

Latrobe Valley Village Inc.

ABN 38 645 298 359

Financial Report

for the year ended 30 June 2024

Tyrrell Partners Pty Ltd

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Board's Report

Your board members submit the financial report of Latrobe Valley Village Inc. (the association) for the financial year ended 30 June 2024.

Board Members

The names of board members throughout the year and at the date of this report are :

Dr Leonard Cairns - President, from May 2024

Judith Redman - Vice President

Jenine Smith - Hon. Treasurer

Julian Yeatman

Jennifer Blain

Diane Wilkinson

Rayssa Beeching

Brendan Jenkins

Anne Gribbin

Alistair Doherty - appointed December 2023 Casual Vacancy, resigned April 2024

Laurel Watters - resigned April 2024

Principal Activities

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

Provision for Aged Care Facilities.

Significant Changes

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

Operating Result

The surplus for the financial year amounted to \$149,096.

Signed in accordance with a resolution of the members of the board.



President Dr Leonard Cairns

Date: 23 October 2024

Latrobe Valley Village Inc.

ABN 38 645 298 359

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	2	14,799,612	11,416,532
Expenses			
Employee Benefits	3	10,210,138	8,498,933
Depreciation	4	630,554	636,677
Other Expenses	5	3,809,824	3,139,291
Total Expenses		14,650,517	12,274,901
Surplus/(Loss)		149,096	(858,369)
Accumulated Funds at the beginning of the financial year		11,973,348	12,831,717
Accumulated Funds at the end of the financial year		12,122,443	11,973,348

Statement of Financial Position

As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current Assets			
Cash and Cash Equivalents	6	14,634,055	11,384,961
Trade and Other Receivables	7	177,159	186,333
Total Current Assets		14,811,214	11,571,294
Non Current Assets			
Property, Plant and Equipment	8	14,317,413	14,843,902
Total Non Current Assets		14,317,413	14,843,902
Total Assets		29,128,627	26,415,197
Liabilities			
Current Liabilities			
Trade and Other Payables	9	573,952	218,178
Provisions	10	1,471,557	1,347,203
Other Financial Liabilities	11	14,691,671	12,521,967
Total Current Liabilities		16,737,180	14,087,349
Non Current Liabilities			
Provisions	10	269,003	354,501
Total Non Current Liabilities		269,003	354,501
Total Liabilities		17,006,183	14,441,849
Net Assets		12,122,443	11,973,348
Equity			
Accumulated Funds	12	12,122,443	11,973,348
Total Equity		12,122,443	11,973,348

Latrobe Valley Village Inc.
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Statement of Changes in Equity

For the year ended 30 June 2024

	Notes	Accumulated Funds \$	Total \$
Balance at 1 July 2022 - as previously reported		21,240,026	21,240,026
Prior year adjustments	23	(8,408,308)	(8,408,308)
Balance at 1 July 2022 - Restated		12,831,717	12,831,717
Surplus attributable to members - as previously reported		(413,897)	(413,897)
Prior year adjustments - depreciation on buildings	23	(444,472)	(444,472)
Net result for year restated		(858,369)	(858,369)
Balance at 30 June 2023 - Restated		11,973,348	11,973,348
Surplus attributable to members		149,096	149,096
Balance at 30 June 2024		12,122,443	12,122,443

Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Operating Activities			
Receipts from operating activities		13,744,106	10,767,939
Payments to suppliers and employees		(13,512,206)	(11,798,857)
Investment income		545,555	273,174
Finance costs		(3,095)	(1,901)
Cash Generated From Operations		774,360	(759,645)
Net Cash from/used in Operating Activities		774,360	(759,645)
Investing Activities			
Capital Expenses		(15,448)	(317,250)
Payments for property, plant and equipment - Residential Aged Care		(88,699)	(117,099)
Net Cash (used in)/from Investing Activities		(104,147)	(434,349)
Financing Activities			
Accommodation bonds received		5,599,893	4,986,000
Accommodation bonds refunded		(3,658,577)	(4,569,909)
Retirement living loan received		637,565	416,750
Retirement living loan refunded		-	(39,500)
Net Cash (used in)/from Financing Activities		2,578,881	793,341
Net Increase/(Decrease) in Cash and Cash Equivalents		3,249,094	(400,653)
Cash and Cash Equivalents at the Beginning of the Period		11,384,961	11,785,614
Cash and Cash Equivalents at the End of the Period	6	14,634,055	11,384,961

Latrobe Valley Village Inc.

ABN 38 645 298 359

Notes to the Financial Statements

For the year ended 30 June 2024

The financial statements cover Latrobe Valley Village Inc. (the Association) as an individual entity. Latrobe Valley Village Inc is an association incorporated in Victoria and operating pursuant to the Associations Incorporation Reform Act 2012.

The financial statements were authorised for issue on 23 October 2024 by the members of the board.

Note 1: Summary of Material Accounting Policies

Basis of Preparation

The general purpose financial statements have been prepared in accordance with the Australian Charities and Not-for-Profits Commission Act 2012. Latrobe Valley Village Inc. is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

The Association does not have 'public accountability' as defined in AASB 1053 Application of Tiers of Australian Accounting Standards and therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards - Simplified Disclosures.

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

Accounting Policies

a. Income Tax

In accordance with the provisions of the Australian Income Tax Assessment Act 1997, the Association is exempt from income tax. As at 30 June 2000, the Association has been endorsed as an Income Tax Exempt Charity (ITEC) under the Income Tax Assessment Act 1997.

b. Property Plant & Equipment

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

Property

Land and buildings are carried at their cost, less where applicable, accumulated depreciation for buildings and any impairment losses.

Plant and equipment

Plant and Equipment are measured on a cost basis less accumulated depreciation and accumulated impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed as the depreciated replacement cost of an asset.

The cost of fixed assets constructed within the Association includes the cost of materials and direct labour where applicable. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

Assets with a cost in excess of \$1,000 are capitalised. Fixed assets are depreciated over the useful lives commencing from the time the asset is ready for use.

Class of fixed asset	Useful life	
Buildings	40 years	Straight-line basis
Plant and Equipment	3 - 10 years	Straight-line basis
Motor vehicles	5 years	Diminishing value basis

c. Employee Entitlements

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Leave loading of 17.5% is included, where applicable, on annual leave entitlements. Employee benefits that are expected to be settled within one year of the end of the reporting period have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and related on-costs and the probability that the employee may not satisfy any vesting requirements. The estimated cash outflows are discounted using market yields on national government bonds with maturity terms that match the expected timing of cash outflows.

Obligations for long term employee benefits are classified as non-current except where there is no unconditional right to defer payment, in which case they are presented as current.

d. Aged Care Subsidies, Rental Income and Resident Fees

When the entity receives aged care subsidies, rental income and residential fees, it assess whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

Revenue from unit ingoing payments is initially recognised as a liability, it will be recognised as revenue in the statement of comprehensive revenue with the attached contract performance obligations are satisfied as per AASB 15.

When both these conditions are satisfied, the entity:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with customers); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

e. Segment Reporting

The entity is a not-for-profit and therefore exempt from AASB 8 Operating Segments. However, as an approved provider for the purposes of the Aged Care Act 1997, the provider is required to comply with the financial reporting requirements of Accountability Principles 2014, Part 4, Division 2, Section 35A(3). Paragraph 3 - if the report deals with a matter other than residential care service provided by the provider "the report must be prepared as if the residential aged care provided through residential care services it relates to were a reportable segment for the purposes of the Australian accounting standard relating to segment reporting in force at the time the report is prepared". The residential aged care segment and independent living segment information is disclosed in Note 15 for the purposes of fulfilling the ACFR reporting requirements.

f. Comparative Figures

When required by the Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

g. Going Concern Basis of Accounting

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 the settlement of liabilities in the ordinary course of business. The operating position of the entity remains stable and surplus cash flows were generated from operations during the last twelve months.

For the year ended 30 June 2024, the entity recorded a working capital deficit of \$1,925,966 (2023: \$2,516,055). As is typical for the aged care industry, accommodation bonds and refundable deposits are classified as current, however the Board is of the view that these will not be paid out all at once in a lump sum, and of those that are paid out periodically, they will be replaced with new incoming bonds. Whilst these liabilities are classified as current in accordance with accounting standards, the proportion expected to be settled within, and after, the next 12 months is disclosed in note 11.

Employee provisions are also classified as current as the entity does not have the unconditional right to defer settlement under accounting standards AASB101. Whilst these liabilities are classified as current in accordance with accounting standards, they are not expected to be fully paid out in the next 12 months.

Latrobe Valley Village is dependent on the ongoing financial support of the Government and in particular, the Department of Health & Aged Care. At the date of this report the Board have no reason to believe that the Department will not continue to support the entity.

Note 2 Revenue

	Note	2024 \$	2023 \$
Income Tested Fees		226,752	167,469
Care Subsidies			
Care Subsidies		1,233,261	853,898
Care Subsidies - Variable		3,885,579	3,822,851
Care Subsidies - Fixed		4,289,717	2,644,613
		9,408,558	7,321,362
Transition Care		183,000	331,679
Accommodation Fees		2,666,939	2,299,017
Ingoing Payments		498,740	382,875
Other Residential Fees		9,609	8,969
Interest Received		545,555	273,174
Other Income		1,260,458	631,987
		14,799,612	11,416,532

Care Subsidies are received under Australian National Aged Care Classification (AN-ACC) and the subsidy is split between fixed and variable components.

Note 3 Employee Benefits

	Note	2024 \$	2023 \$
Superannuation Contributions		913,262	762,514
Uniforms		16,034	14,469
Wages		8,900,782	7,521,537
Workcover Premiums		378,726	195,413
Employment Related Costs		1,334	5,000
Total Employee Benefits		10,210,138	8,498,933

Note 4 Depreciation

	Note	2024 \$	2023 \$
Depreciation		185,482	191,425
Depreciation Motor Vehicle		600	780
Depreciation - Buildings		444,472	444,472
Total Depreciation		630,554	636,677

Note 5 Other Expenses

	Note	2024 \$	2023 \$
Activities Expenditure		16,392	15,504
Donations		145	-
Bad Debts		8,730	-
Board Expenses		29,272	-
Cleaning & Laundry		131,569	156,044
Computer Software, Supplies & Support			
Computer Software & Supplies		100,823	110,085
Computer Support Bureau		38,619	65,284
Total Computer Software, Supplies & Support		139,442	175,369
Council & Water Services		121,328	118,330
Heating & Cooling			
Electricity		154,840	140,051
Gas		11,602	29,109
Total Heating & Cooling		166,442	169,160
Food Supplies		443,725	417,750
Insurance		93,955	84,171
Interest Paid		26,972	42,440
Kitchen Equipment & Supplies		14,284	16,622
Medical, Health, Pharmaceutical			
Medical & Health Expenses - Residents		322,147	324,189
Medical/Care Equipment		22,715	26,806
Total Medical, Health, Pharmaceutical		344,862	350,995
Printing & Stationery		25,645	31,050
Rent		315	-
Repairs & Maintenance			
Repairs & Maintenance - General		143,353	169,515
Repairs, Renovations & Maintenance - Occupied		43,195	49,067
Renovations/Replacements - Appropriations		190,976	336,003
Total Repairs & Maintenance		377,524	554,585
Other Expenses			
Accounting/Audit fees		10,860	8,150
Advertising		21,558	21,465
Bank Charges		3,095	1,901
Consultancy Fees		57,468	84,561
Covid-19 Expenditure		78,477	118,688
Motor Vehicle Expenses		16,349	8,815
General Equipment Purchases		7,561	10,078
General Expenses		5,464	38,161
Garden & Landscape Expenditure		7,278	3,910
Legal Costs		3,638	5,439

	Note	2024 \$	2023 \$
Other supplies		8	4,490
Recruitment Costs		-	30,005
Seminars/Training		598	9,160
Staff Training & Police Checks		59,697	19,151
Storage Expenses		2,390	4,600
Travelling Expenses		365	227
Workcover Medical Costs		-	1,457
Total Other Expenses		274,805	370,258
Security & Fire Service Costs		10,745	16,895
Subscriptions & Registrations		32,075	25,526
Telephone		28,400	23,328
Agency Staff		1,437,776	502,700
Waste Disposal		85,420	68,565
Total Other Expenses		3,809,824	3,139,291

Note 6 Cash and Cash Equivalents

	Note	2024 \$	2023 \$
Cash on hand		700	700
Donation Bank Account		166	21,635
NAB Cheque Account		99,900	1,256,511
NAB Professional Funds		14,533,289	3,241,238
NAB Term Deposit		-	6,864,877
		14,634,055	11,384,961

Term deposits were closed in February 2024 and moved to a Not-for-Profit interest bearing NAB account. Interest rate sits at 0.05% lower than the RBA rates

Note 7 Trade and Other Receivables

	Note	2024 \$	2023 \$
Current			
Sundry Debtors		54,642	52,592
Client fees debtors account		59,735	54,672
GST clearing account		62,782	78,336
Wages Clearing Account		-	733
Total		177,159	186,333

Note 8 Property, Plant and Equipment

	Note	2024 \$	2023 Restated \$
Site Improvements		29,995	14,547
Land & Buildings at WDV	23	13,652,411	14,096,882
Plant & Equipment at WDV		632,928	729,794
Motor Vehicle at WDV		2,080	2,680
		14,317,413	14,843,903

Movement in Carrying Amounts of Property, Plant and Equipment

Movement in carrying amounts for each class of property, plant & equipment between the beginning and the end of the current financial year:

	Note	General Plant & Equipment	Motor Vehicle	Property & Site Improvements	Total
Balance at 1 July 2023 (previously stated)		729,794	2,680	22,523,000	23,255,473
Prior year adjustment	23	-	-	(8,411,571)	(8,411,571)
		729,794	2,680	14,111,429	14,843,903
Additions		88,699	-	15,448	104,147
Depreciation		(185,565)	(600)	(444,472)	(630,637)
		632,928	2,080	13,682,405	14,317,413

Note 9 Trade and Other Payables

	Note	2024 \$	2023 \$
Current			
Trade Creditors		250,122	211,384
Wages Clearing Account		234,029	-
Payroll Liabilities			
Superannuation Clearing Account		39,166	-
PAYG Tax clearing account		50,636	6,794
Total Payroll Liabilities		89,802	6,794
Total		573,952	218,178

Note 10 Provisions

Current

	Note	2024 \$	2023 \$
Provision for Annual Leave		743,972	686,462
Provision for Long Service Leave	23	727,584	660,740
		1,471,557	1,347,203

Non-Current

	Note	2024 \$	2023 \$
Provision for Long Service Leave	23	269,003	354,501
		269,003	354,501

Note 11 Other Financial Liabilities

	Note	2024 \$	2023 \$
Fees in advance (arrears)		32,165	42,172
Unconditional & expected to be settled within 12 months		4,126,071	3,551,376
Unconditional & expected to be settled after 12 months		9,627,500	8,286,545
Accommodation bond held (1)		13,753,571	11,837,921
Unconditional & expected to be settled within 12 months		226,484	641,875
Unconditional & expected to be settled after 12 months		679,451	-
Independent living units - ingoing contributions (2)		905,935	641,875
Total other financial liabilities		14,691,671	12,521,968

At year-end, the entity has \$14,634,055 (2023: \$11,384,961) in cash & cash equivalents (note 6). These balances include restricted amounts required to maintain a accommodation bond liquidity ratio of 30% (\$4,126,071 and 2023: \$3,551,376) in line with the entity's current liquidity management strategy and may therefore not be used for operating purposes.

(1) The liability for accommodation bonds and refundable accommodation deposits is carried at the amount that would be payable on exit of the resident. This is the amount received on entry of the resident, and in the instance of bonds, less deductions for fees and retentions pursuant to the Aged Care Act 1997. These liabilities are considered to be current as the entity does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The obligation to settle could occur anytime on departure of the resident (due to natural causes or otherwise). Whilst the liabilities are classified as current in accordance with accounting standards, the proportion expected to be settled within, and after, the next 12 months is disclosed above.

(2) In accordance with the Lease and Management Agreement with each resident and the Retirement Villages Act 1986, the above amounts are required to be repaid within a specified period to the respective residents under relevant conditions of the Lease and Management Agreement and the Act. Therefore, these amounts are recorded as a current liability in accordance with AASB 101 which required unconditional liabilities to be recorded as a current liability. Whilst the liabilities are classified as current in accordance with accounting standards, the proportion expected to be settled within, and after, the next 12 months is disclosed above.

Note 12 Accumulated Funds

	Note	2024 \$	2023 \$
Opening Balance		11,973,348	12,831,717
Current Year Earnings		149,096	(858,369)
Total Retained Association Funds		12,122,443	11,973,348

Note 13 Financial Instruments

	Floating Interest Rate		Fixed Interest Rate Maturing				Non -Interest Bearing	
			Within 1 year		1-5 years			
	2024	2023	2024	2023	2024	2023	2024	2023
Financial Asset								
Cash	14,633,355	4,520,084	-	6,864,877	-	-	700	700
Receivables	-	-	-	-	-	-	177,159	186,333
Total	14,633,355	4,520,084	-	6,864,877	-	-	177,859	187,033
Financial Liabilities								
Accounts Payable	-	-	-	-	-	-	573,952	218,178
Refundable Accommodation Bonds & Ingoing Contributions	-	-	-	-	-	-	14,691,671	12,521,968
Total	-	-	-	-	-	-	14,327,523	12,740,146

The Association's financial instruments consist mainly of deposits with banks, accounts receivable and payable accommodation bonds and ingoing contributions.

a. Liquidity Risk

The association manages liquidity risk by monitoring forecast cash flows to ensure sufficient funds are available to meet obligations as they fall due. The table above discloses the maturity of the Association's financial assets and liabilities.

b. Credit Risk

The Association does not have any material credit risk exposures to any single debtor or group of debtors.

c. Treasury Risk Management

Board members meet monthly to assess the financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

d. Financial Risk Exposures and Management

The main risk the Association is exposed to through its financial instruments are liquidity risk and credit risk. At 30 June 2024 the Association does not have any external debt and is not exposed to interest rate risk on borrowings.

Note 14 Related Party Transactions/Board Member Benefits

During the year ended 30 June 2024, the Association did not have any transactions with related parties.

From time-to-time members of the Management Board or key personnel will have relatives who are residents at the facility. In this instance they are charged accommodation fees at the published, scheduled rates.

Note 15 Residential Aged Care & Retirement Village Segments

The following information is provided in compliance with the Accountability Principles 2014, Part 4, Division 2, Section 35A(3) which deems residential care to be a reporting segment for the purposes of AASB 8: Operating Segments. Independent Living segment whilst not required to be reported is included as it is deemed to be relevant to users of the financial statements.

	2024	2023
	\$	\$
Residential Aged Care Income Statement		
Revenue		
Commonwealth Subsidies	9,408,558	7,321,362
Residential/Client Charges	2,903,301	2,475,455
Other	624,190	651,504
Total Segment Revenue	12,936,048	10,448,321
Expenses		
Employee Benefits	8,905,305	8,214,000
Depreciation	617,560	619,982
Other	4,238,243	2,573,243
Total Segment Expenses	13,761,108	11,407,225
Net Segment Profit/(Loss)	(825,060)	(958,904)
Residential Aged Care Balance Sheet		
Assets		
Current Assets		
Cash & Investment	12,625,180	10,321,702
Trade Receivables	54,466	107,129
Other Current Assets	59,015	79,069
Total Current Assets	12,738,661	10,507,900
Non-Current Assets		
Property Plant & Equipment	11,372,973	11,897,215
Total Non-Current Assets	11,372,973	11,897,215
Total Assets	24,111,635	22,405,115

	2024 \$	2023 \$
Liabilities		
Current Liabilities		
Trade Payables	211,199	204,340
Employee Provisions	1,765,518	1,183,039
Refundable Accommodation Bonds - within 12 months	4,126,071	3,554,376
Refundable Accommodation Bonds - after 12 months	9,627,500	8,286,545
Other Current Liabilities	26,372	42,572
Total Current Liabilities	15,756,661	13,270,872
Non-Current Liabilities		
Non-Current Employee Provisions	269,003	354,501
Total Non-Current Liabilities	269,003	354,501
Total Liabilities	16,025,664	13,625,373
Residential Aged Care Net Assets	8,085,970	8,779,742

Interest revenue from investment is not allocated to the segments.

	2024 \$	2023 \$
Retirement Village Income Statement		
Revenue		
Residential Charges	288,893	263,084
Ingoing Payments	498,740	382,875
Other	13,116	5,816
Total Segment Revenue	800,749	651,775
Expenses		
Wages & Superannuation	80,373	248,204
Depreciation	11,081	10,811
Other	427,169	453,528
Total Segment Expenses	518,623	712,543
Net Segment Profit/(Loss)	282,126	(60,768)

	2024 \$	2023 \$
Retirement Village Balance Sheet		
Assets		
Current Assets		
Cash & Investments	1,145,351	559,005
Other Current Assets	3,943	136
Total Current Assets	1,149,293	559,141
Non-Current Assets		
Property, Plant & Equipment	2,944,439	2,946,687
Total Non-Current Assets	2,944,439	2,946,687
Total Assets	4,093,733	3,505,828
Liabilities		
Current Liabilities		
Trade Payables	38,922	6,824
Employee Provisions	29,869	19,539
Unit Ingoing Contributions Control	226,484	-
Other	5,792	6,393
Total Current Liabilities	301,068	32,756
Non Current Liabilities		
Unit Ingoing Contributions Control	679,451	641,875
Total Non-Current Liabilities	679,451	641,875
Total Liabilities	980,519	674,631
Retirement Village Net Assets	3,113,214	2,831,197

Interest revenue from investments is not allocated to the segments

Note 16 Capital Commitments

Capital works has been undertaken in respect to the Retirement Village Segment of the business

Note 17 Contingent Liabilities and Assets

There are no known contingent liabilities or assets at the date of this report

Note 18 Prudential Compliance Statement - Aged Care Act

The Association meets the requirements of Prudential Compliance Statements as set down in the Aged Care Act 1997, and Part 5 Division 5 of the Fees and Payments Principles 2014 (No.2).

Note 19 Aged Care Accreditation Standards

The Association operates 1 Residential Aged Care Services under the Commonwealth Aged Care Act 1997. All services have a 3-year accreditation status and have achieved all the accreditation outcome standards. The latest accreditation was undertaken in 2023 financial year (completed in November 2022). Unannounced department visitations occurring since the last accreditation have been passed.

Note 20 Events Occurring after Balance Date

The Board Members are unaware of any events or required disclosure that have occurred after balance date which will materially affect the financial position disclosed at 30 June 2024.

Note 22 Remuneration of Responsible Persons

Any person having the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including board members, is considered key management personnel. The totals of remuneration paid to key management personnel of the entity during the year are as follows:

	2024	2023
	\$	\$
Total key management personal remuneration	414,032	335,545

Note 23 Prior Year Adjustments

1. The comparative statement of financial position, and statement of profit or loss, of Latrobe Valley Village Inc. (LVV), including retained surplus, has been restated as part of bringing to account depreciation on LVV property (buildings) assets that have historically not been depreciated, in accordance with accounting standards AASB 116: Property, Plant and Equipment. The net impact on the comparative balance sheet for 2023, is to reduce the net assets and retained surplus by \$8,411,571. The net result for the year ending 2023 is reduced by the depreciation for 2023 financial year of \$444,472.

2. The comparative balance sheet of LVV for 2023, including retained surplus, has been restated as part of the application of accounting standards AASB 119: Employee Benefits including bringing to account long service leave entitlements for employees which have not reached vesting. On-costs have also been included in the calculation that had not previously been provided for. The provision has been discounted to its present value. The net impact is to reduce the net assets and retained surplus by \$441,209 in 2023. The current versus non-current classification disclosures have been aligned to reflect accounting standards AASB 119: Employee Benefits.

There is no impact on cash flows for LVV as a consequence of the above prior year adjustments.

A third balance sheet has not been presented to disclose the prior year adjustments as they were considered not material to the comparative amounts in the balance sheet. The net changes are displayed in the following table:

	2023 Previously Reported Balance	Prior year adjustments (outlined in 1 & 2 above)	2023 Restated Balance
	\$		\$
Statement of Financial Position			
<i>Restated line items:</i>			
Non-Current Assets			
Property, Plant and Equipment	23,255,474	(8,411,571)	14,843,903
Total Non-Current Assets	23,255,474	(8,411,571)	14,843,903

	2023 Previously Reported Balance \$	Prior year adjustments (outlined in 1 & 2 above)	2023 Restated Balance \$
Current Liabilities			
Provision for Annual Leave	686,462	-	686,462
Provision for Long Service Leave	574,032	86,708	660,740
Total Current Liabilities	1,260,494	86,708	1,347,202
Non-Current Liabilities			
Provision for Long Service Leave	-	354,501	354,501
Total Non-Current Liabilities	-	354,501	354,501
Total Liabilities	1,260,494	441,209	1,701,703
Net Asset Impact			
Accumulated Funds	20,826,129	(8,852,780)	11,973,349
Total Equity	20,826,129	(8,852,780)	11,973,349
Statement of Profit or Loss and Other Comprehensive Income			
<i>Restated line items:</i>			
Depreciation	192,205	444,472	636,677
Total Expenses	11,830,429	444,472	12,274,901
Net Result for Year	(413,897)	(444,472)	(858,369)
Accumulated Funds at the beginning of the financial year	21,240,026	(8,408,308)	12,831,718
Accumulated Funds at the end of the financial year	20,826,129	(8,852,780)	11,973,349

Note 24 Association Details

The registered office and principal place of business of the Association is 5 Ollerton Avenue, Moe
Association Incorporation Number A0003979P

ABN: 38 645 298 359

Declaration by Members of the Board

The members of the Board of Latrobe Valley Village Inc. declare that:

1. The accompanying financial statement and notes are in accordance with the Australian Charities and Not-for-Profit Commission Act 2012, and:

- a. complying with Australian Standards - Simplified Disclosures; and
- b. gives a true and fair view of the financial position of the entity as at 30 June 2024 and of the performance for the financial year then ended.

2. There are reasonable grounds to believe that Latrobe Valley Village Inc. will be able to pay its debts as and when they become due and payable.

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



President Dr Leonard Cairns

Date: 23 October 2024



Treasurer Jenine Smith

Date: 23 October 2024

Independent Auditor's Report

To the Owners of Latrobe Valley Village Inc.

Opinion

We have audited the financial report of Latrobe Valley Village Inc. (the Association), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the statement by members of the Board.

In our opinion, the accompanying financial report of the association is in accordance with the Associations Incorporation Reform Act 2012, including:

(i) giving a true and fair view of the association's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(ii) That the financial records kept by the association are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards.

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 Association 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 (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.

Information Other than the Financial Report and Auditor's Report Thereon

The board is responsible for the other information. The other information comprises the information included in the association's annual report for the year ended 30 June 2024, 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.

Responsibilities of the board for the Financial Report

The board of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporation Reform Act 2012 and for such internal control as the board determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the board is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the director's either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director's.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Tyrrell Partners Pty Ltd - Moe
Suite 2, First Floor Cnr George & Moore Streets ,
Moe , 3825, Vic



Neil Tyrrell, CPA

Date: 23 October 2024

Certificate by Members of the Board

I, Dr Leonard Cairns and Jenine Smith certify that:

- a. we are members of the Board of Latrobe Valley Village Inc.;
- b. we attended the annual general meeting of the association held on 23 October 2024;
- c. we are authorised by the board to sign this certificate; and
- d. this annual statement was submitted to the members of the association at its annual general meeting



President Dr Leonard Cairns

Date: 23 October 2024



Treasurer Jenine Smith

Date: 23 October 2024

Statement of Profit or Loss

For the period 1 July 2023 to 30 June 2024

	Note	2024 \$	2023 \$
Income	2	14,799,612	11,416,532
Expenses			
Employee Benefits			
Superannuation Contributions		913,262	762,514
Uniforms		16,034	14,469
Wages		8,900,782	7,521,537
Workcover Premiums		378,726	195,413
Employment Related Costs		1,334	5,000
Total Employee Benefits		10,210,138	8,498,933
Depreciation			
Depreciation		185,482	191,425
Depreciation Motor Vehicle		600	780
Depreciation - Buildings		444,472	444,472
Total Depreciation		630,554	636,677
Other Expenses			
Activities Expenditure		16,392	15,504
Donations		145	-
Bad Debts		8,730	-
Board Expenses		29,272	-
Cleaning & Laundry		131,569	156,044
Computer Software, Supplies & Support			
Computer Software & Supplies		100,823	110,085
Computer Support Bureau		38,619	65,284
Total Computer Software, Supplies & Support		139,442	175,369
Council & Water Services		121,328	118,330
Heating & Cooling			
Electricity		154,840	140,051
Gas		11,602	29,109
Total Heating & Cooling		166,442	169,160
Food Supplies		443,725	417,750
Insurance		93,955	84,171
Interest Paid		26,972	42,440
Kitchen Equipment & Supplies		14,284	16,622
Medical, Health, Pharmaceutical			
Medical & Health Expenses - Residents		322,147	324,189

	Note	2024 \$	2023 \$
Medical/Care Equipment		22,715	26,806
Total Medical, Health, Pharmaceutical		344,862	350,995
Printing & Stationery		25,645	31,050
Rent		315	-
Repairs & Maintenance		377,524	554,585
Other Expenses			
Accounting/Audit fees		10,860	8,150
Advertising		21,558	21,465
Bank Charges		3,095	1,901
Consultancy Fees		57,468	84,561
Covid-19 Expenditure		78,477	118,688
Motor Vehicle Expenses		16,349	8,815
General Equipment Purchases		7,561	10,078
General Expenses		5,464	38,161
Garden & Landscape Expenditure		7,278	3,910
Legal Costs		3,638	5,439
Other supplies		8	4,490
Recruitment Costs		-	30,005
Seminars/Training		598	9,160
Staff Training & Police Checks		59,697	19,151
Storage Expenses		2,390	4,600
Travelling Expenses		365	227
Workcover Medical Costs		-	1,457
Total Other Expenses		274,805	370,258
Security & Fire Service Costs		10,745	16,895
Subscriptions & Registrations		32,075	25,526
Telephone		28,400	23,328
Agency Staff		1,437,776	502,700
Waste Disposal		85,420	68,565
Total Other Expenses		3,809,824	3,139,291
Total Expenses		14,650,517	12,274,901
Profit/(Loss)		149,096	(858,369)