

# **AEGIS HEALTH PTY LTD ATF AEGIS HEALTH UNIT TRUST**

**ABN: 40 804 090 876**

**Financial Report For The Year Ended  
30 June 2024**

# AEGIS HEALTH PTY LTD ATF AEGIS HEALTH UNIT TRUST

ABN: 40 804 090 876

## Financial Report For The Year Ended 30 June 2024

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**AEGIS HEALTH PTY LTD ATF  
AEGIS HEALTH UNIT TRUST  
ABN: 40 804 090 876  
STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 \$	2023 (unaudited) \$
<b>Revenue</b>			
Total revenue and other income	2	1,018,759	0
<b>Expenses</b>			
Wages and salaries		1,336,645	0
Depreciation Expense	6	749,751	0
Other expenses		512,653	0
Administration fees		524,401	0
Agency and contracted services		73,769	0
Finance costs		668,596	0
Insurance		34,317	0
Rates, taxes and utilities		415,232	0
<b>Total Expenses</b>		<b>4,315,364</b>	<b>0</b>
Loss attributable to unitholders		<b>(3,296,605)</b>	<b>0</b>

The accompanying notes form part of these financial statements.

**AEGIS HEALTH PTY LTD ATF AEGIS HEALTH UNIT TRUST**  
**ABN: 40 804 090 876**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 \$	2023 (unaudited) \$
<b>Loss for the year</b>		(3,296,605)	0
Other comprehensive income		0	0
Total other comprehensive income		0	0
Total comprehensive income for the year		<u>(3,296,605)</u>	<u>0</u>
Total comprehensive income attributable to unit holders		<u>(3,296,605)</u>	<u>0</u>

The accompanying notes form part of these financial statements.

**AEGIS HEALTH PTY LTD ATF  
AEGIS HEALTH UNIT TRUST  
ABN: 40 804 090 876  
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024**

	Note	2024 \$	2023 (unaudited) \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	21,032	274,283
Trade and other receivables	4	1,060,368	1,169,132
Inventories		8,301	0
<b>TOTAL CURRENT ASSETS</b>		<u>1,089,701</u>	<u>1,443,415</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets	5	200	200
Property, Plant and Equipment	6	78,596,715	172,312,611
Trade and other receivables	4	9,116,395	251,632
<b>TOTAL NON-CURRENT ASSETS</b>		<u>87,713,310</u>	<u>172,564,443</u>
<b>TOTAL ASSETS</b>		<u>88,803,011</u>	<u>174,007,858</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	5,297,542	2,468,644
Borrowings	8	33,285,833	86,736,366
Provisions	9	609,645	0
<b>TOTAL CURRENT LIABILITIES</b>		<u>39,193,020</u>	<u>89,205,010</u>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	7	5,899,403	3,325,234
Borrowings	8	46,981,109	81,503,481
Provisions	9	51,951	0
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>52,932,463</u>	<u>84,828,715</u>
<b>TOTAL LIABILITIES</b>		<u>92,125,483</u>	<u>174,033,725</u>
<b>NET ASSETS</b>		<u>(3,322,472)</u>	<u>(25,867)</u>
<b>EQUITY</b>			
Issued units	10	2	2
Retained earnings		(3,322,474)	(25,869)
<b>TOTAL EQUITY</b>		<u>(3,322,472)</u>	<u>(25,867)</u>

The accompanying notes form part of these financial statements.

**AEGIS HEALTH PTY LTD ATF  
AEGIS HEALTH UNIT TRUST  
ABN: 40 804 090 876  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024**

	Note	Issued Units \$	Retained Earnings \$	Total \$
<b>Balance at 1 July 2022 (unaudited)</b>		2	(25,869)	(25,867)
<b>Comprehensive income</b>				
Profit/(loss) for the year		0	0	0
<b>Other comprehensive income</b>		0	0	0
<b>Total comprehensive income for the year attributable to unitholders</b>		0	0	0
<b>Transactions with unitholders in their capacity as owners</b>				
Distribution to unitholders		0	0	0
<b>Total transactions with unitholders</b>		0	0	0
<b>Balance at 30 June 2023 (unaudited)</b>		2	(25,869)	(25,867)
<b>Balance at 1 July 2023</b>		2	(25,869)	(25,867)
<b>Comprehensive income</b>				
Loss for the year		0	(3,296,605)	(3,296,605)
<b>Other comprehensive income</b>		0	0	0
<b>Total comprehensive income for the year attributable to unitholders</b>		0	(3,296,605)	(3,296,605)
<b>Transactions with unitholders in their capacity as owners</b>				
Distribution to unitholders		0	0	0
<b>Total transactions with unitholders</b>		0	0	0
<b>Balance at 30 June 2024</b>		2	(3,322,474)	(3,322,472)

The accompanying notes form part of these financial statements.

**AEGIS HEALTH PTY LTD ATF  
AEGIS HEALTH UNIT TRUST  
ABN: 40 804 090 876  
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 \$	2023 (unaudited) \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and government grants		416,632	0
Payments to suppliers and employees		(1,194,934)	(112,228)
Interest received		54,588	0
Finance costs		(668,596)	0
Net cash used in operating activities	11	<u>(1,392,310)</u>	<u>(112,228)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	6	<u>(65,001,094)</u>	<u>(102,240,492)</u>
Net cash used in investing activities		<u>(65,001,094)</u>	<u>(102,240,492)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		2,574,169	81,503,481
Repayment of borrowings		(34,522,372)	0
Receipt of refundable accommodation deposits		4,021,302	0
Loans received from related parties		147,517,587	1,583,585
Net cash provided by financing activities		<u>119,590,686</u>	<u>83,087,066</u>
Net increase/(decrease) in cash held		53,197,282	(19,265,654)
Cash and cash equivalents at beginning of financial year		<u>(86,462,083)</u>	<u>(67,196,429)</u>
Cash and cash equivalents at end of financial year	3	<u><u>(33,264,801)</u></u>	<u><u>(86,462,083)</u></u>

The accompanying notes form part of these financial statements.

**AEGIS HEALTH PTY LTD ATF  
AEGIS HEALTH UNIT TRUST  
ABN: 40 804 090 876**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

The financial statements cover the economic entity of Aegis Aged Care Group Pty Ltd ATF Aegis Health Unit Trust. Aegis Aged Care Group Pty Ltd ATF Aegis Health Unit Trust is a Unit Trust, established and domiciled in Australia.

The financial statements were authorised for issue on 25 October 2024 by the directors of the Trustee company.

**Note 1 Summary of Material Accounting Policy Information**

**Basis of Preparation**

These general purpose financial statements have been prepared in accordance with the Aged Care Act 1997, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Trust is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these 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) Fair Value of Assets and Liabilities**

The Trust measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standards.

Fair value is the price the Trust would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

**(b) 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 and impairment losses.

**Land and buildings**

Land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by management or external independent valuers. At the date of revaluation, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset i.e. restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

**Plant and equipment, Computer software and Buildings under construction (work in progress)**

Plant and equipment, computer software and building under construction are carried at cost less accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the Trust includes the cost of materials, direct labour and borrowing costs.

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 Trust and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

**Depreciation**

The depreciable amount of all fixed assets, but excluding freehold land, is depreciated on a straight-line or reducing 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 assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>	<b>Depreciation Method</b>
Buildings	2.50%	Straight Line
Plant and Equipment	7.50% - 30%	Straight Line and Reducing balance
Furniture and Fittings	10% - 33.33%	Straight Line and Reducing balance
Low Value Pool	18.75% - 37.52%	Straight Line and Reducing balance
Solar Panel Project	10%	Straight Line and Reducing balance
Computer Software	25%	Straight Line



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

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

In the event the carrying amount of property, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written **down** immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses **relate** to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

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 the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(c) Refundable accommodation deposit (RAD)/accommodation bond liabilities**

RADs/accommodation bond liabilities are non-interest bearing deposits made by aged care facility residents to the Trust upon admission. These **deposits** are liabilities which fall due and payable when the resident leaves the facility. As there is no unconditional rights to defer payment for 12 months, these liabilities are recorded as current liabilities.

RAD/accommodation bond liabilities are recorded at an amount equal to the proceeds received, net of retention and any other amounts **deducted** from the RAD/accommodation bond in accordance with the Aged Care Act 1997.

**(d) Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised 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 the purchase or sale of the asset (ie trade date accounting is adopted).

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the **practical** expedient was applied as specified in AASB 15.63.

**Classification and subsequent measurement**

*Financial liabilities*

Financial liabilities are subsequently measured at amortised cost.

The effective interest method is a method of calculating the amortised cost of a debt **instrument** and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future **cash** flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

*Financial assets*

Financial assets are subsequently measured at amortised cost, the basis of the two primary criteria being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

**Derecognition**

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

*Derecognition of financial liabilities*

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

*Derecognition of financial assets*

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Trust no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

**Impairment**

The Trust recognises a loss allowance for expected credit losses on contract assets (eg amount due from customers under contracts);

Loss allowance is not recognised for financial assets measured at fair value through profit or loss.

*Simplified approach*

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to trade receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

**Recognition of expected credit losses in financial statements**

The Directors of the Trust believe that no impairment needs to be accounted as at 30 June 2024.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**(e) Impairment of Non-Financial 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 of disposal and value in use to the asset's carrying amount. Any excess of the asset's carrying amount **over** its recoverable amount is recognised immediately in profit or loss unless the asset is carried at a revalued amount in accordance with another Standard (eg 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.

**(f) Employee Benefits**

**Short-term employee benefits**

Provision is made for the Trust's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination **benefits**) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries, annual leave and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the **obligation** is settled.

**Long-term employee benefits**

Provision is made for employees' long service leave entitlements not expected to be settled wholly within 12 months after the end of the annual **reporting** period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future **payments** to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are **discounted** at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that **approximate** the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit **or** loss as part of employee benefits expense.

The Trust's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where **the** Trust does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are **presented** as current provisions.

**(g) Revenue and other Income**

**Revenue recognition**

Aged care facility revenue comprises daily resident fees and Government funding grants and subsidies. Revenue from the rendering of a service or **supply** of a good is recognised upon the delivery of the service or good to the Resident. The Trust is entitled to charge retention fees to residents in respect of **pre** 1 July 2014 accommodation bonds held. These fees are regulated by the Department of Health and accrued by the Trust **during** the Resident's period of **occupancy**. Interest income is recognised using the effective interest method.

All performance obligations are considered to be met on a daily basis and therefore the Trust does not have any outstanding performance obligations that have not been met at the reporting date.

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

**(h) Economic Dependency**

The Trust is dependent on the Department of Health for the majority of its revenue used to operate the business. At the date of this report, the Directors of the Trust have no reason to believe the Department will not continue to provide such funding.

**(i) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended

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

**(j) Comparative Figures**

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

Where the Trust has retrospectively applied an accounting policy, **makes** a retrospective restatement of items in the financial statements or reclassified items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial **statement** is presented.

**(k) Critical Accounting Estimates and Judgements**

The Trustees evaluate estimates and judgements 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 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 key assumptions.

**Key judgements**

*(i) Provisions for employee benefits*

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the Trust expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the following 12-month period, obligations for annual leave entitlements are required to be measured at the present value of the expected future payments to be made to employees.

*(ii) Performance obligations under AASB 15*

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

(iii) *Property, Plant and Equipment: Measurement of fair value*

**Fair Value Hierarchy**

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly.	Measurements based on unobservable inputs for the asset.

**Valuation Techniques**

The Trust selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset being measured.

Land and buildings have been valued by management and/or external independent valuation experts using the Market approach which involves the utilisation of level 2 inputs such as prices and other relevant information generated by market transactions for similar assets.

**(q) New and Amended Accounting Standards Adopted by the Trust**

The consolidated Trust has adopted all amendments required for the year ended 30 June 2024. The adoption of these amendments did not have a material impact on the financial statements.

**Note 2 Revenue and Other Income**

	Note	2024 \$	2023 (unaudited) \$
Other revenue			
- Interest received - financial institutions		25,028	0
- Interest received - other entities		29,560	0
- Other revenue		11	0
Total other revenue		<u>54,599</u>	<u>0</u>
Service revenue			
- Services revenue		964,160	0
Total service revenue		<u>964,160</u>	<u>0</u>
Total revenue and other income		<u>1,018,759</u>	<u>0</u>

**Note 3 Cash and Cash Equivalents**

		2024 \$	2023 (unaudited) \$
CURRENT			
Cash at bank		21,032	274,283
	16	<u>21,032</u>	<u>274,283</u>

Reconciliation of cash

Cash at end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

		2024 \$	2023 (unaudited) \$
Cash at bank		21,032	274,283
Bank Overdraft	8	<u>(33,285,833)</u>	<u>(86,736,366)</u>
		<u>(33,264,801)</u>	<u>(86,462,083)</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**Note 4 Trade and Other Receivables**

	2024	2023 (unaudited)
	\$	\$
<b>CURRENT</b>		
Trade receivables	49,444	0
GST receivable	309,130	1,169,132
Prepayments	203,699	0
Sundry debtors	498,095	0
<b>Total assets classified as trade and other receivables</b>	<u>1,060,368</u>	<u>1,169,132</u>
<b>NON-CURRENT</b>		
Amounts receivable from related entities	9,116,393	251,630
Amounts receivable from non-related entities	2	2
	<u>9,116,395</u>	<u>251,632</u>

**(a) Financial assets at amortised cost**

	2024	2023 (unaudited)
	\$	\$
<b>Trade and other receivables</b>		
- Total Current	547,539	0
- Total Non-current	9,116,395	251,632
<b>Financial assets as trade and other receivables</b>	<u>9,663,934</u>	<u>251,632</u>

**Note 5 Financial Assets**

	2024	2023 (unaudited)
	\$	\$
<b>NON-CURRENT</b>		
Available-for-sale financial assets	200	200
Available-for-sale financial assets comprise:		
Unlisted investments, at cost		
- shares in unlisted corporations	200	200
<b>Total available-for-sale financial assets</b>	<u>200</u>	<u>200</u>

**Note 6 Property, Plant and Equipment**

	2024	2023 (unaudited)
	\$	\$
<b>Land and buildings - at fair value</b>		
Freehold land	4,379,622	8,693,964
Buildings	53,805,523	0
Accumulated Depreciation - Buildings	(319,872)	0
<b>Total buildings</b>	<u>53,485,651</u>	<u>0</u>
<b>Total land and buildings</b>	<u>57,865,273</u>	<u>8,693,964</u>
<b>Plant and equipment - at cost</b>		
Plant & Equipment	13,500,672	0
Accumulated Depreciation - Plant & Equipment	(229,455)	0
Furniture & Fittings	7,622,774	0
Accumulated Depreciation - Furniture & Fittings	(198,093)	0
<b>Total plant and equipment</b>	<u>20,695,898</u>	<u>0</u>
<b>Computer Software - at cost</b>		
Computer Software	37,875	0
Accumulated Depreciation - Computer Software	(2,331)	0
<b>Total computer software</b>	<u>35,544</u>	<u>0</u>
<b>Building Under Construction at-cost</b>		
Building Under Construction	0	163,618,647
<b>Total Building Under Construction</b>	<u>0</u>	<u>163,618,647</u>
<b>Total property, plant and equipment</b>	<u>78,596,715</u>	<u>172,312,611</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**Movement in carrying amounts**

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

	Freehold land	Buildings	Plant and equipment	Computer software	Building Under Construction	Total
	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2022 (unaudited)	8,693,964	0	0	0	61,378,155	70,072,119
Net additions	0	0	0	0	102,240,492	102,240,492
Balance as at 30 June 2023 (unaudited)	8,693,964	0	0	0	163,618,647	172,312,611
Net additions	0	4,800	387,962	875	64,607,457	65,001,094
Reclassification from building under construction to land, buildings and plant and equipment	32,640	56,865,238	20,761,793	37,000	(77,696,671)	0
Write-off	0	0	(26,309)	0	(1,558,581)	(1,584,890)
Transfer to related party	(4,346,982)	(3,064,515)	0	0	(148,970,852)	(156,382,349)
Depreciation expense	0	(319,872)	(427,548)	(2,331)	0	(749,751)
Balance as at 30 June 2024	4,379,622	53,485,651	20,695,898	35,544	0	78,596,715

**Note 7 Trade and Other Payables**

	Note	2024 \$	2023 (unaudited) \$
<b>CURRENT</b>			
Accommodation bonds and refundable accommodation deposits	*	4,021,302	0
Accrued expenses		395,473	0
Deferred Revenue		18,540	0
Sundry payables	*	30,000	0
Trade payables	*	731,008	2,468,644
Accrued salaries and wages		101,219	0
		<u>5,297,542</u>	<u>2,468,644</u>
<b>NON-CURRENT</b>			
Amounts payable to related entities		<u>5,899,403</u>	<u>3,325,234</u>
	7a	<u>5,899,403</u>	<u>3,325,234</u>

a. Financial liabilities at amortised cost classified as trade and other payables:

	Note	2024 \$	2023 (unaudited) \$
Trade and other payables			
- Total current	*	4,782,310	2,468,644
- Total non-current		5,899,403	3,325,234
Financial liabilities as trade and other payables	16	<u>10,681,713</u>	<u>5,793,878</u>

Amount payable to related entities are in the relation to Aegis group core debt. The core debt is secured by a registered fixed and floating charge over the assets of the combined entities of Aegis Group.

The Trust has significant levels of accommodation bonds and refundable accommodation deposits and they are classified as current liabilities as per Note 1(c). Notwithstanding this, due to their nature, the accommodation bonds and refundable accommodation deposits repaid are generally replaced with new refundable accommodation deposits and do not impact the liquidity of the Trust.

**Note 8 Borrowings**

	Note	2024 \$	2023 (unaudited) \$
<b>CURRENT</b>			
Secured liabilities			
Bank overdraft	3	<u>33,285,833</u>	<u>86,736,366</u>
		<u>33,285,833</u>	<u>86,736,366</u>
<b>NON-CURRENT</b>			
Secured liabilities			
Secured bank loans	(a)	<u>46,981,109</u>	<u>81,503,481</u>
		<u>46,981,109</u>	<u>81,503,481</u>
<b>TOTAL BORROWINGS</b>	16	<u>80,266,942</u>	<u>168,239,847</u>

(a) At the end of reporting period, loan from Bankwest was secured on the Aegis Aged Care Assets and charged interest at the BBSY plus a margin of 1.1% with the outstanding amount repayable on the facility expiry date.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**Note 9 Provisions**

Analysis of Provisions

CURRENT	2024	2023 (unaudited)
Annual and Sick Leave	\$	\$
Balance at the start of the period	0	0
Additional provisions raised during year	399,065	0
Balance at the end of the period	<u>399,065</u>	<u>0</u>
Long Service Leave		
Balance at the start of the period	0	0
Additional provisions raised during year	210,580	0
Balance at the end of the period	<u>210,580</u>	<u>0</u>
<b>Total Current</b>	<u><b>609,645</b></u>	<u><b>0</b></u>
<b>NON-CURRENT</b>		
Long-term Employee Benefits		
Balance at the start of the period	0	0
Additional provisions raised during year	51,951	0
Balance at the end of the period	<u>51,951</u>	<u>0</u>
	2024	2023 (unaudited)
	\$	\$
Current	609,645	0
Non-current	51,951	0
	<u>661,596</u>	<u>0</u>

**Provision for employee benefits**

Provision for employee benefits represents amounts accrued for annual leave, sick leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements, sick leave entitlements and long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Trust does not expect the full amount of annual leave, sick leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Trust does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements. The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Provision of sick leave is an accrual for full time and part time employees to be used to pay personal sick leave and carer leave. The provision is measured at 60% of sick leave balances based on historical review of sick leave taken. Liabilities recognised in respect of sick leave provision are expected to be settled in the foreseeable future.

**Note 10 Issued Units**

**a. Units on Issue**

	2024	2023 (unaudited)
	No.	No.
<b>Number of fully paid units</b>		
At beginning of the reporting period	2	2
Units issued during the year	0	0
At the end of the reporting period	<u>2</u>	<u>2</u>

Units are of equal value and unit holders are entitled to share in the income of Aegis Health Pty Ltd ATF Aegis Health Unit Trust in proportion to their unit holding. Upon liquidation each unit holder is entitled to a pro rata share of the Trust's net assets.

**Note 11 Cash Flow Information**

	2024	2023 (unaudited)
	\$	\$
<b>(a) Reconciliation of loss attributable to unitholders with net cash provided by operating activities</b>		
Loss for the year	(3,296,605)	0
Depreciation	749,751	0
Assets written off	1,584,890	0
(Increase) / decrease in trade and other receivables	108,763	0
(Increase) / decrease in inventories	(8,301)	0
Increase / (decrease) in provisions	661,596	0
Increase / (decrease) in trade and other payables	<u>(1,192,404)</u>	<u>(112,228)</u>
Net cash provided by operating activities	<u>(1,392,310)</u>	<u>(112,228)</u>
<b>(b) Loan facilities and Bank guarantees</b>		

(i) Aegis group has a bank facility of \$127,625,000 (unused limit of \$80,443,891) with Bankwest and a direct debit facility of \$9,000,000 with Bankwest.

(ii) The core debt is secured by a registered fixed and floating charge over the assets of Aegis combined entities.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**Note 12 Events After the Reporting Period**

The directors are not aware of any event subsequent to the end of the financial year which requires disclosure in the financial report.

**Note 13 Capital Commitments**

The Trust did not have any capital commitments as at 30 June 2024 (30 June 2023: Nil)

**Note 14 Contingent assets or liabilities**

The Trust does not have any contingent assets or liabilities for the year ended 30th June 2023 and 30th June 2024.

**Note 15 Related Party Transactions**

Transaction with related parties:

**(a) Key Management Personnel**

The directors of Aegis Health Pty Ltd, being the Trustee company of Aegis Health Unit Trust, have the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, and are considered key management personnel (KMP) of the Trust. The directors are paid by Aegis Aged Care Management Pty Ltd. The directors appoint key facility management personnel to manage each facility in Aegis group and report directly to the directors.

**(b) Remuneration of Key Management Personnel**

The totals of remuneration paid to the key facility management personnel of the Trust during the year are as follows:

	2024	2023 (unaudited)	
	\$	\$	
Wages and salaries	94,881	0	
Short term employee benefits	25,502	0	
Long-term employee benefits	49,377	0	
	169,760	0	

**(c) Other related entities**

They are reported under note 4 (trade and other receivables) and note 7 (trade and other payables).

**Transactions with Related Parties**

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

The following transactions occurred with related parties:

	2024	2023 (unaudited)	
	\$	\$	
• Interest Received	0	0	
• Interest Paid	139,446	0	
• Admin Fees	49,022	0	
• Agency Fees	0	0	

**Note 16 Financial Risk Management**

The Trust's financial instruments consist mainly of deposits with banks, accounts receivables, payables and borrowings.

The totals 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:

	Note	2024	2023 (unaudited)	
		\$	\$	
<b>Financial assets at amortised cost</b>				
Cash and cash equivalents	3	21,032	274,283	
Trade and other receivables	4a	9,663,934	251,632	
Available-for-sale financial assets:				
- unlisted investments	5	200	200	
<b>Total financial assets</b>		9,685,166	526,115	
<b>Financial liabilities</b>				
Financial liabilities at amortised cost				
- Trade and other payables	7a	10,681,713	5,793,878	
- Borrowings	8	80,266,942	168,239,847	
<b>Total financial liabilities</b>		90,948,655	174,033,725	

**AEGIS HEALTH PTY LTD ATF  
AEGIS HEALTH UNIT TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**Financial Risk Management Policies**

Management's overall risk management strategy seeks to assist the Trust in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Directors of the Trustee company on a regular basis. These include the credit risk policies and future cash flow requirements.

Risk management policies are approved and reviewed by the Directors on a regular basis. These include credit risk policies and future cash flow requirements.

**Specific Financial Risk Exposures and Management**

The main risks the Trust is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

**a. Credit risk**

A less significant component of the Trade receivable balance relates to resident care fees outstanding. These fees are set by the government so they are easy covered by the lowest pension, with some funds to spare. The majority of these fees are automatically collected each month by direct debit or direct receipt of a resident pension. The current and potential exposure to bad debts is immaterial and as a result, the Trust has not reported a schedule of overdue receivables. The Trust does not have any material credit risk exposure to any single receivable under financial instruments entered into by the Trust.

**b. Liquidity risk**

Liquidity risk arises from the possibility that the Trust might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Trust manages this risk through the following mechanisms:-

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- monitoring undrawn credit facilities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets; and
- only investing surplus cash with major financial institutions.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Trust does not directly hold any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timings of cash flows presented in the tables to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

**Financial liability and financial asset maturity analysis**

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2024	2023 (unaudited)	2024	2023 (unaudited)	2024	2023 (unaudited)	2024	2023 (unaudited)
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Trade and other payables	4,782,310	2,468,644	0	0	5,899,403	3,325,234	10,681,713	5,793,878
Borrowings	33,285,833	86,736,366	46,981,109	81,503,481	0	0	80,266,942	168,239,847
Total contractual outflows	38,068,143	89,205,010	46,981,109	81,503,481	5,899,403	3,325,234	90,948,655	174,033,725
<b>Financial assets - cash flows realisable</b>								
Cash and cash equivalents	21,032	274,283	0	0	0	0	21,032	274,283
Trade and other receivables	547,539	0	0	0	9,116,395	251,632	9,663,934	251,632
Financial assets	0	0	0	0	200	200	200	200
Total anticipated inflows	568,571	274,283	0	0	9,116,595	251,832	9,685,166	526,115
Net (outflow)/inflow of financial instruments	(37,499,572)	(88,930,727)	(46,981,109)	(81,503,481)	3,217,192	(3,073,402)	(81,263,489)	(173,507,610)

**c. Market risk**

**i. Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Trust is also exposed to earnings volatility on floating rate debt which are limited to cash and cash equivalents.

**d. Fair Values**

**Fair value estimation**

Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amounts are equivalent to their fair values.



**AEGIS HEALTH PTY LTD ATF  
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**e. Sensitivity analysis**

The following table illustrates sensitivities to the Trust's exposures to changes in interest rates. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit/Equity \$
<b>Year ended 30 June 2024</b>	
+/- 1% in interest rates	332,648
<b>Year ended 30 June 2023 (unaudited)</b>	
+/- 1% in interest rates	864,621

**Note 17 Fair Value Measurements**

The Trust measures and recognises land and buildings at fair value on a recurring basis after initial recognition.

The fair value of freehold land and buildings is determined at least every three to five years based on valuations by management and/or external valuer. At the end of each intervening period, the directors review the valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data.

There were no changes during the period in the valuation techniques used by the Trust to determine fair values.

**Note 18 Segment Reporting**

The approved Trust delivers only residential aged care services and this GPFR therefore relates only to such operations.

**Note 19 Trust Details**

The registered office of the Trust is 90 Goodwood Parade Burswood WA 6100. Its principal activity is the provision of residential aged care services. The principal place of business is:

**Aegis Murdoch**  
16 Fiona Wood Road  
MURDOCH WA 6050  
RACS ID 8261

**AEGIS HEALTH PTY LTD ATF AEGIS HEALTH UNIT TRUST**  
**ABN: 40 804 090 876**  
**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Aegis Health Pty Ltd ATF Aegis Health Unit Trust, the directors of the Trustee company declare that:

1. the financial statements and notes, as set out on pages 1 to 15, present fairly the Unit Trust's financial position as at 30 June 2024 and its performance for the year ended on that date in accordance with Australian Accounting Standards; and
2. in the director's opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Director



M C Cross

Dated this 25th day of October 2024

**INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS OF THE TRUSTEE COMPANY  
AEGIS HEALTH PTY LTD  
ATF AEGIS HEALTH UNIT TRUST**

## **Report on the Audit of the Financial Report**

### **Qualified Opinion**

We have audited the financial report of Aegis Health Pty Ltd ATF Aegis Health Unit Trust (the "Trust"), which comprises the statement of financial position as at 30 June 2024, statement of profit or loss, statement of 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 material accounting policy information and the directors' declaration.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Trust is in accordance with the *Aged Care Act 1997*, including:

- i. giving a true and fair view of the Trust'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 (including Australian Accounting Interpretations).

### **Basis for Qualified Opinion**

As advised by the Directors of the Trustee Company, we did not perform any audit procedures on opening balances. Since opening balances enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the income for the year reported in the statement of profit or loss, statement of comprehensive income and the net cash flows from operating activities reported in the statement of cash flows.

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 Trust in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have fulfilled our other ethical responsibilities with the Code.

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

### **Responsibilities of the Directors for the Financial Report**

The directors of the Trustee Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), *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 of the Trustee Company are responsible for assessing the Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

The directors of the Trustee Company are responsible for overseeing the Trust's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS OF THE TRUSTEE COMPANY  
AEGIS HEALTH PTY LTD  
ATF AEGIS HEALTH UNIT TRUST (CONTINUED)**

**Auditor's Responsibilities for the Audit of the Financial Report**

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

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

  
GREG GODWIN  
PARTNER

  
MOORE AUSTRALIA AUDIT (WA)  
CHARTERED ACCOUNTANTS

Signed at Perth this 25<sup>th</sup> day of October 2024.