



**ADVANTAGED CARE**  
ENJOY THE EXCELLENCE

**ADVANTAGED CARE PTY LIMITED AS  
TRUSTEE FOR THE BONDI WATERS  
TRUST**

**ABN: 58 303 807 719**

**NAPS ID: 2624**



**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

**ABN: 58 303 807 719**

**NAPS ID: 2624**

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**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Total revenue	2	<u>7,172,152</u>	<u>6,590,943</u>
<b>Expenses</b>			
Employee benefits expenses		4,563,771	4,324,927
Depreciation expenses		592,559	600,890
Finance costs		168,167	87,367
Rent		367,811	367,811
Other expenses		<u>1,116,616</u>	<u>961,121</u>
<b>Total expenses</b>		<u>6,808,924</u>	<u>6,342,116</u>
<b>Profit before income tax expense</b>		363,228	248,827
Income tax expense		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<u><u>363,228</u></u>	<u><u>248,827</u></u>

*The accompanying notes form part of these financial statements*

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	570,338	405,335
Trade and other receivables	4	19,242,863	20,949,226
Prepayments		107,932	99,825
<b>TOTAL CURRENT ASSETS</b>		<b>19,921,133</b>	<b>21,454,386</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	5,131,066	5,661,284
Intangible assets	6	-	-
Right to use asset	11	476,794	818,095
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,607,860</b>	<b>6,479,379</b>
<b>TOTAL ASSETS</b>		<b>25,528,993</b>	<b>27,933,765</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	1,563,933	1,548,535
Bonds and deposits	10	19,112,257	20,903,490
Borrowings	8	3,824,255	4,278,543
Employee entitlements	9	378,921	270,305
Lease liability	11	355,205	341,301
<b>TOTAL CURRENT LIABILITIES</b>		<b>25,234,571</b>	<b>27,342,174</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee entitlements	9	172,823	114,787
Lease liability	11	121,589	476,794
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>294,412</b>	<b>591,581</b>
<b>TOTAL LIABILITIES</b>		<b>25,528,983</b>	<b>27,933,755</b>
<b>NET ASSETS</b>		<b>10</b>	<b>10</b>
<b>EQUITY</b>			
Settlement capital		10	10
<b>TOTAL EQUITY</b>		<b>10</b>	<b>10</b>

*The accompanying notes form part of these financial statements*

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2022**

	Settlement Capital \$	Distributable Surplus \$	Total \$
Balance at 1 July 2020	10	-	10
Profit for the year	-	248,827	248,827
Trust distribution	-	(248,827)	(248,827)
<b>Balance at 30 June 2021</b>	<b>10</b>	<b>-</b>	<b>10</b>
Balance at 1 July 2021	10	-	10
Profit for the year	-	363,228	363,228
Trust distribution	-	(363,228)	(363,228)
<b>Balance at 30 June 2022</b>	<b>10</b>	<b>-</b>	<b>10</b>

*The accompanying notes form part of these financial statements*

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		5,755,795	5,497,467
Payments to suppliers & employees		(5,874,255)	(5,494,400)
Interest received		994,359	936,949
Finance costs		(168,167)	(87,367)
COVID-19 income		134,648	50,000
<b>Net Cash provided by Operating Activities</b>	14	<u>842,380</u>	<u>902,649</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(62,341)	(49,388)
Proceeds on sale of plant and equipment		-	2,685
<b>Net Cash used in Investing Activities</b>		<u>(62,341)</u>	<u>(46,703)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Loans from/(to) related entities		1,176,197	(785,874)
(Payment) of accommodation bonds		(1,791,233)	(361,318)
<b>Net Cash used in Financing Activities</b>		<u>(615,036)</u>	<u>(1,147,192)</u>
Net increase/(decrease) in cash held		<u>165,003</u>	<u>(291,246)</u>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<u>405,335</u>	<u>696,581</u>
<b>Cash and cash equivalents at the end of the financial year</b>	3	<u><u>570,338</u></u>	<u><u>405,335</u></u>

*The accompanying notes form part of these financial statements*

# ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST

ABN: 58 303 807 719

NAPS ID: 2624

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The financial statements cover the economic entity of Advantaged Care Pty Limited as Trustee of the Bondi Waters Trust (NAPS ID 2624) as an individual entity. Advantaged Care Pty Limited as Trustee for the Bondi Waters Trust (NAPS ID 2624) is a discretionary trust, established and domiciled in Australia.

The financial statements and notes represent those of Advantaged Care Pty Ltd as trustee for the Bondi Waters Trust. Advantaged Care Pty Ltd as trustee for the Bondi Waters Trust is the approved provider which operates Advantaged Care at Bondi Waters (RACS 0929).

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. In the prior year the financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. The entity has adopted AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities on 1 July 2021 which resulted in a change in the level of disclosures. The change has no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the entity. The financial report is prepared solely to satisfy the requirements of the Accountability Principles 2014.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

#### (a) Property, Plant and Equipment

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

#### Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the directors of the trustee company to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal.

#### Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line or declining balance basis over the asset's useful life to the trust commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate	Basis
Buildings	5%	Prime cost
Plant and Equipment	20%- 40% per annum	Declining balance
Computer Equipment	40% per annum	Prime cost

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(b) Intangibles**

In response to the Royal Commission into Aged Care Quality and Safety's final report, the Australian Government announced in the 2021-22 Federal Budget that it would be investing \$17.7 billion into an aged care reform package. As part of this package, there will be no further Aged Care Approval Rounds (ACAR). From 1 July 2024, residential aged care places (operational places or bed licences) will be assigned directly to senior Australians, giving consumers more control to choose an approved provider that best suits their residential aged care needs. The Australian Government has announced its decision to discontinue operational places from 1 July 2024.

**Leases**

The trust adopted AASB 16 Leases (AASB 16) using the modified retrospective approach from 1 July 2020.

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. The trust will recognise assets and liabilities for its operating leases of its office premises,

*Right-of-Use Assets*

The trust recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the trust is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are tested for impairment.

*Lease Liabilities*

At the commencement date of the lease, the trust recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the trust uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Previously, the trust recognised an operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

**(c) Financial Instruments**

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognized when the trust becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the trust commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss.

**Classification and Subsequent Measurement**

Finance instruments are subsequently measured at either, fair value, amortized cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortized Cost* is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortization of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.



# ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST

ABN: 58 303 807 719

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (c) Financial instruments (continued)

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

##### (i) *Financial Assets at Fair Value Through Profit or Loss*

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss. The trust did not hold financial assets at fair value through profit or loss either in the current or comparative financial year.

##### (ii) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

##### (iii) *Held-To-Maturity Investments*

Held-To-Maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the trust's intention to hold these investments to maturity. They are subsequently measured at amortized cost.

Held-to-maturity investments are in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the trust sold or reclassified more than insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

The trust did not hold any held-to-maturity investments in the current or comparative financial year.

##### (iv) *Available-For-Sale Financial Assets*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any measurements other than impairment losses and foreign exchange gains and losses recognized in other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss pertaining to that asset previously recognized in other comprehensive income is reclassified into profit or loss.

##### (v) *Financial Liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortized cost.

#### **Fair Value**

Fair value is the amount at which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. Fair value is determined based on current bid price for all quoted investments. Valuation techniques are applied to determine the fair value of all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models unless the range of reasonable fair value estimates is significant and the probabilities of various estimates cannot be reasonably assessed, in which case such instruments are measured at cost.

# ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST

ABN: 58 303 807 719

NAPS ID: 2624

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (c) Financial instruments (continued)

##### Impairment

At the end of each reporting period, the trust assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged or significant decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognized in profit or loss. Also, any cumulative decline in fair value previously recognized in other comprehensive income is reclassified to profit or loss at this point.

##### Financial Guarantees

Where material, financial guarantees issued, that require 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 recognized as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortization in accordance with AASB 118: Revenue.

##### Derecognition

Financial assets are derecognized when the contractual right of receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognized when the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### (d) Impairment of Assets

At the end of each reporting period, the trust assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognized immediately in profit or loss unless the asset is carried at a revalued amount in accordance with another Standard (e.g. In accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that standard.

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

#### (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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

#### (f) Provisions

Provisions are recognized 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. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### (g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Trade Receivables**

With respect to resident fees, trade receivables are recognised when residents are billed for accommodation fees in advance. For all other sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less a provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

**(i) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognized and the amount ultimately received is interest revenue.

Interest revenue is recognized using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue recognition relating to the provision of services to residents including residents fees and government subsidies is determined with reference to services performed and where outcome of the contract can be estimated reliably. Where the outcome cannot be estimated reliably, revenue is recognized only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

Included in other income was COVID-19 outbreak Government grants of \$134,648 (30 June 2021: \$50,000) relating to the first half of the financial year. Further claims for COVID-19 outbreak Government grants have been submitted for the second half of the financial year ended 30 June 2022. The facility has been advised by the Department of Health and Aged Care (DHAC) that due to the significant impact of the COVID-19 Omicron variant, large volumes of COVID-19 outbreak grant reimbursements/agreements are being processed and this is causing significant delays in approving submitted claims. As a result, the facility expects to receive approval from the DHAC for claims submitted during the 30 June 2023 financial year. The claims that have yet to be approved have not been included in income in the 30 June 2022 year.

**(j) Trade and Other Payables**

Trade and other payables represent the liability outstanding at reporting date for goods and services received by the trust during the reporting period, which remain unpaid. The balance is recognized as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(k) Borrowing Costs**

Borrowings costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

# ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (l) Accommodation Bonds and Refundable Accommodation Deposits (RADs)

On admission to a residential aged care some residents pay an accommodation bond or RAD. The facility is entitled to retain part of the bond/RAD depending on how long the resident remains in the facility. The bond/RAD is payable when the resident leaves the facility. In accordance with accounting standards these liabilities are considered to be current as the entity does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. The obligation to settle could occur anytime. Based on prior experience the nursing home does not expect all bonds/RADs to be repaid in the next year. The financial report has been prepared on a going concern basis which assumes that the Trust will be able to meet its obligations as and when they fall due. The Trust's current liabilities exceed current assets by \$5,313,438 as at 30 June 2022 (2021: \$5,887,788) resulting in a net deficiency of current assets. This mainly arises because of the requirement to classify Refundable Accommodation Deposits ("RAD") as current liabilities. However, in practice, RADs that are repaid are generally replaced by RADs from new incoming residents in a short time frame.

#### (m) Good and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flow arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in the receipts from customers or payments to suppliers.

#### (n) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### (o) Critical Accounting Estimates and Judgments

The trustees evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the trust.

#### Key Estimates

##### (i) Impairment

The trust assesses impairment at the end of the each reporting period by evaluation of conditions and events specific to the trust that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations, which incorporate various keys assumptions.

##### (ii) Useful lives of Assets

Estimates of the useful lives of assets have been based on historical experience as well as management's estimate of the assets' useful lives. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

#### (p) New Accounting Standards for Application in Future Periods

Certain Australian Accounting Standards and Australian Accounting Interpretations have been issued or amended which are applicable to the entity, but are not yet effective and have not been adopted by the entity. In the opinion of the trustees, these changes will have no material effect on the accounting policies applied by the entity, and thus no material impact is expected in the period of initial application of these new or amended Accounting Standards and Interpretations. During the current year the entity adopted all of the new and revised Australian Accounting Standards applicable to its operations which became mandatory.

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

<b>NOTE 2 REVENUE</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Interest income	994,359	936,949
Patient care revenue	6,043,145	5,603,994
COVID-19 income	134,648	50,000
	<u>7,172,152</u>	<u>6,590,943</u>
<b>NOTE 3 CASH AND CASH EQUIVALENTS</b>		
Cash on hand	2,060	2,060
Cash at bank	498,224	333,710
Term deposit	70,054	69,565
	<u>570,338</u>	<u>405,335</u>
<b>NOTE 4 TRADE AND OTHER RECEIVABLES</b>		
<b>CURRENT</b>		
Trade receivables	542,858	202,487
Other receivables	131,917	184,938
	<u>674,775</u>	<u>387,425</u>
<b>LOANS-UNSECURED</b>		
<b>Interest-free loans</b>		
- Bondi View Pty Ltd ATF Bondi View Trust	5,430,208	5,392,225
- Advantaged Care Pty Ltd ATF Georges Manor Trust	379,924	222,396
- LJMMMD Investments Pty Ltd	-	69,252
- Advantaged Care Pty Ltd ATF Prestons Lodge Trust	22,589	22,589
- Deedon Holdings Pty Ltd	3,550,000	2,420,000
- Sabata Developments Pty Ltd ATF Land Ventures Trust	1,175,156	1,175,156
- Melaleuca Ventures Pty Ltd ATF Melaleuca Trust	102,703	261,334
- Melaleuca Ventures Pty Ltd ATF Blacktown Lands Trust	51,143	44,426
<b>Interest-bearing loans</b>		
- Bondi View Pty Ltd ATF Bondi View Trust	480,991	3,891,360
- Melaleuca Ventures Pty Ltd ATF Blacktown Lands Trust	139,945	139,945
- Melaleuca Ventures Pty Ltd ATF Edensor Lands Trust	1,484,172	1,433,196
- Melaleuca Ventures Pty Ltd ATF Melaleuca Trust	2,819,397	2,558,062
<b>Trust Distribution Receivable</b>		
- Trust Distribution Advantaged Care Pty Ltd ATF Georges Manor Trust	2,931,860	2,931,860
	<u>19,242,863</u>	<u>20,949,226</u>

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 5 PROPERTY, PLANT AND EQUIPMENT	2022	2021
	\$	\$
<b>BUILDINGS</b>		
At cost	12,313,940	12,313,940
Less: accumulated depreciation	(7,391,075)	(6,852,561)
	<u>4,922,865</u>	<u>5,461,379</u>
<b>LEASEHOLD IMPROVEMENT</b>		
At cost	28,954	28,954
Less: accumulated depreciation	(11,547)	(7,913)
	<u>17,407</u>	<u>21,041</u>
<b>PLANT AND EQUIPMENT</b>		
At cost	396,654	376,886
Less: accumulated depreciation	(324,955)	(308,163)
	<u>71,699</u>	<u>68,723</u>
<b>COMPUTER EQUIPMENT</b>		
At cost	186,634	173,164
Less: accumulated depreciation	(167,681)	(156,929)
	<u>18,953</u>	<u>16,235</u>
<b>FURNITURE AND FITTINGS</b>		
At cost	303,274	289,921
Less: accumulated depreciation	(235,205)	(224,586)
	<u>68,069</u>	<u>65,335</u>
<b>LOW VALUE POOL</b>		
At cost	618,838	603,088
Less: accumulated depreciation	(586,765)	(574,517)
	<u>32,073</u>	<u>28,571</u>
<b>Total Property, Plant and Equipment</b>	<u><u>5,131,066</u></u>	<u><u>5,661,284</u></u>

**Movements in Carrying Amounts**

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

	Building	Leasehold	Plant and	Computer	Furniture and	Low Value	Total
	\$	Improvement	Equipment	Equipment	Fittings	Pool	\$
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	5,461,379	21,041	68,723	16,235	65,335	28,571	5,661,284
Additions	-	-	19,768	13,470	13,353	15,750	62,341
Depreciation expense	(538,514)	(3,634)	(16,792)	(10,752)	(10,619)	(12,248)	(592,559)
Balance at 30 June 2022	<u>4,922,865</u>	<u>17,407</u>	<u>71,699</u>	<u>18,953</u>	<u>68,069</u>	<u>32,073</u>	<u>5,131,066</u>

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
<b>NOTE 6 INTANGIBLE ASSETS</b>		
Borrowing costs:		
At cost	129,917	129,917
Less: accumulated amortisation	<u>(129,917)</u>	<u>(129,917)</u>
	<u><u>-</u></u>	<u><u>-</u></u>
<b>NOTE 7 TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Sundry payables	89,244	76,183
Trade payables	1,315,199	1,328,942
Accrued expenses	<u>159,490</u>	<u>143,410</u>
	<u><u>1,563,933</u></u>	<u><u>1,548,535</u></u>
<b>NOTE 8 BORROWINGS</b>		
<b>Unsecured loans</b>		
-Advantaged Care Pty Ltd ATF Barden Lodge Trust	334,045	334,045
-Advantaged Care Pty Ltd ATF H.O. Trust	1,212,524	2,899,464
<b>Unpaid present entitlements</b>		
-UPE to LJMMMD Investments Pty Ltd	1,244,992	415,053
-UPE to Advantaged Care Pty Ltd ATF Prestons Lodge Trust	351,972	351,972
-UPE to Melaleuca Ventures Pty Ltd ATF Edensors Lands Trust	29,182	29,182
-UPE to Advantaged Care 2 Pty Ltd ATF Edensors Gardens Trust	248,827	248,827
-UPE to Bondi View Pty Ltd ATF Bondi View Trust	39,485	-
-UPE to Advantaged Care Pty Ltd ATF H.O. Trust	<u>363,228</u>	<u>-</u>
	<u><u>3,824,255</u></u>	<u><u>4,278,543</u></u>
<b>NOTE 9 EMPLOYEE ENTITLEMENTS</b>		
<b>Current</b>		
-Annual leave	324,346	248,834
-Long service leave	<u>54,575</u>	<u>21,471</u>
	378,921	270,305
<b>Non - current</b>		
-Long service leave	<u>172,823</u>	<u>114,787</u>
	<u><u>551,744</u></u>	<u><u>385,092</u></u>

A provision has been recognised for employee entitlements relating to annual leave and long service leave for employees. The measurement and recognition criteria for employee benefits have been discussed in Note 1.

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
<b>NOTE 10 BONDS AND DEPOSITS</b>		
Accommodation bonds and refundable accommodation deposits	<u>19,112,257</u>	<u>20,903,490</u>
	<u>19,112,257</u>	<u>20,903,490</u>
<b>NOTE 11 RIGHT TO USE ASSET AND INTEREST BEARING LIABILITIES</b>		
<b>Non-current</b>		
Right to use asset	<u>476,794</u>	<u>818,095</u>
<b>Current</b>		
- Lease liabilities	<u>355,205</u>	<u>341,301</u>
<b>Non-current</b>		
- Lease liabilities	<u>121,589</u>	<u>476,794</u>

The building lease is for the aged care facility, has 2 years remaining and has a 5 year option extension at the discretion of the trust.

**NOTE 12 SEGMENT INFORMATION**

The approved provider delivers only residential aged care services and this general purpose financial statement therefore relate only to such operations.

**NOTE 13 CONTINGENT LIABILITIES**

Estimates of the potential financial effect of contingent liabilities that may become payable:

**Loan Facility Securities**

Bondi View Pty Ltd ACN 135 716 031 in its own capacity and as trustee for Bondi View Trust has provided a Fixed and Floating Charge over all its assets and uncalled capital to Westpac Bank for Advantaged Care Pty Limited as Trustee of the Bondi Waters Trust (NAPS ID 2624)'s obligations under its bank loan facility. At the reporting date Advantaged Care Pty Limited as Trustee of the Bondi Waters Trust (NAPS ID 2624) is in a sound financial position and is not likely to default on the facility.

Advantaged Care Pty Limited ACN 079 024 472 in its own capacity and as trustee for Bondi View Trust has provided a guarantee to Westpac Bank for Bondi Waters Trust's obligations under its bank loan facility limited to the realization of the Guarantor's interest in the Residential Aged Care Facility located at 47-51 O'Brien Street, Bondi NSW 2026. This is supported by a Fixed Charge by Advantaged Care Pty Limited ACN 079 024 472 in its capacity as trustee for Bondi Waters Trust over its present and future interest in the Bondi Waters Aged Care Facility. At the reporting date Bondi Waters Trust is in a sound financial position and is not likely to default on the facility.



**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

<b>NOTE 14 CASH FLOW INFORMATION</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Reconciliation of cash flows from operations with operating profit		
Profit after income tax	363,228	248,827
Non-cash flows in profit		
Depreciation	592,559	600,890
<i>Changes in assets and liabilities</i>		
Increase in trade and other receivables	(287,350)	(254,204)
Increase in payables	15,398	260,303
Increase in employee entitlements	166,652	83,289
Increase in prepayments	(8,107)	(36,456)
<b>Net cash provided by operating activities</b>	<b>842,380</b>	<b>902,649</b>

**NOTE 15 EVENTS AFTER THE REPORTING PERIOD**

A major issue facing aged care providers is that the spread of the COVID-19 Omicron variant has placed additional strain on a workforce that had already been experiencing significant pressure. The ongoing presence of the COVID-19 virus has led to additional staffing disruption and financial pressures. The facility has in place in-house specialist infection control expertise, robust operational controls and detailed business continuity plans. The facility continues to review the progress of the COVID-19 pandemic and take necessary steps to protect the health, well-being and safety of residents, clients and employees.

The facility anticipates ongoing additional COVID-19 costs associated with staff expenses and infection prevention and control including the use of personal protective equipment (PPE) and rapid antigen test kits. Depending on the on-going spread of the virus, it also has the potential to continue to significantly disrupt the financial position of the facility including a decline in occupancy levels and significantly increased costs to continue to protect residents, clients and staff. The facility continues to work closely with health and regulatory authorities.

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

NAPS ID: 2624

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022****NOTE 16 RELATED PARTY TRANSACTIONS****Transactions with Related Parties**

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

	2022	2021
	\$	\$
Transactions with related parties:		
(a) Rent to Bondi View Pty Ltd ATF Bondi View Trust for the financial year in respect of the property at 47-51 O'Brien Street Bondi NSW 2026 in which the Trust operates the Bondi Waters residential aged care facility	367,811	367,811
(b) Management fees to Advantaged Care Pty Ltd ATF H.O. Trust	498,000	504,000
(c) Interest income on loans to Bondi View Pty Ltd ATF Bondi View Trust	180,708	180,708
(d) Interest income on loans to Melaleuca Ventures Pty Ltd ATF Blacktown Lands Trust	6,716	7,217
(e) Interest income on loans to Melaleuca Ventures Pty Ltd ATF Edensor Lands Trust	50,974	56,103
(f) Interest income on loans to Melaleuca Ventures Pty Ltd ATF Melaleuca Trust	102,704	110,366
(g) Interest paid to LJMMMD Pty Ltd	75,034	62,641
(h) Unsecured interest-free loans receivable from related entities:		
- Advantaged Care Pty Ltd ATF Georges Manor Trust	379,924	222,396
-LJMMD Investments Pty Ltd	-	69,252
-Advantaged Care Pty Ltd ATF Prestons Lodge Trust	22,589	22,589
-Deedon Holdings Pty Ltd	3,550,000	2,420,000
-Sabata Developments Pty Ltd ATF Land Ventures Trust	1,175,156	1,175,156
- Melaleuca Ventures Pty Ltd ATF Melaleuca Trust	102,703	261,334
- Melaleuca Ventures Pty Ltd ATF Blacktown Lands Trust	51,143	44,426
- Bondi View Pty Ltd ATF Bondi View Trust	5,430,208	5,392,225
(i) Unsecured interest-bearing loans receivable from related entities:		
-Bondi View Pty Ltd ATF Bondi View Trust - permitted use	480,991	3,891,360
-Melaleuca Ventures Pty Ltd ATF Blacktown Lands Trust - permitted use	139,945	139,945
-Melaleuca Ventures Pty Ltd ATF Edensor Lands Trust - permitted use	1,484,172	1,433,197
-Melaleuca Ventures Pty Ltd ATF Melaleuca Trust - permitted use	2,819,397	2,558,062
(j) Trust Distribution Receivable		
- Trust Distribution Advantaged Care Pty Ltd ATF Georges Manor Trust	2,931,860	2,931,860
(k) Unsecured interest-free loans payable to related entities:		
-Advantaged Care Pty Ltd ATF H.O Trust	1,212,524	2,899,464
-Advantaged Care Pty Ltd ATF Barden Lodge Trust	334,045	334,045
(l) Unpaid present entitlements:		
-UPE to LJMMMD Investments Pty Ltd	1,244,992	415,053
-UPE to Advantaged Care Pty Ltd ATF Prestons Lodge Trust	351,973	351,972
-UPE to Melaleuca Ventures Pty Ltd ATF Edensor Lands Trust	29,182	29,182
-UPE to Advantaged Care 2 Pty Ltd ATF Edensor Gardens Trust	248,827	248,827
-UPE to Bondi View Pty Ltd ATF Bondi View Trust	39,485	-
-UPE to Advantaged Care Pty Ltd ATF H.O. Trust	363,228	-

# ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST

ABN: 58 303 807 719

NAPS ID: 2624

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 17 FINANCIAL RISK MANAGEMENT

The Trust's financial instruments consist mainly of accounts receivable and payable, resident bonds and bank borrowings and overdraft.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2022 \$	2021 \$
<b>Financial Assets</b>			
Cash and cash equivalents	3	570,338	405,335
Trade and other receivables	4	19,242,863	20,949,226
<b>Total Financial Assets</b>		<u>19,813,201</u>	<u>21,354,561</u>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost			
-Trade and other payables	7	1,563,933	1,548,545
-Borrowings	8	3,824,255	4,278,543
<b>Total Financial Liabilities</b>		<u>5,388,188</u>	<u>5,827,088</u>

### NOTE 18 TRUST DETAILS

The registered office of the trust is:

Advantaged Care Pty Limited  
As Trustee of the Bondi Waters Trust (RACS ID 0929)  
1/167 Edgecliff Road  
Woollahra NSW 2025.

The principal place of business of the trust is:

Advantaged Care Pty Limited  
As Trustee of the Bondi Waters Trust (RACS ID 0929)  
47-51 O'Brien Street  
Bondi NSW 2026.

**ADVANTAGED CARE PTY LTD AS TRUSTEE FOR THE BONDI WATERS TRUST**

ABN: 58 303 807 719

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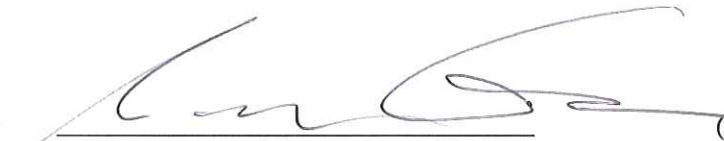
**DIRECTORS' DECLARATION**

The directors of the trustee company declare that:

1. The financial statements and notes are in accordance with the financial reporting requirements of the *Accountability Principles 2014* and
  - (a) comply with Australian Accounting Standards, including other authoritative pronouncements of the Australian Accounting Standards Board; and
  - (b) give a true and fair view of the financial position as at 30 June 2022 and of the performance of the trust for the year ended on that date.
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 Board of Directors of the trustee company.

Director



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Mr Laurence John Kresner

Dated this 31<sup>st</sup> day of October 2022

Director



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Mr Michael Kresner

Dated this 31<sup>st</sup> day of October 2022

## **INDEPENDENT AUDIT REPORT TO ADVANTAGED CARE PTY LIMITED AS TRUSTEE FOR BONDI WATERS TRUST**

### **Report on the Financial Report**

#### **Opinion**

We have audited the accompanying financial report of Advantaged Care Pty Limited as Trustee for the Bondi Waters Trust which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the director's declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects the financial position of Advantaged Care Pty Limited as Trustee for the Bondi Waters Trust as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

#### **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 Statement 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, and we have 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 audit opinion.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

**INDEPENDENT AUDIT REPORT TO  
ADVANTAGED CARE PTY LIMITED AS TRUSTEE FOR THE BONDI  
WATERS TRUST**

**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 Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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



**GOODWINCHIVAS & CO**  
CHARTERED ACCOUNTANTS

**INDEPENDENT AUDIT REPORT TO  
ADVANTAGED CARE PTY LIMITED AS TRUSTEE FOR THE BONDI  
WATERS TRUST**

*Goodwin Chivas & Co*

**Name of Firm:** Goodwin Chivas & Co  
Chartered Accountants

**Name of Partner:**

*Wayne Pobje*

Wayne Pobje (Registered Company Auditor 319517)

**Address:** Suite 401, 29-31 Solent Circuit, Norwest NSW 2153

**Dated this 31st day of October 2022**