			
Purchase of Property, Plant and Equipment		301,304	(5,388,037)
Payments for Formation Expenses		13,257	-
Loans to Related Parties			
- payments made		977,683	(256,434)
- proceeds from repayments		<u>(134,931)</u>	<u>126,630</u>
Net Cash Inflow from Investing Activities		1,157,313	(5,517,841)
Cash Flows from Financing Activities			
Proceeds from borrowings		674,950	4,818,343
Repayment of borrowings		<u>(1,315,226)</u>	<u>(255,103)</u>
Net Cash Outflow from Financing Activities		(640,276)	4,563,240
Net Increase in Cash Held		<u>1,876,321</u>	<u>743,289</u>
Cash and Cash Equivalents as at 1 July 2022		(12,424)	(755,713)
Cash and Cash Equivalents as at 30 June 2023		<u><u>1,863,897</u></u>	<u><u>(12,424)</u></u>

The accompanying notes form part of these financial statements.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

Notes to the Financial Statements

For the year ended 30 June 2023

1. Summary of Significant Accounting Policies

The financial report covers Residency by Dillons Narrogin, Residency by Dillons Tin Can Bay & Residency by Dillons Fremantle (NAPS 6809) as an individual entity. Residency by Dillons Narrogin, Residency by Dillons Tin Can Bay & Residency by Dillons Fremantle (NAPS 6809) is a unit trust, established and domiciled in Australia.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosure Standards requirements and Interpretations of the Australian Accounting Standard Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accrual basis and are based on historical costs, except for the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

Accounting Policies

(b) Going Concern

Notwithstanding the trust's deficiency of net assets the financial report has been prepared on the going concern basis. This basis has been adopted as the trust has received a guarantee of continuing financial support from the directors of the trustee company to allow the trust to meet its liabilities and it is the belief of the directors of the trustee company that such financial support will continue to be made available.

Additionally the business has a \$1,000,000 drawdown loan facility with National Australia Bank that can be utilized should the business require as such.

(c) 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.

Bank overdrafts also form part of cash equivalents and presented within current liabilities on the statement of financial position.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
Notes to the Financial Statements
For the year ended 30 June 2023

(d) **Provisions**

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.

(e) **Employee Benefits**

Provision is made for the trust'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. Cash flows 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 cash flows. 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.

(f) **Property, Plant and Equipment**

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

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

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

Property

Land and buildings are measured using the revaluation model.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a diminishing value method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The useful lives used for each class of depreciable asset are shown below:

Fixed Asset Class	Useful Life
Plant and Equipment	2 - 10 years

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

Notes to the Financial Statements

For the year ended 30 June 2023

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.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

(g) Income Tax

Under current legislation, the trust is not liable for income tax as its taxable income is recognised in the income tax returns of the unit holders.

(h) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(i) Intangibles

Goodwill

Goodwill is calculated as the excess of the sum of:

- i) the consideration transferred;
- ii) any non-controlling interest; and
- iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The value of goodwill recognised on acquisition of each subsidiary in which the trust holds a less than 100% interest will depend on the method adopted in measuring the aforementioned non-controlling interest. The trust can elect to measure the non-controlling interest in the acquire either at fair value ("full goodwill method") or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ("proportionate interest method"). The trust determines which method to adopt for each acquisition.

Under the "full goodwill method", the fair values of the non-controlling interests are determined using valuation techniques which make the maximum use of the market information where available.

Fair Value / Equity Accounting

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where the investment has been equity accounted, any credit reserve balances are recycled to the statement of comprehensive income.

Net Identifiable Assets Acquired

In determining the net identifiable assets acquired, contingent liabilities of the acquiree are included to the extent to which they represent a present obligation and can be measured reliably.

Acquisitions of Subsidiaries

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investment in associates.

Testing for Impairment

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
Notes to the Financial Statements
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Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Accounting for Changes in Ownership Interest in Subsidiary

Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not affect the carrying values of goodwill.

Amortisation

Amortisation is based on the cost of an asset less its residual value.

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(j) Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

(k) Leases

The Trust adopted AASB 16 Leases (AASB 16) using the modified retrospective approach from 1 July 2019. Under this approach, comparative information is not restated and the cumulative effect of initially applying AASB 16 Leases is recognised in retained earnings. The impact that this initial application of AASB 16 has on the consolidated financial statements, is described below.

AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. AASB 16 replaces existing leases guidance, including AASB 117 Leases.

Leases in which the Trustee is a lessee

The Trust will recognise assets and liabilities for its operating leases of its leased property. The nature of expenses related to those leases will now change because the Trust will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Leases in which the Trustee is a lessor

Contracts with customers contain provisions for accommodation, use of common areas/facilities for provision of care and other services. The Trust has concluded that its contractual arrangements relating to the provision of residential aged care is an operating lease pursuant to AASB 16, being the exclusive right to the use of a room by a resident.

For residential aged care accommodation arrangements where the resident has elected to pay a RAD or Bond, the Trust receives a financing benefit, being non-cash consideration, in the

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Notes to the Financial Statements

For the year ended 30 June 2023

form of an interest free loan. On adoption of AASB 16, the fair value of this non-cash consideration is required to be recognised as income (to reflect the interest free loan financing benefit received on RADs and Bonds) and, correspondingly, interest expense (to record the financial liability associated with RADs and Bonds at fair value) with no net impact on profit or loss.

The application of AASB 16 for the year ended 30 June 2023 has been calculated based on:

- i) RAD / Bond balances as at 30 June 2023; and
- ii) interest rate equal to the Maximum Permissible Interest Rate ("MPIR") of 7.46% between April 2023 to June 2023, which is a Government set interest rate used to calculate the Daily Accommodation Payment to applicable residents.

The Trust's Income statements presents Income of \$846,044 and an additional Finance cost (i.e. interest expense) of \$846,044, with a nil impact to net profit for the period.

The accounting treatment for residential aged care accommodation arrangements where residents have elected to pay a DAP has not changed upon adopting AASB 16.

(I) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that trust becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Financial Liabilities

Financial liabilities are recognised when the company becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

Financial liabilities are recognised when the trust becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

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Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The trust's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets

At the end of each reporting period the trust assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial Assets at Amortised Cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Available-for-Sale Financial Assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(m) Financial Guarantees

Where material, financial guarantees issued that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due are recognised as a financial liability at fair value on initial recognition.

The fair value of financial guarantee contracts has been assessed using a probability-weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting during the next reporting period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

Financial guarantees are subsequently measured at the higher of the best estimate of the obligation in accordance with AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

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Notes to the Financial Statements
For the year ended 30 June 2023

(n) **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 Trust expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Other income

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

(o) **Trade and Other Payables**

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the trust that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

(p) **Goods and Services Tax (GST)**

Revenues, 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 payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

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Notes to the Financial Statements
For the year ended 30 June 2023

	2023 \$	2022 \$
(q) Critical Accounting Estimates and Judgments		
The trustees 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.		
<u>Key Judgments - Provision for Impairment of Receivables</u>		
The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.		
(r) 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 group have decided not to early adopt any of new and amended pronouncements and that it is impracticable at this stage to provide a reasonable estimate of the impact on the trust's financial statement.		
2. Revenue		
Sales Revenue		
Rendering Services	2,712,988	2,079,994
	<u>2,712,988</u>	<u>2,079,994</u>
Other Income		
Interest Received	121,648	117,694
Income on RADs and Bonds	846,044	307,612
Other Revenue	292,930	86,789
Government Subsidies	8,562,085	6,974,063
Proceeds on Sale of Non-current Assets	-	51,818
	<u>9,822,707</u>	<u>7,537,976</u>
	<u><u>12,535,695</u></u>	<u><u>9,617,970</u></u>
3. Expenses		
Employee Benefits Expense	7,102,197	5,754,885
Depreciation and Amortisation Expenses	1,116,374	1,195,857
Advertising	37,549	25,508
Bank Charges	8,248	12,791
Insurance	222,710	244,219
Interest on Lease Liabilities	91,960	108,799
Postage, Printing & Stationery	43,697	33,838
Rates & Taxes	133,243	83,809
Motor Vehicle Reimbursements	22,881	16,670
Repairs & Maintenance	220,997	243,203
Telephone	47,765	46,111
Other Expenses	3,384,630	1,987,009

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For the year ended 30 June 2023

	2023	2022
	\$	\$
	<u>12,432,251</u>	<u>9,752,699</u>

4. Finance Income and Expenses

Finance Income

- J E D Property Unit Trust	109,301	117,601
- NAB	<u>12,347</u>	<u>93</u>
	<u>121,648</u>	<u>117,694</u>

Finance Expenses

Borrowing Costs	58,735	21,890
Interest Paid		
- NAB	20,839	16,413
- AON Insurance	13,135	10,275
- OSR Queensland	13	2
- NAB Overdraft (1132)	3,980	5,385
- HP Interest Charges	193	1,843
- NAB Loan (2911)	49,439	30,138
- NAB Loan (6804)	24,978	15,227
- NAB Loan (2791)	45,770	23,427
- NAB Loan (4552)	416,940	159,184
- NAB Loan (5880)	43,596	20,878
- NAB Loan (7073)	3,270	10,264
- NAB Loan (4532)	46,309	22,486
- RADs & Bonds (AASB16)	846,044	307,612
- RBD Mt Lawley	9,587	10,327
- Residents' Bond Refunded	13,699	11,332
- NAB Loan (6275)	13,216	8,226
- NAB Loan (8258)	<u>9,149</u>	<u>5,249</u>
	<u>1,618,892</u>	<u>680,158</u>

5. Profit for the Year

Profit before income tax expense from continuing operations includes the following specific expenses:

Charging as Expense

Finance Costs	1,618,892	680,158
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Notes to the Financial Statements
For the year ended 30 June 2023

	2023 \$	2022 \$
Movements in Provisions		
Depreciation		
- Leased Building	538,320	538,320
Amortisation of Non-Current Assets		
- capitalised leased assets	200,021	69,405
	<u>738,341</u>	<u>607,725</u>
Net Expenses Resulting from Movement in Provisions		
Remuneration of the Auditor:-		
- Audit & review of financial statements	21,240	21,000
	<u>21,240</u>	<u>21,000</u>
Crediting as Income:		
Interest from :		
- J E D Property Unit Trust	109,301	117,601
- NAB	12,347	93
Total Interest Revenue	<u>121,648</u>	<u>117,694</u>
 6. Cash and Cash Equivalents		
Cash on Hand	101	101
Cash at Bank (Narrogin)		
- NAB (77-645-1239)	-	138,881
- NAB (77-664-3783)	10,773	29,749
- NAB (76-427-6357)	6	1
Cash at Bank (Tin Can Bay)		
- NAB (29-811-1132)	455,119	-
- NAB (83-063-6462)	8,073	54,699
- NAB (76-500-6391)	1,305,678	59,023
Cash at Bank (Fremantle)		
- NAB (76-367-8530)	136,895	-
- NAB (76-396-5804)	106,061	50,617
- NAB (76-384-0307)	2	2
	<u>2,022,708</u>	<u>333,073</u>
 Reconciliation of Cash		
Cash and Cash Equivalents	2,022,708	333,073
Bank Overdrafts	(158,812)	(345,496)
	<u>1,863,896</u>	<u>(12,423)</u>

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	2023 \$	2022 \$
7. Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Loss after Income Tax	(1,515,448)	(814,887)
Adjustments for Non-Cash Components in Profit:		
Depreciation	664,057	906,391
Impairment	452,317	289,466
Changes in Assets and Liabilities		
Increase in Trade and Other Receivables	(228,790)	179,441
Increase in Trade and Other Payables	4,234,536	1,010,779
Increase in Provisions	67,239	126,700
Net Cash Increase in Cash Held	<u>3,673,911</u>	<u>1,697,890</u>
8. Trade and Other Receivables		
Current		
Trade Debtors	92,283	67,556
Loan - Jacqueline Elizabeth Banks Family Trust	2,029,893	1,729,161
Loan - J E D Property Unit Trust	244,232	244,232
Amounts Receivable	23,466	75,022
Provision for GST	95,976	69,608
	<u>2,485,850</u>	<u>2,185,579</u>
Non-Current		
Loans - RBD Mount Lawley	676,951	-
Loans - J E D Property Unit Trust	1,539,759	1,674,689
	<u>2,216,710</u>	<u>1,674,689</u>
Total Trade and Other Receivables	<u>4,702,560</u>	<u>3,860,268</u>
9. Right-of-Use Assets		
Leased Buildings	4,585,115	4,585,115
Accumulated Depreciation	(2,153,280)	(1,614,960)
	<u>2,431,835</u>	<u>2,970,155</u>
Movement in Carrying Amounts		
Opening Balance at 1st July	2,970,155	3,508,475
Additions		
Depreciation Expense	(538,320)	(538,320)
Carrying Amount at 30 June	<u>2,431,835</u>	<u>2,970,155</u>

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
Notes to the Financial Statements
For the year ended 30 June 2023

AASB 16 Related Amounts Recognised in the Income Statement	2023 \$	2022 \$
Depreciation charged related to Right-of-Use-Assets	538,320	538,320
Interest expense on lease liabilities	91,960	108,799

Impact for the period

In relation to leases under AASB 16 Leases, the trust has recognised depreciation and interest cost, totalling \$538,320 and \$91,960 respectively instead of \$628,500 of operating lease expense.

The trust had total cash outflow in relation to leases of \$628,500 in 2023 (2022: \$628,500).

10. Property, Plant and Equipment

Land and Buildings

Property Improvements	3,899,882	3,598,578
Property Improvements	<u>604,958</u>	<u>353,853</u>
Less Accumulated Depreciation & Impairment	3,294,924	3,244,725
 Buildings		
Buildings	8,006,265	8,006,265
Less Accumulated Depreciation & Impairment	<u>269,426</u>	<u>69,405</u>
	7,736,839	7,936,860
 Total Land and Buildings	<u><u>11,031,763</u></u>	<u><u>11,181,585</u></u>

Movements in Carrying Amounts

Net Opening Balance	11,181,585	6,083,013
Additions	427,041	5,756,108
Depreciation	<u>(576,862)</u>	<u>(657,537)</u>
Net Closing Balance	<u><u>11,031,763</u></u>	<u><u>11,181,585</u></u>

11. Intangible Assets

Non-Current

Formation Expenses	13,256	-
 Goodwill - Residency By Dillons Narrogin	297,176	297,176
Goodwill - Residency By Dillons Tin Can Bay	2,615,271	2,615,271
Goodwill - Residency by Dillons Fremantle	<u>240,227</u>	<u>240,227</u>
Total Intangible Assets	<u><u>3,165,930</u></u>	<u><u>3,152,674</u></u>

12. Trade and Other Payables

Current

Sundry Creditors	366,649	287,957
Trade Creditors	545,331	205,695
Ingoing Contributions		
- Narrogin	1,547,564	1,700,000
- Tin Can Bay	6,726,548	3,283,017
- Fremantle	3,065,000	2,575,000

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
Notes to the Financial Statements
For the year ended 30 June 2023

	2023	2022
	\$	\$
Insurance Funding	204,547	186,816
Total Trade and Other Payables	<u>12,455,639</u>	<u>8,238,485</u>
13. Financial Liabilities		
Current		
Cash at Bank (Narrogin)		
Bank Overdraft	158,812	-
Cash at Bank (Tin Can Bay)		
Bank Overdraft	-	118,516
Bank Overdraft	-	106,838
Cash at Bank (Fremantle)		
Bank Overdraft	-	120,142
Hire Purchase		
Hire Purchase Liability	602	8,950
Less Unexpired Charges	<u>4</u>	<u>193</u>
	598	8,757
Accrued Wages	209,139	135,517
Bank Loans		
- NAB (72-748-6275)	22,140	22,140
- NAB (24-969-2911)	66,672	66,672
- NAB (25-059-6804)	33,336	33,336
- NAB (72-809-8258)	10,008	-
NAB Credit Card	26,962	24,672
Loans - RBD Mt Lawley	<u>18,600</u>	<u>18,600</u>
	<u>546,267</u>	<u>655,190</u>
Non-Current		
Hire Purchase		
Hire Purchase Liability	-	602
Less Unexpired Charges	<u>-</u>	<u>4</u>
	-	598
Bank Loans		
- NAB (72-748-6275)	177,020	199,160
- NAB (72-809-8258)	131,652	150,000
- NAB (25-116-4552)	8,503,370	7,990,571
- NAB (24-969-2911)	688,864	755,536
- NAB (25-059-6804)	347,210	380,546

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
Notes to the Financial Statements
For the year ended 30 June 2023

	2023	2022
NAB Bond Liquidity Line	\$	\$
- RBD Narrogin (22-911-4532)	797,615	824,940
- RBD Tin Can Bay (25-013-5880)	-	701,433
- RBD Fremantle (25-106-2791)	784,377	632,235
Loans - RBD Mt Lawley	87,932	96,945
	<u>11,518,040</u>	<u>11,731,964</u>
Total Financial Liabilities	<u><u>12,064,307</u></u>	<u><u>12,387,154</u></u>
14. Provisions		
Current		
Provision for Annual Leave		
- Narrogin	304,762	319,021
- Tin Can Bay	160,468	125,532
- Fremantle	80,372	74,779
Provision for Long Service Leave		
- Narrogin	14,622	11,586
- Tin Can Bay	13,817	15,359
	<u>574,041</u>	<u>546,278</u>
Non-Current		
Provision for Long Service Leave		
- Narrogin	99,923	80,927
- Tin Can Bay	36,421	28,428
- Fremantle	21,687	9,201
	<u>158,031</u>	<u>118,556</u>
Total Provisions	<u><u>732,072</u></u>	<u><u>664,834</u></u>
15. Lease Liabilities		
Current		
Lease Liabilities	553,923	536,540
Non-Current		
Lease Liabilities	<u>2,376,326</u>	<u>2,930,249</u>
Total Lease Liabilities	<u><u>2,930,249</u></u>	<u><u>3,466,789</u></u>
As at 1 July	3,466,789	3,986,490
Additions		
Payments	(628,500)	(628,500)
Accretion of Interest as at 30 June	<u>91,960</u>	<u>108,799</u>
	<u><u>2,930,249</u></u>	<u><u>3,466,789</u></u>

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
Notes to the Financial Statements
For the year ended 30 June 2023

	2023 \$	2022 \$
16. Trust Funds		
Ordinary Units of \$1	100	100
Special Units of \$1	1	1
Accumulated Profits (Losses) Brought Forward	(2,824,981)	(2,010,094)
Loss This Year	(1,515,448)	(814,887)
Reserves	<u>(32,378)</u>	<u>(32,378)</u>
Total Trust Funds	<u>(4,372,706)</u>	<u>(2,857,258)</u>

17. Reserves

Capital Loss Reserve	<u>(32,378)</u>	<u>(32,378)</u>
	<u>(32,378)</u>	<u>(32,378)</u>

18. Related Party Transactions

The unit trust entered into a loan agreement on the 31st May 2016 to borrow an amount from Second Avenue Nursing Home (RACS ID 7812) & Second Avenue Hostel (RACS ID 7217) to assist in the purchase of the aged care facility business known as Residency By Dillons Narrogin. The loan agreement has a term of 15 years.

	\$
Kamina Investments Pty Ltd & Atlanta Investments Pty Ltd	106,532

The unit trust entered into a loan agreement on the 30th June 2017 to lend an amount to Jacqueline Elizabeth Dillon Property Pty Ltd to assist in the purchase of the aged care facility (Land Component) known as Residency By Dillons Tin Can Bay. The loan agreement has a term of 15 years.

	\$
Jacqueline Elizabeth Dillon Property Pty Ltd	265,635

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

The unit trust entered into a loan agreement on the 31st October 2019 to lend an amount to Jacqueline Elizabeth Dillon Property Pty Ltd to assist in the purchase of the aged care facility (Land Component) known as Residency By Dillons Fremantle. The loan agreement has a term of 15 years.

	\$
Jacqueline Elizabeth Dillon Property Pty Ltd	582,284

The initial loan amount under the loan agreement entered into during the financial year was \$699,650.

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

The unit trust entered into a loan agreement on the 6th May 2020 to lend an amount to Jacqueline Elizabeth Dillon Property Pty Ltd to assist in the purchase of the aged care facility (Land Component) known as Residency By Dillons Fremantle. The loan agreement has a term of 15 years.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
Notes to the Financial Statements
For the year ended 30 June 2023

	2023 \$	2022 \$
Jacqueline Elizabeth Dillon Property Pty Ltd		\$ 936,070

The initial loan amount under the loan agreement entered into during the financial year was \$1,100,000.

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

The unit trust entered into a loan agreement on the 30th June 2023 to lend an amount to Second Avenue Nursing Home (RACS ID 7812) to assist with the repayment of Resident Accommodation Deposits. This loan agreement has a term of 5 years.

Kamina Investments Pty Ltd & Atlanta Investments Pty Ltd	\$ 676,951
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Transactions between related parties are on normal commercial terms and under conditions no more favourable than those available to other persons unless otherwise stated.

19. Auditors Remuneration

Shreeve & Carslake Chartered Accountants were the auditors of Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

- Audit & review of financial statements	<u>21,240</u>	<u>21,000</u>
	<u>21,240</u>	<u>21,000</u>

20. Statutory Information

The principal place of business is:

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
52 Williams Street, Narrogin, WA, 26 Coral Trout Drive, Tin Can Bay, QLD & 162 Holland Street, Fremantle, WA, 6160

As at the 30 June 2023, the company had 126 employees.

The principal activities of the business include:
Residential Aged Care Services

21. Residential Aged Care Operations

Type A - The approved provider delivers only residential aged care services and this GPFR therefore relates only to such operations.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)

Fixed Asset and Depreciation Schedule

For the year ended 30 June 2023

Asset	Private Use	Cost Price	Cost Limit	Opening W.D.V 01/07/2022	Additions Disposals	Gain/Loss on Disposal	Capital Gains	----- Depreciation ----- Rate	\$	Accum Deprec 30/06/2023	Closing W.D.V 30/06/2023
<u>Property Improvements</u>											
Phase 1 (DAM26) - Extension consult		19,890		15,909				15Yr	SL	1,326	14,583
Phase 2 (DAM26)		132,996		114,519				15Yr	SL	8,862	105,657
Ensuites Refurbishment (Solutions Three)		345,753		295,258				15Yr	SL	23,038	272,220
Laundry & Ensuite Renovations (Consult Phase)		74,708		64,752				15Yr	SL	4,978	59,774
Renovations (30.09.2020)		463,934		409,816				15Yr	SL	30,912	378,904
Renovations (31.12.2020)		767,623		690,972				15Yr	SL	51,147	639,825
Renovations (31.03.2021)		527,427		483,433				15Yr	SL	35,137	448,296
Renovations (30.06.2021)		5,540		5,168				15Yr	SL	370	4,798
Flooring		69,454		62,239				15Yr	SL	4,628	57,611
Phase 3 (DAM26)		202,629		177,882				15Yr	SL	13,502	164,380
Phase 4 (DAM26)		214,658		190,832				15Yr	SL	14,303	176,529
Phase 5 (DAM26)		69,984		63,390				15Yr	SL	4,664	58,726
Phase 6 (DAM26) - 5 of 12 (completed 22/02/2022)		80,535		78,638				15Yr	SL	5,366	73,272
Ensuites Refurbishment (Solutions Three)		35,587		31,168				15Yr	SL	2,372	28,796
Plumbing (MRP Hydraulic)		29,000		25,500				15Yr	SL	1,933	23,567
Building & Construction Levy (DAM26)		49,178		43,611				15Yr	SL	3,277	40,334
Electrical (Energex)		7,144		6,338				15Yr	SL	477	5,861
Renovations (06.09.2021) - Progress Claim 10		41,320		39,072				15Yr	SL	2,753	36,319
Phase 6 (DAM26) - 12 of 12 (completed 22/02/2022)		111,142		108,525				15Yr	SL	7,405	101,120
DAM26 - Formiga1		9,440		9,098				15Yr	SL	629	8,469
DAM26 - Fire & Emergency Services		2,577		2,536				15Yr	SL	172	2,364
Ocular EV Charging Point Unit & Cable		1,150		1,137				15Yr	SL	77	1,060
Window Treatments		100,399		97,833				15Yr	SL	6,689	91,144
Infrastructure Charge		236,509		227,098				15Yr	SL	15,756	211,342
Skylights						6,400		15Yr	SL	186	6,214
Builders Renovation Cleaning						14,100		15Yr	SL	407	13,693
Phase 1 (DAM26)						5,250		15Yr	SL	145	5,105
Window Treatments (balance)						11,954		15Yr	SL	134	11,820
Architecture & Interior - Drawings & Yield Review						17,290		15Yr	SL	515	16,775

These notes should be read in conjunction with the attached Compilation Report.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809) Fixed Asset and Depreciation Schedule For the year ended 30 June 2023

Asset	Private Use	Cost Price	Cost Limit	Opening W.D.V 01/07/2022	Additions Disposals	Gain/Loss on Disposal	Capital Gains	---- Depreciation Rate ---- \$	Accum Deprec 30/06/2023	Closing W.D.V 30/06/2023
Renovations (28.10.2022) - Final Payment					27,273			15Yr SL 1,225	1,225	26,048
Window Treatments (Furniture Options)					18,135			15Yr SL 447	447	17,688
Phone Ports					4,409			15Yr SL 235	235	4,174
Plastering Work (East & West Wings)					28,732			15Yr SL 813	813	27,919
Electrical Work					33,512			15Yr SL 1,676	1,676	31,836
Flooring					53,391			15Yr SL 2,417	2,417	50,974
Painting (East & West Wings)					57,655			15Yr SL 2,221	2,221	55,434
Building & Construction (Solutions Three)					14,014			15Yr SL 463	463	13,551
Concrete Path					9,190			15Yr SL 448	448	8,742
Sub-total		3,598,577		3,244,724	301,305			251,105	604,958	3,294,924
Buildings										
Progress Claims 1-13 (Integral Construction)		7,977,912		7,908,562				40Yr SL 199,312	268,662	7,709,250
Progress Claim 14 (Integral Construction)		28,353		28,298				40Yr SL 709	764	27,589
Sub-total		8,006,265		7,936,860				200,021	269,426	7,736,839
Low Value Pool								0.0% WO	226,850	0
Sub-total		226,850							226,850	0
General Pool										
Indoor Furniture					35,772			Write-Off 35,772	35,772	0
Outdoor Furniture					20,380			Write-Off 20,380	20,380	0
Medical Bedroom Furniture					13,827			Write-Off 13,827	13,827	0
TCL Android TVs					7,336			Write-Off 7,336	7,336	0
Indoor Furniture					28,621			Write-Off 28,621	28,621	0
Macerator					9,900			Write-Off 9,900	9,900	0
Compact Plus Macerator					9,900			Write-Off 9,900	9,900	0
Sub-total					125,736			125,736	125,736	0
Total		11,831,692		11,181,584	427,041			576,862	1,226,970	11,031,763

These notes should be read in conjunction with the attached Compilation Report.

Residency by Dillons Narrogin, Tin Can Bay & Fremantle (NAPS ID 6809)
Directors' Declaration of the Trustee Company
for the year ended 30 June 2023

The director of the trustee company declares that:

1. The financial statements and notes, as set out in the financial statements, present fairly the trust's financial position as at 30 June 2023 and its performance for the year ended on that date in accordance with Australian Accounting Standards; and
2. In the director's opinion, there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the director of the trustee company.



Jacqueline Elizabeth Dillon
Director

Dated this 8th day of October 2023

SHREEVE & CARSLAKE

CHARTERED ACCOUNTANTS

24 Walters Drive, Herdsman Business Park 6017
PO Box 221, Mt. Hawthorn W.A. 6915
Telephone: (08) 9244 2900 Fax: (08) 9446 2164
E-mail: admin@scpl.com.au



**JACQUELINE ELIZABETH DILLON BUSINESS PTY LTD AS THE TRUSTEE FOR JACQUELINE ELIZABETH
DILLON BUSINESS UNIT TRUST TRADING AS RESIDENCY BY DILLONS NARROGIN, RESIDENCY BY
DILLONS TIN CAN BAY AND RESIDENCY BY DILLONS FREMANTLE (NAPS ID 6809)
ABN 20 907 629 410**

INDEPENDENT AUDIT REPORT

To the Unitholders of:

**Jacqueline Elizabeth Dillon Business Pty Ltd ATF Jacqueline Elizabeth Dillon Business Unit Trust
Trading as Residency By Dillons Narrogin, Residency By Dillons Tin Can Bay and Residency By
Dillons Fremantle (NAPS ID 6809)**

Opinion

We have audited the financial report of Jacqueline Elizabeth Dillon Business Pty Ltd ATF Jacqueline Elizabeth Dillon Business Unit Trust trading as Residency By Dillons Narrogin, Residency By Dillons Tin Can Bay and Residency By Dillons Fremantle (NAPS ID 6809) (the entity), which comprises the balance sheet as at 30 June 2023, the income statement, statement of changes in equity, statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the trustee's declaration.

In our opinion, the accompanying financial report of the entity has been prepared in accordance with the trust deed, 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. complies with Australian Accounting Standards – Simplified Disclosure Standards.

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 and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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.

Information Other than the Financial Report and Auditor's Report Thereon

Management and the trustee are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

Responsibility of Management and the trustee for the Financial Report

Management and the trustee are responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the entity's trust deed, and Australian Accounting Standards – Simplified Disclosure Standards, and for such internal control as management and the trustee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management and the trustee are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management and the trustee either intend to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Management and the trustee are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with 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 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 omission, 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonable of accounting estimates and related disclosures made by the trustee.

- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association'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 association 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 trustee 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.

Shreeve & Carslake

Shreeve & Carslake
Chartered Accountants

Phillip Shreeve

Phillip Shreeve
Partner

Dated this *11* day of *October* 2023

24 Walters Drive, Osborne Park, WA