The Noosa Pacific Trust

ABN 66 599 251 136

Annual Report - 30 June 2023

The Noosa Pacific Trust
Trustees' report
30 June 2023

The Directors of the trustee company, Netanya Noosa Pty Ltd ("The Directors") submit their report with respect to the financial statements for The Noosa Pacific Trust ("the Trust") for the financial year ended 30 June 2023.

Directors of the Trustee Company
The names of the Directors of the trustee company in office at any time during, or since the end of, the year are:

Peter Joseph O'Shea
Margaret Mary Priestley (as alternate for PJ O'Shea)

The Directors have many years of experience within the aged care industry and the Verthun Group of companies. The Directors also acts in an executive capacity within the Verthun Group of companies.

The Directors hold meetings throughout the year in an executive capacity.

Principal activities
During the financial year the principal continuing activities of the Trust consisted of:
- Aged care licensee and operator.

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

Review of operations
The profit for the Trust after providing for income tax amounted to $855,911 (30 June 2022: $1,994,258).

The net assets attributable to unitholders of the Trust have increased by $3,176,776 from 30 June 2022 to 30 June 2023. The increase in net assets is attributable to the revaluation of the Trust's land and buildings.

Distributions

The Trust distributes to unitholders at the end of each financial year. A profit distribution of $855,911 (2022: $1,994,258) was made to unitholders at 30 June 2023.

Significant changes in the state of affairs
In the current year, provisions for employee benefits are reported as nil due to all employees moving to a new employer from 30 June 2023. The provisions for leave are payable by the new employer.

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

Matters subsequent to the end of the financial year
Allegiance Care Pty Ltd became the trustee subsequent to year end, Allegiance Care Pty Ltd only obtained control of the entity subsequent to year end on 1 July 2023.

No other matter or circumstance has arisen since 30 June 2023 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.

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

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

Indemnity and insurance of officers
No indemnities have been given or insurance premiums paid, during or since the end of the financial year for any person who is or has been an officer of the Trust with the exception of the following matters:

The Trust has paid premiums to insure all the Directors if the Verthun Group of companies against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Trust, other than conduct involving a wilful breach of duty in relation to the Trust. The amount of the premium was $40,324 (2022: $40,324).

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

During the financial year, the Trust has not paid a premium in respect of a contract to insure the auditor of the Trust or any related entity.

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

The Trust was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors Netanya Noosa Pty Ltd as Trustee of the Noosa Pacific Trust:

Peter Joseph O'Shea
Director

27 October 2023

The Noosa Pacific Trust
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General information

The financial statements cover The Noosa Pacific Trust as an individual entity. The financial statements are presented in Australian dollars, which is The Noosa Pacific Trust's functional and presentation currency.

The Noosa Pacific Trust is a unit trust, incorporated and domiciled in Australia. Its principal place of business is:

Registered office

Netanya Noosa Pty Ltd as Trustee of:
The Noosa Pacific Trust,
250 Newnham Road,
Mt Gravatt, Qld 4122.

Principal place of business

TriCare Pimpama Aged Care Residence,

Anembo Avenue,
Pimpama, QLD 4209.

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

The financial statements were authorised for issue, in accordance with a resolution of Trustees, on 27 October 2023. The Trustees have the power to amend and reissue the financial statements.

The Noosa Pacific Trust
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	2023 $	2022 $
Total revenue	3	10,857,737	10,462,647
Other income	4	486,093	354,348
Expenses			
Employee benefits expense		(6,463,477)	(6,019,831)
Depreciation and amortisation expense		(491,048)	(364,736)
Residents expenses		(959,493)	(957,661)
Occupancy expenses		(602,528)	(527,836)
Other expenses		(167,517)	(165,120)
Administration fee		(1,457,600)	(457,600)
Finance costs	5	(346,256)	(329,953)
Profit before income tax expense		855,911	1,994,258
Income tax expense		-	-
Profit after income tax expense for the year attributable to the unitholders of The Noosa Pacific Trust	16	855,911	1,994,258
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain (loss) on revaluation ($nil tax applicable)		3,176,776	3,806,776
Other comprehensive income for the year, net of tax		3,176,776	3,806,776
Total comprehensive income for the year attributable to the unitholders of The Noosa Pacific Trust		4,032,687	5,801,034

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

The Noosa Pacific Trust
Statement of financial position
As at 30 June 2023

	Note	2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	6	819,902	2,709,577
Trade and other receivables	7	5,321,375	5,935,520
Other current assets	8	-	4,545
Total current assets		6,141,277	8,649,642
Non-current assets			
Financial assets	10	5,675,291	-
Property, plant and equipment	11	16,878,275	13,936,400
Total non-current assets		22,553,566	13,936,400
Total assets		28,694,843	22,586,042
Liabilities			
Current liabilities			
Trade and other payables	12	9,487,053	4,612,228
Provisions	13	-	583,591
Total current liabilities		9,487,053	5,195,819
Non-current liabilities			
Trade and other payables	12	850,239	2,163,473
Provisions	13	-	45,975
Total non-current liabilities		850,239	2,209,448
Total liabilities		10,337,292	7,405,267
Net assets		18,357,551	15,180,775
Equity			
Settlement capital	14	20	20
Reserves	15	18,357,531	15,180,755
Total equity		18,357,551	15,180,775

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

The Noosa Pacific Trust
Statement of changes in equity
For the year ended 30 June 2023

	Settlement capital $	Equity loans $	Capital profits reserve $	Asset revaluation surplus $	Retained earnings $	Total equity $
Balance at 1 July 2021	20	1,582,649	6,867,294	4,506,685	-	12,956,648
Profit after income tax expense for the year	-	-	-	-	1,994,258	1,994,258
Other comprehensive income for the year, net of tax	-	-	-	3,806,776	-	3,806,776
Total comprehensive income for the year	-	-	-	3,806,776	1,994,258	5,801,034
Transactions with unitholders in their capacity as unitholders:						
Repayment of equity loan	-	(1,582,649)	-	-	-	(1,582,649)
Distributions paid or provided for	-	-	-	-	(1,994,258)	(1,994,258)
Balance at 30 June 2022	20	-	6,867,294	8,313,461	-	15,180,775

	Settlement capital $	Equity loans $	Capital profits reserve $	Asset revaluation surplus $	Retained earnings $	Total equity $
Balance at 1 July 2022	20	-	6,867,294	8,313;461	-	15,180,775
Profit after income tax expense for the year	-	-	-	-	855,911	855,911
Other comprehensive income for the year, net of tax	-	-	-	3,176,776	-	3,176,776
Total comprehensive income for the year	-	-	-	3,176,776	855,911	4,032,687
Transactions with unitholders in their capacity as unitholders:						
Distributions paid or provided for	-	-	-	-	(855,911)	(855,911)
Balance at 30 June 2023	20	-	6,867,294	11,490,237	-	18,357,551

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

The Noosa Pacific Trust
Statement of cash flows
For the year ended 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		11,977,753	10,560,382
Payments to suppliers and employees (inclusive of GST)		(9,426,085)	(8,041,803)
		2,551,668	2,518,579
Interest received		156,769	16,251
Interest and other finance costs paid		(18,352)	(5,510)
Net cash from operating activities		2,690,085	2,529,320
Cash flows from investing activities			
Payments for investments to related parties		(5,675,291)	-
Payments for property, plant and equipment	11	(256,148)	(686,047)
Net cash used in investing activities		(5,931,439)	(686,047)
Cash flows from financing activities			
Net (payment)/proceeds from related party loans		(1,579,036)	(4,555,824)
Net proceeds from/resident refundable accommodation bonds		3,786,626	2,189,360
Net repayment/(funding) of investment loans to related parties		-	5,226,401
Trust Distribution		(855,911)	(1,994,258)
Net cash from financing activities		1,351,679	865,679
Net increase/(decrease) in cash and cash equivalents		(1,889,675)	2,708,952
Cash and cash equivalents at the beginning of the financial year		2,709,577	625
Cash and cash equivalents at the end of the financial year	6	819,902	2,709,577

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

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or 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.

Going concern
The balance sheet of the Trust discloses total current assets of $6,141,277 (2022: $ 8,649,642) and total current liabilities of $9,487,053 (2022: $ 5,195,819), resulting in a deficit of current assets to current liabilities of $3,345,776 (2022: surplus of $3,453,823). This largely arises because refundable accommodation deposits are classified in full as a current liability as required by accounting standards, whereas the asset to which the loans relate, financial assets, are classified as a non-current asset. The significant majority of residents, including those that have made a refundable accommodation deposit, reside at the aged care facility for greater than 12 months, meaning that even though the classification of refundable accommodation deposit liabilities are current, the Trust believes that it is unlikely that the entire amount would require repayment within 12 months, and grossly overstates the current liability amount. After excluding refundable accommodation deposits of $8,199,018 from current liabilities, current assets exceed current liabilities by $4,853,242. Considering available information, the Directors have concluded there are reasonable grounds to believe that the Trust will be able to pay its debts when they fall due and payable and the basis of preparation of the financial report on a going concern basis is appropriate.

Income taxes
Under current Australian income tax legislation the trust is not liable to Australian income tax, including capital gains tax, provided that unitholders are presently entitled to the income of the Trust as determined in accordance with the trust deed. Tax allowances for buildings and plant and equipment depreciation are distributed to unitholders in the form of tax deferred component of distributions.

Verthun Pty Limited and its wholly-owned Australian controlled entities have formed an income tax consolidated group under the tax consolidation legislation. Each entity in the group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer, approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The group notified the Australian Tax Office that it had formed an income tax consolidation group to apply from the 1 July 2003. The tax consolidation group has entered a tax funding arrangement whereby each entity in the group contributes to the income tax payable by the group in proportion to their contribution to the group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either by, or distribution to the head entity.

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

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 Trust'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 2.

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.

Note 1. Significant accounting policies (continued)

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.

Deferred tax assets and liabilities are always classified as non-current.

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

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

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met:
(i) It is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
(ii) The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets
The Trust 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 Trust's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

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

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.

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.

Note 1. Significant accounting policies (continued)

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 2. 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.

Lease imputed interest rate
Following the adoption of AASB 16 from 1 July 2019, the Trust has determined the use of the Maximum Permissible Interest Rate ("MPIR") as the interest rate to be used in the calculation of the imputed revenue on RAD and bond balances. The MPIR is a rate set by the Government and is used to calculate the Daily Accommodation Payment to applicable residents.

Note 3. Revenue

	2023 $	2022 $
Revenue from contracts with customers		
Government Revenue		
Government subsidy income	7,394,330	7,208,368
Capital funding receipts	1,619,698	1,522,859
	9,014,028	8,731,227
Resident and respite fees	1,843,709	1,731,420
Total revenue	10,857,737	10,462,647

	2023 $	2022 $
Timing of revenue recognition		
At a point in time	-	-
Over time	10,857,737	10,462,647
	10,857,737	10,462,647

Note 3. Revenue (continued)

Accounting policy for revenue recognition
The Trust recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Trust is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Trust:

- Identifies the contract with a customer;
- Identifies the performance obligations in the contract;
- Determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- Allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- Recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Government revenue

Government subsidy income
The Federal Government assesses the Trust's entitlement to revenue in accordance with the provisions of the Aged Care Act 1997. The subsidy received was based on the Aged Care Funding Instrument (ACFI) assessment for the first 3 months of the year, this changed to be based on the Australian National Aged Care Classification (AN-ACC), this was the case for the remaining 9 months of the year, this subsidy is recognised on an ongoing daily basis. The Federal Government also calculates certain accommodation supplements and other supplements on a per resident per day basis. The amount of Government revenue received is determined by Federal Government regulation rather than a direct contract with a customer. The funding is determined by a range of factors, including the residents care needs; whether the home has been significantly refurbished; levels of supported resident ratios at the home; and the financial means of the resident.

Capital funding receipts
Capital funding subsidies include a capital component to assist the care provider in the maintenance and upgrading of facilities to meet accreditation standards.

Other Government funding
Payment for the provision of transitional care under the State Government's Transitional Care Program (TCP). This is for the provision of time- limited, goal- oriented and therapy- focused packages of services to older people after a hospital stay.

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

Note 4. Other income

	2023 $	2022 $
Interest income - related entities	156,769	16,251
Imputed income on RAD and bond balances	327,904	324,443
Other revenue	1,420	13,654
Other income	486,093	354,348

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.

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

Imputed income on RAD and Bond Balances under AASB 16
For residents who have chosen a RAD or Bond arrangement to receive residential aged care services, the Trust has determined that following the adoption of AASB 16, these are lease arrangements for accounting purposes with the Trust acting as the lessor. The Trust has recognised as revenue an imputed non-cash income charge for accommodation revenue representing the resident's right to occupy a room under the arrangement. The accounting treatment required a noncash increase in revenue for accommodation and a non-cash increase in finance cost on the outstanding RAD and Bond balances, with no net impact on the result for the period.

Note 5. Expenses

	2023 $	2022 $
Profit before income tax includes the following specific expenses:		
Finance costs:		
RAD/accommodation bond settlement interest expense	18,359	5,510
Imputed interest expense on RAD and bond balances under AASB 16	327,897	324,443
Total finance costs	346,256	329,953

Note 6. Cash and cash equivalents

	2023 $	2022 $
Current assets		
Cash at bank	-	1,010
Cash equivalents	819,902	2,708,567
	819,902	2,709,577

Accounting policy for 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.

Cash equivalents accrue interest at a rate of 4.10% (2022: 0.60%).

Note 7. Trade and other receivables

	2023 $	2022 $
Current assets		
At amortised cost:		
Trade receivables	10,899	39,983
Other receivables	-	624
Receivable from related entities *	5,310,476	5,894,913
	5,321,375	5,935,520

* Unsecured interest free at call loans.

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

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

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

Note 8. Other current assets

	2023 $	2022 $
Current assets		
Prepayments	-	4,545

Note 9. Investments

Investment loan to related entity - unsecured
There is no formal contractual terms relating to intergroup transfers of loan funds to related entities. Such transactions are in the nature of Investment Loans as no interest is payable and repayment of funds is dependent on sufficient cash resources and working capital. AASB 9: *Financial Instruments* is not applicable to these financial assets.

Note 10. Financial assets

	2023 $	2022 $
Non-current assets		
At amortised cost:		
Loans and receivables	5,675,291	-

Loans and receivables
These unsecured loans are made to related entities and receive interest at 5.19%. These loans are subject to annual review in August and were reviewed in June 2023 and will again be reviewed before 31 August 2024.

Note 11. Property, plant and equipment

	2023 $	2022 $
Non-current assets		
Land - at directors valuation	1,400,000	1,400,000
Land and buildings - at directors valuation	15,131,675	12,084,013
Plant and equipment - at cost	1,569,247	1,386,906
Less: Accumulated depreciation	(1,222,647)	(934,519)
	346,600	452,387
	16,878,275	13,936,400

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

	Land $	Buildings $	Plant and equipment $	Total $
Balance at 1 July 2022	1,400,000	12,084,013	452,387	13,936,400
Additions	-	2,820	253,328	256,148
Revaluation increments	-	3,176,775	-	3,176,775
Depreciation expense	-	(131,933)	(359,115)	(491,048)
Balance at 30 June 2023	1,400,000	15,131,675	346,600	16,878,275

Valuations of land and buildings
The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued in 2022 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

Accounting policy for property, plant and equipment
Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

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 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
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

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

Note 11. Property, plant and equipment (continued)

Leasehold improvements 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 Trust. 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.

Note 12. Trade and other payables

	2023 $	2022 $
Current liabilities		
Unsecured - at amortised cost:		
Trade payables	78,043	194,175
Amounts payable to others (a)	8,199,018	4,412,392
Other payables (b)	1,209,992	5,661
	9,487,053	4,612,228
Non-current liabilities		
Unsecured - at amortised cost:		
Trade payables	850,239	2,163,473
	10,337,292	6,775,701

(a):
This amount represents resident aged care refundable accommodation deposits held by the Trust.
Even though these deposits are not all expected to be repaid within the next 12 months, the Trust does not have an unconditional right to defer settlement and therefore has classified these liabilities as current.

(b):
This amount includes provisions for employee benefits that are payable to a new employer from 30 June 2023. Provisions for employee benefits are reported as nil in note 13 and the provisions for leave are payable to the new employer. In addition, after the Trust instigated a review of salaries and wages paid in previous years, it was determined that some employees were not paid their full entitlements in relation to 2017 to 2023.

Accounting policy for 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.

Note 13. Provisions

	2023 $	2022 $
Current liabilities		
Annual leave	-	309,351
Long service leave	-	274,240
	-	583,591
Non-current liabilities		
Long service leave	-	45,975
	-	629,566

Note 13. Provisions (continued)

Contributions to defined contribution plans recognised as an expense in profit and loss in 2023 were $456,744 (2022: $457,302).

Accounting policy for 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, salaries and sick leave. Short- term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee benefits
Provision is made for employees' long service leave and annual 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 government 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 a 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.

Note 14. Settlement capital

	2023 Units	2022 Units	2023 $	2022 $
Settlement capital - fully paid	20	20	20	20

Note 15. Reserves

	2023 $	2022 $
Asset revaluation surplus	11,490,237	8,313,461
Capital profits reserve	6,867,294	6,867,294
	18,357,531	15,180,755

Asset revaluation surplus
The asset revaluation surplus records revaluations of non-current assets.

Capital profits reserve
The capital profits reserve records non-taxable profits on sales of assets.

Note 15. Reserves (continued)

Movements in reserves
Movements in each class of reserve during the current financial year are set out below:

	Asset revaluation surplus $	Capital profits reserve $	Total $
Balance at 1 July 2022	8,313,461	6,867,294	15,180,755
Revaluation - gross	3,176,776	-	3,176,776
Balance at 30 June 2023	11,490,237	6,867,294	18,357,531

Note 16. Retained earnings

	2023 $	2022 $
Retained earnings at the beginning of the financial year	-	-
Profit after income tax expense for the year	855,911	1,994,258
Distributions paid	(855,911)	(1,994,258)
Retained earnings at the end of the financial year	-	-

Note 17. Key management personnel disclosures

The total remuneration paid to key management personnel of the Trust is $nil (2022 $nil). Key management personnel are remunerated by TriCare Limited.

Note 18. Remuneration of auditors

All audit fees are paid by TriCare Limited, a related entity.

Note 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.

Parent entity and Ultimate controlling entity
The Trust is controlled by TriCare Limited, a related entity. The Ultimate controlling entity is Verthun Pty Limited.

Key management personnel
Disclosures relating to key management personnel are set out in note 17.

Note 19. Related party transactions (continued)

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

	2023 $	2022 $
Other transactions:		
Distribution paid to unitholders - NCA Pty Ltd (50%) & TriCare Walker Pty Ltd (50%)	855,911	1,994,258
Interest received - TriCare (Victoria) Pty Ltd	59,274	-
Interest received - TriCare (Williams Landing) Pty Ltd	42,524	-
Interest received - TriCare (Finance) Pty Ltd	54,970	16,251
Workers compensation paid to TriCare (Management) Pty Ltd	126,587	129,345
Administration service fees paid to TriCare Limited	1,457,600	457,600
Total	**2,596,866**	**2,597,454**

Related party loans
During the financial year the Trust engaged in unsecured, loan fund transactions with related entities. The aggregate amounts recognised are as follows:

	2023 $	2022 $
Cash Equivalents		
Current		
TriCare (Finance) Pty Ltd***	819,902	2,708,567
Total	**819,902**	**2,708,567**
Trade and other receivables #		
Current		
Amount receivable from:		
TriCare (Homes) Pty Ltd *	5,310,476	5,894,913
Total	**5,310,476**	**5,894,913**
Financial Assets		
Non-current		
Amounts receivable from:		
TriCare (Williams Landing) Pty Ltd **	3,274,885	-
TriCare (Victoria) Pty Ltd **	2,400,406	-
Total	**5,675,291**	**-**
Trade and other payables #		
Current		
Amounts payable to:		
TriCare (Walker) Pty Ltd*	850,239	1,166,344
NCA Pty Ltd*	-	997,129
Total	**850,239**	**2,163,473**

Note 19. Related party transactions (continued)

* Unsecured at call interest free loans.

All loan account and borrowings movements were in relation to amounts received/(paid). There were no other loan movements or interest received/(paid) on these loans during the year.

** These loans receive/(incur) interest of 5.19% (2022: 2.19%). Refer to note 19 for interest received/(paid) loan movement, the remaining balance of the loan movement represents amounts received/(paid) on these loans during the year.

*** These balances receive interest of 4.10% (2022: 0.60%). Refer other transactions in note 19 for interest accrued during the year.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 20. Contingent income tax liability

Under the tax consolidation system, the head entity of the tax consolidated group, Verthun Pty Limited, is liable for income tax arising in relation to the transactions and other events of a wholly owned subsidiary subsequent to the adoption of tax consolidations.

However, a potential contingent liability exists for each entity in the tax consolidated group as they are jointly and severally liable for the income tax liability of the group should the head entity default on its obligation under the legislation.

Class order
TriCare Limited, the parent entity, has entered into approved deeds of indemnity with the following wholly-owned entities which cross guarantee each others liabilities. No liabilities are expected to arise in the economic entity in respect of these deeds of indemnity.

TriCare (Annerley) Pty Ltd
TriCare (Country) Pty Ltd
TriCare (Mermaid Beach) Pty Ltd
TriCare (Logan) Pty Ltd
NCA Pty Ltd
TriCare (Walker) Pty Ltd
Netanya Noosa Pty Ltd as trustee for the Noosa Pacific Trust

Note 21. Fair Value Measurement

The Trust has the following assets and liabilities, as set out below, measured at fair value on a recurring basis after initial recognition. The Trust does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

	2023 $	2022 $
Financial assets	5,675,291	-
Total financial assets recognised at fair value	5,675,291	-
Non-financial assets		
Freehold land and buildings	16,531,675	13,484,013
Total non-financial assets recognised at fair value	16,531,675	13,484,013

The fair value of freehold land and buildings is determined based on valuations by an independent valuer. At the end of each intervening period, the director review the independent 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 and discounted cash flow methodologies.

Note 22. Segment information

The approved provider delivers only residential aged care services and this general purpose financial report relates only to such operations.

Note 23. Events after the reporting period

Allegiance Care Pty Ltd became the trustee subsequent to year end, Allegiance Care Pty Ltd only obtained control of the entity subsequent to year end on 1 July 2023.

No other matter or circumstance has arisen since 30 June 2023 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.

The Noosa Pacific Trust
Trustees' declaration
30 June 2023

The Directors of the Netanya Noosa Pty Ltd declare that:

- The attached financial statements and notes present fairly the Trust's financial position as at 30 June 2023 and its performance for the year ended on the date in accordance with Australian Accounting Standards - Simplified Disclosures; and

- In the Directors' 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.

The Trust and the related entities listed in note 20 have entered into deeds of cross guarantee under which these entities guarantee the debts of each other. At the date of this declaration there are reasonable grounds to believe that the entities which are parties to this deed of cross guarantee will, as an economic entity be able to meet any obligations or liabilities to which they are or may become, subject by virtue of the deed.

This declaration is made in accordance with a resolution of the Board of Directors of the Trustee company.

On behalf of the Trustee

Peter Joseph O'Shea
Director

27 October 2023

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NOOSA PACIFIC TRUST

Report on the Financial Report

Opinion

We have audited the accompanying financial report of The Noosa Pacific Trust ("the Trust"), which comprises the statement of financial position as at 30 June 2023, 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, notes comprising a summary of significant accounting policies and other explanatory information, and declaration by the Trustee.

In our opinion the financial report of the Trust is in accordance with the *Trust Deed*, including:

a) Giving a true and fair view of the Trust's financial position as at 30 June 2023 and of its performance for the year ended on that date; and

b) Complying with Australian Accounting Standards – Simplified Disclosures and the *Trust Deed.*

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

Independence

We are independent of the Trust in accordance with the auditor independence requirements of the *Trust Deed* and 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 also fulfilled our other ethical responsibilities in accordance with the Code.

Other Matters

The financial report of The Noosa Pacific Trust for the year ended 30 June 2022 was audited by another auditor who expressed an unmodified opinion on that financial report on 21 October 2022.

Other Information

The Trustee is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Trust's report but does not include the financial report and our auditors' report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Trustee's Responsibilities for the Financial Report

The Trustee is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Trust Deed and for such internal control as the Trustee 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 Trustee is 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 Trustee either intend to liquidate the Trust 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, individual or in 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/Home.aspx. This description forms part of our auditor's report.

PKF

PKF BRISBANE AUDIT

CAMERON BRADLEY
PARTNER

27 OCTOBER 2023
BRISBANE