

# **TBG Senior Living Services Pty Limited**

**ABN 63 074 316 797**

**Annual Report - 30 June 2024**

## **TBG Senior Living Services Pty Limited**

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**30 June 2024**

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### **General information**

The financial statements cover TBG Senior Living Services Pty Limited as an individual entity. The financial statements are presented in Australian currency.

TBG Senior Living Services Pty Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

25 Retford Road  
Bowral  
2576, NSW

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 October 2024. The directors have the power to amend and reissue the financial statements.

The Residential Aged Care Service (RACS) identification number is 2628.

## **TBG Senior Living Services Pty Limited**

### **Directors' report**

**30 June 2024**

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

#### **Directors**

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Matthew Blissett	Appointed 7 June 1996 - present
Kathryn Blissett	Appointed 7 June 1996 - present

The Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### **Company secretary**

The Company secretary at the end of the financial year was Kathryn Blissett. Kathryn Blissett has been the company secretary since 1996.

#### **Company particulars**

The Company is incorporated and domiciled in Australia and is a proprietary company limited by shares.

The address of registered office is:

25 Retford Road  
Bowral NSW 2576

#### **Review of operations**

The loss for the company after providing for income tax amounted to \$147,915 (30 June 2023: \$1,248,958).

No significant changes in the nature of the Company's activity occurred during the financial year.

#### **Principal activities**

The principal activity of TBG Senior Living Services Pty Limited during the financial year was the provision of residential aged care services.

No significant changes in the nature of the Company's activity occurred during the financial year.

#### **Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

#### **Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the company during the financial year.

#### **Matters subsequent to the end of the financial year**

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

#### **Likely developments and expected results of operations**

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

#### **Environmental regulation**

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

The Board believes that the company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the company.

#### **Indemnity and insurance of officers**

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the directors and officers of the company or any related entity against a liability incurred in their capacity as a director.

#### **Indemnity and insurance of auditor**

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

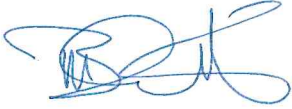
**TBG Senior Living Services Pty Limited**  
**Directors' report**  
**30 June 2024**

**Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

This report is made in accordance with a resolution of directors.

On behalf of the directors



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Mr Matthew Blissett  
Director

30<sup>th</sup> October 2024



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Mrs Kathryn Blissett  
Director

## Independent Auditor's Report to the Members of TBG Senior Living Services Pty Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of TBG Senior Living Services Pty Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Aged Care Act 1997, including:

- i) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards - Simplified Disclosures and Accountability Principles 2014.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which indicates that the Company incurred a loss of \$147,915 during the year ended 30 June 2024 and had net liabilities of \$14,836,584. As stated in Note 2, these events or conditions, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in TBG Senior Living Services Pty Limited's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

### **Directors' responsibility for the financial report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Aged Care Act 1997 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibility for the audit of the financial report**

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

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



### **Nexia Sydney Audit Pty Limited**



### **Lester Wills**

Director, Registration Number: 406308

Dated: 30 October 2024

Sydney

**TBG Senior Living Services Pty Limited**  
**Directors' declaration**  
**30 June 2024**

In the directors' opinion:

- the attached financial statements and notes comply with the Aged Care Act 1997, the Australian Accounting Standards - Simplified Disclosures, and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors



Mr Matthew Blissett  
Director

30<sup>th</sup> October 2024



Mrs Kathryn Blissett  
Director

**TBG Senior Living Services Pty Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2024**

	Note	2024 \$	2023 \$
<b>Revenue</b>			
Revenue and other income	5	20,252,583	16,309,203
Interest revenue	6	1,526,629	1,506,345
<b>Expenses</b>			
Employee benefits expense	7	(11,626,802)	(10,350,056)
Resident expenses		(898,156)	(768,795)
Facility maintenance and occupancy expenses		(728,658)	(770,371)
Depreciation and amortisation expense	7	(1,696,016)	(1,658,346)
Repairs and maintenance expenses		(319,085)	(308,141)
Finance costs	7	(6,096,582)	(4,320,083)
Other expenses		(561,828)	(888,714)
Total expenses		<u>(21,927,127)</u>	<u>(19,064,506)</u>
<b>Loss before income tax expense</b>		(147,915)	(1,248,958)
Income tax expense	8	-	-
<b>Loss after income tax expense for the year attributable to the owners of TBG Senior Living Services Pty Limited</b>		(147,915)	(1,248,958)
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the owners of TBG Senior Living Services Pty Limited</b>		<u>(147,915)</u>	<u>(1,248,958)</u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**TBG Senior Living Services Pty Limited**  
**Statement of financial position**  
**As at 30 June 2024**

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	2,284,109	70,812
Trade and other receivables	10	409,588	349,531
Other assets		5,975	5,000
Total current assets		<u>2,699,672</u>	<u>425,343</u>
<b>Non-current assets</b>			
Other financial assets	11	41,108,327	38,491,567
Property, plant and equipment	12	21,712,176	21,201,834
Right-of-use assets	13	9,705,259	11,091,725
Total non-current assets		<u>72,525,762</u>	<u>70,785,126</u>
<b>Total assets</b>		<u>75,225,434</u>	<u>71,210,469</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	14	4,372,809	3,189,212
Financial liabilities	15	15,663,534	15,721,355
Lease liabilities	16	1,258,627	1,128,407
Employee Benefits	17	911,015	823,888
Resident liabilities	18	44,054,067	40,095,274
Total current liabilities		<u>66,260,052</u>	<u>60,958,136</u>
<b>Non-current liabilities</b>			
Financial liabilities	15	12,751,299	12,698,065
Lease liabilities	16	10,867,064	12,125,690
Employee Benefits	17	183,603	117,247
Total non-current liabilities		<u>23,801,966</u>	<u>24,941,002</u>
<b>Total liabilities</b>		<u>90,062,018</u>	<u>85,899,138</u>
<b>Net liabilities</b>		<u>(14,836,584)</u>	<u>(14,688,669)</u>
<b>Equity</b>			
Issued capital	19	2	2
Retained earnings		<u>(14,836,586)</u>	<u>(14,688,671)</u>
<b>Total deficiency in equity</b>		<u>(14,836,584)</u>	<u>(14,688,669)</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**TBG Senior Living Services Pty Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2024**

	<b>Issued capital</b> \$	<b>Retained earnings</b> \$	<b>Total deficiency in equity</b> \$
Balance at 1 July 2022	2	(13,439,713)	(13,439,711)
Loss after income tax expense for the year	-	(1,248,958)	(1,248,958)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(1,248,958)	(1,248,958)
Balance at 30 June 2023	<u>2</u>	<u>(14,688,671)</u>	<u>(14,688,669)</u>

	<b>Issued capital</b> \$	<b>Retained earnings</b> \$	<b>Total deficiency in equity</b> \$
Balance at 1 July 2023	2	(14,688,671)	(14,688,669)
Loss after income tax expense for the year	-	(147,915)	(147,915)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(147,915)	(147,915)
Balance at 30 June 2024	<u>2</u>	<u>(14,836,586)</u>	<u>(14,836,584)</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**TBG Senior Living Services Pty Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2024**

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from residents and government subsidies		16,509,636	13,929,889
Payments to suppliers, employees and residents		<u>(12,915,585)</u>	<u>(12,975,431)</u>
Interest and other finance costs paid		<u>3,594,051</u>	<u>954,458</u>
		<u>(2,615,436)</u>	<u>(1,200,011)</u>
Net cash from/(used in) operating activities		<u>978,615</u>	<u>(245,553)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment for residential aged care		(733,472)	(396,696)
Proceeds from disposal of property, plant and equipment		<u>843,000</u>	<u>23,098</u>
Net cash from/(used in) investing activities		<u>109,528</u>	<u>(373,598)</u>
<b>Cash flows from financing activities</b>			
Net loans (made to)/received from related parties		(3,758,368)	10,159,378
Net (repayments)/proceeds from accommodation bonds line of credit		(5,089,979)	1,883,300
Accommodation bonds received		12,978,793	14,059,587
Accommodation bonds refunded		(9,020,000)	(17,987,997)
Net proceeds/(repayment) of borrowings		<u>6,014,708</u>	<u>(7,446,689)</u>
Net cash from financing activities		<u>1,125,154</u>	<u>667,579</u>
Net increase in cash and cash equivalents		2,213,297	48,428
Cash and cash equivalents at the beginning of the financial year		<u>70,812</u>	<u>22,384</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>2,284,109</u></u>	<u><u>70,812</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**TBG Senior Living Services Pty Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 1. Introduction**

The financial report covers TBG Senior Living Services Pty Limited as an individual entity. TBG Senior Living Services Pty Limited is a for profit Company limited by shares, incorporated and domiciled in Australia.

**Note 2. Material accounting policy information**

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

**Basis of preparation**

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Aged Care Act 1997, as appropriate for for-profit oriented entities.

**Comparative figures**

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

**Functional and presentation currency**

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

**Foreign currency translation**

The financial statements are presented in Australian dollars, which is TBG Senior Living Services Pty Limited's functional and presentation currency.

*Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

**Revenue and other income**

The company recognises revenue as follows:

*Revenue from contracts with customers*

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

**Note 2. Material accounting policy information (continued)**

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

*Government revenue*

The Federal Government assesses the Group's entitlement to revenue in accordance with the provisions of the Aged Care Act 1997. The subsidy received is based on the Australian National Aged Care Classification ("AN-ACC") funding model and recognised on an ongoing daily basis. The Federal Government also calculates certain accommodation supplements and other supplements on a per resident per day basis. The amount of Government revenue received is determined by Federal Government regulation rather than a contract with a customer. The funding is determined by a range of factors, including the resident's care needs; whether the home has been significantly refurbished; levels of supported resident ratios at the home; and the financial means of the resident.

*Basic daily fee*

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

*Other resident fees*

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

*Other income*

Other income is recognised when it is received or when the right to receive payment is established.

*Interest revenue*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

**Accommodation bonds**

Refundable Accommodation Deposits (RAD's) are non-interest bearing deposits made by aged care facility residents to the company upon their admission. The liability for accommodation bonds is carried at the amount that would be payable on exit of the resident. This is the amount received on entry of the resident less deductions for fees and retentions pursuant to the Aged Care Act 1997. Accommodation bonds are classified as current liabilities as the company does not have any unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The obligation to settle could occur at any time. These amounts have been included in trade payables.

Once a refunding event occurs the bond becomes interest bearing. The interest rate varies according to the agreement and is recognised on an accrual basis over the period it is earned.

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

**Note 2. Material accounting policy information (continued)**

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

**Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Investments and other financial assets**

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

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at amortised cost*

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest. Financial assets include loans to related party entities.

**Note 2. Material accounting policy information (continued)**

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Impairment of financial assets*

The company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

**Property, plant and equipment**

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

*Land*

Land is measured on the cost basis and are therefore carried at cost any accumulated impairment losses. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

*Plant and equipment*

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

In the event the carrying value of plant and equipment is greater than the estimated recoverable amount, the carrying value is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

*Depreciation*

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the company. Depreciation commences from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

**Note 2. Material accounting policy information (continued)**

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	10 - 50% diminishing value
Motor vehicles	25% diminishing value

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.

***Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in 'finance costs'.

**Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**Impairment of non-financial assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. Trade payables are obligations on the basis of normal credit terms.

**Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.



**Note 2. Material accounting policy information (continued)**

**Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Leases in which the entity is a lessor

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

For residential aged care accommodation arrangements where the resident has elected to pay a RAD or accommodation bond, TBG Senior Living Services receives a financing benefit, being non-cash consideration, in the 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 accommodation bonds) and, correspondingly, interest expense (to record the financial liability associated with RADs and accommodation bonds at fair value) with no net impact on profit or loss.

The application of AASB 16 for the year ended 30 June 2024 has been calculated based on:

- Monthly average RAD/accommodation bond balances; and
- Interest rate equal to the Maximum Permissible Interest Rate (MPIR), which is a Government set interest rate used to calculate the Daily Accommodation Payment (DAP) to applicable residents. The MPIR was 7.90% between July 2023 to September 2023; 8.15% between October 2023 to December 2023; 8.38% between January 2024 to March 2024; and 8.34% between April 2024 to June 2024 (prior year - 5.00% between July to September 2022; 6.31% between October to December 2022; 7.06% between January to March 2023; and 7.46% between April to June 2023).

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Provisions**

Provisions are recognised when the entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Note 2. Material accounting policy information (continued)**

**Working capital deficiency and going concern**

The statement of financial position shows a deficiency in working capital. The deficiency in working capital predominately relates to accommodation bonds which are repayable on demand and the classification of the loans. As required under the Aged Care Act 1997 the company operates under a bond liquidity management strategy. In accordance with this plan the company has sufficient liquidity to meet bond redemptions under normal operating conditions.

The company refinanced bank loan facilities in September 2022 through a related party entity, Lancade Holdings Pty Limited which has a total facility amount of \$24,510,000. This includes the refinancing of the previous facility held with NAB of \$11,575,000 and other trade payables of \$1,177,160. The facility expires in September 2025. The loan balance held between the company and Lancade Holdings Pty Limited as at year end is \$12,751,299.

On 29 November 2022, the company entered into a loan agreement with GP Mortgage Corporation with a loan facility of \$1,667,000 which originally expired on 29 November 2023, however during the year this is extended to 30 November 2025. The full facility is drawn down as at 30 June 2024.

An additional loan facility with Solido Capital Pty Ltd was entered into on 24 April 2023 which originally expired on 30 June 2024 which is now on rolling 12 month terms until 30 June 2025. The total facility limit is \$4,000,000 of which \$3,853,179 is drawn down as at 30 June 2024.

On 21 July 2023, the company entered into a loan facility with Austar Selective Mortgage Trust No.2 with a total facility limit of \$6,300,000 with an initial expiry date of 21 July 2024, however this was extended through to 21 July 2025, \$5,800,000 is drawn down as at 30 June 2024.

The company has a loan facility with GP Mortgage Corporation of \$2,700,000 which has a term of 1 year from the date of settlement. There is nothing currently drawn down on the facility.

The company has incurred a loss for the year of \$147,915 (2023: \$1,248,958) and net cash inflow from operating activities of \$978,615 (2023: net cash outflow of \$245,553). Overall, the company has net liabilities of \$14,836,584 (2023: \$14,688,669). During the year the total interest bearing borrowings has decreased from \$28,419,420 to \$28,414,833.

Notwithstanding this the accounts have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

In making this assessment the directors note the following:

- CBRE have completed an asset valuation of the Residential Aged Care Facility. The Going Concern Valuation is \$17,936,164.
- The company has a non-operational property. It is the intention to dispose of the property in FY25 to reduce debt;
- Included in net assets is \$17,879,738 loans and other payables to related entities controlled by the Directors. These loans will not be repaid until the company is in a position to do so;
- The Directors (or related entities) will provide further financial support for at least 12 months from the date of this report;
- The company has had approval to increase the RADs charged from October 2023. The cash flow forecasts assume that the additional incoming RADs will be sufficient to retire debt due;
- The company is seeking construction financing for the development of the Hornsby property;
- The company will refinance existing debt arrangements as they expire;
- The company will settle the PAYG withholding liability with the ATO in line with the agreed timeframe, there has been \$1m settled post year end.

In the event that the above is not achieved, the company may not be able to continue as a going concern and therefore may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

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

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

**Note 2. Material accounting policy information (continued)**

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**Note 3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

*Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

*Estimation of useful lives of assets*

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Impairment of property, plant and equipment*

The company assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Specifically, the Hornsby property held for development will only be recovered at the current carrying value if the development progresses. Management has prepared a feasibility assessment including forecasted occupancy, resident accommodation deposit to daily accommodation payment ratios and costs to complete the construction.

*Employee benefits provision*

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**TBG Senior Living Services Pty Limited**  
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**Note 4. Operating Segments**

*Identification of reportable operating segments*

A business segment is a distinguishable component of an entity that is engaged in providing services that are subject to risks and returns that are different to those of other operating business segments. All segment entities operating under Presbyterian Aged Care are not for profit and therefore AASB8: Operating Segments does not apply. The segment information below has been disclosed only to comply with the requirements of the Aged Care Act.

*Identification of reportable operating segments*

TBG Senior Living Services Pty Ltd's segment reporting is based on the type of care provided to residents and clients.

The **Residential Aged Care** operating segment comprises of the Nursing Home Care and provides assistance with daily activities including showering, personal care and dressing. Meals and laundry services are provided and staff are available 24 hours per day.

The **Retirement Villages** operating segment provides the services to the assisted living residents as well as the administration of the villages.

<b>2024</b>	Residential Aged Care	Retirement Villages	Total
<b>Revenue</b>			
Resident fees	4,402,429	190,744	4,593,173
Government subsidies	10,032,949	-	10,032,949
DAP fees	419,483	-	419,483
Other revenue and income	6,713,163	20,444	6,733,607
	<u>21,568,024</u>	<u>211,188</u>	<u>21,779,212</u>
Employee benefits expense	(11,506,978)	(119,824)	(11,626,802)
Facility maintenance and occupancy expenses	(639,029)	(89,629)	(728,658)
Depreciation and amortisation expense	(1,696,016)	-	(1,696,016)
Repairs and maintenance expenses	(306,377)	(12,708)	(319,085)
Resident expenses	(898,156)	-	(898,156)
Other expenses	(555,953)	(5,875)	(561,828)
Finance costs	(6,096,582)	-	(6,096,582)
	<u>(131,067)</u>	<u>(16,848)</u>	<u>(147,915)</u>
	Residential Aged Care	Retirement Villages	Total
<b>Assets</b>			
Segment assets	72,941,325	-	72,941,325
Cash and cash equivalents	2,284,109	-	2,284,109
<b>Total assets</b>	<u>75,225,434</u>	<u>-</u>	<u>75,225,434</u>
<b>Liabilities</b>			
Segment liabilities	(90,062,018)	-	(90,062,018)
<b>Total liabilities</b>	<u>(90,062,018)</u>	<u>-</u>	<u>(90,062,018)</u>
	<u>(14,836,584)</u>	<u>-</u>	<u>(14,836,584)</u>

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**Note 4. Operating Segments (continued)**

<b>2023</b>	Residential Aged Care	Retirement Villages	Total
<b>Revenue</b>			
Resident fees	3,835,984	188,363	4,024,347
Government subsidies	7,904,770	-	7,904,770
DAP fees	502,298	-	502,298
Other revenue and income	5,376,110	8,203	5,384,133
<b>Total revenue</b>	<u>17,619,162</u>	<u>196,566</u>	<u>17,815,548</u>
<b>Expenses</b>			
Employee benefits expense	(10,235,669)	(114,387)	(10,350,056)
Facility maintenance and occupancy expenses	(653,775)	(116,596)	(770,371)
Depreciation and amortisation expense	(1,658,346)	-	(1,658,346)
Repairs and maintenance expenses	(301,594)	(6,547)	(308,141)
Resident expenses	(768,795)	-	(768,795)
Other expenses	(884,076)	(4,638)	(888,714)
Finance costs	(4,320,033)	(50)	(4,320,083)
<b>Deficit</b>	<u>(1,203,126)</u>	<u>(45,652)</u>	<u>(1,248,958)</u>
<b>Assets</b>			
Segment assets	71,139,657	-	71,139,657
Cash and cash equivalents	70,812	-	70,812
<b>Total assets</b>	<u>71,210,469</u>	<u>-</u>	<u>71,210,469</u>
<b>Liabilities</b>			
Segment liabilities	(85,899,138)	-	(85,899,138)
<b>Total liabilities</b>	<u>(85,899,138)</u>	<u>-</u>	<u>(85,899,138)</u>
	<u>(14,688,669)</u>	<u>-</u>	<u>(14,688,669)</u>

**Note 5. Revenue and other income**

	<b>2024</b> \$	<b>2023</b> \$
Resident fees	4,593,173	4,024,347
Government subsidies	10,032,949	7,904,770
DAP fees	419,483	502,298
Government grant - business improvement funding	-	4,665
Other income including other COVID stimulus grants	1,341,104	1,269,416
Imputed income on RADS and Bonds (refer to Note 1)	3,511,599	2,603,707
Gain on sale of property, plant and equipment	354,275	-
	<u>20,252,583</u>	<u>16,309,203</u>

**Note 6. Interest revenue**

	<b>2024</b> \$	<b>2023</b> \$
Interest income - Anthem Trust (note 23)	<u>1,526,629</u>	<u>1,506,345</u>

**TBG Senior Living Services Pty Limited**  
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**Note 7. Expenses**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Loss before income tax includes the following specific expenses:		
<i>Employee benefits expense</i>		
Wages and salaries	8,999,581	7,887,867
Superannuation	898,734	730,175
Worker's compensation insurance	264,902	188,258
Annual/Long service leave	153,483	(7,970)
Other employee expenses	703,976	409,847
Agency staff	606,126	1,141,879
	<u>11,626,802</u>	<u>10,350,056</u>
<i>Depreciation and amortisation</i>		
Property under development (note 12)	-	2,789
Plant and equipment (note 12)	185,400	178,376
Furniture and fittings (note 12)	104,100	73,044
Motor vehicles (note 12)	2,787	1,727
Office furniture and equipment (note 12)	17,263	15,944
Land and buildings - right of use assets (note 13)	1,386,466	1,386,466
	<u>1,696,016</u>	<u>1,658,346</u>
<i>Finance costs</i>		
Interest on borrowings	2,651,818	1,572,646
Accommodation bond/RAD repayment interest	102,790	270,569
Other finance costs	282,585	70,325
Interest expense on lease liabilities	679,935	731,604
Imputed interest charge on RADs and bonds (refer to Note 1)	3,511,599	2,603,707
	<u>7,228,727</u>	<u>5,248,851</u>
Amount capitalised in property under development	<u>(1,132,145)</u>	<u>(928,768)</u>
Total finance costs	<u>6,096,582</u>	<u>4,320,083</u>

**Note 8. Income tax expense**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	<u>(147,915)</u>	<u>(1,248,958)</u>
Tax at the statutory tax rate of 25%	(36,979)	(312,240)
Current year tax losses not recognised	<u>36,979</u>	<u>312,240</u>
Income tax expense	<u>-</u>	<u>-</u>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	<u>7,731,414</u>	<u>7,583,499</u>
Potential tax benefit @ 25%	<u>1,932,854</u>	<u>1,895,875</u>

**TBG Senior Living Services Pty Limited**  
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**Note 8. Income tax expense (continued)**

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

**Note 9. Cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash on hand	1,075	155
Cash at bank	2,283,034	70,657
	<u>2,284,109</u>	<u>70,812</u>

**Note 10. Trade and other receivables**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Resident fees receivable	326,355	233,158
Government subsidies receivable	-	75,934
	<u>326,355</u>	<u>309,092</u>
Interest receivable	65,822	-
GST receivable	15,569	27,490
Other debtors	1,842	12,949
	<u>83,233</u>	<u>40,439</u>
	<u>409,588</u>	<u>349,531</u>

**Note 11. Other financial assets**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Related party receivables (note 23)	<u>41,108,327</u>	<u>38,491,567</u>

**TBG Senior Living Services Pty Limited**  
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**Note 12. Property, plant and equipment**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Property under development	20,719,048	20,031,851
Plant and equipment - at cost	2,521,156	2,432,310
Less: Accumulated depreciation	<u>(1,832,996)</u>	<u>(1,647,596)</u>
	688,160	784,714
Fixtures and fittings - at cost	1,388,820	1,350,847
Less: Accumulated depreciation	<u>(1,112,273)</u>	<u>(1,008,173)</u>
	276,547	342,674
Motor vehicles - at cost	31,418	31,418
Less: Accumulated depreciation	<u>(27,351)</u>	<u>(24,564)</u>
	4,067	6,854
Office furniture and equipment - at cost	248,094	242,217
Less: Accumulated depreciation	<u>(223,740)</u>	<u>(206,476)</u>
	24,354	35,741
	<u>21,712,176</u>	<u>21,201,834</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Property under development	Plant and equipment	Furniture and fittings	Motor vehicles	Office furniture and equipment	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	20,031,851	784,714	342,674	6,854	35,741	21,201,834
Additions	1,732,922	88,846	37,973	-	5,876	1,865,617
Disposals	(1,045,725)	-	-	-	-	(1,045,725)
Depreciation expense	-	(185,400)	(104,100)	(2,787)	(17,263)	(309,550)
Balance at 30 June 2024	<u>20,719,048</u>	<u>688,160</u>	<u>276,547</u>	<u>4,067</u>	<u>24,354</u>	<u>21,712,176</u>

Included in the carrying value of property under development are capitalised borrowing costs as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Interest on related party loan – Tickle Trust and Lancade Holdings	1,962,796	830,651
Interest paid on final settlement of proceeds	115,134	115,134
Bank fees and interest	<u>3,239,128</u>	<u>3,239,128</u>
	<u>5,317,058</u>	<u>4,184,913</u>

Included in the carrying value of property under development is land held for construction of a new residential aged care facility. The recoverable amount of the land is expected to be realised in future years upon completion of the construction and as at 30 June 2024 includes:



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**Note 12. Property, plant and equipment (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Initial purchase cost	11,485,000	11,485,000
Capitalised interest	5,317,058	4,184,913
Development and construction costs	2,710,588	2,107,983
	<u>19,512,646</u>	<u>17,777,896</u>

**Note 13. Right-of-use assets**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Land and buildings - right-of-use	16,637,589	16,637,589
Less: Accumulated depreciation	<u>(6,932,330)</u>	<u>(5,545,864)</u>
	<u>9,705,259</u>	<u>11,091,725</u>

Additions to the right-of-use assets during the year were \$nil.

The company leases land and buildings from a related party entity for its offices and residential aged care facilities under agreements through to June 2031. The lease increases at 4% per annum.

**Note 14. Trade and other payables**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current</i>		
Resident and trade payables	508,317	595,578
Accrued expenses - other	334,872	225,102
Accrued expenses - related parties (note 23)	1,705,215	1,705,215
Credit cards payable	-	13,490
PAYG withholding payable	1,711,625	649,827
Government subsidy payable	112,780	-
	<u>4,372,809</u>	<u>3,189,212</u>

**Note 15. Financial liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current</i>		
Accommodation bonds - line of credit	5,800,000	5,089,979
Interest-bearing borrowings with third parties	6,440,310	6,190,232
Interest-bearing borrowings with related parties (note 23)	<u>3,423,224</u>	<u>4,441,144</u>
	<u>15,663,534</u>	<u>15,721,355</u>
<i>Non-current</i>		
Interest-bearing borrowings with related parties (note 23)	<u>12,751,299</u>	<u>12,698,065</u>
	<u>28,414,833</u>	<u>28,419,420</u>

**TBG Senior Living Services Pty Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 15. Financial liabilities (continued)**

The bank loans were held to finance the development of property at Hornsby and Bowral, and to fund the refund of resident accommodation deposits during the year. The loans were secured over all the assets of the company and related party entities including the property used by the company for its operations.

On 9 September 2022, there was refinancing of the NAB bank loan facility through an agreement between Lancade Holdings Pty Limited (related party) and Judobank. The total facility limit held between Lancade Holdings Pty Limited and Judobank is \$24,510,000 and the facility expires in September 2025. The loan balance held between the company and Lancade Holdings Pty Limited as at year end is \$12,751,299.

On 29 November 2022, the company entered into a loan agreement with GP Mortgage Corporation with a loan facility of \$1,667,000 which originally expired on 29 November 2023, however during the year this is extended to 30 November 2025. The full facility is drawn down as at 30 June 2024.

An additional loan facility with Solido Capital Pty Ltd was entered into on 24 April 2023 which originally expired on 30 June 2024 which is now on rolling 12 month terms until 30 June 2025. The total facility limit is \$4,000,000 of which \$3,853,179 is drawn down as at 30 June 2024.

The accommodation bonds - line of credit facilities totalling \$8,500,000 was renegotiated during the prior year. On 29 June 2023, an existing facility of \$2,200,000 was renegotiated with the provider and the facility limit revised to \$2,700,000 with expiry date of 29 June 2024. On 21 July 2023, the company has refinanced \$6,000,000 of accommodation bonds - line of credit facility through a new provider, Austar Selective Mortgage Trust No.2, with a new facility of \$6,300,000 an initial expiry date of 21 July 2024, however this was extended through to 21 July 2025, \$5,800,000 is drawn down as at 30 June 2024.

Bank overdrafts are held to assist with working capital and are otherwise unrestricted. Overdraft accounts are secured over all the assets of the company and related party entities including the property used by the company for its operations.

A further loan facility of \$2,700,000 is available to the Company from GP Mortgage Corporation. This was undrawn as at 30 June 2024.

A loan with GP Mortgage Corporation is held to fund the acquisition of property on Rainbow Road in Mittagong. The loan is secured over the property at 7-9 Rainbow Road and the current facility expires on 31 May 2025.

**TBG Senior Living Services Pty Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 15. Financial liabilities (continued)**

*Financing arrangements - third parties*

Unrestricted access was available at the reporting date to the following lines of credit:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Total facilities		
NAB Accommodation bonds - line of credit	-	8,700,000
Business current account	50,000	50,000
GP Mortgage Corporation property loan	1,100,000	1,100,000
GP Mortgage Corporation loan	1,667,000	1,667,000
Solido loan	4,000,000	3,850,000
Austar Accommodation bonds - line of credit	6,300,000	-
GP Mortgage Corporation loan	2,700,000	2,700,000
	<u>15,817,000</u>	<u>18,067,000</u>
Used at the reporting date		
NAB Accommodation bonds - line of credit	-	5,089,979
Business current account	-	-
GP Mortgage Corporation property loan	1,100,000	1,100,000
GP Mortgage Corporation loan	1,667,000	1,667,000
Solido loan	3,853,179	3,638,471
Austar Accommodation bonds - line of credit	5,800,000	-
GP Mortgage Corporation loan	-	-
	<u>12,420,179</u>	<u>11,495,450</u>
Unused at the reporting date		
NAB Accommodation bonds - line of credit	-	3,610,021
Business current account	50,000	50,000
GP Mortgage Corporation property loan	-	-
GP Mortgage Corporation loan	-	-
Solido loan	146,821	211,529
Austar Accommodation bonds - line of credit	500,000	-
GP Mortgage Corporation loan	2,700,000	2,700,000
	<u>3,396,821</u>	<u>6,571,550</u>
Included in interest-bearing borrowings with third parties is transactions costs associated with establishing the facilities. The transaction costs are amortised over the life of the underlying facilities and are disclosed as a contra-debt balance.		
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Transaction costs</b>		
Opening balance	215,239	-
Additions during the year	193,687	233,158
Amortisation	(229,057)	(17,919)
	<u>179,869</u>	<u>215,239</u>
<b>Total facilities - gross repayable</b>		
Accommodation bonds - line of credit	(5,800,000)	(5,089,979)
Interest bearing borrowings with third parties	(6,620,179)	(6,405,471)
	<u>(12,420,179)</u>	<u>(11,495,450)</u>
	<u>(12,240,310)</u>	<u>(11,280,211)</u>

**TBG Senior Living Services Pty Limited**  
**Notes to the financial statements**  
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**Note 16. Lease liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Lease liability	<u>1,258,627</u>	<u>1,128,407</u>
<i>Non-current liabilities</i>		
Lease liability	<u>10,867,064</u>	<u>12,125,690</u>
	<u><u>12,125,691</u></u>	<u><u>13,254,097</u></u>
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	1,880,674	1,808,341
One to five years	8,305,665	7,986,217
More than five years	4,667,781	6,867,904
	<u><u>14,854,120</u></u>	<u><u>16,662,462</u></u>

Refer to note 13 for details of leases.

**Note 17. Employee Benefits**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Provision for annual leave	873,589	801,957
Provision for long service leave	<u>37,426</u>	<u>21,931</u>
	<u>911,015</u>	<u>823,888</u>
<i>Non-current liabilities</i>		
Long service leave	<u>183,603</u>	<u>117,247</u>
	<u><u>1,094,618</u></u>	<u><u>941,135</u></u>

**Note 18. Resident liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Residential accommodation deposits and bonds	<u>44,054,067</u>	<u>40,095,274</u>

All amounts due to be paid to residents during the year in respect to their accommodation bonds have been paid in full and within the time limits prescribed by the residents' agreements.

Accommodation bonds have been reported as current liabilities in accordance with AASB 101: Presentation of Financial Statements. However, the company expects that, based on historical trends, only a small proportion of accommodation bonds are likely to be repaid in the forthcoming year. In normal circumstances, there will be an incoming bond to replace any bond that is called up.

**TBG Senior Living Services Pty Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 19. Issued capital**

	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

*Ordinary shares*

The share capital of TBG Senior Living Services consists only of 2 fully paid ordinary shares. The shares do not have a par value and are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of TBG Senior Living Services.

**Note 20. Financial risk management**

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, other financial assets, accommodation bonds and other financial liabilities.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Cash at bank	2,284,109	70,812
Trade and other receivables	409,588	349,531
Related party receivables	<u>41,108,327</u>	<u>38,491,567</u>
	<u>43,802,024</u>	<u>38,911,910</u>
	<b>2024</b>	<b>2023</b>
<b>Financial liabilities</b>		
Trade and other payables	4,372,809	3,189,212
Other financial liabilities	28,414,833	28,419,420
Residential accommodation deposits and bonds	44,054,067	40,095,274
Lease liabilities	<u>12,125,691</u>	<u>13,254,097</u>
	<u>88,967,400</u>	<u>84,958,003</u>

**Note 21. Key management personnel**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Aggregate compensation	<u>-</u>	<u>-</u>

**Note 22. Contingent liabilities and capital commitments**

There were no contingent liabilities or capital commitments as at 30 June 2024.

**TBG Senior Living Services Pty Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 23. Related party transactions**

*Parent entity*

TBG Senior Living Services Pty Limited is the parent entity.

*Key management personnel*

Any person having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel. For details of disclosures relating to key management personnel, refer to note 21 'Key management personnel'

*Entities subject to significant influence by the Company*

No such entity had significant influence by the Company.

*Other related parties*

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

*Transactions with related parties*

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

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Receivables from related parties:</b>		
Anthem Trust (Interest bearing)	29,225,509	28,433,399
Anthem Trust (Non-interest bearing)	8,420,527	8,420,527
Anthem Investments No.2	1,162,195	895,695
Interest receivable from Anthem Trust	180,570	180,570
New Unit Trust	21,233	12,802
The Forge Unit Trust	4,033	51,329
Lancade Holdings	1,004,188	92,821
Karrot Intelligent Senior System Trust	297,563	257,090
TBG Construction Trust	89,005	58,001
Blissett Discretionary Trust	655,962	89,333
Kathryn Blissett	47,542	-
<b>Total</b>	<b>41,108,327</b>	<b>38,491,567</b>
<b>Payables to related parties:</b>		
M & K Blissett	75,049	71,900
Anthem Trust	2,266,088	2,852,737
Lancade Holdings Pty Limited	-	84,081
Tickle Trust	1,000,049	1,134,181
The Forge Unit Trust	1,309	8,974
TBG Construction Trust	24,221	30,153
Lancade Holdings Pty Limited	12,751,299	12,709,826
New Unit Trust	11,784	-
The Brewster Street Trust	42,524	247,357
TBG China Investments Pty Ltd	2,200	-
<b>Total</b>	<b>16,174,523</b>	<b>17,139,209</b>
<b>Accrued expenses:</b>		
Anthem Trust - rent payable	1,705,215	1,705,215

**TBG Senior Living Services Pty Limited**  
**Notes to the financial statements**  
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**Note 23. Related party transactions (continued)**

Other transactions:

Interest revenue - Anthem Trust	1,526,629	1,506,345
Rent paid/payable for the year - Anthem Trust	1,808,341	1,738,789
Other expenses - Anthem Trust	-	11,536
Capitalised interest paid/payable for the year - Lancade Holdings	1,044,837	699,062
Other expenses - Lancade Holdings	7,841	47,628
Other expenses - New Unit Trust	177,932	110,637
Land development costs expensed and other expenses - TBG Construction Trust	12,502	115,580
Land development costs capitalised - TBG Construction Trust	531,781	74,964
Other income - Forge Unit Trust	44,618	24,302
Other income - New Unit Trust	98,023	103,245
Other income - Lancade Holdings	158,226	109,633
Property disposed of to Ardlin Nominees Pty Limited	1,400,000	-

**Note 24. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Note 25. Company details**

The registered office / principal place of business is:  
25 Retford Road  
Bowral NSW 2576

**Note 26. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Nexia Sydney Audit Pty Ltd, the auditor of the company:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services - Nexia Sydney Audit Pty Ltd</i>		
Audit of the financial statements	55,800	53,240
<i>Other services - Nexia Sydney Audit Pty Ltd</i>		
Other assistance and compliance audits	3,800	3,500
	<u>59,600</u>	<u>56,740</u>