



TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY
ABN 33 010 200 567

FINANCIAL REPORT - 30 JUNE 2025

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TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY
ABN 33 010 200 567

FINANCIAL REPORT - 30 JUNE 2025

DIRECTORS' REPORT

The parent entity, Torbay Lifestyles & Care Limited, is registered as a company limited by guarantee and not having a share capital under the provisions of the Australian Charities and Not-for-profits Commission Act 2012.

The Directors present the financial report on the parent entity and its controlled entity, Torbay Constructions Pty Ltd, which are together referred to in this report as the group, for the year ended 30 June 2025 and report as follows:

DIRECTORS

The names of and other information on the Directors in office during or since the end of the year are as follows. The Directors were in office for this entire period unless otherwise stated.

Mick Kryger OAM
 Dr Selwyn Brindley
 Dr Norman Edwards – Resigned 12/6/2025
 Judith Perry
 Michael Steeth
 Allen Pyne
 Dr Alex Robinson – Commenced 10/7/2024
 Mark Kiss – Commenced 10/7/2024
 Paul Fendley – commenced 10/7/2024

GROUP SECRETARY

Carrie Chappell was appointed to the position of group secretary on 14 February 2024. Carrie has over 25 years' experience in finance and business services, of which 15 years has been spent working with community-based not-for-profits in various leadership roles and is currently Chief Executive Officer for the group.

PRINCIPAL ACTIVITIES

The principal activities of the group during the financial year were the operation of a residential aged care facility and retirement village onsite at Torquay, Hervey Bay. The group also operates a building division trading as Torbay Constructions Pty Ltd.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes to the state of affairs of the group during the financial year.

OPERATING RESULT

The operating result of the Torbay Group for the financial year was a surplus before tax of \$1,721,795 (2024: deficit \$1,863,972), which provided a \$3,585,767 operating result improvement from the prior financial year. The improved financial result is due to Torbay Constructions posting a \$1,312,295 surplus before tax (2024: deficit \$157,101), and Torbay Lifestyles and Care posting an overall surplus of \$409,500 (2024: deficit \$1,706,871).

Whilst the residential aged care division of Torbay Lifestyles and Care posted a net loss of (\$597,069) in 2024/25, there has been a \$1,000,000 improvement in the net financial result from prior financial year. This ongoing financial improvement is a result of a full organisation review on systems, process and staffing to provide a workforce that meets all workforce compliance requirements and works within a budget to ensure financial sustainability.

As at 30 June 2025 the net consolidated assets of the group were \$6,316,703 (2024; \$4,854,851)

DIVIDENDS PAID OR RECOMMENDED

No dividend was declared or paid during the period ended 30 June 2025 (2024: \$Nil).

TORBAY LIFESTYLES & CARE LIMITED
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FINANCIAL REPORT - 30 JUNE 2025

DIRECTORS' REPORT

AFTER BALANCE DATE EVENTS

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

ENVIRONMENTAL REGULATION

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

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND AUDITOR

During the financial year, the directors and officers of the Company were covered and indemnified under the Torbay Lifestyles and Care Ltd insurance policies, against any liability arising in their capacity as directors and officers of the Company. The liabilities insured include costs and expenses that may be incurred in successfully defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company.

The company has not, during or since the end of the financial year indemnified or agreed to indemnify the auditor of the Company against any liability incurred by the auditor.

MEETINGS OF DIRECTORS

The number of meetings each Director was eligible to attend and actually attended during the financial year is summarised as follows:

	Eligible	Attended
Mick Kruger OAM	12	11
Dr Selwyn Brindley	12	11
Dr Norman Edwards**	12	11
Judith Perry	12	11
Michael Steeth	12	11
Allen Pyne	12	12
Dr Alex Robinson*	12	9
Mark Kiss*	12	2
Paul Fendley*	12	9

** appointed during the year*

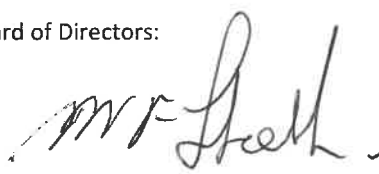
*** resigned during the year*

AUDITOR'S INDEPENDENCE DECLARATION

The auditors' independence declaration for the year ended 30 June 2025 has been received and can be found on the following page.

Signed in accordance with a resolution of the Board of Directors:


Mick Kruger
President


Michael Steeth
Chair of Finance Committee

15 October 2025

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY
ABN 33 010 200 567

FINANCIAL REPORT - 30 JUNE 2025

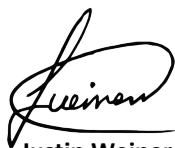
AUDITOR'S INDEPENDENCE DECLARATION UNDER s60-40
OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE DIRECTORS OF TORBAY LIFESTYLES & CARE LIMITED AND CONTROLLED ENTITY

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

StewartBrown

StewartBrown
Chartered Accountants



Justin Weiner
Partner

15 October 2025

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY
ABN 33 010 200 567

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

		Consolidated Group	
		2025	2024
	Note	\$	\$
ASSETS			
Cash and cash equivalents	7	23,210,744	16,231,652
Trade and other receivables	8	984,506	1,321,266
Inventories	9	52,567	52,567
Property, plant and equipment	10	28,444,766	28,964,013
TOTAL ASSETS		52,692,583	46,569,498
LIABILITIES			
Tax liabilities expected to be paid within 12 months	6	211,102	-
Trade and other payables	11	1,207,921	1,460,593
Refundable loans expected to be paid within 12 months	12	6,793,986	5,885,741
Tax liabilities expected to be paid after 12 months	6	48,841	-
Provisions expected to be paid within 12 months	13	1,027,887	1,041,524
Refundable loans expected to be paid after 12 months	12	36,834,452	33,003,029
Provisions expected to be paid after 12 months	13	251,691	323,760
TOTAL LIABILITIES		46,375,880	41,714,647
NET ASSETS		6,316,703	4,854,851
FUNDS			
Accumulated funds (deficit)		(10,855,541)	(12,317,393)
Asset revaluation reserve	14	17,172,244	17,172,244
TOTAL FUNDS		6,316,703	4,854,851

The accompanying notes form part of these financial statements

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

		Consolidated Group	
		2025	2024
	Note	\$	\$
Revenue	4	30,098,331	30,786,554
Other income	4	871,944	640,802
		<u>30,970,275</u>	<u>31,427,356</u>
Expenses			
Administration and other expenses		(3,573,336)	(2,437,543)
Cost of sales - internal projects		(89,422)	(878,182)
Cost of sales - external projects		(6,532,380)	(11,056,207)
Depreciation	5	(952,842)	(1,470,663)
Finance costs	5	(150,926)	(43,532)
Loss on disposal of assets	5	-	(127,373)
Laundry and cleaning costs		(235,901)	(218,714)
Repairs and maintenance costs		(733,031)	(569,204)
Resident and client expenses		(612,939)	(911,972)
Retirement village contributions		(55,529)	(39,766)
Salaries and employee benefits		(16,312,174)	(15,538,172)
		<u>(29,248,480)</u>	<u>(33,291,328)</u>
Surplus (deficit) before income tax		1,721,795	(1,863,972)
Income tax expense		<u>(259,943)</u>	<u>-</u>
Surplus (deficit) for the year		1,461,852	(1,863,972)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on revaluation of land and buildings		-	4,817,597
Other comprehensive income for the year		<u>-</u>	<u>4,817,597</u>
Total comprehensive income for the year		<u><u>1,461,852</u></u>	<u><u>2,953,625</u></u>

The accompanying notes form part of these financial statements

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2025

	Accumulated Funds (Deficit) \$	Asset Revaluation Reserves \$	Total \$
<i>Consolidated Group</i>			
Balance at 1 July 2023	(10,453,421)	12,354,647	1,901,226
Comprehensive income			
Surplus (deficit) for the year	(1,863,972)	-	(1,863,972)
Other comprehensive income	-	4,817,597	4,817,597
Total comprehensive income (loss) for the year	<u>(1,863,972)</u>	<u>4,817,597</u>	<u>2,953,625</u>
Balance at 30 June 2024	<u>(12,317,393)</u>	<u>17,172,244</u>	<u>4,854,851</u>
Balance at 1 July 2024	(12,317,393)	17,172,244	4,854,851
Comprehensive income			
Surplus for the year	1,461,852	-	1,461,852
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>1,461,852</u>	<u>-</u>	<u>1,461,852</u>
Balance at 30 June 2025	<u>(10,855,541)</u>	<u>17,172,244</u>	<u>6,316,703</u>

The accompanying notes form part of these financial statements

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

		Consolidated Group	
		2025	2024
	Note	\$	\$
Cash flows from operating activities			
Receipts from customers and government		30,018,559	32,265,004
Payments to suppliers and employees		(29,490,427)	(31,776,411)
Investment income received		676,507	640,802
Interest paid		(150,926)	(43,532)
<i>Net cash flows from operating activities</i>		<u>1,053,713</u>	<u>1,085,863</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		1,629,818	35,163
Purchase of property, plant and equipment - residential		(530,004)	(2,105,198)
Purchase of property, plant and equipment - other		(1,337,972)	-
<i>Net cash flows from investing activities</i>		<u>(238,158)</u>	<u>(2,070,035)</u>
Cash flows from financing activities			
Proceeds from refundable accommodation deposits		6,339,127	8,195,603
Proceeds from refundable entry contributions		9,339,800	2,912,000
Repayment of refundable accommodation deposits		(6,967,439)	(4,848,848)
Repayment of refundable entry contributions		(2,547,951)	(2,541,043)
<i>Net cash flows from financing activities</i>		<u>6,163,537</u>	<u>3,717,712</u>
Net increase in cash and cash equivalents		6,979,092	2,733,540
Cash and cash equivalents at the beginning of the financial year		<u>16,231,652</u>	<u>13,498,112</u>
Cash and cash equivalents at the end of the financial year	7	<u>23,210,744</u>	<u>16,231,652</u>

The accompanying notes form part of these financial statements

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 1 - Corporate information

The financial report includes the consolidated financial statements and notes of Torbay Lifestyles & Care Limited and its controlled entity (group). The separate financial statements and notes of Torbay Lifestyles & Care Limited as an individual parent entity have not been presented within this financial report as permitted by the *Australian Charities and Not-for-profits Commission Act 2012*.

The group operates a residential aged care facility, a retirement village and a commercial construction business.

The registered address and principal place of business of the group is:

43 Exeter Street
Torquay QLD 4655

The financial statements were approved by the Board of Directors on 15 October 2025.

Note 2 - Basis of preparation

Statement of compliance

These general purpose financial statements have been prepared in compliance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Accounting Standards - Simplified Disclosures*. The group is a not-for-profit entity for the purposes of preparing these financial statements.

Basis of measurement

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the group has retrospectively applied an accounting policy, made a retrospective restatement 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.

Critical accounting estimates and judgements

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

Key estimates

Impairment - general

The Directors assess impairment at the end of each reporting period by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 2 - Basis of preparation (continued)

Critical accounting estimates and judgements (continued)

Key estimates (continued)

Refundable entry contributions

The amounts repayable to residents upon their exit from the group's retirement villages changes with time and movements in the value of the underlying property. The amounts that will be deducted from the original amount deposited by the resident are a function of time. The amount that may be added to the original amount deposited by the resident is a function of the movement in the underlying property value. For the purposes of these financial statements, these refundable entry contributions have been designated as current liabilities. As a result of this classification the calculation of the amount payable is based on the variables as they stand at balance date.

New and revised standards that are effective for these financial statements

Several amendments and clarifications to Australian Accounting Standards and interpretations are mandatory for the 30 June 2025 reporting period. These include:

- *AASB 2020-1, AASB 2022-6 and AASB 2023-3: Amendments to AASB 101 – Classification of Liabilities as Current or Non-current*
- *AASB 2023-1: Amendments to AASB 7 and 107 – Supplier Finance Arrangements*
- *AASB 2024-1: Amendments to AASB 1060 – Supplier Finance Arrangements: Tier 2 Disclosures*

The application of these amendments and clarifications have not had a material impact on the carrying values of the group's asset, liability or equity balances; nor a material impact on the disclosures in the financial report nor the recognition and measurement of the group's revenue or expenses.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2025 reporting periods and have not been early adopted by the group. These include:

- *AASB 18 – Presentation and Disclosure in Financial Statements* (applicable for the year ending 30 June 2028)
- *AASB S1 – General Requirements for Disclosure of Sustainability-related Financial Information* (applicable for the year ending 30 June 2026, depending on criteria qualification outcomes)
- *AASB S2 – Climate-related Disclosures* (applicable for the year ending 30 June 2026, depending on criteria qualification outcomes)

It is not expected that AASB 18, AASB S1 or AASB S2 will have a material impact on the group in future reporting periods. AASB S1 and AASB S2 will only have mandatory application to entities required to report under Chapter 2M of the *Corporations Act 2001* for annual reporting periods commencing on or after 1 July 2025. The parent entity is currently assessing whether there will be any material change to disclosures in financial reporting in future years as a consequence of sustainability reporting requirements. As at the date of this financial report AASB S1 and AASB S2 do not have mandatory application to group as they prepare its financial report under the *Australian Charities and Not-for-profits Commission Act 2012* financial reporting framework.

Principles of Consolidation

Torbay Constructions Pty Ltd (controlled entity) was incorporated on the 26 September 2012 as a company limited by shares under the provisions of the *Corporations Act 2001*. The controlled entity is consolidated with Torbay Lifestyles & Care Limited as the parent entity as it has the capacity to dominate the decision making of the controlled entity and the consolidated group operates for the benefit of the parent entity. All inter-group balances and transactions have been eliminated or consolidated.

The financial statements of the subsidiary are prepared using accounting policies consistent with those used by the parent entity.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 2 - Basis of preparation (continued)

Presentation of Statement of Financial Position on a liquidity basis

The Directors have taken the view that in complying with the requirements of AASBs, the treatment of refundable loans (refundable accommodation deposits) as current liabilities does not reflect the true liquidity of the group as these liabilities are not likely to be repaid in the next 12 months.

Accordingly, in the current year the Directors have chosen to present its statement of financial position under the liquidity presentation method (*AASB 101 Presentation of Financial Statements*) on the basis that it presents a more reliable and relevant view.

Note 3 - Accounting policies

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

Income tax

The parent entity (Torbay Lifestyles & Care Limited) is a not-for-profit Charity and Public Benevolent Institution and exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

The controlled entity (Torbay Constructions Pty Ltd) is a for-profit company and not exempt from income tax.

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.

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. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Resident fees, daily accommodation payments and recurrent government subsidies

Revenue from residents' fees, daily accommodation payments and related government subsidies are recognised on a proportional basis to take account of the delivery of service to or occupancy by residents.

Interest

Revenue from interest is recognised on an accrual's basis using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Rental income

Rental income is accounted for on an accruals basis, when the tenancy has been agreed, and it is probable that future economic benefits will flow to the group and the future economic benefit can be measured reliably.

Retentions from entry contributions

The retention income earned from resident entry contributions are recognised as income as the group becomes entitled to receive the retention under the terms of the resident agreement.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 3 - Accounting policies (continued)

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 twelve months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value and bank overdrafts.

Inventories

Inventories are measured at the lower of cost and net realisable value at balance date.

Trade receivables

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment in relation to doubtful receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

Investment property

Property classified as being for investment purposes, essentially being those land and buildings which attract a financial return to the group predominantly through rental and capital appreciation, is measured at cost and is depreciated. The investment property 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.

Property, plant and equipment

Recognition and measurement

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to accumulated funds.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

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

Buildings	2.5% - 10%
Plant and equipment	5.0% - 40%

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.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 3 - Accounting policies (continued)

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Refundable entry contributions

Refundable entry contributions are received from residents of retirement villages, and they are non-interest bearing and the net amount is repayable upon departure or transfer. Refundable entry contributions are measured at the principal amount net of any retentions, or any other amounts deducted from the contribution at the election of the resident, plus the resident's share of the capital gains (if any) based on the market value of the underlying property at balance date.

Refundable entry contributions are classified as current liabilities because the group does not have an unconditional right to defer settlement for more than 12 months. However, history shows that on average a resident in a retirement village will stay for between 6 and 12 years. The repayment of contributions to residents including capital gains and net of any retention will be funded largely by contributions from incoming residents.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 3 - Accounting policies (continued)

Refundable accommodation deposits and accommodation bonds

Refundable accommodation deposits (RADs) and accommodation bonds are non-interest bearing deposits made by residential aged care facility residents to the group upon their admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident. Accommodation bonds are measured at the principal amount net of any retentions, or any other amounts deducted from the bond at the election of the resident.

Inter-segment transfer

Segment revenues, expenses and results include transfers between segments. The transfers are charged at cost and are eliminated at the entity level.

Business segments

The group has the following four segments. They all operate from sites in Hervey Bay, Queensland.

- (i) Residential Aged Care Facility - The group operates one residential aged care facility, being Torbay Lifestyles & Care Limited (RACS ID 5086) comprising of 134 funded residential aged care places. All places are licensed by the Australian Government Department of Health, Disability and Ageing.
- (ii) Retirement Village - the group operates one retirement village, Torbay Lifestyles & Care Limited consisting of 159 retirement village units and associated recreational facilities.
- (iii) Torbay Constructions Pty Ltd - the group operates a construction company providing construction services to other segments of its business and externally.
- (iv) Support Services Unit - this unit accounts for all activities supporting the above segments.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	Consolidated Group	
	2025	2024
	\$	\$
<u>Note 4 - Revenue and other income</u>		
Residential aged and community care		
Government subsidies and recurrent grants	14,528,926	12,206,667
Resident fees and charges	2,538,472	2,646,889
Daily accommodation payments	466,048	419,709
	<u>17,533,446</u>	<u>15,273,265</u>
Retirement villages		
Resident fees and charges	1,052,443	969,419
Retentions from resident entry contributions	1,289,827	1,074,003
	<u>2,342,270</u>	<u>2,043,422</u>
Other services		
Construction income - internal building projects	219,368	1,623,867
Construction income - external building projects	9,603,993	11,520,404
Rent received	51,855	64,557
Other revenue	347,399	261,039
	<u>10,222,615</u>	<u>13,469,867</u>
<i>Total revenue</i>	<u>30,098,331</u>	<u>30,786,554</u>
Other income		
Interest income	676,507	640,802
Net gain on disposal of property, plant and equipment	195,437	-
<i>Total other income</i>	<u>871,944</u>	<u>640,802</u>
<i>Total revenue and other income</i>	<u>30,970,275</u>	<u>31,427,356</u>
<u>Note 5 - Expenses</u>		
Depreciation and amortisation		
Buildings	639,490	1,220,564
Plant and equipment	268,563	204,816
Motor vehicles	44,789	45,283
<i>Total depreciation and amortisation</i>	<u>952,842</u>	<u>1,470,663</u>
Finance costs	150,926	43,532
Net loss on disposal of property, plant and equipment	-	127,373
<u>Note 6 - Income tax</u>		
(a) Income tax expense		
Current income tax	211,102	-
Deferred income tax	48,841	-
<i>Total income tax expense</i>	<u>259,943</u>	<u>-</u>
<i>Deferred income tax expense included in income tax expense comprises:-</i>		
Decrease (increase) in deferred tax assets (note 6(c))	-	-
Increase (decrease) in deferred tax liabilities (note 6(d))	48,841	-
	<u>48,841</u>	<u>-</u>

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Consolidated Group

2025 2024
\$ \$

Note 6 - Income tax (continued)

(b) Income tax reconciliation

The prima facie tax on profit (loss) before income tax is reconciled to the income tax as follows:-

Prima facie tax payable (benefit) on loss before income tax at 25% (2024: 25%)	430,449	(465,993)
<i>Add (less) tax effect of:-</i>		
Prior year deferred tax adjustment	(68,131)	-
Other non-allowable items	(102,375)	518,490
Allowable items	-	(52,497)
<i>Income tax expense</i>	<u>259,943</u>	<u>-</u>

(c) Liabilities

Current

Income tax payable	<u>211,102</u>	<u>-</u>
--------------------	----------------	----------

Non-current

Deferred tax liabilities

Opening balance	-	-
Provisions	(32,867)	-
Other	81,708	-
Closing balance	<u>48,841</u>	<u>-</u>

Deferred tax liabilities comprise:-

Provisions	(32,867)	-
Fixed Assets	11,864	-
Accrued Income	69,844	-
	<u>48,841</u>	<u>-</u>

Note 7 - Cash and cash equivalents

Cash at bank and on hand	5,621,263	4,738,564
Term deposits	17,589,481	11,493,088
<i>Total cash and cash equivalents</i>	<u>23,210,744</u>	<u>16,231,652</u>

Note 8 - Trade and other receivables

Expected to be recovered within 12 months

Resident and trade debtors	488,731	927,450
Accrued income	286,490	225,000
Other receivables	24,000	24,000
Prepayments	185,285	144,816
<i>Total trade and other receivables</i>	<u>984,506</u>	<u>1,321,266</u>

Note 9 - Inventories

Stock on hand	<u>52,567</u>	<u>52,567</u>
<i>Total inventories</i>	<u>52,567</u>	<u>52,567</u>

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 10 - Property, plant and equipment

	Land	Buildings	Work in Progress
	\$	\$	\$
Consolidated Group			
At 30 June 2024			
Cost	5,178,653	-	-
Valuation	-	23,456,207	-
Accumulated depreciation	-	(606,375)	-
<i>Net carrying amount</i>	<u>5,178,653</u>	<u>22,849,832</u>	<u>-</u>
Movements in carrying amounts			
Opening net carrying amount	5,178,653	22,849,832	-
Additions - residential	-	107,419	-
Additions - non residential	-	903,412	136,767
Disposals	(1,333,317)	(66,682)	-
Depreciation charge for the year	-	(639,490)	-
Closing net carrying amount	<u>3,845,336</u>	<u>23,154,491</u>	<u>136,767</u>
At 30 June 2025			
Cost	3,845,336	-	136,767
Valuation	-	24,400,356	-
Accumulated depreciation	-	(1,245,865)	-
<i>Net carrying amount</i>	<u>3,845,336</u>	<u>23,154,491</u>	<u>136,767</u>
	Plant and Equipment	Motor Vehicles	Total
	\$		\$
Consolidated Group			
At 30 June 2024			
Cost	3,388,877	378,526	8,946,056
Valuation	-	-	23,456,207
Accumulated depreciation	(2,550,843)	(281,032)	(3,438,250)
<i>Net carrying amount</i>	<u>838,034</u>	<u>97,494</u>	<u>28,964,013</u>
Movements in carrying amounts			
Opening net carrying amount	838,034	97,494	28,964,013
Additions - residential	422,585	-	530,004
Additions - non residential	148,005	149,788	1,337,972
Disposals	(4,056)	(30,326)	(1,434,381)
Depreciation charge for the year	(268,563)	(44,789)	(952,842)
Closing net carrying amount	<u>1,136,005</u>	<u>172,167</u>	<u>28,444,766</u>
At 30 June 2025			
Cost	3,900,052	446,699	8,328,854
Valuation	-	-	24,400,356
Accumulated depreciation	(2,764,047)	(274,532)	(4,284,444)
<i>Net carrying amount</i>	<u>1,136,005</u>	<u>172,167</u>	<u>28,444,766</u>

Valuation of land and buildings

An independent revaluation of the Retirement Village and Residential Aged Care buildings was undertaken on 30 June 2024 by Knight Frank Valuation & Advisory Queensland. The valuation, based on income capitalisation, discounted cash flow and comparable transactions, was \$22,849,832 compared with a carrying amount of \$18,032,236. The resulting uplift of \$4,817,596 was recognised in the Asset Revaluation Reserve in the prior year. The Directors consider there has been no material movement in fair value since the revaluation date.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	Consolidated Group	
	2025	2024
	\$	\$
<u>Note 11 - Trade and other payables</u>		
<u>Expected to be payable within 12 months</u>		
Trade payables	786,527	523,137
Other payables	421,394	937,456
<i>Total trade and other payables</i>	<u>1,207,921</u>	<u>1,460,593</u>
<u>Note 12 - Refundable loans</u>		
<u>Expected to be payable within 12 months</u>		
Refundable accommodation deposits	4,772,027	3,812,194
Refundable entry contributions	2,021,959	2,073,547
	<u>6,793,986</u>	<u>5,885,741</u>
<u>Expected to be payable after 12 months</u>		
Refundable accommodation deposits	13,581,924	14,341,111
Refundable entry contributions	23,252,528	18,661,918
	<u>36,834,452</u>	<u>33,003,029</u>
<i>Total refundable loans</i>	<u>43,628,438</u>	<u>38,888,770</u>
<u>Movement in refundable accommodation deposits</u>		
Opening net carrying amount	18,153,305	14,806,550
New RADs received	6,339,127	8,195,603
Allowable deductions	(134,042)	-
Transfers from refundable entry contributions	963,000	-
RADs refunded	(6,967,439)	(4,848,848)
Closing net carrying amount	<u>18,353,951</u>	<u>18,153,305</u>
<u>Movement in refundable entry contributions</u>		
Opening net carrying amount	20,735,465	21,438,511
Contributions received	9,339,800	2,912,000
Retention/interest from contributions	(1,289,827)	(1,074,003)
Transfers to refundable accommodation deposits	(963,000)	-
Contributions refunded	(2,547,951)	(2,541,043)
Closing net carrying amount	<u>25,274,487</u>	<u>20,735,465</u>

Terms and conditions

Refundable accommodation deposits and accommodation bonds (loans) are repayable on the following basis:-

- (i) If the resident gives notice more than 14 days prior to departure then the loan is payable on the date of departure;
- (ii) If the resident gives notice less than 14 days prior to departure the loan is payable within 14 days after notice is given;
- (iii) If the resident gives no notice the loan is repayable 14 days after departure; and
- (iv) If the resident dies, the loan is repayable within 14 days from the date that notice is received of the granting of probate or letters of administration.

Refundable entry contributions are non-interest bearing and have an maximum repayment term of 6 months on departure.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	Consolidated Group	
	2025	2024
	\$	\$
<u>Note 13 - Provisions</u>		
<u>Expected to be payable within 12 months</u>		
Employee entitlements - annual leave	674,601	721,943
Employee entitlements - long service leave	353,286	319,581
	<u>1,027,887</u>	<u>1,041,524</u>
<u>Expected to be payable after 12 months</u>		
Employee entitlements - long service leave	251,691	323,760
	<u>251,691</u>	<u>323,760</u>
<i>Total provisions</i>	<u><u>1,279,578</u></u>	<u><u>1,365,284</u></u>

Note 14 - Reserves

Asset revaluation reserve	17,172,244	17,172,244
<i>Total reserves</i>	<u><u>17,172,244</u></u>	<u><u>17,172,244</u></u>

Nature and purpose of reserves

The asset revaluation reserve records changes in the fair value of property, plant and equipment.

Note 15 - Key management personnel

Remuneration of key management personnel

The aggregate amount of compensation paid to members of key management personnel during the year was:

<u><u>1,121,341</u></u>	<u><u>1,111,280</u></u>
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Note 16 - Auditor's remuneration

Fees paid to StewartBrown, Chartered Accountants:

(2024: Focus Audit Chartered Accountants)

Audit of the financial report	32,000	17,000
Preparation of the financial report	4,000	-
Other advisory services	5,000	-
<i>Total auditor's remuneration</i>	<u><u>41,000</u></u>	<u><u>17,000</u></u>

Note 17 - Limitation of members' liability

The parent entity is registered as a company limited by guarantee and in accordance with its Constitution, the liability of members in the event of the parent entity being wound up would not exceed \$20 per member. At 30 June 2025 the number of members of this parent entity was 9 (2024: 6).

Note 18 - Economic dependency

The Directors consider that the parent entity is economically dependent on revenue received from the Australian Government Department of Health, Disability and Ageing with respect to its residential aged care facility. The Directors believe that this revenue will continue to be made available to the parent entity for the foreseeable future.

Note 19 - Events occurring after balance date

No material events have occurred after balance date.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 20 - Parent entity information

The following information has been extracted from the books and records of the parent entity and has been prepared in accordance with Australian Accounting Standards.

	2025 \$	2024 \$
Statement of Financial Position		
Assets		
Current assets	22,253,614	14,858,213
Non-current assets	29,015,224	29,604,182
Total assets	<u>51,268,838</u>	<u>44,462,395</u>
Liabilities		
Current liabilities	20,256,497	18,325,746
Non-current liabilities	25,514,233	21,048,041
Total liabilities	<u>45,770,730</u>	<u>39,373,787</u>
Net assets (liabilities)	<u>5,498,108</u>	<u>5,088,608</u>
Equity		
Accumulated funds (deficit)	(12,083,636)	(10,376,765)
Reserves	17,172,244	17,172,244
Total equity (deficiency)	<u>5,088,608</u>	<u>6,795,479</u>
Statement of Profit or Loss and Other Comprehensive Income		
Profit (loss) for the year	409,500	(1,706,871)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>409,500</u>	<u>(1,706,871)</u>

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 (2024: Nil)

Contractual commitments

The parent entity had no contractual commitments for property, plant and equipment as at 30 June 2025 (2024: Nil)

Note 21 - Controlled entities

<i>Controlled entities consolidated</i>	Country of Incorporation	Percentage Owned (%)	
		2025	2024
<i>Parent entity</i>			
Torbay Lifestyles & Care Limited	Australia	n/a	n/a
<i>Controlled entities</i>			
Torbay Constructions Pty Ltd	Australia	100%	100%

Torbay Constructions Pty Ltd is a wholly owned subsidiary of Torbay Lifestyles & Care Limited.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY
ABN 33 010 200 567

FINANCIAL REPORT - 30 JUNE 2025

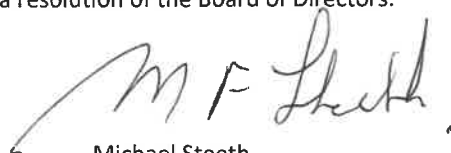
DIRECTORS' DECLARATION

The Directors of Torbay Lifestyles & Care Limited and controlled entity declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2025, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year ended on that date, and notes to the financial statements, including material accounting policy information, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with *Australian Accounting Standards - Simplified Disclosures* (including Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) give a true and fair view of the financial position of the group as at 30 June 2025 and of its performance for the year ended on that date.
2. In the opinion of the Directors, there are reasonable grounds to believe that the group 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.


Mick Kruger
President


Michael Steeth
Chair of Finance Committee

15 October 2025

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY
ABN 33 010 200 567

FINANCIAL REPORT - 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
TORBAY LIFESTYLES & CARE LIMITED AND CONTROLLED ENTITY

Opinion

We have audited the financial report of Torbay Lifestyles & Care Limited and its controlled entity which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the Directors' Declaration.

In our opinion, the accompanying financial report of Torbay Lifestyles & Care Limited and its controlled entity is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the group's financial position as at 30 June 2025 and of its financial performance for the year then ended, and
- b) complying with *Australian Accounting Standards - Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Directors of the group, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Directors' Responsibility for the Financial Report

The Directors of the group are 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 *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the parent entity or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the group's financial reporting process.

TORBAY LIFESTYLES & CARE LIMITED
AND CONTROLLED ENTITY
ABN 33 010 200 567

FINANCIAL REPORT - 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
TORBAY LIFESTYLES & CARE LIMITED AND CONTROLLED ENTITY

Auditor's Responsibilities for the Audit of the Financial Report

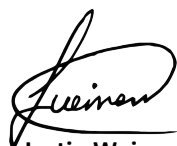
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that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

A further description of our responsibilities for the audit of the financial report is located at *The Auditing and Assurance Standards Board* and the website address is <http://www.auasb.gov.au/Home.aspx>

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



StewartBrown
Chartered Accountants



Justin Weiner
Partner

15 October 2025