



Latrobe Valley Village Inc.

ABN: 38 645 298 359

Financial Report
For The Year Ended 30 June 2025

Latrobe Valley Village Inc.
Statement Of Financial Position
As at 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	9,122,100	14,634,055
Trade and other receivables	5	208,109	217,391
Other financial assets	6	9,286,604	-
TOTAL CURRENT ASSETS		18,616,813	14,851,446
NON-CURRENT ASSETS			
Property, plant and equipment	7	16,671,491	15,887,418
Investment property	8	5,900,000	5,500,000
TOTAL NON-CURRENT ASSETS		22,571,491	21,387,418
TOTAL ASSETS		41,188,304	36,238,864
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	1,129,969	653,186
Provisions	10	1,604,788	1,586,220
Accommodation bonds and refundable deposits	11	15,540,537	13,753,571
Retirement village resident loans	11	1,058,667	905,935
TOTAL CURRENT LIABILITIES		19,333,961	16,898,912
NON-CURRENT LIABILITIES			
Provisions	10	332,316	269,003
TOTAL NON-CURRENT LIABILITIES		332,316	269,003
TOTAL LIABILITIES		19,666,277	17,167,915
NET ASSETS		21,522,027	19,070,949
EQUITY			
Accumulated surplus		19,707,259	17,470,949
Reserves	13	1,814,768	1,600,000
TOTAL EQUITY		21,522,027	19,070,949

The accompanying notes form part of this financial report.

Latrobe Valley Village Inc.
Statement of Comprehensive Income
For The Year Ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue	2	16,263,256	14,103,864
Employee benefits		(10,655,289)	(10,269,835)
Administration and finance expenses		(1,942,448)	(1,894,677)
Finance costs		(62,950)	(30,067)
Cleaning, domestic and laundry		(41,861)	(131,569)
Food provisions		(441,319)	(443,725)
Depreciation		(617,093)	(630,554)
Occupancy		(426,445)	(384,250)
Medical supplies		(410,939)	(344,862)
Repairs and maintenance expense		(475,664)	(377,524)
Other expenses		(117,801)	(143,453)
Surplus/ (deficit) from operations		1,071,447	(546,652)
Non-recurrent grant revenue		916,500	695,748
Fair value movement of investment properties	8	248,363	-
Surplus/ (deficit) for the year		2,236,310	149,096
Other comprehensive income			
Equity instrument at FVOCI ¹ - fair value change	13	(60,232)	-
Revaluation of land	13	275,000	-
Total other comprehensive income for the year		214,768	-
Total comprehensive income for the year		2,451,078	149,096

¹ Fair Value through Other Comprehensive Income

The accompanying notes form part of this financial report.

Latrobe Valley Village Inc.
Statement Of Changes In Equity
For The Year Ended 30 June 2025

	Note	Reserves	Accumulated Surplus \$	Total \$
Balance at 1 July 2023		-	11,973,347	11,973,347
Surplus/(deficit) for the year		-	149,096	149,096
Previous reported balance at 30 June 2024		-	12,122,443	12,122,443
Prior year adjustments	22	1,600,000	5,348,506	6,948,506
Restated balance at 30 June 2024		1,600,000	17,470,949	19,070,949
Balance at 1 July 2024		1,600,000	17,470,949	19,070,949
Revaluation of land	13	275,000	-	275,000
Fair value movements on financial assets	13	(60,232)	-	(60,232)
Surplus/(deficit) for the year		-	2,236,310	2,236,310
Balance at 30 June 2025		1,814,768	19,707,259	21,522,027

The accompanying notes form part of this financial report.

Latrobe Valley Village Inc.
Statement of Cash Flows
For The Year Ended 30 June 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from governments/residents		16,785,047	14,222,999
Payments to suppliers and employees		(13,994,215)	(13,404,463)
Interest received		403,991	545,555
Interest paid		(21,837)	(26,972)
Net cash provided by/ (used in) operating activities	12	<u>3,172,986</u>	<u>1,337,119</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(1,126,166)	(225,564)
Net proceeds from/ (purchase of) of financial assets		(9,346,836)	-
Payment for investment properties		(151,637)	
Net cash provided by/ (used in) investing activities		<u>(10,624,639)</u>	<u>(225,564)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net residential loans received/(paid)		152,732	905,935
Net accommodation bonds received/ (paid)		1,786,966	1,231,604
Net cash provided by/ (used in) financing activities		<u>1,939,698</u>	<u>2,137,539</u>
Net increase/ (decrease) in cash and cash equivalents		(5,511,955)	3,249,094
Cash and cash equivalents at beginning of financial year		14,634,055	11,384,961
Cash and cash equivalents at end of financial year	12	<u><u>9,122,100</u></u>	<u><u>14,634,055</u></u>

The accompanying notes form part of this financial report.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

Note 1: Summary of Material Accounting Policies

These financial statements cover Latrobe Valley Village Inc. as an individual entity (the entity). Latrobe Valley Village Inc is an incorporated association for financial reporting purposes.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and *Australian Charities and Not-for-profits Commission Act 2012*. The entity is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for 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.

(a) Income Tax

The entity is exempt from tax for income tax purposes.

(b) Property, Plant and Equipment

Property, plant and equipment

Buildings, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses. Land is measured at fair value. In the event the carrying amount of property, plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present. The recoverable amount is assessed as the depreciated replacement cost of an asset.

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 to use.

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

Buildings	2.5%	Straight-line basis
Plant and Equipment	10% - 33%	Straight-line basis
Motor vehicles	22.5%	Diminishing value basis

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss in the period in which they occur.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

Revaluation

Subsequent to the initial recognition as assets, land is measured at fair value. Revaluations are made with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at the reporting date. Revaluations are assessed annually and supplemented by independent assessments, at least every three to five years.

On 30 June 2025, land was independently valued by Gippsland Property Valuations - Certified Practising Valuer #AAPI CPV 71139. The valuation, which conforms to Australian Valuation Standards and is in line with AASB116 and AASB13.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately in the net result.

(c) 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.

(d) Revenue Recognition

Aged Care Subsidies, Rental Income and Resident Fees

When the entity receives aged care subsidies, rental income and resident fees, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with 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 residents, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); 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.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

(e) Investment Properties

Investment properties principally comprise of buildings held for long term rental and capital appreciation that are not occupied by the entity. On 30 June 2025, investment properties were independently valued by Gippsland Property Valuations - Certified Practising Valuer #AAPI CPV 71 139. The valuation conforms to Australian Valuation Standards and is in line with AASB140 Investment Property.

Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured at fair value. Movements in fair value are recognised directly to profit or loss. Investment properties also include properties under construction for future use as investment properties. These are carried at fair value, or at cost where fair value cannot be reliably determined and the construction is incomplete.

(f) Accommodation Bonds and Refundable Accommodation Deposits

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 the death or departure of the resident. 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.

(g) Retirement Village Resident Loans

Resident loans are carried at the amount that would be payable on termination of the residents occupation rights to an independent living unit in the retirement village. The liability is recognised as the value of the loan at the balance date. The resident loans are classified as current liabilities. 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.

(h) Financial Instruments - Financial Assets

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category includes unlisted equity securities – JB Were Portfolio investments.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

	2025 \$	2024 \$
Note 2: Revenue		
Aged care subsidies	10,974,071	9,408,558
Resident fees	3,071,458	2,893,691
Rental income	925,183	787,933
Interest revenue	403,991	545,555
Investment income	388,666	-
Other revenue	499,887	468,127
Total Revenue	16,263,256	14,103,864
Note 3: Surplus/ (deficit) for the year		
Surplus (deficit) for the year includes the following expenses:		
Contribution to defined contributions superannuation funds	1,014,254	913,262
Remuneration of current auditors		
- auditing the financial report	13,500	-
- audit of prudential compliance statement	1,300	-
- non audit services	2,450	-
Note 4: Cash and cash equivalents		
Cash at bank and on hand	9,122,100	14,634,055
Refer to note 11 for restrictions on the use of cash and cash equivalent balances		
Note 5: Trade and other receivables		
Sundry receivables	53,430	55,572
Client fees	4,785	59,735
Prepayments	81,050	39,302
GST receivable	68,844	62,782
	208,109	217,391
Note 6: Other financial assets		
JB Were investment portfolio measured at fair value through OCI	1(h) 9,286,604	-
Refer to note 11 for restrictions on the use of investment balances	9,286,604	-

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

	2025 \$	2024 \$
Note 7: Property, plant and equipment		
Land - independent valuation 30 June 2025	1,875,000	1,600,000
Buildings - at cost	22,508,453	22,508,453
Less accumulated depreciation	(9,300,511)	(8,856,043)
	<u>13,207,942</u>	<u>13,652,410</u>
Plant and equipment - at cost	2,943,658	2,732,261
Less accumulated depreciation	(2,271,361)	(2,099,333)
	<u>672,297</u>	<u>632,928</u>
Motor vehicles - at cost	46,808	46,808
Less accumulated depreciation	(45,196)	(44,728)
	<u>1,612</u>	<u>2,080</u>
Capital work in progress	914,640	-
Total property, plant and equipment	<u><u>16,671,491</u></u>	<u><u>15,887,418</u></u>

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

	Land \$	Buildings \$	Plant & equipment \$	Motor vehicles \$	Capital WIP \$	Total \$
Balance at the beginning of the year	1,600,000	13,652,410	632,928	2,080	-	15,887,418
Fair value movement	275,000	-	-	-	-	275,000
Additions	-	-	211,526	-	914,640	1,126,166
Depreciation expense	-	(444,468)	(172,157)	(468)	-	(617,093)
Balance at the end of the year	<u><u>1,875,000</u></u>	<u><u>13,207,942</u></u>	<u><u>672,297</u></u>	<u><u>1,612</u></u>	<u><u>914,640</u></u>	<u><u>16,671,491</u></u>

An independent valuation of the entity's land was performed by Gippsland Property Valuations, to determine the fair value of land. The valuation, which conforms to Australian Valuation Standards and is in line with AASB116 and AASB13, was determined by reference to the basis of the land and site improvements. The effective date of the valuation was 30 June 2025. The capital works in progress (WIP) balance predominantly relates to the current Cedar Workstay Key Worker Accommodation Project which is being funded by a government capital grant.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

	2025 \$	2024 \$
Note 8: Investment properties		
Investment properties - at fair value	5,900,000	5,500,000
Balance at the beginning of the year	5,500,000	5,500,000
Capital improvement costs (Independent Living Units)	151,637	-
Fair value movement based on independent valuation	248,363	-
Balance at the end of the year	5,900,000	5,500,000

Investment properties include Independent Living Units held to earn rentals or for capital appreciation or both. These properties are recognised in accordance with AASB 140: Investment Property. Investment properties are valued annually at their fair value, with changes recognised as income or expenses in the period in which they arise. The properties are not depreciated under this standard. The investment properties were independently valued by a member of the Australian Property Institute (Gippsland Property Valuations) at 30 June 2025, reflecting a \$248,363 fair value movement uplift for the year.

Note 9: Trade and other payables

Trade creditors	347,104	250,122
Accrued expenses	107,141	47,068
Other creditors	438,420	323,831
Fees in advance	23,287	32,165
Unearned capital grant income	214,017	-
	1,129,969	653,186

Note 10: Provisions

CURRENT

Annual leave	857,684	858,635
Long service leave	747,104	727,585
	1,604,788	1,586,220

NON-CURRENT

Long service leave	332,316	269,003
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Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

	2025 \$	2024 \$
Note 11: Accommodation bonds & retirement village resident loans		
CURRENT		
Refundable accommodation deposits - aged care	15,540,537	13,753,571
Ingoing contributions - independent living units	1,058,667	905,935
Total accommodation bonds & retirement village resident loans	16,599,204	14,659,506

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 as below:

Unconditional and expected to be settled within 12 months

Refundable accommodation deposits	4,125,000	4,126,071
Ingoing contributions - independent living units	264,667	226,484
	4,389,667	4,352,555

Unconditional and expected to be settled after 12 months

Refundable accommodation deposits	11,415,537	9,627,500
Ingoing contributions - independent living units	794,000	679,451
	12,209,537	10,306,951
Total accommodation bonds & retirement village resident loans	16,599,204	14,659,506

At year-end, the entity has \$9,122,100 (2024: \$14,634,055) in cash & cash equivalents (note 4) and \$9,286,604 (2024: \$nil) in financial assets, JB Were investment portfolio (note 6). These balances include restricted amounts required to maintain a bond liquidity ratio (being 30% of the total refundable accommodation deposits) in line with the entity's current liquidity management strategy and may therefore not be used for operating purposes.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

	2025 \$	2024 \$
Note 12: Cash flow information		
Cash in the statement of cash flows reconciled to the statement of financial position		
Cash and cash equivalents	9,122,100	14,634,055
Reconciliation of cash flows from operating activities		
Surplus/ (deficit) for the year	2,236,310	149,096
Fair value movement on investment properties	(248,363)	-
Fair value movements on financial assets	-	-
Depreciation	617,093	630,554
(Decrease)/ increase in payables and other liabilities	476,783	435,008
(Decrease)/increase in employee benefits	81,881	153,519
Decrease / (increase) in receivables	9,282	(31,058)
Net cash provided by/ (used in) operating activities	3,172,986	1,337,119
Note 13: Reserves		
Equity FVOCI reserve		
This reserve records movements during the year in share prices in investments		
Balance at the beginning of the year	-	-
Fair value movement increment/(decrement)		
JB Were Investments	(60,232)	-
Balance at the end of the year	(60,232)	-
Asset revaluation reserve		
The asset revaluation reserve records revaluations of non-current assets		
Balance at the beginning of the year	1,600,000	1,600,000
Revaluation increment/(decrement)		
Land	275,000	-
Balance at the end of the year	1,875,000	1,600,000
Total Reserves	1,814,768	1,600,000

Note 14: Contingent Assets and Contingent Liabilities

The Board of Governance is not aware of any contingent assets or contingent liabilities at year end.

Note 15: Events After the Reporting Period

There have been no events occurring after the reporting period that require disclosure.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

Note 16: Key Management Personnel Compensation

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:

	2025	2024
	\$	\$
Key management personnel compensation	420,035	414,032

Note 17: Related Party Transactions

There are no related party transactions for the year.

Note 18: Financial Risk Management

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

The carrying amounts for each category of financial instruments are as follows:

Financial assets

Cash and cash equivalents	9,122,100	14,634,055
Trade and other receivables	208,109	217,391
Financial assets	9,286,604	-
Total financial assets	18,616,813	14,851,446

Financial liabilities

Trade and other payables	1,129,969	653,186
Accommodation bonds and refundable deposits	15,540,537	13,753,571
Retirement village resident loans	1,058,667	905,935
Total financial liabilities	17,729,173	15,312,692

Note 19: Fair Value Measurements

The entity measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through other comprehensive income;
- freehold land; and
- investment properties.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

Valuation techniques

The entity selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the entity are consistent with one or more of the following valuation approaches:

- the market approach, which uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- the income approach, which converts estimated future cash flows or income and expenses into a single discounted present value; and
- the cost approach, which reflects the current replacement cost of an asset at its current service capacity.

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

Recurring fair value measurements	2025	2024
	\$	\$
<i>Financial assets</i>		
Investment portfolio - measured at fair value through OCI (i)	9,286,604	-
<i>Property, plant and equipment</i>		
Land (ii)	1,875,000	1,600,000
<i>Investment property</i>		
Independent living units (iii)	5,900,000	5,500,000

(i) For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period.

(ii) Aged care facility - land. The fair values are based on independent valuation performed by Gippsland Property Valuations at 30 June 2025. The valuation, which conforms to Australian Valuation Standards and is in line with AASB116 and AASB13. The fair value of the land component uses level 2 inputs (market comparison approach) being sales evidence and unit values of comparable market data for similar properties.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

(iii) Independent living units - the fair values are based on the independent valuation undertaken at 30 June 2025 by Gippsland Property Valuations, to ensure that the requirements of AASB 140 Investment Properties has been met. The fair value measurement takes into account the market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use. The fair value reflects the market conditions and among other things, rental income and any cash outflows in respect of the property.

Note 20: Economic Dependence

Latrobe Valley Village Inc 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 of Governance has no reason to believe that the Department will not continue to support the entity.

Note 21: Entity Details

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

5 Ollerton Avenue

Moe VIC 3825

Note 22: Restatement of Comparative Information and Prior Period Adjustment

The net impact of prior period adjustments was an increase in net assets and equity of \$6,948,506, as at 30 June 2024. As part of the adoption of the requirements of *AASB 140 Investment Property*, the entity has restated its comparative balance sheet as at 30 June 2024. The entity's investment properties were independently valued as at 30 June 2024 by a certified member of the Australian Property Institute (Gippsland Property Valuations). As a result, a prior period adjustment has been recognised to reflect the fair value of these assets (\$5,500,000) in accordance with AASB 140. In conjunction with this process, land holdings were also independently valued at fair value as at 30 June 2024, and the revaluation of \$1,600,000 has been recognised in the financial statements in accordance with *AASB 116 Property, Plant and Equipment*.

These two fair value adjustments make up the majority of the total prior period adjustments. Additional prior period adjustments were made to assets, prepayments, accruals and employee entitlement provisions to achieve greater alignment with the requirements of the applicable accounting standards.

Latrobe Valley Village Inc.
Notes To The Financial Statements
For The Year Ended 30 June 2025

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:

		Previous Reported Balance 2024 \$	Adjustment \$	Restated Balance 2024 \$
Trade and other receivables	1	177,159	40,232	217,391
TOTAL CURRENT ASSETS		177,159	40,232	217,391
Property, plant and equipment	2	14,317,413	1,570,005	15,887,418
Investment property	3	-	5,500,000	5,500,000
TOTAL NON-CURRENT ASSETS		14,317,413	7,070,005	21,387,418
TOTAL ASSETS		14,494,572	7,110,237	21,604,809
Trade and other payables	4	573,952	79,234	653,186
Provisions	5	1,471,557	114,663	1,586,220
Accommodation bonds and refundable deposits	6	14,691,671	(32,166)	14,659,505
TOTAL CURRENT LIABILITIES		16,737,180	161,731	16,898,911
TOTAL LIABILITIES		16,737,180	161,731	16,898,911
NET ASSET IMPACT			6,948,506	
Retained surplus		12,122,443	5,348,506	17,470,949
Asset revaluation reserve		-	1,600,000	1,600,000
TOTAL EQUITY			6,948,506	
Retained Earnings 30/6/24, prior to adjustment				12,122,443
Commonwealth care subsidies underpayment	1			930
Prepayment of insurance	1			39,302
Write off site improvements not capital in nature	2			(29,995)
Recognition of formal revaluation of land under RAC	3			5,500,000
Accrued invoices not accounted at 30/6/24	4			(47,068)
Annual leave on cost not taken up	5			(114,663)
Reallocation of fees in advance from 'Accommodation bonds and refundable deposits' to 'Trade & other payables'	6			32,166
	4			(32,166)
Total prior year adjustments				5,348,506
Retained Earnings 30/6/24, after adjustment				17,470,949
Asset revaluation reserve, 30/6/24, prior to adjustment				-
Recognition of formal revaluation of land under RAC				1,600,000
Asset revaluation reserve, 30/6/24, after adjustment	2			1,600,000

Latrobe Valley Village Inc.
Board of Governance Declaration
For The Year Ended 30 June 2025

The members of the Board of Governance of the entity declare that:

1. The financial statements and notes are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, and
 - (a) comply with Australian Accounting Standards - Simplified Disclosures; and
 - (b) give a true and fair view of the financial position of the entity as at 30 June 2025 and of its performance for the financial year then ended.
2. There are reasonable grounds to believe that the entity 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 Governance.



Name: DR LEONARD CAIRNS

Position: BOARD PRESIDENT



Name: JENINE SMITH

Position: HON TREASURER

Date: 15 OCTOBER 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Latrobe Valley Village Inc.

Opinion

We have audited the accompanying financial report of Latrobe Valley Village Inc ("the Entity") which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report of Latrobe Valley Village Inc is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management of the Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as management determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management are responsible for assessing the Entity'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 management either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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 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.

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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Entity'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 Entity 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.



Rochelle Wrigglesworth
Director
Fivefold Financial Pty Ltd

Place: Sale
Date: 15 October 2025