TOLEGA PTY LTD TRADING AS OAKWOOD AGED CARE

ABN: 81 112 831 919

NAPS ID: 2807

ANNUAL FINANCIAL STATEMENTS

year ended 30 June 2022

TOLEGA PTY LTD TRADING AS OAKWOOD AGED CARE

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2022

	Note	2022 $	2021 $
Revenue			
Revenue from operating activities	**2**	5,874,050	5,732,651
Total Revenue		**5,874,050**	**5,732,651**
Expenditure			
Employee Benefits Expense	**3**	4,520,111	4,371,637
Finance Charges	**3**	63,943	89,215
Resident Expenses - Food		165,663	165,341
Resident Expenses - Medical		358,116	273,634
Cleaning Expenses		30,381	92,935
Depreciation Expenses	**3**	1,289,386	61,614
Management Fee		156,000	156,000
Consultancy Fees		14,698	11,103
Utilities		101,493	107,167
Repairs and Maintenance		108,020	118,119
Other Expenses	**3**	200,237	215,121
Total Expenditure		**7,008,048**	**5,661,886**
Profit for the Year before Income Tax		**(1,133,998)**	**70,765**
Income tax expense	**4**	(37,049)	(38,646)
Profit for the Year		**(1,171,047)**	**32,119**
Profit attributable to:			
Members of the entity		**(1,171,047)**	**32,119**
Other Comprehensive Income			
Items that will not be reclassified to profit and loss:			
Fair value (loss)/gains on financial assets		(550,412)	169,902
Income tax expense relating to other comprehensive income	**4**	137,603	(44,175)
Other comprehensive income net of income tax		**(412,809)**	**125,727**
Total Comprehensive (Loss)/Income for the year (net of tax)		**(1,583,856)**	**157,846**
Total Comprehensive (Loss)/Income attributable to:			
Members of the entity		**(1,583,856)**	**157,846**

The Statement of Profit or Loss and Comprehensive Income should be read in conjunction with the accompanying notes.

TOLEGA PTY LTD TRADING AS OAKWOOD AGED CARE

Statement of Financial Position

as at 30 June 2022

	Note	2022	2021
		$	$
Current Assets			
Cash and Cash Equivalents	5	690,392	1,001,596
Trade and Other Receivables	7	291,295	118,057
Other Assets	8	3,518,872	3,515,385
Total Current Assets		**4,500,559**	**4,635,038**
Non-Current Assets			
Intangible Assets	9	2,478,054	3,717,081
Financial Assets	6	3,194,663	2,202,877
Right of Use Assets	10	14,957	20,819
Property, Plant & Equipment	11	372,605	341,322
Other Assets	8	888,402	834,765
Deferred Tax Assets	17	449,526	364,872
Total Non-Current Assets		**7,398,207**	**7,481,736**
TOTAL ASSETS		**11,898,766**	**12,116,774**
Current Liabilities			
Trade and Other Payables	12	347,665	323,027
Lease Liabilities	13	4,265	18,052
Employee Provisions	14	490,280	475,352
Financial Liabilities	15	2,205,000	2,205,000
Other Liabilities	16	5,249,161	4,129,161
Total Current Liabilities		**8,296,371**	**7,150,592**
Non Current Liabilities			
Lease Liabilities	13	-	416
Employee Provisions	14	48,747	56,730
Financial Liabilities	15	3,589,198	3,301,357
Deferred Tax Liability	17	-	59,373
Total Non Current Liabilities		**3,637,945**	**3,417,876**
TOTAL LIABILITIES		**11,934,316**	**10,568,468**
NET (LIABILITIES)/ASSETS		**(35,550)**	**1,548,306**
Equity			
Share Capital		2	2
Financial Assets Reserve		(244,701)	168,108
Retained Earnings		209,149	1,380,196
EQUITY		**(35,550)**	**1,548,306**

The Statement of Financial Position should be read in conjunction with the accompanying notes.

TOLEGA PTY LTD TRADING AS OAKWOOD AGED CARE

Statement of Changes In Equity

for the year ended 30 June 2022

	Share Capital	Financial Asset reserve	Retained Earnings	Total
Balance at 1 July 2020	**2**	**42,381**	**1,348,077**	**1,390,460**
Profit attributable to members	-	-	32,119	32,119
Other Comprehensive Income	-	125,727	-	125,727
Total Comprehensive Income	**-**	**125,727**	**32,119**	**157,846**
Balance at 30 June 2021	**2**	**168,108**	**1,380,196**	**1,548,306**
Balance at 1 July 2021	**2**	**168,108**	**1,380,196**	**1,548,306**
(Loss) attributable to members	-	-	(1,171,047)	(1,171,047)
Other Comprehensive (Loss)	-	(412,809)	-	(412,809)
Total Comprehensive (Loss)	**-**	**(412,809)**	**(1,171,047)**	**(1,583,856)**
Balance at 30 June 2022	**2**	**(244,701)**	**209,149**	**(35,550)**

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

TOLEGA PTY LTD TRADING AS OAKWOOD AGED CARE

Statement of Cashflows

for the year ended 30 June 2022

	Note	2022	202
		$	$
Cash Flows from Operating Activities			
Receipts from residents & commonwealth		5,172,279	5,647,330
Interest received		67,184	69,020
Dividends received		144,957	40,986
Other income received		248,621	119,952
Payments to suppliers & employees		(5,600,663)	(5,646,425)
Finance Costs		(63,944)	(89,215)
Net Cash (Used in)/Provided by Operating Activities		(31,566)	141,648
Cash Flows from Investing Activities			
Purchase of property, plant & equipment		(75,779)	(1,381)
Purchase of financial assets		(1,592,198)	(1,624,484)
Redemption of financial assets		48,338	217,661
Net payment to related parties		(53,637)	(104,923)
Net Cash (Used In) Investing Activities		(1,673,276)	(1,513,127)
Cash Flows from Financing Activities			
Receipt of new refundable accommodation deposits		1,480,000	1,422,805
Refund of refundable accommodation deposits		(360,000)	(1,727,819)
Proceeds from borrowings		287,841	2,282,437
Lease liabilities repayments		(14,203)	(16,207)
Net Cash Provided by Financing Activities		1,393,638	1,961,216
Net (Decrease)/Increase in Cash Held		(311,204)	589,737
Cash at beginning of Reporting Period		1,001,596	411,859
Cash at end of Reporting Period	5	690,392	1,001,596

The Statement of Cashflows should be read in conjunction with the accompanying notes.

1 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.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the *Aged Care Act 1997,* the *Accountability Principles 2014* and Australian Accounting Standards - Simplified Disclosures and Interpretations issued by the Australian Accounting Standards Board ("AASB") and other authoritative pronouncements of the AASB.

The financial statements cover Tolega Pty Ltd trading as Oakwood Aged Care ("the Company") as an individual entity established and domiciled in Australia. The approved provider delivers only residential aged care services and this report therefore relates only to such operations.

The financial statements were authorised for issue by the directors of the Company on 31 October 2022.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets through other comprehensive income and liabilities at fair value through profit or loss.

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 Company'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 below.

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies

(a) Revenue

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

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

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific Revenue Streams
The revenue recognition policies for the principal revenue streams of the Company are:

Rendering of Services
Revenue from a contract to provide services is recognised over time as the services are rendered.

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.

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

(b) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Income Tax (Continued)

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss);
- Taxable temporary differences arising on the initial recognition of goodwill; or
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(c) 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 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 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.

(d) 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 or are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cashflows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(e) 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 provision for impairment. 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.

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) 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. Financial 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 the financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at their value the other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments where the Company has irrevocably elected to classify them as a such upon initial recognition and the investments are not held for trading.

Impairment of financial assets
The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. 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 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 the 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 measued at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Property, Plant and Equipment

All property, 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.

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

Buildings	40 years
Property improvements	40 years
Plant and equipment	3-8 years

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

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

(h) Intangible Assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment.

Bed licenses
Bed licenses are held as intangible assets and are carried at either fair value or cost less accumulated impairment loss. Bed licences had historically been measured at fair value with reference to an active market, however over the past 16 years there has not been an active market. In accordance with AASB 138 Intangible Assets, the fair value of the bed licences becomes its carrying amount at the point in time that it can no longer be measured by reference to the active market.

In the May 2021 Federal Budget, the Australian Government announced its intention to deregulate operation places (bed licences) by 1 July 2024. As a result, the Directors have determined that the bed licences no longer have an infinte useful life. Consequently, bed licences are amortised on a straight-line basis over their remaining useful life to 1 July 2024.

Bed licences are tested for impairment if events or circumstances indicate that it may be impaired, with any losses taken to profit or loss.

(i) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year 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.

(j) Borrowings

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) 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.

(l) Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company 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 that liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(m) 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 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 as 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 national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(n) Fair Value Measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either in the principal market, or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure their value are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Goods and Services Tax (GST) and Other Similar Taxes (continued)

Cash flows are presented on a gross basis. The GST component 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.

(p) 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 judgement, 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.

Provision of impairment of receivables

The provision of impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position

Provision of impairment of non-financial assets

The provision for impairment of non-financial assets assessment requires a degree of estimation and judgement. Impairment is assessed at each reporting date by evaluating conditions specific to the Company. Where an impairment trigger exists, the recoverable amount of the asset is determined.

No impairment of non-financial assets was recognised in the current financial year (2021: Nil).

(q) Going Concern

The Company recorded a loss for the year before income tax totalling ($1,133,998).

The directors have presented the financial report on the basis that the Company will continue as a going concern. The directors note that current liabilities exceed current assets as at balance date by $3,795,812. A negative cash flow of $311,204 has been recorded as at 30 June 2022. This deficit is primarily due to refundable accommodation deposits (RADs) being recorded as a current liability as required under the accounting standards. In practice RADs that are paid out during the year are generally replaced within a short time frame by a new RAD from an incoming resident.

Additionally, the result for the year includes an amortisation expense of $1,239,027 in relation to bed licences, which are due to be deregulated from 1 July 2024 and therefore now have a finite useful life. This has no impact on the cash flows of the Company. Excluding the amortisation expense, the Company has recorded a profit for the year before income tax totalling $105,029

The directors have examined significant areas of possible financial risk and have satisfied themselves that the Company has adequate resources and have also been provided with a letter of financial support from SK and S Agrawal Trust, which shares directors with the Company, to assist them with financial support when required to settle any current debt obligations when they become due and payable.

After due consideration the directors believe it is appropriate to adopt the going concern basis in preparing the financial report.

		2022 $	2021 $
2	**REVENUE FROM OPERATING ACTIVITIES**		
	Revenue from contracts with customers	5,371,478	5,483,913
	Other Income	502,572	248,738
		5,874,050	**5,732,651**
	Disaggregation of revenue		
	The disaggregation of revenue from contracts with customers is as follows:		
	Source of revenue		
	Resident Fees & Contributions	1,387,581	1,418,670
	Commonwealth Funding	3,983,897	4,065,243
		5,371,478	**5,483,913**
	Timing of revenue recognition		
	Services transferred at a point of time	-	-
	Services transferred over time	5,371,478	5,483,913
		5,371,478	**5,483,913**
	Other Income		
	Interest Received	67,184	69,020
	Dividends Received	188,430	57,190
	Other Income	246,958	122,528
	Total Other Income	**502,572**	**248,738**
3	**EXPENSES**		
	Profit / (loss) before income tax includes the following specific expenses:		
	Employee Benefits Expense		
	Salary and Wages	3,746,779	3,672,338
	Superannuation	348,885	329,651
	Workcover	114,419	116,590
	Payroll Tax	168,893	168,010
	Agency Fees	113,944	86,173
	Other Employee Expenses	27,191	(1,125)
	Total Employee Benefits Expense	**4,520,111**	**4,371,637**
	Borrowing Costs		
	Other Persons	**63,943**	**89,215**
	Depreciation Expenses		
	Depreciation of Plant and Equipment	44,497	52,163
	Depreciation of Right Of Use Assets	5,862	9,451
	Amortisation of Bed Licences	1,239,027	-
	Total Depreciation Expenses	**1,289,386**	**61,614**

		2022 $	2021 $
3	**EXPENSES (continued)**		
	Capital Losses		
	Loss on Sale of Shares	**1,662**	**2,576**
	Other Expenses		
	Audit Fees	4,650	8,430
	Insurance	29,448	24,978
	Rates and Taxes	17,801	19,715
	Telephone and Internet	4,903	5,726
	Other	143,435	156,272
	Total Other Expenses	**200,237**	**215,121**
4	**INCOME TAX BENEFIT**		
a.	**The components of the tax expense comprise:**		
	Current tax	35,968	55,804
	Deferred tax	1,081	(17,158)
		37,049	**38,646**
b.	**Aggregate tax (benefit)/expense relating to items of other comprehensive income**		
	Financial Assets at fair value through other comprehensive income	(137,603)	44,175
		(137,603)	**44,175**
c.	**The prima facie tax on profit/(loss) before income tax is reconciled to the income tax as follows:**		
	Prima facie tax expense on profit before income tax at 25% (2021: 26%)	(283,499)	18,399
	Add tax effect of:		
	- other non-allowable items	309,757	-
	- change in tax rate	11,749	(20,247)
	- timing differences	(958)	1,819
	- utilisation of prior year tax losses	-	38,675
	Income Tax Expense	**37,049**	**38,646**
5	**CASH & CASH EQUIVALENTS**		
	Cash at bank and in hand	690,392	1,001,596
	Total Cash & Cash Equivalents	**690,392**	**1,001,596**
	Reconciliation of cash		
	Cash at the 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:		
	Cash and cash equivalents	**690,392**	**1,001,596**

	2022 $	2021 $

6 FINANCIAL ASSETS

Non-current Financial Assets - financial assets at fair value through other comprehensive income
There is no intention to dispose of any financial assets at fair value held at 30 June 2022.

Shares in Listed Corporations	3,194,663	2,202,877
Total Non-current Financial Assets	**3,194,663**	**2,202,877**

Financial assets at fair value through other comprehensive income comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

7 TRADE AND OTHER RECEIVABLES

Trade Receivables	107,182	98,596
Less: Allowance for expected credit losses	(40,000)	(6,500)
	67,182	92,096
COVID-19 Aged Care Support Program Grant	176,000	-
Other receivables	48,113	-
GST receivable	-	25,961
Total Trade & Other Receivables	**291,295**	**118,057**

Allowance for expected credit losses
The total expected credit losses recognised in the profit and loss for the year ended 30 June 2022 were $33,500 (2021: nil).

Covid-19 Aged Care Support Program Grant
An application for this grant was lodged on 30 June 2022 and had not yet been approved at the date of signing these financial statements. The directors have elected to recognise the grant in 2022 in accordance with the matching principle as all costs associated with the grant were incurred in the 2022 financial year. In the directors' opinion, there is no reason to believe that the grant will not be approved and received subsequent to year end.

8 OTHER ASSETS

Current		
Prepayments	18,872	15,385
Loans to Related Parties	3,500,000	3,500,000
Total Other Current Assets	**3,518,872**	**3,515,385**
Non-Current		
Loans to Related Parties	888,402	834,765
Total Other Non-Current Assets	**888,402**	**834,765**

		2022 $	2021 $
9	**INTANGIBLE ASSETS**		
	Bed Licenses	3,717,081	3,717,081
	Less: Accumulated Impairment Losses	(1,239,027)	-
	Total Intangible Assets	**2,478,054**	**3,717,081**
	Reconciliation of Bed Licences		
	Balance at the beginning of year	3,717,081	3,717,081
	Amortisation expense	(1,239,027)	-
	Closing carrying value at end of the year	**2,478,054**	**3,717,081**

In the May 2021 Federal Budget, the Australian Government announced its intention to deregulate operation places (bed licences) by 1 July 2024, with the current system remaining in place until 30 June 2024. As a result of this decision, the Directors have reassessed the useful life of the bed licences.

Consequently, the Company commenced amortising the value of bed licences from 1 July 2021 on a straight line basis over their remaining economic life to 1 July 2014. This has resulted in a before tax amortisation expense in the profit and loss for the year ended 30 June 2022 of $1,239,027 with no impact to the cash flows of the Group.

The Directors will continue to reassess and adjust the carrying value of bed licences as necessary in future financial years.

		2022 $	2021 $
10	**RIGHT OF USE ASSETS**		
	Plant & Equipment - Right Of Use Assets	48,774	48,774
	Less: Accumulated Depreciation	(33,817)	(27,955)
	Total Plant & Equipment	**14,957**	**20,819**

a. Movements in Carrying Amounts

Movement in the carrying amounts for each class of right of use assets between the beginning and the end of the current financial year

	Right of Use Assets $	Total $
Balance at Beginning of Year	20,819	20,819
Depreciation Expense	(5,862)	(5,862)
Carrying Amount at the End of Year	**14,957**	**14,957**

		2022 $	2021 $
11	**PROPERTY, PLANT & EQUIPMENT**		
	Leasehold Improvements - at cost	242,585	175,312
	Less: Accumulated Depreciation	(52,045)	(46,537)
	Total Leasehold Improvements	**190,540**	**128,775**
	Plant & Equipment - at cost	1,026,650	1,018,144
	Less: Accumulated Depreciation	(889,759)	(856,675)
	Total Plant & Equipment	**136,891**	**161,469**
	Motor Vehicles - at cost	62,890	62,890
	Less: Accumulated Depreciation	(17,716)	(11,812)
	Total Motor Vehicles	**45,174**	**51,078**
	Total Property, Plant & Equipment	**372,605**	**341,322**

a. Movements in Carrying Amounts

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

	Leasehold Improvements $	Plant & Equipment $	Motor Vehicles $	Total $
Balance at Beginning of Year	128,775	161,469	51,078	341,322
Additions	67,273	8,507	-	75,780
Disposals - Written Down Value	-	-	-	-
Transfer Outs	-	-	-	-
Depreciation Expense	(5,508)	(33,085)	(5,904)	(44,497)
Carrying Amount at the End of Year	**190,540**	**136,891**	**45,174**	**372,605**

12	**TRADE & OTHER PAYABLES**		
	Trade Payables	148,845	113,171
	Other Payables	33,351	72,500
	Accrued Expenses	128,162	116,194
	Resident Funds Held in Trust	4,508	4,369
	Fees Received in Advance	29,331	-
	GST Payable	3,468	134
	Government Subsidy Payable	-	16,379
	Other Income Payable	-	280
	Total Trade & Other Payables	**347,665**	**323,027**

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

		2022 $	2021 $
13	**LEASE LIABILITIES**		
	Current		
	Lease Liabilities	4,265	18,052
	Total Current Lease Liabilities	**4,265**	**18,052**
	Non-Current		
	Lease Liabilities	-	416
	Total Non-Current Lease Liabilities	**-**	**416**
14	**EMPLOYEE BENEFITS**		
	Current		
	Long service leave	174,111	174,663
	Annual leave	316,169	300,689
	Total Current Employee Benefits	**490,280**	**475,352**
	Non-current		
	Long service leave	48,747	56,730
	Total Non-Current Employee Benefits	**48,747**	**56,730**

The current portion of these liabilities represents the entity's obligations to which the employee has a current legal entitlement. These liabilities arise mainly from accrued annual leave and long service leave entitlements at reporting date.

A provision has been recognised for employee entitlements relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.

15	**FINANCIAL LIABILITIES**		
	Current		
	Loans from Related Parties	-	-
	Interest bearing loans from Related Parties	2,205,000	2,205,000
	Total Current Financial Liabilities	**2,205,000**	**2,205,000**
	Non-Current		
	Loans from Related Parties	3,589,198	3,301,357
	Total Non-Current Financial Liabilities	**3,589,198**	**3,301,357**

	2022 $	2021 $

16 OTHER FINANCIAL LIABILITIES

Refundable Accommodation Deposits (RADs)	5,129,841	4,009,841
Accommodation Bonds (Prior to 1 July 2014)	119,320	119,320
Total Other Financial Liabilities	**5,249,161**	**4,129,161**

Refundable accommodation deposits and accommodation bonds are recognised intially at fair value and subsequently measured at amortised cost using the effective interest rate method. Due to the short term nature of refundable accommodation deposits and accommodation bonds, their carrying value is assumed to approximate their fair value.

As there is no unconditional right to defer payment for 12 months, refundable accommodation deposits and accommodation bonds are recorded as current liabilities.

17 TAXATION

a Movement in Deferred Tax Asset

	1st July 2021	Recognised in comprehensive income	Recognised in profit and loss	Change in tax rate	Transferred in from DTL	30th June 2022
	$	$	$	$	$	$
Deferred tax assets:						
Payables	10,887	-	557	(419)	-	11,025
Provisions	140,031	-	10,111	(5,385)	-	144,757
Carried forward capital lossess	-	-	1,059	-	-	1,059
Tax losses carried forward	213,954	-	6,446	(8,229)	-	212,171
Fair value gain/loss adjustment	-	-	-	-	80,514	80,514
	364,872	-	18,173	(14,033)	80,514	449,526
Recognised as: Deferred tax asset	364,872					449,526

b Movement in Deferred Tax Liability

	1st July 2021	Recognised in comprehensive income	Recognised in profit and loss	Change in tax rate	Transferred to DTA	30th June 2022
	$	$	$	$	$	$
Deferred tax liability:						
Fair value gain adjustment	59,373	(137,603)	-	(2,284)	80,514	-
	59,373	(137,603)	-	(2,284)	80,514	-
Recognised as: Deferred tax liability	59,373					-

18 KEY MANAGEMENT PERSONNEL

Other than the entity's directors, no other key management personnel exist.

Amounts paid to directors	156,000	156,000

		2022 $	2021 $
19	**RELATED PARTY TRANSACTIONS**		

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

a. Transactions with related parties

Management Fees are paid to P K Agrawal Management Services Pty Ltd		
- Management fee	156,000	156,000

b. Outstanding related party balances

Other Assets - Related Party Loan		
SK & S Agrawal Trust	4,388,402	4,334,765

The above loan has been provided to directors and director-related entities. The loan is secured and interest bearing (2021: secured and interest bearing).

Financial Liabilities - Related Party Loan		
Willshire Pty Ltd	3,589,198	3,301,357
SK & S Agrawal Trust	2,205,000	2,205,000

The loan from Willshire Pty Ltd has been provided by a director-related entity. It is an unsecured and interest free loan.
The SK & S Agrawal Trust loan has been provided by a director-related entity. Interest is charged at the CBA market interest rate.

20 CONTINGENT LIABILITIES

In the opinion of the directors, there are no contingent liabilities at the end of the financial year (2021: nil).

21 COMMITMENTS

Lease commitments - hire to purchase		
Committed at the reporting date and recognised as a liability in the financial statements:		
- payable no later than 12 months	4,665	19,857
- payable between 12 months and five years	-	300
	4,665	20,157
Less future finance charges	(399)	(1,689)
	4,265	18,468
Operating expenditure - management fees		
Committed at the reporting date but not recognised as a liability in the financial statements		
- payable no later than 12 months	156,000	156,000
- payable between 12 months and five years	156,000	156,000
Total operating expenditure - management fees	312,000	312,000

Operating expenditure relates to a contractual commitment for the provision of management services for a five year period.

20 SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

TOLEGA PTY LTD TRADING AS OAKWOOD AGED CARE

Director's Declaration

for the year ended 30 June 2022

The Directors of the company declare that:

1 The financial statements and notes, as set out in pages 1-19, are in accordance with the *Accountability Principles 2014* and the *Aged Care Act 1997, and*:

a comply with *Australian Accounting Standards - Simplified Disclosures*; and

b give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the company.

2. In the Director's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Signed on behalf of the directors

Director: P.K. Agrawal

Mr Prashant Agrawal

Date: **31 October 2022**

Independent Audit Report to the Members of Tolega Pty Ltd

ABN: 81 112 831 919
NAPS ID: 2807

Address
8/81 Flinders Street
Adelaide SA 5000
Telephone
(08) 8273 9300
info@perks.com.au
perks.com.au

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Tolega Pty Ltd (the Company), 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 changes in equity 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 directors' declaration.

In our opinion, the accompanying general purpose financial report of the Company has been prepared in accordance with the *Aged Care Act 1997* and the *Accountability Principles 2014* including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year ended; and

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

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

Emphasis of Matter – Material Uncertainty Related to Going Concern

We draw attention to Note 1(q) of the financial report, which indicates that the Company's current liabilities exceed its current assets by $3,795,812 as at 30 June 2022. These conditions, along with other matters as set forth in Note 1(q), indicate the existence of a material uncertainty which 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.

Chartered Accountants
Perks & Associates Pty Ltd
ACN 008 053 576 / ABN 50 507 079 554
Liability limited by a scheme approved under Professional Standards Legislation.

Audit
Perks Audit Pty Ltd
ACN 109 602 100 / ABN 20 173 474 661
Liability limited by a scheme approved under Professional Standards Legislation.

Private Wealth
Perks Private Wealth Pty Ltd
ACN 086 643 058 / ABN 88 086 643 058
Australian Financial Services Licence No. 236 551

Finance
Perks Finance Pty Ltd
ACN 101 919 537 / ABN 76 533 199 660
Australian Credit Licence No. 378241

Independent Audit Report to the Members of Tolega Pty Ltd

ABN: 81 112 831 919
NAPS ID: 2807

Responsibilities of the Directors 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 – Simplified Disclosures, the *Aged Care Act 1997* and the *Accountability Principles 2014*. The directors' responsibility also includes 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 Responsibilities for the Audit of the Financial Report

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Audit Report to the Members of Tolega Pty Ltd

ABN: 81 112 831 919
NAPS ID: 2807

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 directors 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.

Perks Audit

PERKS AUDIT PTY LTD

8/81 Flinders Street

Parkside

South Australia 5000

PJHill

PETER J HILL

Director

Registered Company Auditor 72701

Dated this 31st day of October 2022