



ABN 22 960 687 815

Financial Report

For the Year Ended

30th June 2021

BAROSSA VILLAGE INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	<i>Notes</i>	2021 \$	2020 \$
ASSETS			
Cash & Cash Equivalents	4	6,797,854	7,177,049
Trade & Other Receivables	5	319,792	138,115
Other Assets expected to be settled within 12 months.	6	20,629	5,390
Refundable loans expected to be received within 12 months.	7	2,613,705	983,500
Asset Held for Sale	10	1,208,714	1,208,714
Financial Assets expected to be settled after 12 months.	8	2,700,403	2,121,234
Property, Plant & Equipment.	9	63,433,184	59,389,070
TOTAL ASSETS		<u>77,094,282</u>	<u>71,023,072</u>
LIABILITIES			
Trade & Other payables	11	5,871,500	4,429,693
Employee benefits expected to be paid within 12 months.	12	529,731	446,380
Refundable loans expected to be paid within 12 months.	13	4,268,558	2,731,481
Borrowings expected to be paid within 12 months.	14	237,267	246,389
Employee benefits expected to be paid after 12 months.	15	982,563	854,084
Refundable loans expected to be paid after 12 months.	16	35,157,581	32,824,069
Borrowings expected to be paid after 12 months.	17	2,738,520	2,964,093
TOTAL LIABILITIES		<u>49,785,720</u>	<u>44,496,189</u>
NET ASSETS		<u>27,308,562</u>	<u>26,526,883</u>
EQUITY			
Retained earnings		2,685,435	2,295,536
Reserves	18	24,623,127	24,231,347
TOTAL EQUITY		<u>27,308,562</u>	<u>26,526,883</u>

The accompanying notes are to be read in conjunction with these financial statements.

BAROSSA VILLAGE INCORPORATED

**STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Notes</i>	2021	2020
		\$	\$
Revenue	2	17,867,768	16,633,762
TOTAL REVENUE		<u>17,867,768</u>	<u>16,633,762</u>
Aged Care Facility		10,985,993	10,563,813
Cottages Costs		1,938,870	2,010,687
Home Care Packages		3,099,262	2,960,314
Community Home Support Program		538,526	391,293
The 'Lodge' Costs		367,622	287,626
Corporate Services		679,153	598,530
TOTAL EXPENSES	3	<u>17,609,426</u>	<u>16,812,263</u>
Surplus/(Deficit) for the year		<u>258,342</u>	<u>(178,501)</u>
Other Comprehensive Income			
Items that will not be reclassified to surplus or deficit:			
Increase/(Decrease) in fair value of financial assets		523,337	-
Increase/(Decrease) in fair value of land and buildings		-	(628,989)
Other comprehensive income for the year		<u>523,337</u>	<u>(628,989)</u>
Total Comprehensive Income for the year		<u>781,679</u>	<u>(807,490)</u>

The accompanying notes are to be read in conjunction with these financial statements.

BAROSSA VILLAGE INCORPORATED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Retained Earnings \$	Financial Assets Reserve \$	Asset Revaluation Reserve \$	Total \$
Balance at 1st July 2019	2,474,037	333,938	24,804,831	27,612,806
Surplus/(Deficit) for the year	(178,501)	-	-	(178,501)
<i>Other Comprehensive Income</i>				
Increase/(Decrease) in fair value of financial assets	-	(278,433)	-	(278,433)
Increase/(Decrease) in fair value of land and buildings	-	-	(628,989)	(628,989)
Total Comprehensive Income for the year	<u>(178,501)</u>	<u>(278,433)</u>	<u>(628,989)</u>	<u>(1,085,923)</u>
Balance at 30th June 2020	<u>2,295,536</u>	<u>55,505</u>	<u>24,175,842</u>	<u>26,526,883</u>
Surplus/(Deficit) for the year	258,342	-	-	258,342
<i>Other Comprehensive Income</i>				
Increase/(Decrease) in fair value of financial assets	-	523,337	-	523,337
Reclassification-net gain/(loss) on disposal of land and buildings	131,557	-	(131,557)	-
Total Comprehensive Income for the year	<u>389,899</u>	<u>523,337</u>	<u>(131,557)</u>	<u>781,679</u>
Balance at 30th June 2021	<u>2,685,435</u>	<u>578,842</u>	<u>24,044,285</u>	<u>27,308,562</u>

The accompanying notes are to be read in conjunction with these financial statements.

BAROSSA VILLAGE INCORPORATED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Notes</i>	2021	2020
		S	S
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from residents, occupants & sundries		4,187,987	5,799,987
Receipts of Commonwealth Subsidies		11,175,504	10,501,403
Interest received		5,271	10,265
Payments for salaries, supplies & expenses		<u>(12,824,999)</u>	<u>(14,342,425)</u>
Net Cash Provided by Operating Activities		<u>2,543,763</u>	<u>1,969,230</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Property, Plant & Equipment		(653,690)	(312,539)
Payments for Updating, Building of Units		<u>(5,040,338)</u>	<u>(1,942,956)</u>
Net Cash Used in Investing Activities		<u>(5,694,028)</u>	<u>(2,255,495)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings			-
Repayment of Borrowings		(234,696)	(167,524)
Interest Paid		(75,356)	(115,695)
Proceeds from RADs		4,751,795	4,138,175
Repayment of RADs		(4,866,738)	(3,003,609)
Proceeds from ILU License Fees		4,298,900	4,714,071
Repayment of ILU License Fees		<u>(1,102,835)</u>	<u>(3,644,558)</u>
Net Cash provided by Financing Activities		<u>2,771,070</u>	<u>1,920,860</u>
Net Increase in Cash Held		(379,195)	1,634,595
Cash at The Beginning of The Financial Year		<u>7,177,049</u>	<u>5,542,454</u>
CASH & CASH EQUIVALENTS AT 30TH JUNE	4	<u>6,797,854</u>	<u>7,177,049</u>

The accompanying notes are to be read in conjunction with these financial statements.

BAROSSA VILLAGE INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Barossa Village Incorporated as an individual entity. Barossa Village is an entity incorporated and domiciled in South Australia under the Incorporation Act (SA) 1985.

The financial statements are presented in Australian dollars and the amounts presented have been rounded to the nearest dollar.

The financial statements were authorised for issue on 28th September 2021 by the members of the Board.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act (SA) 1985 and the Australian Charities and Not-for-profits Commission Act 2012. The Association is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

The Board members have determined that Barossa Village Incorporated is permitted to apply the Tier 2 reporting requirements (Australian Accounting Standards - Reduced Disclosure Requirements) as set out in AASB 1053 Application of Tiers of Australian Accounting Standards because it is a not-for-profit private sector entity. As such, the Board members have adopted AASB 2010-2 Amendments to Australian Accounting Standards Arising from Reduced Disclosure Requirements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

Presentation of Statement of Financial position on a liquidity basis.

The Board have taken the view that in complying with the requirements of AASB's, the treatment of refundable loans (accommodation bonds and incoming contributions) as current liabilities does not reflect the true liquidity of the entity as these liabilities are not likely to be repaid in the next 12 months.

Accordingly, the Board has chosen to present its statement of financial position under the liquidity presentation method (AASB 101 *Presentation of Financial Statements*) on the basis that it presents a more reliable and relevant view.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Revenue from contract with customers

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

(i) Refundable Accommodation Deposits & Independent Living Unit Liabilities

Revenue from retention and deferred management fees is recognised over the expected length of tenure of a resident.

(ii) Rendering of Services

Revenue from the rendering of services is recognised when the service has been performed.

(iii) Dividends and Distributions on Investments

Dividends and distributions from investments are recognised as revenue when the association's right to receive the payment is established.

(iv) Interest

Interest income is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(v) Government grants

The Association complies with Accounting Standard AASB 1058 which requires grants received or receivable to be recognised when the Association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

(b) Impairment of Assets

At the end of each reporting period, the Association assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Association would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the current replacement cost of an asset.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) 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.

Land and Buildings

Land and buildings are measured at fair value less accumulated depreciation. Any accumulated depreciation at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated as the revalued amount of the asset. A revaluation surplus is credited to other comprehensive income (asset revaluation reserve) unless it reverses a revaluation decrease on the same class of asset previously recognised in profit or loss. A revaluation deficit is recognised in profit or loss unless it directly offsets a previous revaluation surplus on the same class of asset in the asset revaluation surplus. On disposal, any revaluation surplus relating to sold assets is transferred to retained earnings.

Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. For buildings that are considered to be specialised where there is no directly comparable market evidence, current replacement cost has been used to determine the fair value. Independent valuations are performed regularly to ensure that the carrying amounts of land and buildings does not differ materially from that the fair value at the end of the reporting period.

Construction of buildings including improvements to independent living units are measured at cost and are recognised as capital work in progress until such time when the buildings are ready for occupation when they are re-allocated to buildings.

All repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Plant and Equipment

All other plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairments.

Plant and equipment items below \$400 in value are expensed as Sundry Purchases, Replacements for Repairs and Maintenance expenditure.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated on a straight-line basis over the estimated useful lives to the Association commencing from the time the assets are held ready for use of the assets.

The depreciation rates used for each class of depreciable asset are as follows:

<u>Class of Asset</u>	<u>Depreciation Rate</u>
Buildings	2.5%
Plant & Equipment	5 - 33.3%
Motor Vehicles	10 - 33.3%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, Plant & Equipment (continued)

Gains and Losses on Disposal

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in profit or loss in the year that the item is derecognised. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale when:

- They are available for immediate sale
- Management is committed to a plan to sell
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn
- An active programme to locate a buyer has been initiated
- the asset or disposal group is being marketed at a reasonable price in relation to its fair value, and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of:

- Their carrying amount immediately prior to being classified as held for sale in accordance with the group's accounting policy; and
- Fair value less costs of disposal.

Following their classification as held for sale, non-current assets (including those in a disposal group) are not depreciated.

(f) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits expected to be 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 calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.

(g) Investments and Other Financial Assets

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date which is the date on which the Association commits to purchase or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below:

Financial Assets at fair value through Other Comprehensive Income

Financial assets including listed equity securities that are not held for trading are classified at "fair value through other comprehensive income" when they are held for the long-term and designated as such by management on initial recognition.

They are subsequently measured at fair value with any remeasurements recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is not reclassified into profit or loss. Dividends and distributions received are recognised in profit or loss.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Fair Value

Fair values may be used for financial asset and liability measurement and well as for sundry disclosures.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the Association.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The fair value measurement of a non-financial asset takes into account the market participant's ability to generate economic benefits by using the asset at its highest and best use or by selling it to another market participant that would use the asset at its highest and best use.

Fair values for financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. The quoted market price for financial assets is the current bid price and the quoted market price.

In measuring fair value, the Association uses valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

(i) Leases

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

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

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter.

Where the entity expects to obtain ownership of the leased asset at the end of the lease term, depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Agreements which provide a resident with a right to occupy a room.

Arrangements that provide a resident with the right to occupy a room will generally be defined as a lease under AASB 16. Where residents have opted to pay a Daily Accommodation Payment, AASB 16 does not have significant impact on the accounting treatment. However, for residents that have chosen to pay a Refundable Accommodation Deposit (RAD) or Bond, the RAD or Bond is considered to be non-cash charge for accommodation. The accounting treatment for the non-cash consideration component of this arrangement is expected to result in the recognition of an increase in revenue for accommodation and an increase in interest expense on the outstanding RAD liability, with no net impact on the result for the period.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised from the statement of financial position when the obligation specified in the contract has been discharged, cancelled or expires. The difference between the carrying amount of the borrowing derecognised and the consideration paid is recognised in surplus or deficit as other income or finance costs.

(k) Borrowing Costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(l) Resident Loans

Resident loans fall into two major types, namely Independent Living Unit Liabilities, which are subject to the Retirement Village Act 2016 legislation and Accommodation Bonds & Refundable Accommodation Deposits Liabilities, which are subject to the Aged Care Act 1997 legislation.

Independent Living Unit Liabilities - Retirement Villages Act 2016

Interest free loans initially recorded at fair value and subsequently measured at amortised cost in the statement of financial position.

Contracts for Independent Living Units (Cottages) allow for retentions of up to 30% over a maximum period of three years, with no adjustment to market value.

Accommodation Bonds Liability & Refundable Accommodation Deposits (RAD's)- Aged Care Act 1997

Interest free loans initially recorded at fair value and subsequently measured at amortised cost in the statement of financial position. From December 2005 repayment to the resident is guaranteed by the Australian Government. Prior to the current legislation, which came into operation from 1/10/1997, accommodation bonds were only applicable to Hostel (Low Care) residents. Between 1/10/1997 and 30/06/2014, the Aged Care Act 1997 has provided for monthly retentions for a maximum of five years and has allowed, with resident's agreement, a rollover of the bond if the resident needed to transfer to a Nursing Home (High Care) facility. Since 1/07/2014 Refundable Accommodation Deposits attract no retentions and are fully refundable at the cessation of care.

Retentions are brought to account as revenue in surplus or deficit. Resident loans are recognised upon entry of the resident. Interest is charged from date of entry until the loans are paid, at rates allowed by the Aged Care Act 1997.

(m) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short term highly liquid financial institutions, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(n) Income Tax

The Association is exempt under the Income Tax Assessment Act 1936 as amended and Income Tax Assessment Act 1997.

BAROSSA VILLAGE INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the statement of financial position.

(p) Critical Accounting Estimates and Judgments

The Board evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key Estimates — Impairment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the entity that may lead to impairment of assets.

Land and Buildings held by the Association were independently valued at 30 June 2018 by Herron Todd White (SA) Pty Ltd. The valuation was based on fair value being the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction. Fair Values were determined directly by reference to observable prices in an active market using recent sales data for similar properties on arm's length terms. For buildings that are considered specialised where there is no directly comparable market evidence, current replacement cost has been used to determine the fair value.

At 30 June 2021, the Board Members have reviewed the key assumptions made by the valuer at 30 June 2018. They have concluded that these assumptions remain materially unchanged, they are satisfied that the carrying amount of land and buildings does not exceed the recoverable amount at 30 June 2021.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	2021	2020
		\$	\$
2 REVENUE			
(a) Operating Activities			
Resident Contributions		3,116,392	2,874,266
Rents Received		473,345	552,300
Maintenance Fees		1,010,312	944,209
Government Subsidies		11,175,504	10,501,403
Other Agencies/Service Contracts		23,094	59,234
Meals Money Received		104,546	59,871
Units Bond Retention		1,029,565	893,677
Accommodation charge		77,782	122,172
Government Grant Income		599,739	156,815
Sundry Income		251,577	276,366
Interest Received		5,271	10,265
Distributions on Investments		97,115	131,579
(b) Non-Operating Activities:			
Profit/(loss) on Disposal of Other Fixed Assets		(131,557)	4,602
Donations & Bequests		35,083	47,003
Total Revenue		<u>17,867,768</u>	<u>16,633,762</u>

Resident Contributions for the year ended 30 June 2021 includes \$379,444 rental income recognised on RAD balances in accordance with AASB 16 Leases.

3 EXPENSES

a Expenses:			
Employee Benefits Expense		10,424,523	10,012,754
Direct Care Costs		3,034,817	2,514,988
Indirect Care Cost		150,576	130,662
Corporate Development Expenses		625,397	464,753
Finance Costs		75,356	115,695
Administration Costs		1,184,273	1,279,005
Maintenance		321,131	606,668
Energy Costs		274,997	232,557
Depreciation - plant	287,387		296,853
Depreciation - buildings	1,230,970		1,158,329
		<u>1,518,357</u>	<u>1,455,182</u>
		<u>17,609,426</u>	<u>16,812,264</u>

Corporate Development Expenses for the year ended 30 June 2021 includes \$379,444 interest expense recognised on the outstanding RAD liability in accordance with AASB 16 Leases.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	2021	2020
		\$	\$
4 CASH & CASH EQUIVALENTS			
Cash on Hand		900	800
Cash at bank and deposits at call		6,796,954	7,176,249
		<u>6,797,854</u>	<u>7,177,049</u>
Reconciliation of Cash			
The above figures are reconciled to the cash at the end of the financial year as shown in the statement of cash flows as follows:			
Balances as above		6,797,854	7,177,049
Balances per statement of cash flows		<u>6,797,854</u>	<u>7,177,049</u>
5 TRADE & OTHER RECEIVABLES			
Trade Debtors		286,161	109,732
GST Claimable		33,506	55,019
Other Debtors		125	(26,636)
		<u>319,792</u>	<u>138,115</u>
6 OTHER ASSETS TO BE SETTLED WITHIN 12 MONTHS			
Prepaid Interest		20,629	5,390
		<u>20,629</u>	<u>5,390</u>
7 FINANCIAL ASSETS EXPECTED TO BE SETTLED WITHIN 12 MONTHS			
Refundable Accommodation Deposits Outstanding		1,650,205	560,000
ILU License Fee Premiums Outstanding		963,500	423,500
		<u>2,613,705</u>	<u>983,500</u>
8 FINANCIAL ASSETS EXPECTED TO BE SETTLED AFTER 12 MONTHS			
Financial Assets			
- Managed Investment Portfolio @ fair value through other comprehensive income		2,698,123	2,118,954
- Shares in Unlisted Entity @ cost		2,280	2,280
		<u>2,700,403</u>	<u>2,121,234</u>
Details of Managed Investment Portfolio are as follows:			
		<i>Fair Value</i>	<i>Fair Value</i>
Shares in Listed Securities		2,698,123	2,118,954
		<u>2,698,123</u>	<u>2,118,954</u>

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	2021	2020
		\$	\$
9 PROPERTY, PLANT & EQUIPMENT			
(a) Land & Buildings:			
Land - at valuation		10,585,667	10,585,667
Buildings - at valuation		50,056,801	49,449,870
Less Accumulated Depreciation		(3,583,125)	(2,392,175)
Reclassified as Assets Held for Sale		-	<u>(1,208,714)</u>
Total Land & Buildings		<u>57,059,343</u>	<u>56,434,648</u>
Plant & Equipment - at Cost		3,655,527	3,116,958
Less Accumulated Depreciation		<u>(2,235,376)</u>	<u>(2,029,352)</u>
		<u>1,420,151</u>	<u>1,087,606</u>
Motor Vehicles - at Cost		565,340	533,531
Less Accumulated Depreciation		<u>(363,569)</u>	<u>(289,880)</u>
		<u>201,771</u>	<u>243,651</u>
Total Plant & Equipment		<u>1,621,922</u>	<u>1,331,257</u>
Capital work in progress and vacant land - at Cost		4,751,919	1,623,165
Total Property, Plant & Equipment		<u>63,433,184</u>	<u>59,389,070</u>

The net carrying amount of property, plant and equipment includes \$71,434 Motor Vehicle under leasing arrangements for the period ended 30 June 2021 (30 June 2020: \$122,615).

(b) Valuation

Land and buildings were revalued based on the Board's assessment of fair value for the properties using an independent valuation performed by Herron Todd White, licensed valuers as at 30th June 2018.

Assets Held for Sale were measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on re-measurement are recognised in profit or loss.

(c) Movements In Carrying Amounts:

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

2021

	Land & Buildings @ valuation	Plant & Equipment @ cost	Motor Vehicles @ Cost	Capital Work In Progress @ Cost	Total
	\$	\$	\$	\$	\$
Balance at beginning of year	56,434,648	1,087,606	243,651	1,623,165	59,389,070
Additions	410,590	211,291	31,809	5,040,338	5,694,028
Disposals	(131,557)	-	-	-	(131,557)
Transfers	1,576,632	334,952	-	(1,911,584)	-
Depreciation Expense	(1,230,970)	(213,698)	(73,689)	-	(1,518,357)
Carrying amount at end of year	<u>57,059,343</u>	<u>1,420,151</u>	<u>201,771</u>	<u>4,751,919</u>	<u>63,433,184</u>

10 NON-CURRENT ASSET HELD FOR SALE

Land held for sale	<u>1,208,714</u>	<u>1,208,714</u>
	<u>1,208,714</u>	<u>1,208,714</u>

On 19 June 2020, Barossa Village Incorporated entered into an agreement with Vine Inn Barossa to sell the Park Tee land for an agreed amount of \$1.35 million plus GST. The sale is conditional and these conditions were not met as at 30 June 2021.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	2021 \$	2020 \$
11 TRADE AND OTHER PAYABLES			
Unsecured liabilities:			
Trade Creditors		1,654,215	433,416
ILU License Fee Deposits		720	1,920
ILU Deferred Revenue		3,024,392	2,957,599
Other Creditors & Accruals		1,124,673	1,036,755
Deposit on Land Held for Sale		67,500	-
		<u>5,871,500</u>	<u>4,429,690</u>
<p>Deferred revenue includes bond retention fees and deferred management fees that are expected to be recognised as revenues over a period of 1 to 9 years. Decreases in these balances generally represent the recognition of revenues. Increases in the balance for deferred management fees generally represent deferred management fees contractually accruing. The increase in deferred revenue for financial year 2021 reflects the adjustment to bond retention fees payable as required by AASB 15.</p>			
12 EMPLOYEE BENEFITS EXPECTED TO BE PAID WITHIN 12 MONTHS			
Annual leave		486,553	408,597
Long Service Leave		43,178	37,783
		<u>529,731</u>	<u>446,380</u>
13 REFUNDABLE LOANS EXPECTED TO BE PAID WITHIN 12 MONTHS			
Resident Loans		2,947,766	1,776,000
ILU Premium refunds		1,320,792	955,481
		<u>4,268,558</u>	<u>2,731,481</u>
<p>Accommodation Bond & RAD Liabilities expected to be paid within one year is calculated by the average refund value over the last 4 years multiplied by the average number of bond refunds over the last 4 years. Independent Living Unit Liabilities expected to be paid within one year is based on the average of the last two years ILU Premium Refunds.</p>			
14 BORROWINGS EXPECTED TO BE PAID WITHIN 12 MONTHS			
Secured Liabilities			
Hire Purchase Liability - Motor Vehicles		39,517	48,639
Government Zero Real Interest Loan		197,750	197,750
		<u>237,267</u>	<u>246,389</u>
15 EMPLOYEE BENEFITS EXPECTED TO BE PAID AFTER 12 MONTHS			
Annual leave		162,184	136,199
Long Service Leave		820,379	717,885
		<u>982,563</u>	<u>854,084</u>
16 REFUNDABLE LOANS EXPECTED TO BE PAID AFTER 12 MONTHS			
Resident Loans		13,916,402	13,317,286
ILU Premium refunds		21,241,179	19,506,783
		<u>35,157,581</u>	<u>32,824,069</u>

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

17 BORROWINGS EXPECTED TO BE PAID AFTER 12 MONTHS

Hire Purchase Liability - Motor Vehicles	2,978	30,801
Government Zero Real Interest Loan	<u>2,735,541</u>	<u>2,933,292</u>
	<u>2,738,520</u>	<u>2,964,093</u>

(a) Security

Secured Liabilities

Total secured liabilities are:

Hire Purchase Liability - Motor Vehicles	42,495	79,440
Government Zero Real Interest Loan	<u>2,933,291</u>	<u>3,131,042</u>
	<u>2,975,787</u>	<u>3,210,482</u>

- (b) The bank facilities are secured by first registered mortgages over Barossa Village Incorporated's land and buildings located at Lot 1014 Moppa Road Nuriootpa SA 5355 and Lot 101 and 102 Scholz Avenue Nuriootpa SA 5355, and a business mortgage over the Aged Care Facility. Hire Purchase Liabilities are secured over the financed motor vehicles.

The Association has not entered into a new loan debt banking facility during the year.

(c) Financing Arrangements

Total Facilities

- Business Card - Charge Card	12,000	12,000
- Motor Vehicle Hire Purchase Agreement	42,495	79,440
- Bank Overdraft	300,000	300,000
- Govt. Zero Real Interest Loan	<u>2,933,291</u>	<u>3,131,042</u>
	<u>3,287,787</u>	<u>3,522,482</u>

Used at the End of the Reporting Period

- Motor Vehicle Hire Purchase Agreement	42,495	79,440
- Govt. Zero Real Interest Loan	<u>2,933,291</u>	<u>3,131,042</u>
	<u>2,975,787</u>	<u>3,210,482</u>

- (d) Residents loans (Residential Care and Independent Retirement Living) are controlled by individual contracts and government legislation, both of which require repayment of the loan balance within a short time of the resident leaving the residential facility and 3 months of leaving the Independent Living Unit. The Australian Government guarantees the repayment of the Residential Care Loan. To recognise this repayment requirement all resident loans are regarded as current liabilities. However it is not expected that all resident loans will be required to be repaid within the next year. During the year ended 30 June 2021, the repayments of resident loans was \$5,969,573 (2020: \$6,648,167).

RAD's & Accommodation Bond Liabilities

Expected to be paid within one year.	2,947,766	1,776,000
Expected to be paid after one year.	<u>13,916,402</u>	<u>13,317,286</u>
	<u>16,864,168</u>	<u>15,093,286</u>

Independent Living Unit Liabilities

Expected to be paid within one year.	1,320,792	955,481
Expected to be paid after one year.	<u>21,241,179</u>	<u>19,506,783</u>
	<u>22,561,971</u>	<u>20,462,264</u>

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	2021	2020
		\$	\$
18 RESERVES			
(a) ASSET REVALUATION RESERVE			
The asset revaluation reserve records revaluations of property, plant & equipment.			
Land & Buildings			
Balance at beginning of year	1 (c)	24,175,842	24,804,831
Revaluation increment/(decrement)	1 (c)	-	(628,989)
Transfer to Retained Earnings		(131,557)	-
Balance at end of year		<u>24,044,285</u>	<u>24,175,842</u>
Total Asset Revaluation Reserve at end of year		<u>24,044,285</u>	<u>24,175,842</u>
(b) FINANCIAL ASSETS RESERVE			
The financial asset reserve records revaluations of financial assets at fair value through other comprehensive income.			
Managed Investment Portfolio			
Balance at beginning of year		55,505	333,938
Revaluation increment/(decrement)		523,337	(278,433)
Balance at end of year		<u>578,842</u>	<u>55,505</u>
Total Financial Assets Reserve at end of year		<u>578,842</u>	<u>55,505</u>

19 RELATED PARTY DISCLOSURES

The following were key management of Barossa Village Incorporated at any time during the reporting period, unless otherwise indicated held office for the entire period:

Non-executive Board Members

Ms Helen O'Brien (Chair)
 Mr. J. Angas
 Mr D Quodling
 Mr. P Heuzenroeder - Retired
 Ms T Vaughan
 Ms Barbara Storey
 Mr Mark George
 Ms Sally Colling
 Mr Matt McCullough

Executive Staff

Mr. S Newbold Chief Executive Officer
 Mr. M Kowald General Manager - Residential Care Services
 Mr B Hall General Manager - Service Delivery
 Mr D Rundle General Manager - People and Culture

Transactions with key management personnel

The key management personnel compensation included in employee benefits includes salaries, salary packaging, superannuation and leave entitlements and is as follows:

	2021	2020
	\$	\$
Short term benefits - Salary	868,329	631,127
Post-employment benefits - Superannuation	36,741	35,351
	<u>905,070</u>	<u>666,478</u>

The non-executive Board Members have not received any remuneration during the year. All of the Board Members serve on a voluntary basis. The members of the Board may use Association's services under terms and conditions no more favourable than the terms and conditions available to other residents and clients.

BAROSSA VILLAGE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

20 COMMITMENTS	2021	2020
	\$	\$
(a) Hire Purchase commitments		
Non-cancellable hire purchases	39,517	52,254
Payable with in one year.	4,021	30,781
Payable later than one year but not later than 5 years.	<u>43,538</u>	<u>83,035</u>
Total future minimum lease payments.	<u>(1,043)</u>	<u>(3,615)</u>
Less future finance charges	<u>42,495</u>	<u>79,420</u>
Hire Purchase liabilities are represented in the financial statements as follows;		
Borrowings expected to be paid within 12 months (Note 14)	39,517	48,639
Borrowings expected to be paid after 12 months (Note 17)	<u>2,978</u>	<u>30,801</u>
	<u>42,495</u>	<u>79,440</u>
The entity leases various vehicles under non-cancellable hire purchase arrangements expiring within 3 years.		
(b) Capital Expenditure Commitments		
Outstanding commitments for capital expenditure on property, plant and equipment.		
Payable with in one year.	2,665,138	1,824,837
Payable later than one year but not later than 5 years.	<u>-</u>	<u>-</u>
	<u>2,665,138</u>	<u>1,824,837</u>

21 SUBSEQUENT EVENTS

There have been no events after the end of the reporting period that would have a significant effect on the financial statements.

22 ASSOCIATION DETAILS

(a) Principal Place of Business

14 Scholz Ave
NURIOOTPA SA 5355

(b) Principal Activities

The association operates a charity for the provision of appropriate accommodation and residential or community care for persons eligible by reason of their age, ill-health or disability and requiring living support in the Barossa Region.

BAROSSA VILLAGE INCORPORATED

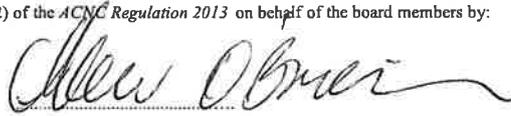
BOARD MEMBERS' DECLARATION

The board members of Barossa Village Incorporated declare that in the board members' opinion:

1. The financial statements, comprising the statement of surplus or deficit and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and accompanying notes, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2012 (ACNC Regulation 2013)*; and
 - b. give a true and fair view of the entity's financial position as at 30 June 2021 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the entity will be able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *ACNC Regulation 2013* on behalf of the board members by:

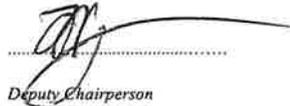
Signed by:



Position held on Board:

Chairperson

Signed by:



Position held on Board:

Deputy Chairperson

Dated this 29th day of September 2021.

BAROSSA VILLAGE INCORPORATED

BOARD REPORT

In accordance with section 35(5) of the Associations Incorporation Act 1985, the Board of Barossa Village Incorporated hereby state that during the financial year ended 30 June 2021: -

- (a)
 - (i) No officer of the Association;
 - (ii) No firm of which an officer is a member; and
 - (iii) No body corporate in which an officer has a substantial financial interest,

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the Association.

- (b) No officer of the Association has received directly or indirectly from the Association any payment or other benefit of a pecuniary value except for those as disclosed in Note 19.

- (c) All Board Members of Barossa Village act in a voluntary capacity. No Board member of Barossa Village Inc. receive Directors' or other fees for services to the Board.

This report is made in accordance with a resolution of the Board and is signed by two members of the Board.

Dated this 29th day of September 2021.

Signed by:


.....
Chairperson

Signed by:


.....
Deputy Chairperson

