Ostow Limited (formerly “WOTSO Limited”)
ABN 39 636 701 267

ANNUAL REPORT
JUNE 2024

CONTENTS

Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "Consolidated Entity" or "Group") consisting of Ostow Limited (referred to hereafter as the "Company") and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Principal Activities
During the reporting year, the principal continuing activities of the Consolidated Entity consisted of flexible workspace, offering everything from a single desk to larger spaces for corporates and established teams.

Environmental Regulation
The Group's operations are not regulated by any environmental regulation under a law of the Commonwealth or of a State or a Territory other than those that pertain to the ownership and development of real estate.

Indemnities of Officers
During the financial year, the Group has paid premiums to insure each of the Directors named in this report along with officers of the Group against all liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or officer of the Group, other than conduct involving a wilful breach of duty. 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 auditor to the Group.

Rounding of Amounts
The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, and in accordance with that legislative instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Risks
The Company has identified a number of material business risks including inflation, lease obligations and employee recruitment and retention, among others. These risks are subject to continuous assessment and review. The key business risks impacting the Company and how such risks are managed are outlined in WOTSO Property Group's 2024 Financial Report, which can be found at https://wotso.com/investors-information/.

Funds from Operations
The statutory profit has been impacted by non-cash accounting transactions such as depreciation, amortisation and the application of Australian Accounting Standards Board ("AASB") 16 accounting for leases. The table below strips these numbers out to arrive at net flexspace income, which highlights the actual operating performance of the Group, along with fund management fees and overheads.

Profit or Loss	**2024 $'000**	**2023 $'000**
Flexspace income	30,157	25,894
Flexspace COVID-19 waivers given	-	(4)
Government assistance	-	8
Total Revenue	**30,157**	**25,898**
Rent expense – related parties	(8,205)	(7,258)
Rent expense – third parties	(6,542)	(5,664)
COVID-19 waivers received	-	18
Operating expenses	(6,522)	(4,611)
WOTSO site staff costs	(3,800)	(3,335)
Total Operating Expenses	**(25,069)**	**(20,850)**
Net Flexspace Income	**5,088**	**5,048**
WOTSO Neutral Bay lease variation fee	4,900	-
Other income	2,500	-
Distributions income	1,070	563
Interest income	1,173	131
Other net remeasurement gains	314	-
Directors' fees	(135)	-
Amortisation	(438)	(214)
Impact of AASB 16	(526)	415
Management fees	(598)	(688)
Loss on disposal of asset	(3,684)	-
Depreciation – fit-out	(4,139)	(3,421)
Overhead and administration costs	(4,841)	(3,020)
Statutory Profit / (Loss)	**684**	**(1,186)**

WOTSO Flexspace Business Valuation
The value created through the growth of our flexspace business does not translate easily to our balance sheet, nor tell the full story for the value of that portion of our business. With this in mind, the Company embarked on a valuation of its flexspace business during the year, which has yielded an indicative value of $80 million.

Ostow Limited – Financial Statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2024

	Note	2024 $'000	2023 $'000
Revenue			
Revenue from WOTSO members	5	30,157	25,890
Other income	5	7,400	-
Government assistance	5	-	8
Total Revenue		**37,557**	**25,898**
Expenses			
Staff costs		(7,273)	(5,605)
Director fees		(135)	-
Variable lease payments		(2,682)	(1,997)
Other operating expenses		(8,419)	(5,988)
Bad debt expenses		(24)	(54)
COVID rent waivers received from landlords		-	18
Total Expenses		**(18,533)**	**(13,626)**
Operating Profit		**19,024**	**12,272**
Depreciation – fit-out	6	(4,139)	(3,421)
Depreciation – right of use lease asset	7	(10,012)	(9,518)
Interest – right of use lease liability	7	(3,021)	(1,457)
Amortisation	9,10	(438)	(214)
Interest income		1,070	563
Finance income		1,173	131
Loss on disposal of asset	3	(3,684)	-
Other net remeasurement gains	8	757	464
Other non-operating expenses		(46)	(6)
Profit / (Loss) before income tax		**684**	**(1,186)**
Income tax benefit	18	719	-
Profit / (Loss) for the year		**1,403**	**(1,186)**
Other comprehensive income		-	-
Total Profit / (Loss) and Other Comprehensive Profit / (Loss)		**1,403**	**(1,186)**
Attributable to members of the Group		946	(1,222)
Non-controlling interest		457	36
Total Profit / (Loss) and Other Comprehensive Profit / (Loss)		**1,403**	**(1,186)**

Balance Sheet as at 30 June 2024

	Note	2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents		3,532	406
Trade and other receivables	11	899	1,058
Total current assets		**4,431**	**1,464**
Non-current assets			
Pyrmont Bridge Road Mortgage Fund	3	5,167	20,000
Pyrmont Bridge Property convertible notes	3	-	14,000
Investment in associate	9	291	162
WOTSO software development asset	9	899	896
Rental deposits	12	1,080	749
Loans receivable - related parties	13	32,142	13,420
Intangible assets	10	3,329	-
Goodwill	2	1,343	-
Property, plant and equipment	6	15,623	13,930
Right of use lease asset	7	63,339	42,247
Total non-current assets		**123,213**	**105,404**
Total Assets		**127,644**	**106,868**
Liabilities			
Current liabilities			
Trade and other payables	14	3,780	1,562
Distributions payable	15	-	158
Unearned revenue		374	399
Deferred lease payments – COVID		51	159
Employee provisions	16	994	377
Tenant deposits		90	43
Make good provisions	16	685	477
Right of use lease liabilities	7	7,791	10,662
Total current liabilities		**13,765**	**13,837**
Non-current liabilities			
Loans payable – related party	17	53,134	48,219
Deferred lease payments – COVID		29	201
Make good provisions	16	1,402	1,436
Employee provisions	16	183	66
Right of use lease liabilities	7	60,466	36,136
Total non-current liabilities		**115,214**	**86,058**
Total Liabilities		**128,979**	**99,895**
Net (Liabilities) Assets		**(1,335)**	**6,973**
Share capital	20	11,520	11,615
Accumulated losses		(12,811)	(13,888)
Non-controlling interest in Ostow Limited		(44)	9,246
Total (Accumulated Deficiency) Equity		**(1,335)**	**6,973**

Ostow Limited – Financial Statements

Statement of Cash Flows for the Year ended 30 June 2024

	2024 $'000	2023 Restated Note 24 $'000
Cash flows from operating activities		
Members receipts	29,658	28,706
Government assistance	-	8
Other income	7,407	-
Operating expenditure	(9,235)	(10,405)
Employee payments	(7,142)	(5,643)
Payment of rental deposits	(331)	(174)
Net cash flows from operating activities	**20,357**	**12,492**
Cash flows from investing activities		
Proceeds from sale of investments	1,005	-
Cash acquired on control of investments	1,074	16
Distributions received	1,094	-
Loans advanced	(1,012)	-
Payments for investment in associates	(629)	(162)
Payments for investment in PBRMF	(2,044)	-
Purchase of subsidiaries	(3,500)	-
Payments for WOTSO software development asset	(270)	(270)
Payments for property, plant and equipment	(5,832)	(4,555)
Net cash flows used in investing activities	**(10,114)**	**(4,971)**
Cash flows from financing activities		
Rental payments	(12,346)	(10,492)
Borrowings (repaid) advanced	(3,068)	3,073
Proceeds from issue of units in NCI	7,140	-
Interest received	1,157	30
Net cash flows used in financing activities	**(7,117)**	**(7,389)**
Net increase in cash and cash equivalents	**3,126**	**132**
Cash and cash equivalents at the beginning of the year	406	274
Cash and cash equivalents at the end of the year	**3,532**	**406**

All items are inclusive of GST where applicable.

Reconciliation of Operating Cash Flows

	Note	2024 $'000	2023 Restated Note 24 $'000
Profit / (loss) for the year		**1,403**	**(1,186)**
Non-cash flows in profit / (loss):			
Depreciation and amortisation	6,7,9,10	14,589	13,153
Net interest paid		780	1,327
Other net remeasurement gains	8	(757)	(464)
Loss on disposal of assets		3,684	-
Employee shares (included in staff costs)		17	-
Changes in working capital:			
Decrease in trade and other receivables		(561)	(202)
Increase / (decrease) in trade and other payables		2,132	(239)
Decrease in rental deposits		(331)	(174)
Increase in provisions		110	131
(Decrease) / increase in unearned revenue		(25)	146
Increase in tenant cash bonds		35	-
Increase in deferred tax asset		(719)	-
Net cash flows from operating activities		**20,357**	**12,492**

Ostow Limited – Financial Statements

Statement of Changes in Equity for the Year ended 30 June 2024

		Attributable to Owners of Ostow Limited				
	No. of Shares On issue	**Issued Capital $'000**	**Accumulated Losses $'000**	**Total $'000**	**Non-Controlling Interests $'000**	**Total Equity (Accumulated Deficiency) $'000**
Balance at 1 July 2023	**162,859,009**	**11,615**	**(13,888)**	**(2,273)**	**9,246**	**6,973**
Profit for the year	-	-	946	946	457	1,403
Other comprehensive income	-	-	-	-	-	-
Total Profit and Other Comprehensive Income for the Year	**-**	**-**	**946**	**946**	**457**	**1,403**
Transactions with Owners in their Capacity as Owners						
Buy-back of securities	(697,064)	(96)	-	(96)	-	(96)
Issue of securities	14,399	1	-	1	-	1
Distributions paid	-	-	-	-	(398)	(398)
Issue on non-controlling units	-	-	131	131	12,147	12,278
Deconsolidation of subsidiary	-	-	-	-	(21,496)	(21,496)
Total Transactions with Owners in their Capacity as Owners	**(682,665)**	**(95)**	**131**	**36**	**(9,747)**	**(9,711)**
Balance at 30 June 2024	**162,176,344**	**11,520**	**(12,811)**	**(1,291)**	**(44)**	**(1,335)**

		Attributable to Owners of Ostow Limited				
	No. of Shares On issue	**Issued Capital $'000**	**Accumulated Losses $'000**	**Total $'000**	**Non-Controlling Interests $'000**	**Total Equity (Accumulated Deficiency) $'000**
Balance at 1 July 2022	**163,360,291**	**11,689**	**(12,666)**	**(977)**	**-**	**(977)**
Loss for the year	-	-	(1,222)	(1,222)	36	(1,186)
Other comprehensive income	-	-	-	-	-	-
Total Loss and Other Comprehensive Loss for the Year	**-**	**-**	**(1,222)**	**(1,222)**	**36**	**(1,186)**
Transactions with Owners in their Capacity as Owners						
Buy-back of securities	(511,278)	(75)	-	(75)	-	(75)
Acquisition of subsidiaries	-	-	-	-	9,355	9,355
Issue of securities	9,996	1	-	1	-	1
Distributions paid	-	-	-	-	(145)	(145)
Total Transactions with Owners in their Capacity as Owners	**(501,282)**	**(74)**	**-**	**(74)**	**9,210**	**9,136**
Balance at 30 June 2023	**162,859,009**	**11,615**	**(13,888)**	**(2,273)**	**9,246**	**6,973**

Ostow Limited – Notes to the Financial Statements

1. Segment Reporting

Identification of reportable operating segments:
The Company operates in three business segments, being flexspace, investments and corporate. This is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM)) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Profit or Loss	**Flexspace $'000**	**Investment $'000**	**Corporate $'000**	**Total 2024 $'000**	**Flexspace $'000**	**Investment $'000**	**Corporate $'000**	**Total 2023 $'000**
Revenue								
Revenue from WOTSO members	29,681	476	-	30,157	25,890	-	-	25,890
Government assistance	-	-	-	-	8	-	-	8
Other income	4,900	-	2,500	7,400	-	-	-	-
Total Revenue	**34,581**	**476**	**2,500**	**37,557**	**25,898**	**-**	**-**	**25,898**
Expenses								
Other operating expenses	(6,970)	(278)	(1,171)	(8,419)	(5,988)	-	-	(5,988)
Staff costs	(5,813)	-	(1,460)	(7,273)	(5,605)	-	-	(5,605)
Director fees	-	(135)	-	(135)	-	-	-	-
Variable lease payments	(2,682)	-	-	(2,682)	(1,997)	-	-	(1,997)
Bad debt expenses	(24)	-	-	(24)	(54)	-	-	(54)
COVID rent waivers received from landlords	-	-	-	-	18	-	-	18
Total Expenses	**(15,489)**	**(413)**	**(2,631)**	**(18,533)**	**(13,626)**	-	-	**(13,626)**
Operating Profit	**19,092**	**63**	**(131)**	**19,024**	**12,272**	**-**	**-**	**12,272**
Depreciation – fit-out	(4,042)	(96)	(1)	(4,139)	(3,421)	-	-	(3,421)
Depreciation – right of use lease asset	(9,890)	(122)	-	(10,012)	(9,518)	-	-	(9,518)
Interest – right of use lease liability	(2,999)	(22)	-	(3,021)	(1,457)	-	-	(1,457)
Amortisation	-	(267)	(171)	(438)	-	(214)	-	(214)
Interest income	-	900	170	1,070	-	563	-	563
Finance income	14	23	1,136	1,173	131	-	-	131
Other non-operating expenses	-	(46)	-	(46)	-	(6)	-	(6)
Other net remeasurement gains	443	314	-	757	464	-	-	464
Loss on disposal of assets	-	-	(3,684)	(3,684)	-	-	-	-
Profit / (loss) before income tax	**2,618**	**747**	**(2,681)**	**684**	**(1,529)**	**343**	-	**(1,186)**

Ostow Limited – Notes to the Financial Statements

Balance Sheet	Flexspace $’000	Investment $’000	Corporate $’000	Total 2024 $’000	Flexspace $’000	Investment $’000	Corporate $’000	Total 2023 $’000
Current assets								
Cash and cash equivalents	390	997	2,145	3,532	398	8	-	406
Trade and other receivables	275	213	411	899	480	578	-	1,058
Total current assets	**665**	**1,210**	**2,556**	**4,431**	**878**	**586**	**-**	**1,464**
Non-current assets								
Investment in Pyrmont Bridge Road Mortgage Fund	-	-	5,167	5,167	-	20,000	-	20,000
Pyrmont Bridge Property convertible notes	-	-	-	-	-	14,000	-	14,000
Investment in Hamlet	-	291	-	291	-	162	-	162
WOTSO software development asset	-	899	-	899	-	896	-	896
Rental deposits	1,080	-	-	1,080	749	-	-	749
Loans receivable - related parties	-	-	32,142	32,142	-	-	13,420	13,420
Goodwill and intangible assets	-	-	4,672	4,672	-	-	-	-
Property, plant and equipment	15,169	431	23	15,623	13,930	-	-	13,930
Right of use lease asset	61,556	1,783	-	63,339	42,247	-	-	42,247
Total non-current assets	**77,805**	**3,404**	**42,004**	**123,213**	**56,926**	**35,058**	**13,420**	**105,404**
Total Assets	**78,470**	**4,614**	**44,560**	**127,644**	**57,804**	**35,644**	**13,420**	**106,868**
Liabilities								
Current liabilities								
Trade and other payables	2,696	322	762	3,780	1,531	31	-	1,562
Distributions payable	-	-	-	-	-	158	-	158
Unearned revenue	374	-	-	374	399	-	-	399
Deferred lease payments – COVID	51	-	-	51	159	-	-	159
Employee provisions	172	-	822	994	377	-	-	377
Tenant deposits	78	-	12	90	43	-	-	43
Make good provisions	685	-	-	685	477	-	-	477
Right of use lease liabilities	7,095	696	-	7,791	10,662	-	-	10,662
Total current liabilities	**11,151**	**1,018**	**1,596**	**13,765**	**13,648**	**189**	**-**	**13,837**
Non-current liabilities								
Loans payable – related party	-	-	53,134	53,134	-	-	48,219	48,219
Deferred lease payments – COVID	29	-	-	29	201	-	-	201
Make good provisions	1,402	-	-	1,402	1,436	-	-	1,436
Employee provisions	33	-	150	183	66	-	-	66
Right of use lease liabilities	59,352	1,114	-	60,466	36,136	-	-	36,136
Total non-current liabilities	**60,816**	**1,114**	**53,284**	**115,214**	**37,839**	**-**	**48,219**	**86,058**
Total Liabilities	**71,967**	**2,132**	**54,880**	**128,979**	**51,487**	**189**	**48,219**	**99,895**
Net Assets / (Liabilities)	**6,503**	**2,482**	**(10,320)**	**(1,335)**	**6,317**	**35,455**	**(34,799)**	**6,973**

2. Internalisation of Management Rights

During the year the Group undertook various corporate restructures resulting ultimately in the internalisation of management and the termination of the management agreements the Group held with BlackWall Limited (”BWF”), with the exception of those management agreements relating to Pyrmont Bridge Property Pty Ltd and Pyrmont Bridge Road Mortgage Fund, which will continue to be managed externally by BWF.

The internalisation transaction has been accounted for as a business combination under AASB 3, with the amounts recognised in respect of the identifiable assets acquired and liabilities assumed set out in the table below.

As consideration for the internalisation of management, the Group paid cash consideration of $3.5 million to BWF.

Goodwill of $1.3 million has been recognised being the excess of consideration issued over the net assets acquired.

	2024 **$’000**
Cash and cash equivalents	76
Intangible assets – management rights	3,500
Deferred tax liability	(719)
Trade and other payables	(76)
Employee provisions	(624)
Total identifiable assets acquired and liabilities assumed	**2,157**
Goodwill Acquired	1,343
Total Consideration	**3,500**
Satisfied by:	
Cash and cash equivalents	3,500
Total Consideration Transferred	**3,500**
Net cash flow arising on acquisition	
Cash consideration	(3,500)
Cash and cash equivalents balances acquired	76
	(3,424)

3. Pyrmont Restructures

During the year various restructures occurred with respect to Pyrmont Bridge Notes Trust (“PBNT”), Pyrmont Bridge Road Mortgage Fund (“PBRMF”) and a related entity Pyrmont Bridge Property Pty Ltd (“PBR”).

PBNT Restructure
As part of the PBNT restructure, the Group reduced its holdings in the fund to $nil, while at the same time providing the Group with an investment in PBR. Consequently, PBNT was deconsolidated from the Group. No gain or loss was recognised upon deconsolidation of the fund.

PBRMF Restructure
PBRMF’s mortgage advanced to PBR was also restructured during the year resulting in the total number of units on issue in PBRMF reducing to 9,505,055. As a result, the Group’s holding in PBRMF was reduced to 4.1 million units in exchange for a further increase in the Group’s non-controlling interest in PBR.

Following this restructure, the management of both PBR and PBRMF was restructured and consequently the Group ceased to control the strategic and operational direction of PBRMF, resulting in the deconsolidation of PBRMF effective 29 February 2024 (being the date of loss of control).

An analysis of the net assets of which the Group lost control is presented as follows:

	2024 **$’000**
Cash and cash equivalents	(4)
Trade and other receivables	138
Trade and other payables	(138)
Mortgage fund	9,505
Total Net Assets	**9,501**
Non-controlling interests	(5,371)
Remaining investment at fair value at date of loss of control	**4,130**

The Group did not receive any consideration for the deconsolidation of PBRMF, nor was any gain or loss on deconsolidation recognised.

PBR Investment
Subsequent to the above, the Group disposed of its investment in PBR to Planloc Limited, a stapled member of WOTSO Property along with the Company. This transaction gave rise to a loss on disposal of $3.7 million which is recognised in profit or loss.

An analysis of the movements in the investment balances of these Pyrmont entities is presented as follows:

	Investment in PBNT $’000	**Investment in PBRMF $’000**	**Investment in PBR $’000**
Balance at 1 July 2023	11,756	12,888	-
Purchases	-	2,044	-
Conversions	(8,369)	(5,063)	13,432
Disposals	(3,387)	(4,702)	(13,432)
Balance at 30 June 2024	**-**	**5,167**	**-**

4. Cash Flow Management

At the end of the year the Balance Sheet showed current liabilities exceeded current assets by $9.3 million (2023 - $12.4 million) as well as a net liability position of $1.3 million (2023 – net asset position of $7.0 million).

The net current liability position is primarily driven by lease payments and make good provisions due over the next 12 months totalling $8.5 million (2023 - $11.1 million). The corresponding leased assets are not allowed to be classified as current assets under accounting standards, but would approximately offset this deficit. Subsequent to year end the Group executed a lease renewal for the current WOTSO sites at Zetland, Woden and Penrith, which will result in the reclassification of these related make good provisions as non-current liabilities.

The net liability position is expected to improve over the next financial year as more WOTSO FlexSpaces reach maturity and the full effect of the internalisation transaction is realised, giving rise to increased corporate fee income.

The Group has positive operating cash flow and closely monitors liquidity. The Company also has an available line of credit in the form of a loan agreement with WOTSO Property Trust ("WPT"), the trust to which it is stapled making up WOTSO Property. The majority of the lease liability referred to above is also payable to WPT owned properties.

5. Revenue

Disaggregation of Revenue from Contracts with Customers	**2024 $'000**	**2023 $'000**
Offices	22,150	19,052
Coworking	3,344	3,090
Other Services*	4,663	3,748
Total Revenue from WOTSO Members	**30,157**	**25,890**
Other income	7,400	-
Government Assistance	-	8
Total Revenue	**37,557**	**25,898**

*Other Services include meeting room hire, parking, virtual office and other member services.

The Group's option at Neutral Bay was exercised in September 2023, resulting in the Group varying its existing lease. On exercise of the option the Group became entitled to a lease variation fee of $4.9 million, which was received in March 2024 following the settlement of the sale of the Neutral Bay building. In May 2024 the WOTSO Neutral Bay business was relocated to the Cremorne property.

6. Property, Plant and Equipment

	2024 $'000	**2023 $'000**
Fit-out	32,061	26,229
Less: accumulated depreciation	(16,438)	(12,299)
Total	**15,623**	**13,930**

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

	2024 $'000	**2023 $'000**
Carrying amount at the beginning of the year	13,930	12,796
Additions	5,832	4,555
Depreciation expense	(4,139)	(3,421)
Carrying amount at the end of the year	**15,623**	**13,930**

7. Right of Use Assets and Lease Liabilities

Right of use lease assets relate to third party leases held by WOTSO. WOTSO leases premises to house its flexible workspace product under agreements of 5 to 10 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

	2024 $'000	**2023 $'000**
Right of use assets	104,750	76,774
Less: accumulated depreciation	(41,411)	(34,527)
	63,339	**42,247**

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

	2024 $'000	**2023 $'000**
Carrying amount at the beginning of the year	42,247	44,684
Right of use assets – modifications *	13,025	2,642
Remeasurement of right of use assets **	1,442	1,753
Additions ***	17,977	6,019
Recognition of lease through acquisition of subsidiary ****	1,906	-
Depreciation expense	(10,012)	(9,518)
Disposals *****	(3,246)	(3,333)
Carrying amount at the end of the year	**63,339**	**42,247**

*Lease modifications relate to the extension of the lease terms for WOTSO sites located at WPT owned properties and WOTSO Chermside.

**Remeasurements reflect revised contractual payments within existing lease liabilities, including changes in an index or rate used to determine the amounts payable.

***Additions relate to the new leases for the existing WOTSO sites at Varsity Lakes, Mandurah, Brookvale, Adelaide, Pyrmont and the new WOTSO sites at Botany, Robina and Cremorne.

****With the acquisition of Yeost Lease Pty Ltd as disclosed in Note 22, the Group assumed the lease over the Neutral Bay property.

*****As disclosed in Note 5 WOTSO variated its lease at Neutral Bay and is now operating under a month to month lease at this site. Other lease modifications were the result of new leases at Varsity Lakes and Pyrmont.

Right of Use Lease Liabilities

Right of use lease liabilities are measured and repaid over the term of the lease. For lease commitment details refer to Note 27(d).

	2024 $'000	2023 $'000
Opening Balance	46,798	50,067
Modifications and remeasurements	14,293	3,978
Additions	17,977	6,019
Recognition of lease through acquisition of subsidiary	1,921	-
Disposals	(3,689)	(3,797)
Interest charged	3,021	1,457
Repayments	(12,064)	(10,926)
Total Lease Liabilities	**68,257**	**46,798**
Current lease liabilities	7,791	10,662
Non-current lease liabilities	60,466	36,136
Total Lease Liabilities	**68,257**	**46,798**

8. Other Net Remeasurement Gains

	2024 $'000	2023 $'000
Gain on lease modifications	443	464
Gain on acquisition of subsidiary	814	-
Loss on equity accounted investments	(500)	-
Total	**757**	**464**

Other net remeasurement gains comprise a gain on the acquisition of Yeost Lease Pty Ltd, gains on lease modifications and a loss on the revaluation of equity accounted investments. The acquisition of Yeost Lease Pty Ltd is described further in Note 22. The gain on lease modifications is the result of new leases for current sites in Pyrmont and Varsity Lakes, as well as the variation of the Neutral Bay lease.

9. WOTSO Software Development Asset

Over the last few years WOTSO has undertaken a project to develop in-house software to help manage its operations and customer invoicing. The software has been developed in conjunction with external developers and commenced commercialisation during 2022. The Group owns a perpetual licence over the software and during the year it increased its ownership in the software business to 35% (Jun 2023 – 31%). As at 30 June 2024 the Group has contributed $899,000 net of amortisation (Jun 2023 - $896,000) to fund the development of the software and has increased its investment in associate to $291,000 (2023 - $162,000).

During 2024 $267,000 of amortisation (2023 - $214,000) was recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

10. Intangible Assets

The Group's intangible assets of $3.3 million comprise management rights acquired through the internalisation transaction described in Note 2. These management rights are deemed to have a finite useful life and are measured at cost and amortised using the straight line method over the estimated remaining useful life of 7 years.

During the year amortisation of $171,000 was recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

11. Trade and Other Receivables

	2024 $'000	2023 $'000
Trade receivables from WOTSO members	195	93
Trade receivables from related parties	621	322
Interest receivable from related parties	-	578
Expected credit loss allowance	(32)	(22)
Other receivables	115	87
Total	**899**	**1,058**

12. Rental Deposits

	2024 $'000	2023 $'000
Lease rental deposits	796	675
Term deposit for bank guarantee	284	74
Total Non-Current Rental Deposits	**1,080**	**749**

13. Loan Portfolio

	2024 $'000	2023 $'000
Loan receivable – Planloc	31,118	13,370
Loan receivable – WRV	-	50
Loan receivable – Employees	1,024	-
Total Non-Current Loan Portfolio	**32,142**	**13,420**

The loan to Planloc is unsecured and subject to a term of 5 years from June 2023 with interest chargeable at the discretion of the lender. For the year ended 30 June 2024 the Company charged interest of $1.1 million at a margin of 3% over the RBA cash rate (2023 - $nil).

The employee loans are subject to interest charged at 2% over the RBA cash rate and are secured over WOT securities and BWF shares which were valued at $970,000 at 30 June 2024 based on the quoted ASX price of both securities.

14. Trade and Other Payables

	2024 $'000	2023 $'000
Current trade and other payables	2,080	493
Current Payables with related party	400	148
Total Trade and Other Payables	**2,480**	**641**
Accrued expenses	445	581
Sundry payables	855	340
Total	**3,780**	**1,562**

The rent deferral received by WOTSO was treated as a variable lease payment per AASB 16, but the difference has been recognised as a deferred rent liability. As at 30 June 2024 WOTSO had rent deferral liabilities totalling $80,000 (Jun 2023 - $360,000), for which deferred repayments will continue over the term of the leases.

15. Distributions Payable

	2024 $'000	2023 $'000
Distributions payable to related parties	-	158
Total	**-**	**158**

16. Provisions

	2024 $'000	2023 $'000
Current – employee benefits	994	377
Non-current – employee benefits	183	66
Total employee benefits provisions	**1,177**	**443**
Current – make good provision	685	477
Non-current – make good provision	1,402	1,436
Total make good provisions	**2,087**	**1,913**
Total provisions	**3,264**	**2,356**

Employee benefit provisions relate to annual leave and long service leave payable to employees. The number of employees for the Group as at 30 June 2024 was 113 (2023: 84).

Make good provisions relate to estimated costs required to return leased property to the state required by the lease. These have been discounted at the same rate as the underlying lease liability, per AASB 16 *Leases.*

17. Borrowings

	2024 $'000	2023 $'000
Loan from related party - WPT	53,134	48,219
Total non-current borrowings	**53,134**	**48,219**

The borrowings from WPT are unsecured and are subject to interest at a margin of 2.0% over the RBA cash rate and for a loan term of 5 years from June 2021. Interest is chargeable at the discretion of the lender. No interest was charged during the year.

18. Income Tax

a) Income Tax Benefit

	2024 $'000	2023 $'000
Reconciliation of prima facie tax payable to income tax		
Profit / (loss) before income tax	684	(1,186)
Expected tax expense / (benefit) at 25%	171	(297)
Accounting loss on disposal	888	-
Capital loss recouped	(110)	-
Timing differences not recognised	(949)	297
DTA not previously recognised	(719)	-
Total Income Tax (Benefit)	**(719)**	**-**

b) Deferred Tax

As a result of the internalisation transaction described in Note 2, deferred tax assets of $719,000 and deferred tax liabilities of $719,000 have been recognised. These deferred taxes have been presented on a net basis on the balance sheet of Ostow Limited (2023 - $nil) given the ability and intent of Ostow to settle these on a net basis.

	2024 $'000	2023 $'000
Movements in Deferred Tax:		
Balance, at the beginning of the year	-	-
Acquired through business combination	(719)	-
Charged to profit and loss	719	-
Balance, at the end of the year	**-**	**-**

Ostow Limited – Notes to the Financial Statements

The below table shows a breakdown of the tax value of Ostow Limited's other net deferred tax asset balances not recognised. The Group has not recognised these as at 30 June 2024, due to uncertainty around the ability of the Group to recoup these in the short to medium term. The recoupment and realisation of the deferred tax assets will be determined by reference to each respective taxpayer of the Group. As such, the tax losses (and other deferred tax assets) incurred by Ostow Limited will be available to offset future taxable income of Ostow Limited and not the other members of the Group (subject to Ostow Limited meeting the relevant loss recoupment tests).

	2024 $'000	2023 $'000
Right of use leases	1,751	1,616
Accruals and provisions	459	263
Prepayments	(28)	(14)
Fixed asset depreciation and amortisation	(1,580)	(2,224)
Investments	125	-
Management rights	(832)	-
Carried forward tax losses	2,080	4,092
Total unrecognised net deferred tax assets	**1,975**	**3,733**

19. Auditor's Remuneration

Remuneration of ESV for:	2024 $	2023 $
Audit and assurance services	55,000	69,000
Taxation and other services	8,930	13,095
Total	**63,930**	**82,095**

20. Issued Capital

	2024 Shares	2023 Shares	2024 $'000	2023 $'000
At the beginning of the year	162,859,009	163,360,291	11,615	11,689
Buy-back of issued securities	(697,064)	(511,278)	(96)	(75)
Issue of new units	14,399	9,996	1	1
At the end of the year	**162,176,344**	**162,859,009**	**11,520**	**11,615**

21. Contingencies

The Group had no contingent assets or liabilities at 30 June 2024 (2023 - $nil).

22. Investment in New Subsidiaries

Yeost Lease Pty Ltd

During the year, the Group acquired 100% of the issued and outstanding shares of Yeost Lease Pty Ltd, obtaining control of the company. Yeost Lease Pty Ltd is a special purpose entity that holds the lease over the Neutral Bay property until September 2026. The acquisition of Yeost Lease Pty Ltd does not constitute a business and accordingly, the assets acquired and liabilities assumed have been consolidated in accordance with AASB 10. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below:

	2024 $'000
Cash and cash equivalents	994
Trade and other receivables	(5)
ROU lease asset	1,906
Trade and other payables	(148)
Tenant bond liabilities	(12)
ROU lease liability	(1,921)
Total identifiable assets acquired and liabilities assumed	**814**
Excess of net assets acquired	(814)
Total Consideration	-
Satisfied by:	
Cash and cash equivalents	-
Total Consideration Transferred	-
Net cash inflow arising on acquisition:	
Cash consideration	-
Cash and cash equivalents balances acquired	994
	994

A gain on acquisition of $814,000 has been recognised in profit or loss as part of the acquisition of Yeost Lease Pty Ltd, being the excess of net assets acquired over consideration of $1.

WOTSO HealthSpace Pty Ltd and WOTSO CookSpace Pty Ltd

During the prior year the Group subscribed to 50% of the issued capital in both WOTSO CookSpace Pty Ltd and WOTSO HealthSpace Pty Ltd for a nominal value. The Group is considered to control both WOTSO CookSpace and WOTSO HealthSpace through its ability to direct the strategic and operational decisions of both entities. Consequently, both WOTSO CookSpace and WOTSO HealthSpace were consolidated into the Group at that time.

Due to WOTSO CookSpace and WOTSO HealthSpace being formed during the prior year, both entities are in the early stage of development and have limited operational earnings in both the current and prior years. WOTSO CookSpace is still in the development phase and had not commenced operations at 30 June 2024. WOTSO HealthSpace commenced operations late in 2023 and earned a small profit of $157,000 in 2024 (2023 - $4,000 loss).

23. Parent Entity Information

The Company has been identified as the parent entity ("Parent Entity")

Results:	**2024 $'000**	**2023 $'000**
Loss after tax	(3,188)	(474)
Total comprehensive loss after tax	**(3,188)**	**(474)**
Financial position:		
Current assets	202	194
Non-current assets	8,500	58,444
Total assets	**8,702**	**58,638**
Current liabilities	(29)	-
Non-current liabilities	(1,503)	(48,185)
Total liabilities	**(1,532)**	**(48,185)**
Net assets	**7,170**	**10,453**
Share capital	11,520	11,615
Accumulated losses	(4,350)	(1,162)
Total equity	**7,170**	**10,453**

Contingent Liabilities
The Parent Entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital Commitments
The Parent Entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material Accounting Policies
The accounting policies of the Parent Entity are consistent with those of the Consolidated Entity, as disclosed in Note 30.

24. Prior Period Adjustment

During the year, the Group assessed that variable lease payments were more appropriately classified as operating activity cash flows rather than financing activity cash flows. As a consequence, for the year ended 30 June 2023, operating cash flow activities have been reduced by $1.98 million and financing cash flow activities have been increased by $1.98 million.

25. Controlled Entities

Name	**Percentage Owned 2024**	**2023**
Parent Entity:		
Ostow Limited	N/A	N/A
Controlled Entities:		
76 Brunswick Street Pty Ltd	100%	-
Ada Avenue Brookvale Pty Ltd	100%	-
BlackWall Opportunities Fund	100%	-
BlackWall Penrith Fund No. 3	100%	-
Flinders Street Pty Ltd	100%	-
Gymea Bay Road Pty Ltd	100%	-
Gymea Bay Road Unit Trust	100%	100%
Kirela Development Unit Trust	-	100%
Macquarie Hobart Pty Ltd	100%	-
Military Road Cremorne Pty Ltd	100%	-
Northbourne Dickson Pty Ltd	100%	-
Ormsby Terrace Pty Ltd	100%	-
Ostow Investments Pty Ltd	100%	100%
Ostow Property Management Pty Ltd	100%	100%
Pioneer Road Yandina Pty Ltd	100%	100%
Pyrmont Bridge Finance Pty Ltd	100%	-
Pyrmont Bridge Trust	N/A	64%
Pyrmont Bridge Road Mortgage Fund	N/A	64%
Pyrmont Bridge Notes Trust	N/A	84%
Ryrie Geelong Pty Ltd	100%	-
Tudor Street Newcastle Pty Ltd	100%	-
Woods PIPES Fund	-	100%
Wormald Symonston Pty Ltd	100%	-
WOTSO Pty Ltd	100%	-
WOTSO Adelaide Pty Ltd	100%	100%
WOTSO Barracks Pty Ltd	100%	100%
WOTSO Blacktown Pty Ltd	100%	100%
WOTSO Bondi Junction Pty Ltd	100%	100%
WOTSO Botany Pty Ltd	100%	100%
WOTSO Brookvale Pty Ltd	100%	100%
WOTSO Chermside Pty Ltd	100%	100%
WOTSO CookSpace Pty Ltd	50%	50%
WOTSO Cremorne Pty Ltd	100%	-
WOTSO Dickson Pty Ltd	100%	100%
WOTSO Employment Services Pty Ltd	100%	100%
WOTSO External Pty Ltd	100%	100%
WOTSO Fund Services Limited	100%	-
WOTSO Fortitude Valley Pty Ltd	100%	100%
WOTSO Gold Coast Pty Ltd	100%	100%
WOTSO HealthSpace Pty Ltd	50%	50%
WOTSO Hobart Pty Ltd	100%	100%
WOTSO Holdings Pty Ltd	100%	100%
WOTSO Internal Pty Ltd	100%	100%
WOTSO Liverpool Pty Ltd	100%	-
WOTSO Macarthur Square Pty Ltd	100%	100%
WOTSO Mahuhu Limited	100%	-
WOTSO Mandurah Pty Ltd	100%	100%
WOTSO Neutral Bay Pty Ltd	100%	100%
WOTSO Newcastle Pty Ltd	100%	100%
WOTSO Penrith Pty Ltd	100%	100%
WOTSO Pyrmont Pty Ltd	100%	100%
WOTSO at RFW Manly Pty Ltd	100%	100%

WOTSO Robina Pty Ltd	100%	100%
WOTSO Services Pty Ltd	100%	100%
WOTSO Services 1 Pty Ltd	100%	100%
WOTSO Services 2 Unit Trust	100%	100%
WOTSO Services 2 Pty Ltd	100%	100%
WOTSO Services 3 Pty Ltd	100%	100%
WOTSO Storage Space Pty Ltd	100%	100%
WOTSO Sunshine Coast Pty Ltd	100%	100%
WOTSO Symonston Pty Ltd	100%	100%
WOTSO Takapuna Limited	100%	100%
WOTSO Toowoomba Pty Ltd	100%	100%
WOTSO Woden Pty Ltd	100%	100%
WOTSO Wollert Pty Ltd	100%	-
WOTSO Zetland Pty Ltd	100%	100%
WRV Pty Ltd	100%	-
Yeost Lease Pty Ltd	100%	-

26. Related Party Transactions

Related Parties, Associates
In these financial statements, related parties are parties as defined by AASB 124 *Related Party Disclosures* rather than the definition of related parties under the Corporations Act 2001 and ASX Listing Rules.

Associates
Interests held in associates by the Group are set out in Notes 3 and 9.

Transactions With Related Entities
The Group pays rent for leased properties owned by related parties. The rent paid is determined with reference to arm's length commercial rates. Additionally, WOTSO pays for fit-out costs, management fees, distributions and general expenses such as car parking and cleaning. The Group receives revenue from related parties, including interest income and flexspace. All transactions with related parties were made on normal commercial terms and conditions and at market rates and were approved by the Board where applicable. The following transactions occurred during the financial year and the balances were outstanding at the year-end between the Group and its related entities.

	2024 $	2023 $
Revenue:		
Interest income	2,132,553	563,326
Other revenue	5,260,715	107,820
Management fees	2,015,154	-
Total Revenue	**9,408,422**	**671,146**
Expenses:		
Rent and outgoings paid	8,118,962	7,258,209
Management fees	598,189	1,015,939
Fit-out	467,106	926,538
Software development costs	270,000	270,000
Staff costs	109,942	94,179
Other expenses	978,759	644,030
Total Expenses	**10,542,958**	**10,208,895**
Outstanding balances:		
Trade and other receivables	620,895	321,289
Trade and other payables	400,421	147,672
Interest receivable	-	578,461
Distributions payable	-	158,765
Deferred lease payments – COVID – current	-	87,843
Deferred lease payments – COVID – non-current	-	87,843
Loans receivable	31,118,000	13,420,000
Loans payable	53,134,584	48,218,903

27. Financial Risk Management

a) Financial Risk Management

The main risks the Group is exposed to through its financial instruments are market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group's principal financial instruments are cash and cash equivalents, financial assets and loans payable. Additionally, the Group has various other financial instruments such as trade debtors, lease rental deposits and trade creditors, which arise directly from its operations.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies, and processes for measuring and managing risk, and the management of capital. The Board has overall responsibility for the establishment and overseeing of the risk management framework. It monitors the Group's risk exposure by regularly reviewing finance and property markets.

The Group holds the following major financial instruments:

	2024 $'000	2023 $'000
Financial assets		
Cash and cash equivalents	3,532	406
Trade and other receivables	899	480
Interest receivable	-	578
Rental deposits	1,080	749
Loans receivable – related party	32,142	13,420
Financial liabilities		
Trade and other payables	3,780	1,562
Distributions payable	-	158
Loans payable – related party	53,134	48,219
Lease liabilities	68,257	46,798

(b) Sensitivity analysis

Although the Group is exposed to currency risk through its subsidiary in New Zealand, which operates the flexspace business in New Zealand Dollars (NZD), management considers that this is a low risk due to the immaterial investment and the low volatility between both currencies, Australian and New Zealand Dollars. The Group is not exposed to any material credit, interest or liquidity risks.

c) Capital management

The Group's objectives when managing capital are to:

- safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividends paid to shareholders, issue new shares, buy-back shares, and purchase or sell assets.

(d) Liquidity risk

	Maturing In 1 year $'000	Maturing in 2 – 5 years $'000	Maturing over 5 years $'000	Total $'000
At 30 June 2024				
Trade and other payables	3,780	-	-	3,780
Borrowings	-	53,134	-	53,134
Lease Liabilities	7,791	17,523	42,943	68,257
	11,571	**70,657**	**42,943**	**125,171**
At 30 June 2023				
Trade and other payables	1,562	-	-	1,562
Borrowings	-	48,219	-	48,219
Lease Liabilities	10,662	15,081	21,055	46,798
	12,224	**63,300**	**21,055**	**96,579**

28. Subsequent Events

To the best of the Directors' knowledge, since the end of the reporting year there have been no matters or circumstances that have materially affected the Group's operations or may materially affect its operations, state of affairs, or the results of operations in future financial years.

29. Critical Accounting Estimates and Judgments

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information.

Goodwill and Other Indefinite Life Intangible Assets
The Consolidated Entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 30.

Lease Term for Right of use Assets and Liabilities
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Consolidated Entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Consolidated Entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Make Good Provisions
Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the premises in which it is located, or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. Judgement is exercised in estimating the present value of these costs. The Group reviews these estimates at each reporting period and adjusts if there is a significant event or change in circumstance.

Incremental Borrowing Rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Consolidated Entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

30. Statement of Material Accounting Policies

The Company is part of the listed WOT stapled group, incorporated and domiciled in Australia. The financial statements for the Group were authorised for issue in accordance with a resolution of the Directors on the date they were issued.

Basis of Preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the AASB and the Corporations Act 2001. The financial statements of the Company also comply with IFRS as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The Group is a group of the kind referred to in ASIC Class Order 2016/191 and, in accordance with that Class Order, amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The statutory financial information for the Group has been presented for the year ended 30 June 2024 and for the comparative year ended 30 June 2023.

The financial statements are presented in Australian dollars.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial statements. The accounting policies have been consistently applied unless otherwise stated.

Going Concern
The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company is in a net current liability and a net liability position, as described in Note 4. However, many of the WOTSO sites are in the build-up phase and profitability is expected to improve. The Group has earned positive cash flows from operations during the year and projects it will have sufficient cash balances to pay debts as they fall due and forecasts for the next twelve months display enough liquidity for it to be appropriate for the Company to continue as a going concern.

Additionally, short-term funding may be obtained from related parties if needed.

Presentation of Financial Statements
Both the functional and presentation currency of the Company and its Australian subsidiaries is Australian dollars. Functional currency New Zealand Dollars results are translated to presentation currency.

Principles of Consolidation
The consolidated financial statements comprise the financial statements of the Group and its subsidiaries. All controlled entities have a June financial year end and use consistent accounting policies. Investments in subsidiaries held by the Group are accounted for at cost, less any impairment charges.

Subsidiaries are all those entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Inter-company Balances
All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the Company.

Operating Segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the CODM. The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

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

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation
The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use.

The estimated useful lives used for each class of depreciable assets are:

Furniture, fixtures and fittings	over 2 to 10 years
Office equipment	over 4 to 10 years
Leasehold improvements	lesser of 10 years and expected remaining lease term.
Right of use assets	remaining lease terms, including any options where they are reasonably certain to be exercised.

At each balance sheet date, assets' residual values and useful lives are reviewed, particularly with reference to the remaining expected lease term of each site and adjusted if appropriate.

Disposal
An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

Internally Generated Intangible Assets
Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development is recognised if, and only if, all of the following conditions have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or sell the intangible asset
- How the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is calculated on a straight-line basis over the expected useful lives of the intangible asset as follows:

Software development	5 years

The estimated useful life and amortisation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment of Assets
At each reporting date the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, either the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, or the income of the asset is capitalised at its relevant capitalisation rate.

An impairment loss is recognised if the carrying value of an asset exceeds its recoverable amount. Impairment losses are expensed to the profit or loss.

Impairment losses recognised in prior years are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

Right of Use Lease Assets
A right of use asset is recognised at the commencement date of a lease. The right of use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right of use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Consolidated Entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Consolidated Entity has elected not to recognise a right of use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease Liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Consolidated Entity's incremental borrowing rate. Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Intangible Assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any accumulated impairment losses. Finite life intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Amortisation of finite life intangible assets are calculated on a straight-line basis over the expected useful lives of the asset as follows:

Management rights	7 years

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Financial Instruments

Non-derivative Financial Instruments
Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non- derivative financial instruments are measured as described below.

Recognition
A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flow from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

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

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

(i) Equity Investments
All equity investments are measured at fair value. Equity investments that are held for trading are measured at fair value through profit or loss.

(ii) Loans and Receivables
Loans and receivables, including loans to related entities, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Impairment
At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. A financial instrument is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

An impairment loss in respect of a financial instrument measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

Individually significant financial instruments are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Impairment losses are recognised in the profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial instruments measured at amortised cost, the reversal is recognised in profit or loss.

Financial Liabilities
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Investments in Associates
Investments in associate companies are recognised in the financial statements by applying the equity method of accounting where significant influence is exercised over an investee. Significant influence exists where the investor has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.

Under the equity method of accounting, investments in associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of the interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

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.

Trade and Other Receivables
Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor and default payments are considered objective evidence of impairment. Bad debts are written off when identified as uncollectable.

Trade and Other Payables
Liabilities for trade creditors are carried at cost, which is the fair value of the consideration to be paid in the future for goods or services received, whether or not billed to the Group at balance date. The amounts are unsecured and are usually paid within 30 days of recognition.

Interest Bearing Borrowings
Interest bearing borrowings are initially recognised at fair value less any related transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost.

Employee Benefits

Defined Contribution Plans
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contribution to defined contribution plans are recognised as a personnel expense in profit or loss when they are due.

Other Long Term Employee Benefits
The Group's net obligation in respect of long-term employee benefits, other than defined benefit plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs. These employee benefits have not been discounted to the present value of the estimated future cash outflows to be made for those benefits.

Short Term Benefits
Liabilities for employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs.

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. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Revenue
Income comprises rental and recovery of outgoings from property tenants. Rental income is accounted for on a straight-line basis over the lease term, if applicable.

Business Combination
The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- equity interests issued by the Group; and

- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Income Tax

Current Income Tax Expense
The charge for current income tax expense is based on the profit year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Accounting for Deferred Tax
Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred Tax Calculation
Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred Income Tax Assets
Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Benefit Brought to Account
The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Tax Consolidation
The Company has elected to form a tax consolidated group with its wholly owned entities for income tax purposes under the tax consolidation regime. As a consequence, all members of the tax consolidated group are taxed as a single entity. The Parent Entity within the tax consolidated group is Ostow Limited.

In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group in conjunction with any tax funding arrangement amounts.

The Group recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the Parent Entity only.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Equity
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Comparative Figures
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current period. Any change of presentation has been made in order to make the financial statements more relevant and useful to the user.

New Accounting Standards and Interpretations
The Consolidated Entity has adopted all the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. Based on our preliminary assessment, we do not expect them to have material impact on the Group.

Consolidated Entity Disclosure Statement as at 30 June 2024

Entity Name		Entity Type	Body Corporates Place of Incorporation	Body Corporates % of Share Capital Held	Tax Residency Australian or Foreign	Tax Residency Foreign Jurisdiction
Ostow Limited	1	Body corporate	Australia	N/A	Australian	N/A
76 Brunswick Street Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Ada Avenue Brookvale Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
BlackWall Opportunities Fund		Trust	Australia	N/A	Australian	N/A
BlackWall Penrith Fund No. 3		Trust	Australia	N/A	Australian	N/A
Flinders Street Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Gymea Bay Road Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Macquarie Hobart Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Military Road Cremorne Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Northbourne Dickson Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Ormsby Terrace Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Ostow Investments Pty Ltd		Body corporate	Australia	100%	Australian	N/A
Ostow Property Management Pty Ltd		Body corporate	Australia	100%	Australian	N/A
Pioneer Road Yandina Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Pyrmont Bridge Finance Pty Ltd		Body corporate	Australia	100%	Australian	N/A
Ryrie Geelong Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Tudor Street Newcastle Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
Wormald Symonston Pty Ltd	2	Body corporate	Australia	100%	Australian	N/A
WOTSO Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Adelaide Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Barracks Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Blacktown Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Bondi Junction Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Botany Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Brookvale Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Chermside Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO CookSpace Pty Ltd		Body corporate	Australia	50%	Australian	N/A
WOTSO Cremorne Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Dickson Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Employment Services Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO External Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Fund Services Limited	3	Body corporate	Australia	100%	Australian	N/A
WOTSO Fortitude Valley Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Gold Coast Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO HealthSpace Pty Ltd		Body corporate	Australia	50%	Australian	N/A
WOTSO Hobart Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Holdings Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Internal Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Liverpool Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Macarthur Square Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Mahuhu Limited		Body corporate	New Zealand	100%	Foreign	New Zealand
WOTSO Mandurah Pty Ltd		Body corporate	Australia	100%	Australian	N/A

WOTSO Neutral Bay Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Newcastle Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Penrith Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Pyrmont Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO at RFW Manly Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Robina Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Services Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Services 1 Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Services 2 Unit Trust		Trust	Australia	N/A	Australian	N/A
WOTSO Services 2 Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Services 3 Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Storage Space Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Sunshine Coast Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Symonston Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Takapuna Limited		Body corporate	New Zealand	100%	Foreign	New Zealand
WOTSO Toowoomba Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Woden Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Wollert Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WOTSO Zetland Pty Ltd		Body corporate	Australia	100%	Australian	N/A
WRV Pty Ltd	*2*	Body corporate	Australia	100%	Australian	N/A

1. *Entity is a stapled member of WOTSO Property.*
2. *Trustee entity of a trust which is consolidated within the stapled WOT group consolidated financial statements.*
3. *Trustee entity of a trust which is consolidated within these consolidated financial statements.*

Directors' Report (Continued)

Information on Officeholders
The names of the officeholders during or since the end of the year are set out below. Unless otherwise stated, officeholders have been in office since the beginning of the financial year to the date of these financial statements.

Joseph (Seph) Glew
Non-Executive Director and Chairman
Seph has worked in the commercial property industry in New Zealand, the USA and Australia. Seph has driven large scale property development and financial structuring for real estate for over 40 years. In addition, since the early 1990s Seph has run many "turn-around" processes in relation to distressed properties and property structures for both private and institutional property owners.

While working for the Housing Corporation of New Zealand and then AMP, Seph qualified as a registered valuer and holds a Bachelor of Commerce. In the 1980s he served as an executive director with New Zealand based property group Chase Corporation and as a non-executive director with a number of other listed companies in New Zealand and Australia.

Jessica Glew
CEO and Executive Director (from 28 February 2024)
Joint Managing Director and COO (to 28 February 2024)
Jessie is Chief Executive Officer and a director of WOTSO Property. Jessie was with the BlackWall Group since early 2011 and has a strong background in, and passion for, the property industry. For the past 14 years, Jessie has specialised in working with distressed properties and spaces and the operations of the WOTSO business. Jessie holds a Bachelor of International Communication from Macquarie University and a NSW Real Estate Licence.

Jessie joined the Board of The Kids Cancer Project in 2021 and over the last 3 years has provided insights and operational knowledge to help support The Kids Cancer Project. Jessie also joined the Board of Flexible Workspace Australia in March 2024, the peak body for coworking and flexible workspace providers and partners across all cities and regions of Australia.

Richard Hill
Non-Executive Director
Richard has extensive investment banking experience and was the founding partner of the corporate advisory firm Hill Young & Associates. Richard has invested in BlackWall's projects since the early 1990s. Prior to forming Hill Young, Richard held a number of Senior Executive positions in Hong Kong and New York with HSBC. He was admitted as an attorney in New York State and was registered by the US Securities & Exchange Commission and the Ontario Securities Commission. Richard has served as a director (Chairman) of the Westmead Institute for Medical Research and director (Chairman) of Sirtex Medical Limited (Sirtex), formerly listed on ASX.

Paul Tresidder
Non-Executive Director (from 28 February 2024)
Paul has considerable experience in retail management, leading, development and strategic planning. He spent eight years with Lendlease where he held a number of roles, including National Leasing Manager, before being appointed to the position of Divisional Manager responsible for half of the General Property Trust retail portfolio. Paul and fellow Lendlease executive Guy Wynn, formed a property management company which was subsequently acquired by Baillieu Knight Frank. In 1993, Paul joined Seph Glew in the development business that would ultimately become ASX listed BlackWall Limited.

Agata Ryan
Company Secretary
Agata joined WOTSO in February 2023 and oversees all aspects of WOTSO's corporate transactions, corporate governance and regulatory functions and investor relations. Before joining WOTSO, Agata worked as a lawyer at a boutique property law firm and prior to that was legal counsel in the commercial property legal team at Stockland. Agata holds a Bachelor of Arts, Master of Commerce and Juris Doctor degree from UNSW. She is admitted as a solicitor of the Supreme Court of New South Wales and the High Court of Australia.

Robin Tedder
Non-Executive Director (to 28 February 2024)
Robin began his career on the dealing desk of a merchant bank in 1976. In 1981 he founded Hatmax Capital Markets which grew rapidly through organic development and merger with Australian Gilt Securities in 1988, such that by the time he departed after 14 years as CEO in 1995, over 80 people were employed across debt capital markets, both the Sydney Futures Exchange and ASX, in asset management and corporate finance. In 1995 Robin established Vintage Capital which became an active investor in funds management, commercial property, retailing, healthcare, and logistics. He has been an investor in BlackWall projects since 1997, is a former member of ASX, and has served on various boards of both listed and private companies since 1984. Robin resigned from the Group effective 28 February 2024

Timothy Brown
Joint Managing Director and CFO (to 28 February 2024)
Tim was Joint Managing Director and Chief Financial Officer for the BlackWall Group and its funds. Tim joined the Group in 2008 as Financial Controller and became Chief Financial Officer in 2009. He has a Bachelor of Commerce from the University of New South Wales and is a member of the of Chartered Accountants of Australia and New Zealand. With over 20 years' experience in the financial services and property industries, he started his career with Deloitte and joined Lend Lease Corporation in 2002. Tim is also on the board of Eastern Suburbs Cricket Club and Coogee Boy's Preparatory School. Tim resigned from the Group effective 28 February 2024.

Auditor and Non-audit Services
$55,000 and $8,930 was paid to the auditor for audit and non-audit services respectively during the financial year (2023: $69,000 and $13,095 respectively) as detailed in Note 19. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out in these financial statements.

ESV Business Advice and Accounting continues in office in accordance with section 327 of the Corporations Act 2001.

Ostow Limited – Directors' Report

Meeting Attendances

Director	**No. of Board Meetings Held**	**Board Meeting Attendance**
Seph Glew	5	5
Jessica Glew	5	5
Richard Hill	5	5
Paul Tresidder*	5	1
Timothy Brown**	5	4
Robyn Tedder**	5	4

* Paul Tresidder joined the Board of Directors effective 28 February 2024.
** Robin Tedder and Timothy Brown resigned from the Board of Directors effective 28 February 2024.

Registered office
Level 1 50 Yeo Street Neutral Bay, Sydney, NSW

Telephone: 1800 203 170

Principal place of business
Level 1 50 Yeo Street, Neutral Bay, Sydney, NSW

Auditor
ESV Business Advice and Accounting

Level 13, 68 York Street, Sydney NSW 2000

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

Seph Glew
Chairman
Sydney, 29 August 2024

Jessie Glew
Director
Sydney, 29 August 2024

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes are in accordance with the Corporations Act 2001, including:

(i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The Statement of Material Accounting Policies confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the persons acting in the capacities of Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

In the Directors' opinion, the attached consolidated entity disclosure statement is true and correct.

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

Seph Glew
Chairman
Sydney, 29 August 2024

Jessie Glew
Director
Sydney, 29 August 2024

Ostow Limited – Auditor's Independence Declaration and Auditor's Report

Business advice
and accounting

ESV

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As auditor for the audit of Ostow Limited and its controlled entities for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Dated at Sydney on the 29th day of August 2024.

ESV Business Advice and Accounting

Chris Kirkwood
Partner

Level 13, 68 York Street Sydney NSW 2000
Telephone. +61 2 9283 1666 | Email. admin@esvgroup.com.au

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Business advice
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OSTOW LIMITED AND ITS CONTROLLED ENTITIES

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of OSTOW Limited ('the Company') and its controlled entities ('the Group'), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Level 13, 68 York Street Sydney NSW 2000
Telephone. +61 2 9283 1666 | Email. admin@esvgroup.com.au

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Ostow Limited – Auditor's Independence Declaration and Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OSTOW LIMITED AND ITS CONTROLLED ENTITIES

Revenue	
Key Audit Matter	**How the scope of our audit responded to the risk**
The Group generates its rental income from short-term tenancies. During the year 2024, Group recorded $30.16 million (June 2023: $25.89 million) of rental revenue from short-term tenancies. Rental income from short-term tenancies is earned from leasing of desks, office space, meeting rooms and related services (co-working business) to short term tenants – operated by OSTOW Limited. Majority of premises used for operating of WOTSO co-working business is leased from related entity – WOTSO Property Trust and some are leased from third party landlords. Due to large number of short-term tenancies across numerous WOTSO locations, there is a risk that revenue is incorrectly recorded.	Our procedures included, but were not limited to: › For short-term rental income relating to co-working business, on sample basis of tenancies across different site locations we verified the monthly billing for desks, office space hired to the agreed terms as per information in the tenancy management database and the price list per location. We also performed comparison of monthly revenue per location with monthly revenue from prior period and investigated any unusual or significant movement. › Obtained bank transactions for all bank accounts to assess completeness of receipts of rental income. › Performed analytical procedures by comparing monthly performance per location and comparing with prior period and investigating material variances. › Assessed the disclosures included in the financial statement for revenue are in accordance with AASB 15. Based on our work performed, we conclude the revenue for the Group is free from material misstatement.

Other Information

Other information is financial and non-financial information in the Company's annual report which is provided in addition to the Financial Report and the Auditor's Report for the year ended 30 June 2024. The directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' report (page 3 and 23-24) which we obtained prior to the date of this auditor's report but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Business advice
and accounting

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OSTOW LIMITED AND ITS CONTROLLED ENTITIES

Directors' Responsibilities for the Financial Report

The directors are responsible for the preparation of a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and ii) the consolidated entity disclosure statement that is true and correct and is free of 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 Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/ auditors_responsibilities/ar2.pdf This description forms part of our auditor's report.

Dated at Sydney on the 29th day of August 2024.

ESV Business Advice and Accounting

Chris Kirkwood
Partner

PLANLOC LIMITED
ABN 50 062 367 560

ANNUAL REPORT
JUNE 2024

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Directors' Report

The Directors present their report, together with the financial statements of Planloc Limited (referred to hereafter as the 'Company') for the year ended 30 June 2024.

Principal activities

Planloc Limited is a listed property investment company. The Company is stapled to two other entities (WOTSO Property Trust and Ostow Limited) and forms the listed WOTSO Property (ASX: WOT). The Company owns a retail mixed use property located in Penrith, NSW, and holds investment positions in two property investment structures that ultimately own an entertainment precinct in Villawood, NSW and an office building in Pyrmont, NSW.

Penrith Investment Property
The Penrith property held by the Company, which was independently valued in June 2022 at $26.25 million, is fully occupied. The tenancies include Barbeques Galore, Boating Camping Fishing, Rashay's Restaurant, Tru Ninja, Factory Plus, Only About Children, and City Cave.

Villawood Investment
The Company also owns just under 50% of the WRV Unit Trust, which owns The Woods property. The property is an entertainment precinct in Sydney's west, approximately 28 kilometres from Sydney CBD. The property has great exposure to Woodville Road and is home to 8 different tenants including Zone Bowling, Chipmunks Playland, Sydney Indoor Climbing Gym, Jump Swim School, Flip Out, the Woods Café, Reverse Vending Machine and Cross Fit Bawn. It was also independently valued in June 2022 at $28.5 million.

Pyrmont Investment
Following a restructure of the WOT group during the year, the Company acquired the WOT group's remaining 43% investment in the property at 55 Pyrmont Bridge Road. The property is an office building located on the fringe of Sydney CBD with over 14,000sqm of NLA. The property was last independently valued in June 2023 at $134.3 million.

Risks

The Company has identified a number of material business risks including inflation, interest costs, valuations and unplanned capital expenditures, among others. These risks are subject to continuous assessment and review.

The key business risks' impacting the Company, and how such risks are managed, are outlined in WOTSO Property Group's 2024 Annual Report, which can be found at https://wotso.com/investors-information/.

PLANLOC Limited – Financial Statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2024

	Note	2024 $'000	2023 $'000
Revenue			
Property rental income		2,231	2,066
Finance income		61	69
Unrealised (losses) / gains	3	(92)	1,362
Total Revenue		**2,200**	**3,497**
Expenses			
Property outgoings		(533)	(744)
Business operating expenses	4	(371)	(278)
Depreciation expense	9	(125)	(143)
Finance costs		(1,909)	(669)
Total Expenses		**(2,938)**	**(1,834)**
(Loss) / profit before income tax		**(738)**	**1,663**
Income tax benefit / (expense)		221	(499)
(Loss) / profit for the year		**(517)**	**1,164**
Other comprehensive income		-	-
Total (Loss) / Income and Other Comprehensive (Loss) / Income		**(517)**	**1,164**

Balance Sheet as at 30 June 2024

	Note	2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents		29	58
Loan portfolio	5	197	196
Deferred rent receivable	6	24	26
Trade and other receivables	7	63	26
Total current assets		**313**	**306**
Non-current assets			
Deferred rent receivable	6	30	53
Loan portfolio	5	1,228	1,425
Financial assets	8	26,370	8,838
Investment property	9	26,250	26,250
Total non-current assets		**53,878**	**36,566**
Total Assets		**54,191**	**36,872**
Liabilities			
Current liabilities			
Trade and other payables	10	450	142
Borrowings	11	13,000	-
Total current liabilities		**13,450**	**142**
Non-current liabilities			
Borrowings	11	31,118	26,370
Deferred tax liabilities	13	4,974	5,195
Total non-current liabilities		**36,092**	**31,565**
Total Liabilities		**49,542**	**31,707**
Net Assets		**4,649**	**5,165**
Share capital	12	1	-
Retained earnings		4,648	5,165
Total Equity		**4,649**	**5,165**

PLANLOC Limited – Financial Statements

Statement of Cash Flows for the year ended 30 June 2024

	Note	2024 $'000	2023 $'000
Cash Flows from Operating Activities			
Receipt from property tenants		2,407	2,142
Payments to suppliers		(812)	(1,104)
Interest received		61	69
Interest paid		(1,909)	(669)
Net Cash Flows (used in) / from Operating Activities		**(253)**	**438**
Cash Flows from Investing Activities			
Return of equity		1,995	-
Repayment of loan portfolio		196	197
Payments of capital expenditure	9	(5)	(115)
Net Cash Flows from Investing Activities		**2,186**	**82**
Cash Flows from Financing Activities			
Proceeds of borrowings		1,820	3,000
Repayment of borrowings		(3,782)	(3,490)
Net Cash Flows (used in) Financing Activities		**(1,962)**	**(490)**
Net (Decrease) / Increase in Cash and Cash Equivalents		**(29)**	**30**
Cash and cash equivalents, at the beginning of the year		58	28
Cash and Cash Equivalents, at End of the Year		**29**	**58**

Reconciliation of Operating Cash Flows

	2024 $'000	2023 $'000
(Loss) / Profit for the Year	**(517)**	**1,164**
Non-Cash Flows in Profit:		
Straight-line rental income	(29)	(43)
Unrealised loss on revaluation of PBR	829	-
Unrealised gain on revaluation of WRV	(646)	(1,377)
Unrealised (gain) loss on revaluation of Penrith Property	(91)	15
Depreciation	125	143
Issue of securities	1	-
Changes in Operating Assets and Liabilities:		
(Decrease) / increase in deferred tax liabilities	(221)	499
Decrease in trade and other receivables	(12)	-
Increase in trade and other payables	308	37
Net Cash Flows / (used in) from Operating Activities	**(253)**	**438**

PLANLOC Limited – Financial Statements

Statement of Changes in Equity for the year ended 30 June 2024

	No. of Shares on Issue	Ordinary Shares $'000	Retained Earnings / (Accumulated Losses) $'000	Total $'000
Balance at 1 July 2023	**162,859,009**	**-**	**5,165**	**5,165**
Loss for the year	-	-	(517)	(517)
Other comprehensive income	-	-	-	-
Total Loss and Other Comprehensive Loss for the Year	**-**	**-**	**(517)**	**(517)**
Transactions with Owners in Their Capacity as Owners				
Issue of securities	14,399	1	-	1
Buy-back of issued securities	(697,064)	-	-	-
Total Transactions with Owners in Their Capacity as Owners	**(682,665)**	**1**	**-**	**1**
Balance at 30 June 2024	**162,176,344**	**1**	**4,648**	**4,649**
Balance at 1 July 2022	**163,360,291**	**-**	**4,001**	**4,001**
Profit for the year	-	-	1,164	1,164
Other comprehensive income	-	-	-	-
Total Profit and Other Comprehensive Income for the Year	**-**	**-**	**1,164**	**1,164**
Transactions with Owners in Their Capacity as Owners				
Issue of securities	9,996	-	-	-
Buy-back of issued securities	(511,278)	-	-	-
Total Transactions with Owners in Their Capacity as Owners	**(501,282)**	**-**	**-**	**-**
Balance at 30 June 2023	**162,859,009**	**-**	**5,165**	**5,165**

PLANLOC Limited – Notes to the Financial Statements

1. Segment Reporting

The Company operates in one business segment being the ownership and leasing of investment properties in Australia.

2. Cash Flow Management

At the end of the year, the Balance Sheet showed current liabilities exceeded current assets by $13.1 million (30 June 2023 – current assets exceeded current liabilities by $164,000). This is mainly driven by the loan from CBA which is due to mature in December 2024. The loan is secured against the Company's Penrith property. The Company is confident that upon maturity the loan will be renewed on similar terms.

The Group closely monitors liquidity. The Company also has an available line of credit in the form of a loan agreement with Ostow Limited, the company to which it is stapled, along with WOTSO Property Trust, to make up WOTSO Property.

3. Unrealised (Loss) / Gains

	2024 $'000	2023 $'000
Investment property in Penrith	91	(15)
Investment in WRV Unit Trust (WRV)	646	1,377
Investment in Pyrmont Bridge Property Pty Ltd (PBR)	(829)	-
	(92)	**1,362**

4. Business Operating Expenses

	2024 $'000	2023 $'000
Fund management fees	336	225
Consultants fees	7	22
Administration expenses	28	31
Total business operating expenses	**371**	**278**

5. Loan Portfolio

	2024 $'000	2023 $'000	Current Security $'000	Interest Rate	Details
Current – vendor finance	197	196	3,500*	4.0%	See below
Non-current – vendor finance	1,228	1,425	3,500*	4.0%	See below
	1,425	**1,621**			

* Same asset as security.

In 2021, WOTSO Property Trust (formerly "BlackWall Property Trust") (WPT), part of the stapled WOT Group, sold its Toowoomba property. The sale was executed through a vendor finance agreement with the Company over a 10-year period and it is being repaid at an agreed interest rate of 4%. This loan is secured against the Toowoomba property through a registered first mortgage. The loan runs until 2031 when it will be fully repaid.

6. Deferred Rent Receivable

	2024 $'000	2023 $'000
Current – deferred rent receivable	24	26
Non-current – deferred rent receivable	30	53
Total deferred rent receivable	**54**	**79**

7. Trade and Other Receivables

	2024 $'000	2023 $'000
Accounts receivable	32	26
Other receivables	31	-
Total trade and other receivables	**63**	**26**

8. Financial Assets

The Company's financial assets comprise an investment in WRV and PBR. The investment in WRV reflects a 49.88% (2023: 49.88%) holding of WRV Unit Trust, which owns The Woods, Villawood, NSW. The property is an entertainment precinct in Sydney's west, approximately 28 kilometres from Sydney CBD. The property has great exposure to Woodville Road and is home to 8 different tenants including Zone Bowling, Chipmunks Playland, Sydney Indoor Climbing Gym, Jump Swim School, Flip Out, the Woods Café, Reverse Vending Machine and Cross Fit Bawn. It was independently valued on June 2022 at $28.5 million.

During the year, the Company acquired a 43% investment holding in PBR. This entity owns the property at 55 Pyrmont Bridge Road, Pyrmont, NSW. The property holds over 14,000sqm of NLA. The property was last independently valued in June 2023 at $134.3 million. This acquisition was funded through an increase in the Company's borrowings with Ostow Limited.

	2024 $'000	2023 $'000
Balance at the beginning of the year	8,838	7,461
Additions	21,705	-
Distributions received	(3,990)	-
Revaluation increase	(183)	1,377
Balance at 30 June	**26,370**	**8,838**

As at year end the Company owned units in WRV and PBR as follows:

Entity	Holdings 2024 '000	Holdings 2023 '000	Returns of Capital / Distribution Received 2024 $'000	Returns of Capital / Distribution Received 2023 $'000
WRV Unit Trust	3,990	1,995	3,990	-
Pyrmont Bridge Property	49,275	-	-	-
			3,990	**-**

9. Investment Property

The Company has a property investment in a big box retail complex located at 120 Mulgoa Road, Penrith. Tenants in this fully occupied property include Boating Camping Fishing (BCF), Barbeques Galore, Only About Children, Tru Ninja, Factory Plus, City Cave and Rashay's restaurant.

The property was independently valued by a certified practicing valuer in June 2022 at $26.25 million. The valuer adopted a market yield of 5.75%, with net income of around $1.5 million p.a. The Company has assessed the independent valuation and considers that this is appropriate as the fair value is determined having regard to the highest and best use of the property, which is fully occupied. This independent valuation was determined with reference to the direct comparison approach, market capitalisation method and the discount discounted cash flow method.

A reconciliation of the property value is as follows:

	$'000
Balance at 1 July 2023	**26,250**
Capital improvements	5
Depreciation	(125)
Revaluations	91
Movement in straight-line receivable	29
Balance at 30 June 2024	**26,250**
Balance at 1 July 2022	**26,250**
Capital improvements	115
Depreciation	(143)
Movement in straight-line receivable	43
Revaluations	(15)
Balance at 30 June 2023	**26,250**

10. Trade and Other Payables

	2024 $'000	2023 $'000
Trade and other payables	385	105
Rental income in advance	34	6
Tenant deposits	31	31
Total Trade and Other Payables	**450**	**142**

11. Borrowings

	2024 $'000	2023 $'000
CBA	13,000	-
Total current borrowings	**13,000**	**-**
Ostow Limited	31,118	13,370
CBA	-	13,000
Total non-current borrowings	**31,118**	**26,370**
Total Borrowings	**44,118**	**26,370**

The loan from CBA, which is due to mature in December 2024, is secured against the Company's Penrith property. The current margin of the facility is 2.20% over BBSY and the borrowings are unhedged. The Company is confident that upon maturity this loan will be renewed on similar terms.

The unsecured borrowings are from Ostow Limited, which is stapled to the Company and therefore a related party and forms part of the capital structure of WOT. Interest is chargeable at the discretion of the lender and it is subject to a term of five years from June 2023. As at 30 June 2024, the Company had paid interest for $1.1 million at a margin of 3% over the RBA cash rate (June 2023 - $nil).

12. Share Capital

	2024 Shares	2023 Shares	2024 $'000	2023 $'000
At the beginning of the year	**162,859,009**	**163,360,291**	**-**	**-**
Buy-back of issued securities	(697,064)	(511,278)	-	-
Issue of new securities	14,399	9,996	1	-
At the end of the year	**162,176,344**	**162,859,009**	**1**	**-**

13. Income Tax Expense and Deferred Tax Liabilities

(a) Income tax benefit / (expense)

	2024 $'000	2023 $'000
Deferred tax benefit / (expense)	221	(499)
Total Income tax benefit / (expense)	**221**	**(499)**
Reconciliation of prima facie tax payable to income tax		
(Loss) / profit before income tax	(738)	1,663
Expected tax benefit / (expense) at 30%	221	(499)
Total Income Tax Benefit / (Expense)	**221**	**(499)**

(b) Deferred tax liabilities

Net deferred tax liabilities are recognised on the balance sheet (2024 - $5.0million; 2023 - $5.2million) in relation to unrealised gains on the assets of the company.

	2024 $'000	2023 $'000
Financial assets	1,736	1,790
Investment properties	3,500	3,480
Tax losses	(262)	(75)
Total Deferred Tax Liabilities	**4,974**	**5,195**
Movements:		
Balance, at the beginning of the year	5,195	4,696
Charged to profit and loss	(221)	499
Balance, at the end of the year	**4,974**	**5,195**

14. Auditor's Remuneration

Remuneration of ESV for:	2024 $	2023 $
Audit and assurance services	22,252	18,500
Taxation and other services	2,228	2,717
	24,480	**21,217**

15. Commitments and Contingencies

The Company leases out its investment property held under operating leases. The future minimum lease payments receivables are disclosed as follows:

	2024 $'000	2023 $'000
Receivable within 1 year	2,101	2,040
Receivable within 2-5 years	5,276	5,739
Receivable over 5 years	3,562	3,808
Total	**10,939**	**11,587**

There are no other commitments and contingencies as at 30 June 2024 (2023: $nil).

16. Subsequent Events

To the best knowledge of the Directors, there have been no matters or circumstances that have arisen since the end of the year that have materially affected or may materially affect the Company's operations in future financial years, the results of those operations or the Company's state of affairs in future financial years.

17. Related Party Transactions

(a) Related Entities

In these financial statements, related parties are parties as defined by AASB 124 Related Party Disclosures.

Fees and Transactions

Management fees are charged to entities predominately for property management services and the fees charged are determined with reference to arm's length commercial rates.

These services principally relate to the provision of property management services, property portfolio advisory services, maintenance and insurance, strategic advice and management supervision services, administration, marketing and risk management services.

The Company paid management fees and interest to related parties. The interest was incurred on a mortgage related loan. All transactions with related parties were made on normal commercial terms and conditions and at market rates and were approved by the Board where applicable.

As at 30 June 2024, there were no outstanding receivables with related entities.

The following represents the transactions that occurred during the financial year, and the balances outstanding at year end, between the Company and its related entities.

	2024 $	2023 $
Expenses:		
Fund management fee paid	122,200	225,500
Repairs and maintenance	13,931	161,702
Consulting and management fees paid	25,534	150,985
Outstanding balances:		
Trade and other payables	201,616	4,050
Borrowings	31,118,000	13,370,000

(b) Interests in Related Parties

As at year end the Company owned 49.88% (2023: 49.88%) of units in WRV Unit Trust and 43% of PBR, detailed in Note 8 – Financial Assets.

18. Financial Risk Management

(a) Financial Risk Management

The main risks the Company is exposed to through its financial instruments are market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's principal financial instruments are the loan portfolio, financial assets and borrowings. Additionally, the Company has various other financial instruments such as cash and cash equivalents, trade debtors and trade creditors.

This note presents information about the Company's exposure to each of the above risks, its objectives, policies, and processes for measuring and managing risk, and the management of capital.

The Board has overall responsibility for the establishment and overseeing of the risk management framework. It monitors the Company's risk exposure by regularly reviewing finance and property markets.

The Company holds the following major financial instruments:

	2024 $'000	2023 $'000
Financial Assets		
Cash and cash equivalents	29	58
Trade and other receivables	63	26
Deferred rent receivables	24	79
Loan portfolio	1,425	1,621
Financial assets	26,370	8,838
Financial liabilities		
Trade and other payables	450	142
Borrowings	44,118	26,370

(b) Material risk

(i) Interest rate risk

The Company has exposure to market risk for changes in interest rates on its loan portfolio and borrowings. The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the interest rates on borrowings, is as follows:

	June 2024		June 2023	
	Interest rate %	Balance $'000	Interest rate %	Balance $'000
Assets				
Loan portfolio	4.00	1,425	4.00	1,621
Liabilities				
Borrowings – Ostow	3.00 above cash rate	31,118	-	13,370
Borrowings - CBA	2.20 above BBSY	13,000	2.20 above BBSY	13,000

Sensitivity analysis

At 30 June 2024, if interest rates on the loan portfolio and borrowings had moved, as illustrated in the table below, with all other variables held constant, profit would be affected as follows:

Movement in interest rates	2024 $'000	2023 $'000
+ 1.0%	(441)	(130)
- 1.0%	441	130

(ii) Price risk

The major exposure is the Company's investments in financial assets. In relation to the investments in WRV and PBR units, a 10% decrease in the price (from the price at 30 June 2024, i.e. $1.87 and $0.38 respectively per unit) would result in an unrealised loss of $1.9 million (2023: $884,000).

(c) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Company has credit risk exposures to related parties' investments in related and unrelated property structures under financial instruments and contractual arrangements entered into by the Company. The Company limits its exposure to credit risk by obtaining equitable mortgages over real property for related / unrelated party loan receivables and investments in related and unrelated property structures.

(d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

At the end of the year, the Company held the following financial arrangements:

	Maturing within 1 year $'000	Maturing within 2 – 5 years $'000	Maturing over 5 years $'000	Total $'000
At 30 June 2024				
Trade and other payables	450	-	-	450
Borrowings	13,000	31,118	-	44,118
	13,450	**31,118**	**-**	**44,568**
At 30 June 2023				
Trade and other payables	142	-	-	142
Borrowings	-	26,370	-	26,370
	142	**26,370**	**-**	**26,512**

(e) Fair value measurement

(i) Fair value hierarchy

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level in the following fair value measurement hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of financial assets traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the Company is the current bid price and the quoted market price for financial liabilities is the current asking price.

The following table presents the Company's assets measured at fair value as at the reporting date. Refer to note 19 for further details of assumptions used and how fair values are measured.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 30 June 2024				
Loan portfolio	-	-	1,425	1,425
Investment properties	-	-	26,250	26,250
Financial assets	-	-	26,370	26,370
At 30 June 2023				
Loan portfolio	-	-	1,621	1,621
Investment properties	-	-	26,250	26,250
Financial assets	-	-	8,838	8,838

(ii) Valuation techniques used to derive Level 3 fair values

The fair value of the unlisted securities is determined by reference to the net assets of the underlying entities.

The carrying amounts of the loan portfolio approximate the fair values as they are short term receivables.

For all other financial assets, carrying value is an approximation of fair value. There were no transfers between Level 1, 2 and 3 financial instruments during the period.

(iii) Fair value measurements using significant observable inputs (Level 3)

The following table is a reconciliation of the movements in financial assets classified as Level 3 for the year ended 30 June 2024:

At 30 June 2024	**$'000**
Balance, at beginning of the year	36,709
Additions	21,705
Loan repayment	(196)
Fair value movement	(183)
Distributions	(3,990)
Balance, at end of the year	**54,045**

At 30 June 2023	**$'000**
Balance, at beginning of the year	35,529
Loan repayment	(197)
Fair value movement	1,377
Balance, at end of the year	**36,709**

19. Critical Accounting Estimates and Judgments

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information.

Impairment
The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Refer to note 8.

Financial assets
Investments in unlisted securities have been classified as financial assets and movements in fair value are recognised through profit and loss statement. The fair value of the unlisted securities is determined by reference to the net assets of the underlying entities.

Fair values of investment properties
The Company carries its investment property at fair value with changes in the fair values recognised through profit and loss statement. At the end of each reporting period, the Directors review and update their assessment of the fair value of the property, considering the most recent independent valuation.

The key assumptions used in this determination are set out in Note 9. Independent Valuer Yield represents the market rent divided by the property value and the market yield the independent valuer has applied to arrive to the valuation. If there are any material changes in the key assumptions due to changes in economic conditions, the fair value of the investment properties may differ and may need to be re-estimated. For this report the property is held at independent valuation carried out in June 2022. Based on the Directors' assessment, the valuation was appropriate and aligned with current occupancy rates and the market yield of 5.75%.

20. Basis of Preparation and Accounting policies

Planloc Limited is a public company, and part of the stapled WOTSO Property, which is incorporated and domiciled in Australia. The financial statements for the Company were authorised for issue in accordance with a resolution of the Directors on the date they were issued.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial statements of the Company also comply with IFRS as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period. Any change of presentation has been made in order to make the financial statements more relevant and useful to the user.

Going concern
These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company is in net current liability position of $13.1 million as at 30 June 2024. This is largely driven by current borrowings that are expected to be renewed prior to expiration in December 2024.

Presentation of Financial Statements
Both the functional and presentation currency of Planloc Limited is Australian Dollars.

Investment Properties
Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

Impairment of Assets
At each reporting date, the Company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, either the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the income of the asset is capitalised at its relevant capitalisation rate.

An impairment loss is recognised if the carrying value of an asset exceeds its recoverable amount. Impairment losses are expensed to the profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

Borrowing Costs
Borrowing costs directly attributable to the acquisition and construction of a qualifying asset are capitalised as part of the cost of the asset.

Non-Derivative Financial Instruments
Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

PLANLOC Limited – Notes to the Financial Statements

Recognition
A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flow from the financial assets expire or if the Company transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Purchases and sales of financial assets are accounted for at the trade date, i.e. the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Loans and Receivables
Loans and receivables, including loans to related entities, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Financial Assets
A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Unrealised gains and losses arising from changes in the fair value of these assets are included in the profit or loss in the period in which they arise, unless they relate to reversal of previous unrealised loss, which were then recognised in profit or loss.

Financial Liabilities
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair Value
The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance date. For investments in related party unlisted unit trusts, fair values are determined by reference to published unit prices of these investments, which are based on the net tangible assets of each of the investments.

Impairment
At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. A financial instrument is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. In the case of available for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

An impairment loss in respect of a financial instrument measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available for sale financial asset is calculated by reference to its fair value.

Individually significant financial instruments are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Impairment losses are recognised in the profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial instruments measured at amortised cost, the reversal is recognised in profit or loss.

Comparative Figures
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Any change of presentation has been made in order to make the financial statements more relevant and useful to the user.

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.

Trade and Other Receivables
Trade receivables are recognised and carried at the original invoice amount less a provision for any uncollectible debts. An estimate for expected credit losses is made when there is objective evidence that the Company will not be able to collect the receivable. Financial difficulties of the debtor and default payments are considered objective evidence of impairment. Bad debts are written off when identified as uncollectible.

Trade and Other Payables
Liabilities for trade creditors are carried at cost which is the fair value of the consideration to be paid in the future for goods or services received, whether or not billed to the Company at balance date. The amounts are unsecured and are usually paid within 30 days of recognition.

Interest Bearing Borrowings
Interest bearing borrowings are initially recognised at fair value less any related transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost.

Revenue
Rent comprises rental and recovery of outgoings from property tenants. Rental income from investment properties is accounted for on a straight-line basis over the lease term. Rent is recognised monthly in advance.

Investment
Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate.

Dividend revenue is recognised when the right to receive a dividend has been established, which in the case of quoted securities is the ex-dividend date.

In-specie distributions and returns of capital are brought on to the balance sheet by an adjustment in the carrying value of the relevant investment and then reflected in the comprehensive income as an unrealised gain.

Income Tax

Current Income Tax Expense
The charge for current income tax expense is based on the profit for the year, adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Accounting for Deferred Tax
Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred Tax Calculation
Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred Income Tax Assets
Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Benefit Brought to Account
The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Equity
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

New Accounting Standards and Interpretations
The Company has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. Based on our preliminary assessment, we do not expect them to have material impact on the Company.

Consolidated Entity Disclosure Statement as at 30 June 2024

Subsection 295(3A)(a) of the Corporations Act 2001 does not apply to Planloc Limited as the Company is not required to prepare consolidated financial statements by Australian Accounting Standards.

Directors' Report (Continued)

Information on Officeholders
The names of the officeholders during or since the end of the year are set out below. Unless otherwise stated, officeholders have been in office since the beginning of the financial year to the date of these financial statements.

Joseph (Seph) Glew
Non-Executive Director and Chairman
Seph has worked in the commercial property industry in New Zealand, the USA and Australia. Seph has driven large scale property development and financial structuring for real estate for over 40 years. In addition, since the early 1990s Seph has run many "turn-around" processes in relation to distressed properties and property structures for both private and institutional property owners.

While working for the Housing Corporation of New Zealand and then AMP, Seph qualified as a registered valuer and holds a Bachelor of Commerce. In the 1980s he served as an executive director with New Zealand based property group Chase Corporation and as a non-executive director with a number of other listed companies in New Zealand and Australia.

Jessica Glew
CEO and Executive Director (from 28 February 2024)
Joint Managing Director and COO (to 28 February 2024)
Jessie is Chief Executive Officer and a director of WOTSO Property. Jessie was with the BlackWall Group since early 2011 and has a strong background in, and passion for, the property industry. For the past 14 years, Jessie has specialised in working with distressed properties and spaces and the operations of the WOTSO business. Jessie holds a Bachelor of International Communication from Macquarie University and a NSW Real Estate License.

Jessie joined the Board of The Kids Cancer Project in 2021 and over the last 3 years has provided insights and operational knowledge to help support The Kids Cancer Project. Jessie also joined the Board of Flexible Workspace Australia in March 2024, the peak body for coworking and flexible workspace providers and partners across all cities and regions of Australia.

Richard Hill
Non-Executive Director
Richard has extensive investment banking experience and was the founding partner of the corporate advisory firm Hill Young & Associates. Richard has invested in BlackWall's projects since the early 1990s. Prior to forming Hill Young, Richard held a number of Senior Executive positions in Hong Kong and New York with HSBC. He was admitted as an attorney in New York State and was registered by the US Securities & Exchange Commission and the Ontario Securities Commission. Richard has served as a director (Chairman) of the Westmead Institute for Medical Research and director (Chairman) of Sirtex Medical Limited (Sirtex), formerly listed on ASX.

Paul Tresidder
Non-Executive Director (from 28 February 2024)
Paul has considerable experience in retail management, leading, development and strategic planning. He spent eight years with Lendlease where he held a number of roles, including National Leasing Manager, before being appointed to the position of Divisional Manager responsible for half of the General Property Trust retail portfolio. Paul and fellow Lendlease executive Guy Wynn, formed a property management company which was subsequently acquired by Baillieu Knight Frank. In 1993, Paul joined Seph Glew in the development business that would ultimately become ASX listed BlackWall Limited.

Agata Ryan
Company Secretary
Agata joined WOTSO Property in February 2023 and oversees all aspects of WOTSO's corporate transactions, corporate governance and regulatory functions and investor relations. Before joining WOTSO, Agata worked as a lawyer at a boutique property law firm and prior to that was legal counsel in the commercial property legal team at Stockland. Agata holds a Bachelor of Arts, Master of Commerce and Juris Doctor degree from UNSW. She is admitted as a solicitor of the Supreme Court of New South Wales and the High Court of Australia.

Robin Tedder
Non-Executive Director (to 28 February 2024)
Robin began his career on the dealing desk of a merchant bank in 1976. In 1981 he founded Hatmax Capital Markets which grew rapidly through organic development and merger with Australian Gilt Securities in 1988, such that by the time he departed after 14 years as CEO in 1995, over 80 people were employed across debt capital markets, both the Sydney Futures Exchange and ASX, in asset management and corporate finance. In 1995 Robin established Vintage Capital which became an active investor in funds management, commercial property, retailing, healthcare, and logistics. He has been an investor in BlackWall projects since 1997, is a former member of ASX, and has served on various boards of both listed and private companies since 1984. Robin resigned from the Group effective 28 February 2024.

Timothy Brown
Joint Managing Director and CFO (to 28 February 2024)
Tim was Joint Managing Director and Chief Financial Officer for the BlackWall Group and its funds. Tim joined the Group in 2008 as Financial Controller and became Chief Financial Officer in 2009. He has a Bachelor of Commerce from the University of New South Wales and is a member of the of Chartered Accountants of Australia and New Zealand. With over 20 years' experience in the financial services and property industries, he started his career with Deloitte and joined Lend Lease Corporation in 2002. Tim is also on the board of Eastern Suburbs Cricket Club and Coogee Boy's Preparatory School. Tim resigned from the Group effective 28 February 2024.

Meeting Attendances

Director	No. of Board Meetings Held	Board Meeting Attendance
Seph Glew	5	5
Jessica Glew	5	5
Richard Hill	5	5
Paul Tresidder*	5	1
Timothy Brown**	5	4
Robin Tedder**	5	4

* Paul Tresidder joined the Board of Directors effective 28 February 2024.
** Robin Tedder and Timothy Brown resigned from the Board of Directors effective 28 February 2024.

Environmental Regulation
The Company's operations are not regulated by any environmental regulation under a law of the Commonwealth or of a State or a Territory other than those that pertain to the ownership and development of real estate.

Indemnities of Officers
During the financial year, the Company paid premiums to insure each of the Directors named in this report along with officers of the Company against all liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a wilful breach of duty.

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 auditor to the Company.

Auditor and Non-audit Services
$22,252 and $2,228 were paid to the auditor for audit and non-audit services respectively during the financial year (2023: $18,500 and $2,717 respectively) as detailed in Note 14. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out in these financial statements.

ESV Business Advice and Accounting continues in office in accordance with section 327 of the Corporations Act 2001.

Rounding of Amounts
The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, and in accordance with that legislative instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Subsequent Events and Significant Changes in Affairs
To the best of the Directors' knowledge, since the end of the financial year, there have been no matters or circumstances, except for those disclosed in Note 16, that have materially affected the Company's operations or may materially affect its operations, state of affairs or the results of operations in the current or future financial years.

Registered office
Level 1 50 Yeo Street Neutral Bay, Sydney, NSW
Phone: +61 2 9033 8699 or 1800 4 WOTSO

Principal place of business
Level 1 50 Yeo Street, Neutral Bay, Sydney, NSW

Auditor
ESV Business Advice and Accounting
Level 13, 68 York Street, Sydney NSW 2000

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

Seph Glew
Chairman
Sydney, 29 August 2024

Jessie Glew
Director
Sydney, 29 August 2024

Directors’ Declaration

In the Directors’ opinion:

(a) the financial statements and notes are in accordance with the Corporations Act 2001, including:

- (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (ii) giving a true and fair view of the Company’s financial position as at 30 June 2024 and of its performance for the financial period ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Statement of Significant Accounting Policies confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

In the Directors’ opinion, the attached consolidated entity disclosure statement is true and correct.

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

Seph Glew
Chairman
Sydney, 29 August 2024

Jessie Glew
Director
Sydney, 29 August 2024

PLANLOC Limited – Auditors' Independence Declaration and Auditor's Report

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As auditor for the audit of Planloc Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Dated at Sydney on the 29th day of August 2024.

ESV Business Advice and Accounting

Chris Kirkwood
Partner

Level 13, 68 York Street Sydney NSW 2000
Telephone. +61 2 9283 1666 | Email. admin@esvgroup.com.au

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLANLOC LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Planloc Limited ('the Company'), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including the Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Level 13, 68 York Street Sydney NSW 2000
Telephone. +61 2 9283 1666 | Email. admin@esvgroup.com.au

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLANLOC LIMITED

Valuation of Investment Property	
Key Audit Matter	**How the scope of our audit responded to the risk**
As of 30 June 2024, the investment property is valued at $26.25 million (June 2023: $26.25 million) which is significant to the balance sheet. The investment property is recorded at fair value. The valuation recorded as at year end is based on Directors' valuation which is based on the independent valuation obtained as at 30 June 2022. The external valuation make several property specific key estimates and assumptions; assumptions in relation to market comparable yields and estimates in relation to future rental income increases or decreases and discount rates and other inputs. The rising interest rates have resulted in economic uncertainty and a reduction in market transaction evidence. Management has addressed the higher risk by using external valuation experts to value some investment properties. The audit approach considered how rising interest rates is likely to affect property values and inputs into valuation models and included assessing lease expiry, rent waivers, growth rates and let up timeframes. The valuation of the property investment is the key driver of the net assets value and total return. Incorrect valuation could have significant impact on the investment valuation and, therefore, the return generated to the members of the company.	Our procedures included, but were not limited to: › Reconcile the recorded value of investment property in financial statements to underlying general ledger. › Obtained copies of independent valuers' valuation report and compared the values to recorded valuation in general ledger and made inquiries regarding changes in tenancy levels and level of capital expenditure incurred and assess the reasonableness of impact it has on the valuation of the property. › We performed following procedures: – Assessed reasonableness of key judgements, assumptions and inputs used, such as lease incentives, rental growth rates, let up periods, allowances for rent waivers and deferrals. – Compared the yield rates used in the calculation to other market participants. – Agreed key inputs to underlying tenancy schedule. – Review independent valuer's competence and objectivity as independent valuer. – Obtain tenancy schedule and considered if there are any significant movements that could result in a change in value. – Performed a sensitivity analysis on the significant assumptions. › Assessing the disclosures in the financial report including using our understanding obtained from the testing against the requirements of the accounting standard. There are increased economic and financial uncertainties as a result of rising interest rates. This may require management to increase the frequency of valuation and provide clear and full disclosure of valuations. Based on our work performed, we conclude the valuation of the investment property is not materially misstated as at year end

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLANLOC LIMITED

Other Information

Other information is financial and non-financial information in the Company's annual report which is provided in addition to the Financial Report and the Auditor's Report for the year ended 30 June 2024. The directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' report (pages 3 and 16-17) which we obtained prior to the date of this auditor's report but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/ auditors_responsibilities/ar2.pdf This description forms part of our auditor's report.

Dated at Sydney on the 29th day of August 2024.

ESV Business Advice and Accounting

Chris Kirkwood
Partner