

**Aspic Holdings Pty Limited**  
**ABN 45 000 851 687**  
**Financial Report**  
**For the Year Ended 30 June 2022**

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Financial Report For the year ended 30 June 2022

### CONTENTS

Page

#### Financial Report

Directors' Report	3
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Report	11
Directors' Declaration	26
Independent Auditor's Report	27

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Directors' Report For the year ended 30 June 2022

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Your directors present their report on the company for the financial year ended 30 June 2022.

### Directors

The names of the directors in office at any time during, or since the end of the year are:

- Frank Moschella
- Christine Moschella
- Rosemarie Moschella
- Joseph Moschella

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

### Review of operations

The profit of the company for the financial year after providing for income tax amounted to \$2,636,294 (2021: profit \$2,901,526).

A review of the operations of the company during the financial year and the results of those operations are as follows:

The company's operations during the year performed as expected in the opinion of the directors.

### Significant changes in the state of affairs

No significant changes in the company's state of affairs occurred during the financial year.

### Principal activities

The principal activities of the company during the financial year were:

Delivering residential aged care services

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

### Events subsequent to the end of the reporting period

No item, transaction or event of a material and unusual nature has occurred since 30 June 2022, which is likely, in the opinion of the directors of the company, to affect significantly the operations of the company, the results of these operations, or the state of affairs of the company, in future financial years.

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Directors' Report For the year ended 30 June 2022

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

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

### **Environmental regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

### **Dividends**

Dividends paid or declared since the start of the financial year are as follows:

- a) Franked dividends of \$1,717,298 were paid during the year (2021: \$3,112,105).
- b) There were no dividends recommended or declared for payment to members during the year that have not been paid or credited to the member throughout the year.

### **Options**

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

No shares or interests in the company have been issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

### **Indemnification 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 or auditor of the company.

### **Proceedings on behalf of the company**

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

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

**ASPIC HOLDINGS PTY LIMITED**

**A.B.N. 45 000 851 687**

**Directors' Report**

**For the year ended 30 June 2022**

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**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under s 307C of the Corporations Act 2001 is set out on page 6.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Frank Moschella  
Director



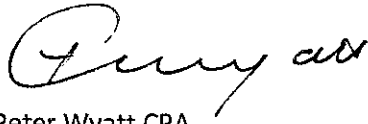
*C. Moschella*  
Christine Moschella  
Director

Dated this *10<sup>th</sup>* .....day of *October* .....2022

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF ASPIC HOLDINGS PTY LTD**

I declare that, to the best of my knowledge and belief during the year ended 30<sup>th</sup> June 2022, there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Peter Wyatt', is written over a light blue horizontal line.

Peter Wyatt CPA

Reg. Company Auditor

10<sup>th</sup> October 2022

**ASPIC HOLDINGS PTY LIMITED**

A.B.N. 45 000 851 687

**Statement of Profit or Loss and Other Comprehensive Income**

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue	2	15,445,764	15,158,291
Other income	2	167,920	521,699
Employee benefits expense	3	(8,241,016)	(8,148,755)
Depreciation and amortisation	3	(779,324)	(767,103)
Finance costs	3	(181,798)	(93,735)
Cleaning, repairs & maintenance		(822,575)	(676,106)
Catering costs		(589,119)	(562,219)
Medical supplies		(329,347)	(419,891)
Recoverable resident expenses		(164,838)	(178,551)
Rates, land tax and utilities cost		(365,625)	(382,667)
Other overhead expenses		(624,984)	(510,412)
<b>Profit before income tax</b>		<u>3,515,058</u>	<u>3,940,551</u>
Income tax expense	4	(878,764)	(1,039,025)
<b>Profit for the year</b>		<u>2,636,294</u>	<u>2,901,526</u>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u>2,636,294</u>	<u>2,901,526</u>

The accompanying notes form part of this financial report

**ASPIC HOLDINGS PTY LIMITED**

A.B.N. 45 000 851 687

**Statement of Financial Position  
For the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Current assets</b>			
Cash and cash equivalents	6	23,646,963	31,740,996
Trade and other receivables	7	552,717	161,514
<b>Total current assets</b>		<u>24,199,680</u>	<u>31,902,510</u>
<b>Non-current assets</b>			
Other financial assets	8	3,249,582	3,582,451
Property, plant and equipment	9	22,463,121	23,035,362
Deferred tax assets	10	244,165	297,811
<b>Total non-current assets</b>		<u>25,956,868</u>	<u>26,915,624</u>
<b>Total assets</b>		<u>50,156,548</u>	<u>58,818,134</u>
<b>Current liabilities</b>			
Trade and other payables	11	47,716,308	55,374,498
Borrowings	14	-	400,000
Current tax liabilities	12	96,685	196,494
Provision for employee entitlements	13	755,283	702,243
<b>Total current liabilities</b>		<u>48,568,276</u>	<u>56,673,235</u>
<b>Non-current liabilities</b>			
Borrowings	14	100	1,500,098
Provision for employee entitlements	13	513,378	489,003
<b>Total non-current liabilities</b>		<u>513,478</u>	<u>1,989,101</u>
<b>Total liabilities</b>		<u>49,081,754</u>	<u>58,662,336</u>
<b>Net assets</b>		<u>1,074,794</u>	<u>155,798</u>
<b>Equity</b>			
Issued capital	15	39	39
Retained profits	16	1,074,755	155,759
<b>Total equity</b>		<u>1,074,794</u>	<u>155,798</u>

The accompanying notes form part of this financial report



**ASPIC HOLDINGS PTY LIMITED**

**A.B.N. 45 000 851 687**

**Statement of Changes in Equity  
For the year ended 30 June 2022**

	Share capital	Retained earnings
	\$	\$
Balance at 1 July 2020	39	366,338
Comprehensive income for the year		2,901,526
Dividends paid	5	(3,112,105)
<b>Balance at 30 June 2021</b>	<u>39</u>	<u>155,759</u>
Balance at 1 July 2021	39	155,759
Comprehensive income for the year		2,636,294
Dividends paid	5	(1,717,298)
<b>Balance at 30 June 2022</b>	<u>39</u>	<u>1,074,755</u>

The accompanying notes form part of this financial report

**ASPIC HOLDINGS PTY LIMITED**

**A.B.N. 45 000 851 687**

**Statement of Cash Flows**  
**For the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		15,122,544	15,037,566
Payments to suppliers and employees		(11,118,723)	(10,451,126)
Proceeds from refundable accommodation deposits		9,552,572	9,055,000
Interest received		75,733	238,474
Finance costs		(181,798)	(85,808)
Income tax		(924,927)	(947,263)
Repayment of refundable accommodation deposits		(17,127,924)	(13,808,084)
<b>Net cash flow from operating activities</b>	21	<u>(4,602,523)</u>	<u>(961,241)</u>
<b>Cash flow from investing activities</b>			
Payments for acquisitions of property, plant and equipment		(207,083)	(81,598)
Loans to related parties			
- Payments made		-	-
- Proceeds received		-	-
<b>Net cash flow from investing activities</b>		<u>(207,083)</u>	<u>(81,598)</u>
<b>Cash flow from financing activities</b>			
Proceeds from borrowings		332,869	3,379,988
Repayment of borrowings		(1,899,998)	(100,002)
Dividend paid		(1,717,298)	(3,112,105)
<b>Net cash flow from financing activities</b>		<u>(3,284,427)</u>	<u>167,881</u>
<b>Net increase/(decrease) in cash held</b>		<u>(8,094,033)</u>	<u>(874,958)</u>
Cash and cash equivalents as at beginning of financial year		31,740,996	32,615,954
<b>Cash and cash equivalents as at end of financial</b>	6	<u><u>23,646,963</u></u>	<u><u>31,740,996</u></u>

The accompanying notes form part of this financial report

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Notes to the Financial Report For the year ended 30 June 2022

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The financial report includes the financial statements and notes of Aspic Holdings Pty Limited as an individual entity.

### Note 1: Summary of significant accounting policies

#### Basis of preparation

The financial report is general purpose financial report that has been prepared in accordance with Australian Accounting Standards-Reduced Disclosure Requirements (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS). Material accounting policies adopted in the preparation of the financial report are presented below and have been consistently applied unless stated otherwise.

The financial report, except for cash flow information, has been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial report have been rounded to the nearest dollar.

#### Accounting policies

##### (a) Income tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to profit or loss is the tax payable on taxable income measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are recognised outside profit or loss. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Notes to the Financial Report For the year ended 30 June 2022

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subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where:

- (a) a legally enforceable right of set-off exists; and
- (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### **(b) Property, plant and equipment**

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

#### Property

Freehold land and buildings are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of Freehold land and buildings is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Accounting Policy note - Impairment).

#### Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Accounting Policy note - Impairment).

#### Depreciation

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

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Notes to the Financial Report For the year ended 30 June 2022

The depreciation rates used for each class of depreciable assets are:

<b>Class of fixed asset</b>	<b>Depreciation rate</b>
Buildings	2.50%
Plant and equipment	2.0-66.0%
Motor vehicles	12.5-22.5%
Furniture and fittings	10.0-40.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

### (c) Impairment of asset

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belong. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

### (d) Intangibles

#### General

Intangible assets acquired separately are capitalised at cost as at the date of acquisition. The useful lives are assessed to be either finite or indefinite. Where amortisation is charged on intangible assets with finite lives, this expense is taken to the income statement through the 'Depreciation and Amortization' line item. Intangible assets created within the business are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred. Intangible assets are tested for impairment where an indicator of impairment exist, and in the case of intangible assets with indefinite useful lives, annually, either individually or at the cash-generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

### (e) New or amended accounting standards and interpretations adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australia Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Notes to the Financial Report For the year ended 30 June 2022

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### **(f) Employee benefits**

#### **(i) Short term employee benefits**

Provisions is made for the Company'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.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position

#### **(ii) 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 part of employee benefits expense.

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

### **(g) Provisions**

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

### **(h) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Notes to the Financial Report For the year ended 30 June 2022

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### **(i) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable. All revenue is stated net of the amount of goods and services tax (GST).

### **(j) Trade and other receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

### **(k) Trade and other payables**

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### **(l) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). 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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Notes to the Financial Report For the year ended 30 June 2022

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### **(m) Comparative figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the company has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

### **(n) Refundable accommodation deposits**

Refundable accommodation deposits are non-interest bearing deposits made by aged care facility residents to Aspic Holdings Pty Limited upon their admission. The liability for refundable accommodation deposits is carried at the amounts that would be payable on exit of the resident. This is the amount received on entry of the resident less deduction for fees and retentions pursuant to the Aged Care Act 1997. Refundable accommodation deposits are classified as current liabilities as Aspic Holdings Pty Limited does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The obligation to settle could occur at any time. On departure by the resident, interest payable is accrued on Refundable accommodation deposits until they are repaid.

### **(o) Critical accounting estimates and judgements**

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

### **(p) 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 company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no 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.



**ASPIC HOLDINGS PTY LIMITED**  
**A.B.N. 45 000 851 687**

**Notes to the Financial Report**  
**For the year ended 30 June 2022**

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**(q) Lease (the company as lessee)**

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (lease with a remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
  
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payment made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Company does not act as a lessor in relation to lease contracts.

**ASPIC HOLDINGS PTY LIMITED**

A.B.N. 45 000 851 687

**Notes to the Financial Report  
For the year ended 30 June 2022**

	2022	2021
	\$	\$
<b>Note 2: Revenue</b>		
Operating revenue		
Fees received from residents	5,851,574	5,987,203
Government subsidies	9,594,190	9,171,088
	<u>15,445,764</u>	<u>15,158,291</u>
Other income		
Interest received	75,733	238,474
Other revenue	9,467	12,425
Cash flow boost subsidy	-	50,000
Workforce retention bonus	82,720	220,800
	<u>167,920</u>	<u>521,699</u>
Total revenue	<u><u>15,613,684</u></u>	<u><u>15,679,990</u></u>
<b>Note 3: Profit before income tax</b>		
Employee benefits expense		
Wages	6,352,335	6,435,325
Superannuation	650,941	624,483
Leave payments	740,653	630,390
Payroll tax	342,130	327,142
Workers compensation insurance	119,626	117,972
Agency and recruitment	15,455	-
Staff training & welfare	19,876	13,443
	<u>8,241,016</u>	<u>8,148,755</u>
Depreciation expenses		
Depreciation	779,324	767,103
	<u>779,324</u>	<u>767,103</u>
Finance costs		
Interest to other persons/corporations	181,798	93,735
	<u>181,798</u>	<u>93,735</u>
<b>Note 4: Tax expenses</b>		
The components of tax expense comprise:		
Current tax liability for the year	825,118	1,051,406
Deferred tax	53,646	(12,381)
	<u>878,764</u>	<u>1,039,025</u>

**ASPIC HOLDINGS PTY LIMITED**

A.B.N. 45 000 851 687

**Notes to the Financial Report  
For the year ended 30 June 2022**

	2022	2021
	\$	\$
<b>Note 5: Dividends proposed or paid</b>		
Dividends paid to members during the year: fully franked	<u>1,717,298</u>	<u>3,112,105</u>
<b>Note 6: Cash and cash equivalents</b>		
Term deposits	19,000,000	26,000,000
Cash at bank	<u>4,646,963</u>	<u>5,740,996</u>
	<u>23,646,963</u>	<u>31,740,996</u>
Reconciliation of cash		
Cash and cash equivalents	<u>23,646,963</u>	<u>31,740,996</u>
	<u>23,646,963</u>	<u>31,740,996</u>
<b>Note 7: Trade and other receivables</b>		
Current		
Trade receivables	492,220	117,601
GST recoverable	<u>60,497</u>	<u>43,913</u>
Total trade and other receivables	<u>552,717</u>	<u>161,514</u>
<b>Note 8: Other financial assets</b>		
Non-current		
Loan - Chadhawk Trust-pre 1997	714,929	714,929
Loan - Chadhawk Trust	2,094,306	2,394,306
Loan - Huntingdon Garden	<u>440,347</u>	<u>473,216</u>
Total other financial assets	<u>3,249,582</u>	<u>3,582,451</u>
<b>Note 9: Property, plant and equipment</b>		
Land and buildings – at cost		
Land and buildings – Ferndale Gardens	28,667,679	28,667,679
Accumulated depreciation & impairment	<u>(6,947,889)</u>	<u>(6,395,499)</u>
Total land and buildings	<u>21,719,790</u>	<u>22,272,180</u>

Land and buildings are carried at cost less accumulated depreciation. The directors have assessed the carrying amount of land and buildings and are of the view that the realisable value of land and buildings is in excess of the carrying amount.

**ASPIC HOLDINGS PTY LIMITED**

A.B.N. 45 000 851 687

**Notes to the Financial Report  
For the year ended 30 June 2022**

	2022	2021	
	\$	\$	
<b>Note 9: Property, plant and equipment (continued)</b>			
Plant and equipment – at cost			
Plant & equipment	4,763,205	4,645,876	
Accumulated depreciation & impairment	<u>(4,240,213)</u>	<u>(4,043,268)</u>	
	522,992	602,608	
Furniture & fittings	311,552	221,798	
Accumulated depreciation & impairment	<u>(185,734)</u>	<u>(170,378)</u>	
	125,818	51,420	
Low value pool	1,044,592	1,044,592	
Accumulated depreciation	<u>(950,071)</u>	<u>(935,438)</u>	
	94,521	109,154	
Total plant and equipment	<u>743,331</u>	<u>763,182</u>	
Total property, plant and equipment	<u>22,463,121</u>	<u>23,035,362</u>	
	Buildings	Plant & equipment	Total
Carrying Amount at 1 July 2020	22,824,570	896,297	23,720,867
Additions	-	81,598	81,598
Disposals	-	-	-
Depreciation	<u>(552,390)</u>	<u>(214,713)</u>	<u>(767,103)</u>
Carrying Amount at 30 June 2021	<u>22,272,180</u>	<u>763,182</u>	<u>23,035,362</u>
Carrying amount at 1 July 2021	22,272,180	763,182	23,035,362
Additions	-	207,083	207,083
Disposals	-	-	-
Depreciation	<u>(552,390)</u>	<u>(226,934)</u>	<u>(779,324)</u>
Carrying amount at 30 June 2022	<u>21,719,790</u>	<u>743,331</u>	<u>22,463,121</u>
<b>Note 10: Deferred tax assets</b>			
Deferred tax assets	<u>244,165</u>	<u>297,811</u>	
Deferred tax assets comprise temporary differences attributable to:			
Provisions and accruals	317,165	297,811	
Accrued income	<u>(73,000)</u>	-	
Closing balance of deferred tax assets	<u>244,165</u>	<u>297,811</u>	

**ASPIC HOLDINGS PTY LIMITED**

A.B.N. 45 000 851 687

**Notes to the Financial Report  
For the year ended 30 June 2022**

	2022	2021
	\$	\$
<b>Note 11: Trade and other payables</b>		
Current		
Trade and other payables	447,737	355,805
Income in advance	47,656	99,931
Refundable accommodation deposits	47,220,915	54,918,762
Total trade and other payables	<u>47,716,308</u>	<u>55,374,498</u>
<b>Note 12: Current tax liabilities</b>		
Provision for income tax		
Opening balance	196,494	92,351
Income tax (paid)/refunded	52,810	174,626
PAYG instalments paid to ATO	(977,737)	(1,121,889)
Income tax liability for current period	825,118	1,051,406
Total current tax liabilities	<u>96,685</u>	<u>196,494</u>
<b>Note 13: Provision for employee entitlements</b>		
Current		
Provision for holiday pay	<u>755,283</u>	<u>702,243</u>
Non-current		
Provision for long service leave	513,378	489,003
Total provision for employee entitlements	<u>1,268,661</u>	<u>1,191,246</u>
<b>Note 14: Borrowings</b>		
Current		
Loan - Westpac	<u>-</u>	<u>400,000</u>
Non-current		
- Other associates	100	100
Loan - Westpac	<u>-</u>	<u>1,499,998</u>
	100	1,500,098
Total borrowings	<u>100</u>	<u>1,900,098</u>

**ASPIC HOLDINGS PTY LIMITED**

A.B.N. 45 000 851 687

**Notes to the Financial Report  
For the year ended 30 June 2022**

	2022	2021
	\$	\$
<b>Note 15: Issued capital</b>		
Ordinary shares	13	13
A class shares	7	7
B class shares	7	7
C class shares	6	6
D class shares	6	6
	<u>39</u>	<u>39</u>
Share movements		
Shares issued at beginning of the year	39	39
Movement in shares	-	-
Shares on issue at end of the reporting period	<u>39</u>	<u>39</u>

Fully paid ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At shareholders meetings, each ordinary share is entitled to one vote when a poll is called, or via a show of hands.

**Note 16: Retained earnings**

Retained earnings at the beginning of the financial year	155,759	366,338
Add		
Net profit attributable to members of the company	3,515,058	3,940,551
Less		
Income tax expense	(878,764)	(1,039,025)
Dividend	(1,717,298)	(3,112,105)
Retained earnings at the end of the financial year	<u>1,074,755</u>	<u>155,759</u>

**Note 17: Key management personnel compensation**

There was no remuneration paid to the company's directors during the year.

**Note 18: Events after the reporting period**

The directors are not aware of any significant events since the end of the reporting period.

**ASPIC HOLDINGS PTY LIMITED**

A.B.N. 45 000 851 687

**Notes to the Financial Report  
For the year ended 30 June 2022**

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	2022	2021
	\$	\$
<b>Note 19: Related parties transactions</b>		
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Details of related party transactions:		
(a) Aspic Holdings Pty Limited has received management services from Trinity Management Services Pty Limited. The management fee paid is based on normal commercial terms and conditions. Frank Moschella is one of the two directors of Trinity Management Services Pty Limited.		
Balances to related parties		
-Chadhawk Trust	2,809,235	3,109,235
-Huntingdon Nursing Home Pty Ltd	440,347	473,216
Balances from related parties		
-Other associated parties	100	100
<b>Note 20: Remuneration of auditors</b>		
Remuneration of the auditor of the company for:		
Audit and review of the financial statements	<u>10,000</u>	<u>10,000</u>
<b>Note 21: Cash flow information</b>		
Reconciliation of cash flow from operations with profit after income tax:		
Profit and loss after income tax	2,636,294	2,901,526
Non-cash flows in profit:		
Refundable accommodation deposits drawdown	(122,495)	(48,511)
Depreciation and amortisation	779,324	767,103
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(391,203)	(48,657)
Increase/(decrease) in refundable accommodation deposits	(7,575,352)	(4,753,084)
Increase/(decrease) in trade and other payables	91,932	11,827
Increase/(decrease) in income in advance	(52,275)	(36,523)
Increase/(decrease) in current tax liabilities	(99,809)	104,143
(Increase)/decrease in deferred tax assets	53,646	(12,381)
Increase/(decrease) in provisions	77,415	153,316
Cash flow from operations	<u>(4,602,523)</u>	<u>(961,241)</u>

**ASPIC HOLDINGS PTY LIMITED**

**A.B.N. 45 000 851 687**

**Notes to the Financial Report  
For the year ended 30 June 2022**

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	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Note 22: Financial risk management</b>		
The Company's activities expose it to credit, liquidity and market risk. The Company holds the following financial instruments:		
<b>Financial assets</b>		
Cash and cash equivalents	23,646,963	31,740,996
Trade and other receivables	552,717	161,514
	<u>24,199,680</u>	<u>31,902,510</u>
<b>Financial liabilities</b>		
Trade and other payables	47,716,308	55,374,498
Borrowings	-	400,000
Provision for employee benefits	755,283	702,243
	<u>48,471,591</u>	<u>56,476,741</u>

The carrying values of trade receivables and payables are assumed to approximate their fair values due to their short term nature. The fair value of current borrowings approximated the carrying amount as the impact of discounting is not significant.

**(a) Market risk**

Market risk is the risk that changes in market prices, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. As the Company does not hold any securities exposed to price risk, the Company's direct exposure to market risk includes cash, loans and borrowing and refundable accommodation deposits.

**(b) Interest risk**

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of change in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, primarily related to the Company's bank debt. Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the values of financial instruments. The Company is exposed to interest rate risk as funds are borrowed at floating and fixed rates.

At balance date, the Company's bank facilities, totalling \$0 (2021: \$1,899,998), are principal and interest loans with a term of 5 years.



# ASPIC HOLDINGS PTY LIMITED

A.B.N. 45 000 851 687

## Notes to the Financial Report For the year ended 30 June 2022

### (c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its constructive obligations, and arises principally from the Company's cash and cash equivalents, trade and other receivables.

The Company's cash and cash equivalents comprise deposits in bank(s) with high credit-ratings held with AA-rated financial institutions.

Credit risk on trade and other receivables is ultimately managed in the day to day operations of the aged care facility. Trade and other receivables (\$552,717 in 2022 and \$161,514 in 2021) are within 30 days of the due date at balance date and are not considered impaired at 30 June 2022.

### (d) Liquidity risk

The Company maintains sufficient cash to meet obligations when due. At the end of the reporting period, the Company held cash at bank totalling \$23,646,693 (2021: \$31,740,996).

Management monitors rolling forecasts of the Company's cash and cash equivalents on the basis of expected cash flows, and considers the level of liquid assets necessary to meet expected cash flows while maintaining a sufficient level of liquidity to ensure compliance with the prudential requirements of the Aged Care Act 1997.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are contractual undiscounted cash flows.

	0-30 days	Greater than 30 days	Total contractual cash flows	Carrying amount of liabilities
	\$	\$	\$	\$
<b>30 June 2022</b>				
Interest bearing	-	-	-	-
Non-interest bearing	495,393	47,220,915	47,716,308	47,716,308
Total non-derivatives	<u>495,393</u>	<u>47,220,915</u>	<u>47,716,308</u>	<u>47,716,308</u>
<b>30 June 2021</b>				
Interest bearing		1,899,998	1,899,998	1,899,998
Non-interest bearing	455,736	54,918,762	55,374,498	55,374,498
Total non-derivatives	<u>455,736</u>	<u>56,818,760</u>	<u>57,274,496</u>	<u>57,274,496</u>

### Note 23. Segment reporting

The Approved Provider delivers only residential aged care services and the GPFR therefore relates only to

### Note 24. Company details

Aspic Holdings Pty Limited  
33 Jersey Avenue  
Mortdale NSW 2223

**ASPIC HOLDINGS PTY LIMITED**

**A.B.N. 45 000 851 687**

**Directors' Declaration  
For the year ended 30 June 2022**

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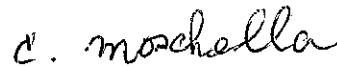
In accordance with a resolution of the directors of Aspic Holdings Pty Limited, the directors of the company declare that:

1. The financial report and notes, as set out in the financial statements, are in accordance with the Corporations Act 2001 and:
  - a. comply with Australian Accounting Standards, and
  - b. give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Frank Moschella  
Director



Christine Moschella  
Director

Dated this .....10<sup>th</sup>.....day of October.....2022

## **INDEPENDENT AUDITORS REPORT**

**To the Directors of Aspic Holdings Pty Limited and the Secretary, Department of Health.**

### **Report on the Financial Report**

We have audited the accompanying financial report of Aspic Holdings Pty Limited which comprises the statement of financial position as of 30 June 2022, the statement of comprehensive income, the statement of cash flows for the year ended on that date, the statement of changes in equity, a summary of significant accounting policies, other explanatory notes.

#### Directors' Responsibility for the Financial Report

The directors of the partners are responsible for the preparation and fair presentation of the financial report by Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making reasonable accounting estimates in the circumstances.

#### Auditors Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit by Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the partners, as well as evaluating the overall presentation of the financial report.

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

## Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

## Auditors Opinion

In our opinion, the financial report, presents fairly in all material respects, the financial position of Aspic Holdings Pty Limited as of 30 June 2022 and its financial performance and cash flows for the year ended on that date by Australian Accounting Standards ( including the Australian Accounting Interpretations).

Also, in our opinion, the approved provider has complied with Part 5 of the Fees and Payments Principles 2014 (No. 2) in the 2021-22 financial year.



Peter Wyatt

Registered Company Auditor 3209

10th October 2022