Trustee: Homestyle Point Cook Pty Ltd

Homestyle Point Cook Unit Trust

ABN 54 782 087 667

Financial Statements - 30 June 2022

RACS ID: 3976   Point Cook Manor

Contents

Homestyle Point Cook Unit Trust
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 $	2021 $
Revenue	4	11,958,071	12,224,860
Expenses			
Depreciation expense	7(a)	(531,292)	(530,700)
Management fee expenses	13	(9,848,225)	(10,028,817)
Other expenses		-	(193)
Finance costs	5	(1,088,343)	(1,235,247)
Operating profit for the year		490,211	429,903
Finance costs attributable to unit holders			
Distribution paid to unitholder		(490,211)	(22,499)
Decrease in net deficiency attributable to unitholder		-	(407,404)
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the Unitholder of Homestyle Point Cook Unit Trust		-	-

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

Homestyle Point Cook Unit Trust
Statement of financial position
As at 30 June 2022

	Note	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	6	2,005,952	3,000,954
Total current assets		2,005,952	3,000,954
Non-current assets			
Property, plant and equipment	7	19,217,591	19,731,881
Total non-current assets		19,217,591	19,731,881
Total assets		21,223,543	22,732,835
Liabilities			
Current liabilities			
Financial liabilities	8	1,626,505	3,787,867
Resident ingoings	9	19,597,010	18,944,940
Total current liabilities		21,223,515	22,732,807
Total liabilities		21,223,515	22,732,807
Net assets attributed to unitholder		28	28

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

Homestyle Point Cook Unit Trust
Statement of net assets attributed to Unitholder
For the year ended 30 June 2022

	Issued Units $	Accumulated losses $	Total unitholder funds $
Balance at 1 July 2020	28	(407,404)	(407,376)
Operating Profit for the year before finance costs attributable to unit holders	-	429,903	429,903
Distribution to unitholder	-	(22,499)	(22,499)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 30 June 2021	28	-	28

	Issued Units $	Accumulated earnings $	Total unitholder funds $
Balance at 1 July 2021	28	-	28
Operating Profit for the year before finance costs attributable to unit holders	-	490,211	490,211
Distribution to unitholder	-	(490,211)	(490,211)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 30 June 2022	28	-	28

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

Homestyle Point Cook Unit Trust
Statement of cash flows
For the year ended 30 June 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Receipts from residents and Government subsidies		10,884,198	11,056,843
Payments to suppliers and employees		(9,848,226)	(10,030,635)
Net cash provided by operating activities		1,035,972	1,026,208
Cash flows from investing activities			
Payments for property, plant and equipment	7	(17,002)	-
Net cash used in investing activities		(17,002)	-
Cash flows from financing activities			
Net repayments of related party balances		(3,147,785)	2,007,823
Accommodation bonds/refundable accommodation deposits refunded		(4,672,483)	(5,355,000)
Accommodation bonds/refundable accommodation deposits received		5,806,295	5,321,776
Net cash provided by/(used in) financing activities		(2,013,973)	1,974,599
Net movement in cash and cash equivalents		(995,002)	3,000,807
Cash and cash equivalents at the beginning of the financial year		3,000,954	147
Cash and cash equivalents at the end of the financial year		2,005,952	3,000,954

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

Note 1. General information

The financial statements cover the Homestyle Point Cook Unit Trust (the "Trust") as an individual entity. The financial statements are presented in Australian dollars, which is the Trust's functional and presentation currency.

The Trust is a private for-profit Unit Trust. The Trustee company is Homestyle Point Cook Pty Ltd (the "Trustee company").

Homestyle Point Cook Pty Ltd NAPS ID 3976 only provides residential aged care.

The financial statements were authorised for issue, in accordance with a resolution of the Trustee company Director, on 27 October 2022.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Trust 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 Trust.

Going concern

The financial report has been prepared on a going concern basis. This contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 30 June 2022 the Trust had a net working capital deficiency of $19,217,563, being current assets less current liabilities. The net working capital deficiency is significantly impacted by resident ingoing liabilities (Accommodation Bonds/Refundable Accommodation Deposits) which are classified as current liabilities on the basis that they are repayable to residents when they leave the facility, which can be at any time. The Director of the Trustee company do not expect the resident ingoing liabilities to reduce significantly on an annual basis as the liabilities relating to residents who depart the facility are generally replaced by resident ingoing liabilities received from new residents. The resident ingoing liabilities are therefore considered to form a part of the long-term funding of the facility.

In addition, the Director of the Trustee company note the following in their going concern assessment:

- As at 30 June 2022 current liabilities include amounts payable to related parties. The Trust has obtained confirmation from the related parties that the balances owed at 30 June 2022 will not be called upon for repayment to an extent which would result in the Trust not being able to pay its debts as and when they fall due for a period of at least 12 months from the signing date of the financial report;
- As at 30 June 2022 the Trust is party to a group finance facility which includes the ability to drawn down on $7,000,000 of a liquidity line of credit from external parties to fund repayment of resident ingoings. The liquidity line of credit can also be used by related parties of the Trust and at reporting date has not been utilised by the Trust or the Group;
- A profit after tax of $490,211 (before distributions to unitholders) and positive cash inflows from operating activities are forecast for the next financial year and
- Resident ingoings have funded capital works which is allowed as part of the permitted uses under the Liquidity Management Strategy and *Fees and Payments Principles* 2014 (No.2).

The Director of the Trustee company have considered the position of the Trust and, based on the above, consider the going concern basis to be appropriate for preparation of the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be incurred should the Trust not continue as a going concern.

Note 2. Significant accounting policies (continued)

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

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

The presentation currency used in these financial statements is Australian dollars ($). Amounts in these financial statements are stated in Australian dollars unless otherwise noted.

Statement of compliance

The Trust does not have 'public accountability' as defined in AASB 1053 Application of Tiers of Australian Accounting Standards and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Information about the Trust
The addresses of its registered office and principal place of business are as follows:

Registered office / Principal place of business
269 Centre Road
Bentleigh VIC 3204

The nature of the company's operations and its principal activities is as an owner/operator of a high-quality, purpose-built home, with over 100 government-funded beds, which provide first rate standards of care and services to residents in a homely environment.

No significant change in the nature of these activities occurred during the year.

Changes in accounting policies and changes in estimates

Explanation of the transition to Australian Accounting Standards – Simplified Disclosures

The Trust previously prepared general purpose financial statements under Tier 2 – Reduced Disclosure Requirements. There were no transition adjustments other than a few disclosure changes on the adoption of Australian Accounting Standards – Simplified Disclosures.

The entity has elected not to present comparative information in the notes to these financial statements where comparable information was not disclosed in the entity's most recent previous general purpose financial statements.

Note 2. Significant accounting policies (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trustee's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Net assets attributable to unitholders

The Trust has a limited life of 80 years commencing from 16 July 2009.

As stipulated within the Trust's Deed, each unit represents a right to an individual share in the Trust and does not extend to a right in the underlying assets of the Scheme.

Units are classified as equity when they satisfy the following criteria under AASB 132 Financial instruments: Presentation:
1. the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Trust's liquidation;
2. the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
3. the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Trust, and it is not a contract settled in the Trust's own equity instruments; and
4. the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

The Trust's units have been classified as liability as they do not satisfy all the above criteria.

In accordance with the Trust Deed, the Trust distributes its income each year to unitholders. The distributions are recognised in the Statement of Profit or Loss and Other Comprehensive Income as finance costs attributable to unitholders.

Revenue recognition
The Trust provides residential aged care services to residents. The terms and conditions for services are agreed within a customer contract with the resident, which are enforceable, primarily on a daily basis. Contracts with customers contain provision for accommodation, use of common areas/facilities, provision of care and other services.

The Trust recognises revenue under AASB 15 Revenue from Contracts with Customers and applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The Trust uses the five-step model as set out in AASB 15 to account for revenue arising from contracts with customers.

The transaction price is allocated to performance obligations on the basis of their relative standalone selling prices and recognised as revenue accordingly as those performance obligations are satisfied over time each day as the customer simultaneously receives and consumes the benefits provided.

The provision of care to a resident is a single performance obligation. Other services and charges contain a number of different performance obligations.

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 report date in relation to contracts with residents of the Trust's residential aged care facility, unless residents have settled fees in advance.

Government contributions
Government subsidies represent the contributions by the Government for the provision of care of residents and is recognised upon the delivery of the service to the resident. The contributions are calculated as a daily rate and is payable for each day that a resident is in a residential aged care facility.

Note 2. Significant accounting policies (continued)

Revenue recognition (continued)

Resident fees
Revenue from resident fees is recognised upon the delivery of the service to the residents. Residents simultaneously receive and consume the benefits provided.

Interest
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.

Rent
Rent revenue from related parties is recognised on a straight-line basis over the lease term.

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

Imputed Revenue on RAD and Bond Balances under AASB 16 Leases ("AASB 16")
From the adoption of AASB 16 Leases it was concluded that the Trust is a lessor in the arrangement where a resident has chosen a Refundable Accommodation Deposit (RAD) or Bond arrangement under which to receive residential aged care services. The arrangement is accounted for by recognising a non-cash increase in income, with a corresponding non-cash increase in finance costs on the RAD liability held with no net impact on the result in the period. The imputed interest income is calculated on the Maximum Permissible Interest Rate (MPIR) applicable at the date of entry for each resident from the date of adoption of the standard.

Income tax
Under current legislation, the Trust is not liable for income tax provided its taxable income is fully distributed to unitholders.

The charge for current income tax expense is based on non-distributed profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the reporting date.

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Trust'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 Trust'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 unconditional 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.

Property, plant and equipment
Freehold land and buildings are shown at cost less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of property is reviewed annually by Director for indications of impairment. If any such indications exist, an impairment test is carried out, and any impairment losses on assets recognised.

Note 2. Significant accounting policies (continued)

Property, plant and equipment (continued)

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The carrying amount of plant and equipment is reviewed annually by the Trustees for indications of impairment. If any such indications exist, an impairment test is carried out, and any impairment losses on the assets recognised.

The cost of fixed assets constructed within the Trust 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 Trust and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2.5%

The depreciable amount is the carrying value of the asset less estimated residual amounts. The residual amount is based on what a similar asset of the expected condition of the asset at the end of its useful life could be sold for. The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Trust. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets
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 Trust 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. The amounts are unsecured and are usually paid within 30 days of recognition.

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.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Resident ingoings (Refundable Accommodation Deposits and Accommodation Bonds)
The liability for Accommodation Bonds and Refundable Accommodation Deposits ("RADs") 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/retentions pursuant to the Aged Care Act 1997. These liabilities are considered to be current as the Trust does not have the unconditional right to defer settlement of the liability for at least 12 months after reporting date. The obligation to settle could occur anytime.

Note 2. Significant accounting policies (continued)

Management fee expense
Management fees represents the recharge of personnel and other administrative costs by related parties.

Goods and Services Tax ('GST') and other similar taxes
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.
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.

Estimation of useful lives of assets
The Trust 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 non-financial assets other than goodwill and other indefinite life intangible assets
The Trust assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Trust 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.

Note 4. Revenue

	Note	2022 $	2021 $
Revenue			
Government contributions		9,843,939	10,028,817
		9,843,939	10,028,817
Other revenue			
Rent	13	1,062,000	1,062,000
Imputed revenue on RAD and bond balances under AASB16	5	1,052,132	1,134,043
Revenue		11,958,071	12,224,860

Note 5. Expenses

	Note	2022 $	2021 $
Profit/(loss) includes the following specific expenses:			
Finance costs			
Interest and finance charges paid/payable - related parties	13	36,211	101,204
Interest expense on leases under AASB 16	4	1,052,132	1,134,043
		1,088,343	1,235,247

Note 6. Cash and cash equivalents

	2022 $	2021 $
Current assets		
Cash on hand	1,250	-
Cash at bank	2,004,702	3,000,954
Cash and cash equivalents	2,005,952	3,000,954

Cash on hand and on deposit is non-interest bearing. Cash at bank bears interest at 1.0% (2021: 1.0%). There are no cash balances where the fair value would be materially different from the carrying value, due to their short-term nature.

Note 7. Property, plant and equipment

	2022 $	2021 $
Non-current assets		
Land and buildings - at cost	23,179,652	23,162,650
Less: Accumulated depreciation	(3,962,061)	(3,430,769)
	19,217,591	19,731,881

Note 7. Property, plant and equipment (continued)

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

	2022 $	2021 $
Balance at 1 July	19,731,881	20,262,581
Additions	17,002	-
Depreciation expense	(531,292)	(530,700)
Balance at 30 June	19,217,591	19,731,881

Note 8. Financial liabilities

	2022 $	2021 $
Current liabilities		
Payable to Belmont Property Unit Trust	1,626,505	3,787,867

These balances are interest bearing at an average rate of 3.0% (2021: 3.0%).

Note 9. Resident ingoings

	2022 $	2021 $
Current liabilities		
Resident ingoings	19,597,010	18,944,940

From 1 July 2007, pursuant to the Aged Care Act 1997, interest is paid on accommodation bonds following departure (or death) of a resident. Interest is required to be paid at two different rates:

- at the base interest rate for the period between when the resident leaves the care service or dies and the earlier of the date the deposit/bond balance is refunded and the date the legislated timeframe for the refund of the deposit/bond balance expires; and

- at the maximum permissible interest rate for the period after the end of the legislated time frame (or the time set out in the Formal Agreement) until the bond or deposit is refunded.

Rates are amended quarterly. Base rate equates to 2.25% for the year full year ended 30 June 2022 and was 2.25% for the year ended 30 June 2021 and maximum permissible rates varied from 4.01% to 6.31% for the year ended 30 June 2022 and from 4.01% to 4.10% for the year ended 30 June 2021.

Note 10. Key management personnel disclosures

The Director of the Trustee company is Mr Brian Hewitt. The Director of the Trustee company is not paid by the Trust.

Other than the Director listed above, seven (7) other key management personnel exist. The key management personnel are also responsible for the aged care facilities of the Belmont Property Unit Trust and the Homestyle Leopold Unit Trust. The key management personnel are not paid by the Trust.

Note 11. Contingencies

The Trust has no contingent assets and no contingent liabilities as at 30 June 2022 (2021: Nil).

Note 12. Commitments

The Trust has no capital commitments as at 30 June 2022 (2021: Nil).

Note 13. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 10.

Transactions with related parties
The following transactions occurred with related parties:

	2022 $	2021 $
Rent charged to related parties (refer Note 4)	1,062,000	1,062,000
Management fees charged by related parties	9,848,225	10,028,817
Interest charged by related parties (refer Note 5)	36,211	101,204

Transactions between related parties are on mutually agreed terms and conditions.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	2022 $	2021 $
Loans from related parties	1,626,505	3,787,867

Terms and conditions
Transactions between related parties are on mutually agreed terms and conditions.

Note 14. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Trust's operations, the results of those operations, or the Trust's state of affairs in future financial years.

Homestyle Point Cook Unit Trust
The Trustee company Directors' declaration
30 June 2022

In the Trustee Company Director's opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards and give a true and fair view of the Trust's financial position as at 30 June 2022 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Trustee company's Director.

On behalf of the Trustee company's Director

Mr Brian Hewitt
Director

27 October 2022

Deloitte.

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Independent Auditor's Report to the Unitholder of Homestyle Point Cook Unit Trust

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Homestyle Point Cook Unit Trust (the "Entity") which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of net assets attributable to unitholder and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Trustee Company Director's declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Entity's financial position as at 30 June 2022 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Simplified Disclosures.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional & 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.

Responsibilities of Those Charged with Governance for the Financial Report

The Trustee Director is responsible for the preparation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and for such internal control as the Director determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Sandra Lawson

Sandra Lawson
Partner
Chartered Accountants

Melbourne, 27 October 2022