General Purpose Financial Report
1 July 2025 to 30 June 2026

Latrobe Valley Village Inc ABN 38 645 298 359

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Latrobe Valley Village Inc.

ABN: 38 645 298 359

Financial Report

For The Year Ended 30 June 2026

Latrobe Valley Village Inc.
Statement Of Financial Position
As at 30 June 2026

	Note	2026 $	2025 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	5,528,575	9,122,100
Trade and other receivables	5	482,245	208,109
Other financial assets	6	12,141,934	9,286,604
TOTAL CURRENT ASSETS		18,152,754	18,616,813
NON-CURRENT ASSETS			
Property, plant and equipment	7	17,165,444	16,671,491
Investment property	8	6,600,000	5,900,000
TOTAL NON-CURRENT ASSETS		23,765,444	22,571,491
TOTAL ASSETS		41,918,198	41,188,304
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	1,123,187	1,129,969
Provisions	10	1,815,614	1,604,788
Accommodation bonds and refundable deposits	11	15,107,645	15,540,537
Retirement village resident loans	11	1,089,089	1,058,667
TOTAL CURRENT LIABILITIES		19,135,535	19,333,961
NON-CURRENT LIABILITIES			
Provisions	10	420,545	332,316
TOTAL NON-CURRENT LIABILITIES		420,545	332,316
TOTAL LIABILITIES		19,556,080	19,666,277
NET ASSETS		22,362,118	21,522,027
EQUITY			
Accumulated surplus		20,267,920	19,707,259
Reserves	13	2,094,198	1,814,768
TOTAL EQUITY		22,362,118	21,522,027

The accompanying notes form part of this financial report.

Latrobe Valley Village Inc.
Statement of Comprehensive Income
For The Year Ended 30 June 2026

	Note	2026 $	2025 $
Revenue	2	17,674,619	16,263,256
Employee benefits		(13,064,357)	(10,655,289)
Administration and finance expenses		(1,830,338)	(1,942,448)
Finance costs		(89,350)	(62,950)
Cleaning, domestic and laundry		(78,509)	(41,861)
Food provisions		(492,704)	(441,319)
Depreciation		(631,522)	(617,093)
Occupancy		(522,620)	(426,445)
Medical supplies		(423,882)	(410,939)
Repairs and maintenance expense		(502,166)	(475,664)
Other expenses		(155,044)	(117,801)
Surplus/ (deficit) from operations		**(115,873)**	**1,071,447**
Non-recurrent grant revenue		503,673	916,500
Fair value movement of investment properties (ILUs)	8	172,861	248,363
Surplus/ (deficit) for the year		**560,661**	**2,236,310**
Other comprehensive income			
Equity instrument at FVOCI [1] - fair value change	13	91,930	(60,232)
Revaluation of residential aged care land	13	187,500	275,000
Total other comprehensive income for the year		**279,430**	**214,768**
Total comprehensive income for the year		**840,091**	**2,451,078**

[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 2026

	Note	Reserves	Accumulated Surplus	Total
			$	$
Balance at 1 July 2024		1,600,000	17,470,949	19,070,949
Revaluation of land		275,000	-	275,000
Fair value movements on financial assets		(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**
Balance at 1 July 2025		1,814,768	19,707,259	21,522,027
Revaluation of land	13	187,500	-	187,500
Fair value movements on financial assets	13	91,930	-	91,930
Surplus/(deficit) for the year		-	560,661	560,661
Balance at 30 June 2026		**2,094,198**	**20,267,920**	**22,362,118**

The accompanying notes form part of this financial report.

Latrobe Valley Village Inc.
Statement of Cash Flows
For The Year Ended 30 June 2026

	Note	2026	2025
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from governments/residents		17,593,302	16,785,047
Payments to suppliers and employees		(16,829,148)	(13,994,215)
Interest received		302,918	403,991
Interest paid		(37,549)	(21,837)
Net cash provided by/ (used in) operating activities	12	1,029,523	3,172,986
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		13,728	-
Payment for property, plant and equipment		(943,768)	(1,126,166)
Net proceeds from/(purchase of) financial assets		(2,763,400)	(9,346,836)
Payment for investment properties		(527,138)	(151,637)
Net cash provided by/ (used in) investing activities		(4,220,578)	(10,624,639)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net residential loans received/(paid)		30,422	152,732
Net accommodation bonds received/ (paid)		(432,892)	1,786,966
Net cash provided by/ (used in) financing activities		(402,470)	1,939,698
Net increase/ (decrease) in cash and cash equivalents		(3,593,525)	(5,511,955)
Cash and cash equivalents at beginning of financial year		9,122,100	14,634,055
Cash and cash equivalents at end of financial year	12	5,528,575	9,122,100

The accompanying notes form part of this financial report.

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.

The financial statements have been prepared on a going concern basis, which assumes that the entity will continue its operations and meet its obligations as and when they fall due.

(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 using the revaluation model. Land is not depreciated. Residential aged care buildings are carried at cost less accumulated depreciation and impairment losses. 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.

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 conforms to Australian Valuation Standards and is consistent with AASB 116 and AASB 13. At 30 June 2026, management reassessed the fair value of land assets by reference to the 2025 independent valuation and updated market-based land indices.

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.

(e) Investment Properties

Investment properties principally comprise buildings held for long-term rental and capital appreciation that are not occupied by the entity. Investment properties are measured at fair value in accordance with AASB 140 Investment Property. The most recent independent valuation was performed at 30 June 2025 by Gippsland Property Valuations - Certified Practising Valuer #AAPI CPV 71139. At 30 June 2026, management assessed fair value using a valuation methodology consistent with the prior independent valuation together with supporting market data.

Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured at fair value in accordance with AASB 140. Changes in fair value are recognised directly to profit or loss in the period that they arise. 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 at any time 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 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. Resident loans are classified as current liabilities as the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date. 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)

Financial assets are classified and measured in accordance with AASB 9. Financial assets measured at fair value are remeasured at each reporting date. 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. Dividends from these investments continue to be recorded as other income within profit or loss unless the dividend clearly represents a return of capital. This category includes JB Were investment portfolio. The entity's investment portfolio comprises cash, term deposits, fixed-interest securities, listed capital notes and exchange-traded funds.

		2026 $	2025 $
Note 2: Revenue			
Aged care subsidies		12,154,117	10,974,071
Resident fees		3,204,419	3,071,458
Rental income		1,083,327	925,183
Interest revenue		302,918	403,991
Investment income		544,821	388,666
Other revenue		385,017	499,887
Total Revenue		17,674,619	16,263,256
Note 3: Surplus/ (deficit) for the year			
Surplus (deficit) for the year includes the following expenses:			
Contribution to defined contributions superannuation funds		1,333,565	1,014,254
Remuneration of current auditors			
- auditing the financial report		14,120	13,500
- audit of prudential compliance statement		1,360	1,300
- non audit services		2,560	2,450
Note 4: Cash and cash equivalents			
Cash at bank and on hand		5,528,575	9,122,100
Refer to note 11 for restrictions on the use of cash and cash equivalent balances			
Note 5: Trade and other receivables			
Sundry receivables		183,659	53,430
Client fees		(11,938)	4,785
Accrued income		30,882	-
Employment cost recoverables		84,824	-
Prepayments		81,739	81,050
GST receivable		113,079	68,844
		482,245	208,109
Note 6: Other financial assets			
JB Were investment portfolio measured at fair value through OCI	1(h)	12,141,934	9,286,604
Refer to note 11 for restrictions on the use of investment balances		12,141,934	9,286,604

	2026	2025
	$	$
Note 7: Property, plant and equipment		
Land - at fair value	2,062,500	1,875,000
Buildings - at cost	23,774,440	22,508,453
Less accumulated depreciation	(9,766,952)	(9,300,511)
	14,007,488	13,207,942
Plant and equipment - at cost	2,540,237	2,943,658
Less accumulated depreciation	(1,468,501)	(2,271,361)
	1,071,736	672,297
Motor vehicles - at cost	56,124	46,808
Less accumulated depreciation	(32,404)	(45,196)
	23,720	1,612
Capital work in progress - Cedar Workstay	-	914,640
Total property, plant and equipment	17,165,444	16,671,491

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	1,875,000	13,207,942	672,297	1,612	914,640	16,671,491
Fair value movement	187,500	-	-	-	-	187,500
Additions	-	351,347	567,780	24,640	-	943,767
Transfer	-	914,640	-		(914,640)	-
Disposals	-	-	(5,319)	(473)		(5,792)
Depreciation expense	-	(466,441)	(163,022)	(2,059)	-	(631,522)
Balance at the end of the year	2,062,500	14,007,488	1,071,736	23,720	-	17,165,444

Land is carried at fair value using the revaluation model. An independent valuation of the land was performed at 30 June 2025 by Gippsland Property Valuations (Certified Practising Valuer AAPI CPV 71139) in accordance with Australian Valuation Standards and is consistent with AASB 116 and AASB 13. At 30 June 2026, management reassessed fair value by reference to the 2025 independent valuation and updated using relevant market-based land indices. As a result, a revaluation increment of $187,500 (2025: $275,000) was recognised in the asset revaluation reserve.

Residential aged care buildings are carried at cost less accumulated depreciation and impairment losses.

The Cedar Workstay Key Worker Accommodation Project was completed and capitalised during the year ended 30 June 2026.

	2026 $	2025 $
Note 8: Investment properties		
Investment properties - at fair value	6,600,000	5,900,000
Balance at the beginning of the year	5,900,000	5,500,000
Capital improvement costs (Retirement Village - Independent Living Units)	527,139	151,637
Fair value movement	172,861	248,363
Balance at the end of the year	6,600,000	5,900,000

Investment properties principally comprise retirement village buildings (independent living units) and the associated land, which are held for long-term rental and capital appreciation, that are not occupied by the entity. Investment properties are measured at fair value annually in accordance with AASB 140, with changes recognised in profit or loss in the period they arise and are not depreciated.
The most recent independent valuation was completed at 30 June 2025 by Gippsland Property Valuations. At 30 June 2026, management reassessed fair value using the same income-capitalisation methodology adopted by the independent valuer, including a capitalisation rate of 6.75%.

Capital improvements of $527,139 (2025: $151,637) were completed during the year. After allowing for these additions, a fair value increase of $172,861 (2025: $248,363) was recognised in profit or loss.

Note 9: Trade and other payables		
Trade creditors	372,462	347,104
Accrued expenses	199,101	107,141
Other creditors	476,342	438,420
Fees in advance	17,447	23,287
Unearned capital grant income	57,835	214,017
	1,123,187	1,129,969
Note 10: Provisions		
CURRENT		
Annual leave	1,038,133	857,684
Long service leave	777,481	747,104
	1,815,614	1,604,788
NON-CURRENT		
Long service leave	420,545	332,316

	2026 $	2025 $
Note 11: Accommodation bonds & retirement village resident loans		
CURRENT		
Refundable accommodation deposits - aged care	15,107,645	15,540,537
Ingoing contributions - independent living units	1,089,089	1,058,667
Total accommodation bonds & retirement village resident loans	16,196,734	16,599,204

Refundable accommodation deposits and retirement village resident loans are classified as current liabilities in accordance with accounting standards, because the entity does not have an unconditional right to defer settlement for at least 12 months. However management expects a significant proportion of these liabilities to be settled after 12 months, as repayments generally arise only when residents exit accommodation. Management's estimate of the expected settlement profile is disclosed below:

Unconditional and expected to be settled within 12 months		
Refundable accommodation deposits	3,800,000	4,125,000
Ingoing contributions - independent living units	140,000	264,667
	3,940,000	4,389,667
Unconditional and expected to be settled after 12 months		
Refundable accommodation deposits	11,307,645	11,415,537
Ingoing contributions - independent living units	949,089	794,000
	12,256,734	12,209,537
Total accommodation bonds & retirement village resident loans	16,196,734	16,599,204

At year-end, the entity has $5,528,575 (2025: $9,122,100) in cash and cash equivalents (note 4) and $12,141,934 (2025: $9,286,604) in financial assets (JB Were investment portfolio, as per Note 6). These balances include amounts maintained to meet the entity's bond liquidity requirements under its liquidity management strategy and are therefore not available for general operating purposes.

	2026 $	2025 $
Note 12: Cash flow information		
Cash in the statement of cash flows reconciled to the statement of financial position		
Cash and cash equivalents	5,528,575	9,122,100
Reconciliation of cash flows from operating activities		
Surplus/ (deficit) for the year	560,661	2,236,310
Fair value movement on investment properties	(172,861)	(248,363)
Depreciation	631,522	617,093
(Profit)/ loss on sale of assets	(7,936)	-
(Decrease)/ increase in payables and other liabilities	(6,782)	476,783
(Decrease)/increase in employee benefits	299,055	81,881
Decrease / (increase) in receivables	(274,136)	9,282
Net cash provided by/ (used in) operating activities	1,029,523	3,172,986
Note 13: Reserves		
Equity FVOCI reserve		
This reserve records fair value movements in financial assets designated at fair value through other comprehensive income.		
Balance at the beginning of the year	(60,232)	-
Fair value movement increment/(decrement)		
JB Were investment portfolio	91,930	(60,232)
Balance at the end of the year	31,698	(60,232)
Asset revaluation reserve		
The asset revaluation reserve records revaluations of non-current assets		
Balance at the beginning of the year	1,875,000	1,600,000
Revaluation increment/(decrement)		
Land - residential aged care	187,500	275,000
Balance at the end of the year	2,062,500	1,875,000
Total Reserves	2,094,198	1,814,768

Note 14: Contingent Assets and Contingent Liabilities

The Board of Governance is not aware of any contingent assets or contingent liabilities at the reporting date.

Note 15: Events After the Reporting Period

No matters or circumstances have arisen since year end that have significantly affected, or may significantly affect, the entity's operations, results or state of affairs in future financial years.

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:

	2026	2025
	$	$
Key management personnel compensation	553,355	420,035

The increase in 2026 principally reflects changes in personnel included within the key management personnel group during the year.

Note 17: Related Party Transactions

Other than key management personnel compensation disclosed in Note 16, there were no related party transactions required to be disclosed during the year.

Note 18: Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables, accommodation bonds and ingoing contributions.

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

Financial assets		
Cash and cash equivalents	5,528,575	9,122,100
Trade and other receivables	482,245	208,109
Financial assets	12,141,934	9,286,604
Total financial assets	18,152,754	18,616,813
Financial liabilities		
Trade and other payables	1,123,187	1,129,969
Accommodation bonds and refundable deposits	15,107,645	15,540,537
Retirement village resident loans	1,089,089	1,058,667
Total financial liabilities	17,319,921	17,729,173

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.

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	**2026**	**2025**
	$	**$**
Financial assets		
Investment portfolio - measured at fair value through OCI (i)	12,141,934	9,286,604
Property, plant and equipment		
Residential aged care facility land (ii)	2,062,500	1,875,000
Investment property		
Retirement village independent living units (iii)	6,600,000	5,900,000

(i) Level 1 financial assets comprise exchange-traded securities valued using unadjusted quoted market prices for identical instruments at the reporting date. Level 2 financial assets comprise fixed-interest securities valued using observable market inputs, including quoted prices, interest-rate curves and credit spreads. There were no transfers between hierarchy levels during the year.

(ii) Residential aged care facility land - the fair value was internally assessed at 30 June 2026, with reference to the independent valuation performed at 30 June 2025 and updated using the relevant Valuer-General Victoria land indices. The resulting fair value at 30 June 2026 was $2,062,500. The valuation uses significant observable inputs and is categorised within Level 2 of the fair value measurement hierarchy.

(iii) Retirement village independent living units - fair value was internally assessed at 30 June 2026 using the same income-capitalisation methodology and 6.75% capitalisation rate applied by the independent valuer in 2025. The assessment incorporated updated rental income and property expense assumptions and resulted in an adopted fair value at 30 June 2026 of $6,600,000. The fair value reflects market conditions, including rental income and related property cash outflows. As the valuation incorporates significant unobservable inputs, the measurement is classified as a Level 3 fair value measurement.

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 and 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
Newborough VIC 3825

Latrobe Valley Village Inc.
Board of Governance Declaration
For The Year Ended 30 June 2026

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 2026 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 Chair



Name: Jenine Smith

Position: Board Treasurer

Date: 30 September 2026

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 2026, 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 2026 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 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's 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 A*ustralian 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: 30 September 2026