

AHC Limited

73 010 544 699

Financial Statements

For the Half Year Ended 31 December 2021

AHC Limited

73 010 544 699

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For the Half Year Ended 31 December 2021

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Directors' Report

31 December 2021

The directors present their report on AHC Limited for the half year ended 31 December 2021.

1. General information

Information on directors

The names of each person who has been a director during the half year and to the date of this report are:

Ian Roderick Macleod

Wayne Benson Lester

Rod Lindsay Macleod

Sheryl Anne Macleod

Julanne Mary Shearer

Katie Louise Hicks

Principal activities

The principal activity of AHC Limited is property development for long term asset portfolio creation and the subdivision of land for residential and commercial development and ownership.

No significant changes in the nature of the Company's activity occurred during the half year.

2. Operating results and review of operations for the half year

Operating results

The profit of the Company after providing for income tax amounted to \$437,194 (2020: \$196,665 profit).

Review of operations

Parkhurst Town Centre

We continue to experience strong interest regarding leasing at the Centre. We are currently finalising negotiations for a drive thru operator with a view to commencing construction on this facility in April 2022 with a completion date of October 2022. The addition of this national brand operator will further enhance the value of the Centre and we look forward to them commencing trade from November 2022.

We have also had several interested parties engage with us in the last couple of months and we look forward to continuing discussions with them with a view to entering leases in the very near future.

Dundowran Industrial – Hervey Bay

Strong interest and subsequent sales have continued this period with six more lots sold between July to December 2021. Stage one consisting of 11 lots now has only one lot remaining. Stage two consisting of 5 lots is now being actively marketed on Real Commercial and we have now issued contracts on four of these lots.

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Directors' Report

31 December 2021

2. **Operating results and review of operations for the half year (continued)**

Review of operations (continued)

We will continue to release lots to the market to meet the demand whilst maintaining our price point. Of the recent lots sold we are excited to see a mechanic, recycling business containers for change, self-storage business and industrial showrooms commence their construction on their newly acquired lots.

Good Life RV & Lifestyle Resorts Fraser Coast

Goodlife RV & Lifestyle Resort is progressing well with external civil works commencing in November 2021. Our civil contractor, Shadforth's is making pleasing progress to date and will move onto internal civil works once completed the external works. The Ergon transformer was installed in December 2021 bringing electricity to the site and Wide Bay Water also completed the underground water connection to our site.

We are now actively marketing the Resort, with various campaigns targeted towards our key demographic now under way. Site Tours have also commenced with prospective purchasers touring the site which has resulted in favourable feedback and deposits. We are pleased to report interest has been strong and many expressions of interest have been received.


Indemnification and insurance of officers and auditors


No indemnities have been given or insurance premiums paid, during or since the end of the half year, for any person who is or has been an officer or auditor of AHC Limited.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the period ended 31 December 2021 has been received and can be found on page 3 of the financial report.

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

Director: 

Director: 

Dated this 7th day of March 2022



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Auditor's Independence Declaration under Section 207C of the Corporations Act 2001 to the Directors of AHC Limited

I declare that, to the best of our knowledge and belief, during the half-year ended 31 December 2021, there have been no contraventions of:

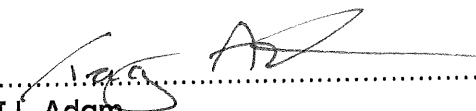
- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

DICKFOS DUNN ADAM
Audit & Assurance

..... DDA

..... 1.3.2022

Date
Southport

..... 

T.L. Adam

AHC Limited

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**Statement of Profit or Loss and Other Comprehensive Income
For the Half Year Ended 31 December 2021**

	Half-year Ended 31 December 2021	Half-year Ended 31 December 2020
	\$	\$
Revenues	1,989,478	1,429,954
Other Income	6,063	50,000
Borrowing Costs Expense	(254,322)	(371,193)
Depreciation	(30,540)	(34,350)
Employee Benefits Expense	(472,152)	(350,425)
Rates and Taxes	(104,103)	(96,199)
Repairs and Maintenance	(73,657)	(35,761)
Other Expenses	(460,769)	(333,403)
Profit before income tax	599,998	258,623
Income tax (expense) / benefit	(162,804)	(61,958)
Profit for the period	437,194	196,665
Other comprehensive income for the period, net of tax	-	-
Total comprehensive income for the period	437,194	196,665
	Cents per Share	Cents per Share
Earning (loss) per share	8.50	3.38
Basic earnings (loss) per share	8.50	3.38
Diluted earnings (loss) per share	-	-

The accompanying notes form part of these financial statements.

AHC Limited**73 010 544 699****Statement of Financial Position
As At 31 December 2021**

	As at 31 December 2021	As at 30 June 2021
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,207,327	1,506,280
Trade and other receivables	19,701	85,707
Other Current Assets	5,577	21,807
Inventories	2,115,047	1,896,876
TOTAL CURRENT ASSETS	4,347,652	3,510,670
NON-CURRENT ASSETS		
Inventories	17,434,066	18,457,452
Right of use Assets	216,281	193,747
Property Plant and Equipment	26,548	25,232
Investment Property	36,893,054	36,800,000
Deferred Tax Asset	1,067,836	1,108,186
TOTAL NON-CURRENT ASSETS	55,637,785	56,584,617
TOTAL ASSETS	59,985,437	60,095,287
LIABILITIES		
CURRENT LIABILITIES		
Trade payables	799,024	460,381
Lease Liabilities	64,096	85,042
Provisions	213,084	190,038
TOTAL CURRENT LIABILITIES	1,076,204	735,461
NON-CURRENT LIABILITIES		
Deferred Tax Liability	1,907,207	1,784,751
Provisions	36,340	30,410
Lease Liabilities	160,190	126,039
Borrowings	22,550,000	23,600,324
TOTAL NON-CURRENT LIABILITIES	24,653,737	25,541,524
TOTAL LIABILITIES	25,729,941	26,276,985
NET ASSETS	34,255,496	33,818,302
EQUITY		
Issued capital	831,681	831,681
Retained earnings	33,423,815	32,986,621
	34,255,496	33,818,302
TOTAL EQUITY	34,255,496	33,818,302

The accompanying notes form part of these financial statements.

AHC Limited

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**Statement of Changes in Equity
For the Half Year Ended 31 December 2021**

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2020	831,681	30,890,641	31,722,322
Profit for the period	-	196,665	196,665
Balance at 31 December 2020	<u>831,681</u>	<u>31,087,306</u>	<u>31,918,987</u>

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2021	831,681	32,986,621	33,818,302
Profit for the period	-	437,194	437,194
Balance at 31 December 2021	<u>831,681</u>	<u>33,423,815</u>	<u>34,255,496</u>

The accompanying notes form part of these financial statements.

AHC Limited**73 010 544 699****Statement of Cash Flows
For the Half Year Ended 31 December 2021**

	31 December 2021	30 June 2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,780,727	3,523,806
Payments to suppliers and employees	(695,534)	(3,201,330)
Interest received	-	12,630
Finance costs	(255,080)	(684,079)
Net cash provided by/(used in) operating activities	<u>1,830,113</u>	<u>(348,973)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(4,956)	(5,670)
Proceeds from Sale of Property Plant and Equipment	6,063	-
Additions to investment property	(93,054)	-
Net cash provided by/(used in) investing activities	<u>(91,947)</u>	<u>(5,670)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(1,099,500)	(639,641)
Payment of finance lease liabilities	(62,381)	(114,938)
Net cash provided by/(used in) financing activities	<u>(1,037,119)</u>	<u>(754,579)</u>
Net increase/(decrease) in cash and cash equivalents held	701,047	(1,109,222)
Cash and cash equivalents at beginning of year	<u>1,506,280</u>	<u>2,615,502</u>
Cash and cash equivalents at end of financial year	<u><u>2,207,327</u></u>	<u><u>1,506,280</u></u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Half Year Ended 31 December 2021

The half year financial report covers AHC Limited as an individual entity. AHC Limited is an unlisted public Company, incorporated and domiciled in Australia.

The functional and presentation currency of AHC Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

These general purpose interim financial statements for the half year reporting period ended 31 December 2021 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest financial statements of AHC Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2021, together with any public announcements made during the following half year.

The interim financial statements were authorised for issue on 7 March 2022.

2 Summary of Significant Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Company has considered the implications of other new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

(a) Adoption of new and revised accounting standards

New and amended Accounting Standards that are effective for the current period

In the current half-year, the company has applied the below amendments to Australian Accounting Standards [and Interpretations] issued by the Australian Accounting Standards Board (the Board) that are effective for the Group's annual reporting period that began on 1 July 2021.

AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities is applicable for annual reporting periods beginning on or after 1 July 2021.

AASB 2020-2 is not relevant to the company as it already prepares general purpose financial statements.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

AHC Limited

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Notes to the Financial Statements For the Half Year Ended 31 December 2021

3 Critical Accounting Estimates and Judgments

The significant estimates and judgements are consistent with those applied and disclosed in the 30 June 2021 annual report.

Key estimates - fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

4 Result for the Year

The Company reports an after tax operating profit of \$437,194 representing an increase in profit by \$240,529 reported in the prior corresponding December period.

5 Borrowings

	31 December 2021	30 June 2021
	\$	\$
NON-CURRENT		
Randway Vendor Finance	1,550,000	1,550,000
NAB Dury Lane	-	1,050,324
Bank Bill Parkhurst	21,000,000	21,000,000
Total non-current borrowings	22,550,000	22,050,324
Total borrowings	22,550,000	23,600,324

6 Dividends

No dividends have been declared or paid.

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**Notes to the Financial Statements
For the Half Year Ended 31 December 2021**

7 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

(a) Valuation techniques

In the absence of an active market for an identical asset or liability, the company selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured.

The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

(b) Financial instruments

As the carrying amounts of cash and cash equivalents, trade and other receivables, and trade and other payables approximate their fair values, they have not been separately disclosed.

(c) Investment Property

Recurring and non-recurring fair value measurement amounts and the level of the fair value hierarchy within which the fair value measurements are categorised; fair value measurements at 31 December 2021 using quoted prices in active markets for identical assets.

8 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2021 (30 June 2021: None).

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**Notes to the Financial Statements
For the Half Year Ended 31 December 2021**

9 Events after the end of the Reporting Period

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

10 Statutory Information

The registered office and principal place of business of the company is:

Suite 30202, Southport Central Tower 3
9 Lawson Street, Southport, Queensland
4215

AHC Limited

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Directors' Declaration


The directors have determined that the Company is not a reporting entity and that this general purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 11, are in accordance with the *Corporations Act 2001* and:
 - (a) In the Directors opinion, the attached financial statements, and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with the accounting standards and giving a true and fair view of the financial position and performance of the Company; and
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.


Director


Director

Dated 7th March 2022



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Independent Auditor's Review Report to the Members of AHC Limited

Report on the Review of the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of AHC Limited, which comprises the Statement of Financial Position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the director's declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of AHC Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Audit and Assurance

Registered Company Auditors
Tracey Adam, Gavin Dunn.
Liability limited under a scheme
approved under Professional
Standards Legislation.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, previously provided to the directors of AHC Limited, would be in the same terms if provided to the directors as at the date of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of AHC Limited is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DICKFOS DUNN ADAM
Audit & Assurance

..... DDA

..... T.L. Adam

..... 7.3.2022

Dated
SOUTHPORT