

Clarence Village Limited

ABN 46 135 598 097

Annual Report - 30 June 2021

Clarence Village Limited
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30 June 2021

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Clarence Village Limited
Directors' report
30 June 2021

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2021.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

R A Bell (Resigned 23rd April 2021)
M C Dougherty
G R Shepherd
N R Payne
C P Wheelahan
T Straw
A M Gough
Dr N C Bacon (Resigned 2nd September 2020)
E A Shearer (Appointed 23rd November 2020)
L D Harris (Appointed 9th August 2021)
A Lysaught (Appointed 26th August 2021)

Company secretary

Mrs Vicki Valja, appointed 26/02/2009.

Principal activities

During the financial year the principal continuing activities of the company consisted of:

Provision of accommodation and care services for the aged in the Clarence Valley community utilising self generated, Federal and State subsidies and grant funds

Objectives

Short Term Objectives of the Company

The Company has identified the following short term objectives : -

- Build our capacity to teach and transfer skills and knowledge
- Build an enriching and motivating team culture across our business units
- Maintain the highest quality standards of care, compliance and assets
- Diversify our revenue and maintain our organisational agility
- Grow our knowledge of dementia care
- Improve the community's understanding of the aged care system and options for seniors to get care and housing
- Build partnerships and networks to attract talent, skills and opportunities to improve our team
- Identify the needs of seniors and lead the community response meeting them
- Maintain our financial strength

Long Term Objectives of the Company

The Company's long-term objective is to build a community that cares for the aged by providing a home, connection and care. The organisation's vision is for a Clarence Valley where the aged live in safety and with dignity.

Strategy for achieving the objectives

To meet its long and short term objectives, the company has built plans and frameworks that ensure short-term budgets and business plans are prepared with the knowledge of the long-term funding and strategic requirements of the business.

The company's long term financial plan plays a fundamental role in business planning, by ensuring budgets must be prepared to meet long term capital replacement and repayment requirements of the company's portfolio.

Together with the company's risk appetite statement and risk management frameworks, the long-term financial plan presents the company's management team with a clear picture of what short-term results and plans are required to reach the goals.

Monthly management reporting is built around the financial metrics of the long-term financial plan, ensuring Directors always have an accurate picture of how the company is performing relative to its long term goals.

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Directors' report
30 June 2021**

Performance measures

The company uses the following key performance indicators to measure performance: -

- Continuous improvement program leading to top rating with no unremedied non compliance from Australian Aged Care Quality Agency
- Surplus for the financial year was \$1,252,970 (2020:\$722,301)
- Cash flow operating activities for the financial year was \$1,481,261 (2020:\$2,010,293)
- Maintaining high occupancy rates throughout all facilities
- The company has complied with all Occupational, Health and Safety, Employment and Environmental reviews conducted by external regulatory bodies
- The company has complied with residential care standards and has an ongoing independent review of care and quality standards.

COVID-19

While the company has not directly experienced an outbreak of COVID-19, Government restrictions and the extensive precautionary measures required of all organisations working with vulnerable communities have impacted the company. The majority of these impacts have been felt on the residential aged care division, where additional resources have been directed to manage the risk of an outbreak and to plan for protecting residents from harm.

Information on directors

Name: Ronald Andrew Bell (Resigned 23rd April 2021)
Title: Chairman of Directors
Experience and expertise: Extensive experience in commercial Radio Business Management and many years experience in Marketing and Promotions.
Special responsibilities: N/A

Name: Mark Charles Dougherty
Title: Vice Chairman of Directors
Qualifications: Bachelor of Business, Certificate IV in Financial Services
Experience and expertise: Financial Services - over 20 years experience. Director of a Private Company with assets in excess of \$230M. Deputy Chairman of Lismore Diocesan Finance Council and Board Member of Clarence Valley University Centre Limited.
Special responsibilities: N/A

Name: Geoffrey Rex Shepherd
Title: Chairman of Directors
Qualifications: Chartered Accountant
Experience and expertise: A former Director of a Responsible Entity for an unlisted property trust with assets in excess of \$200M and respected business man.
Special responsibilities: N/A

Name: Neil Robert Payne
Title: Director
Experience and expertise: Formerly operated an Insurance Broking business. Is a former Mayor of Copmanhurst Shire Council and the former administrator of Clarence Valley Council.
Special responsibilities: N/A

Name: Christopher Patrick Wheelahan
Title: Director
Qualifications: Solicitor
Experience and expertise: Principal of the firm Thompson, Wheelahan & Hampshire. Prominently involved in Rotary and sporting circles.
Special responsibilities: N/A

Name: Taya Straw
Title: Director
Qualifications: BN(UWS), G CertEmergN, MAdvancedPracEmergN (GU) Lecturer/Practitioner - Nursing
Experience and expertise: Qualified Registered Nurse and Clinical Nurse Educator. A current lecturer and professional experience leader at Southern Cross University.
Special responsibilities: N/A

**Clarence Village Limited
Directors' report
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Name: Allan Myles Gough
Title: Director
Experience and expertise: Former principal of Bailey & Gough First National Real Estate Agency and former Registered Valuer. Experience in Real Estate Sales, Management and Development.
Special responsibilities: N/A

Name: Dr Nigel Campbell Bacon (Resigned 2nd September 2020)
Title: Director
Qualifications: General Practitioner
Experience and expertise: Founding partner of Queen Street Clinic with over 40 years experience as a General Practitioner, Nigel has been a GP Supervisor for 20 years and Chairman of Department of General Practice at Grafton Base Hospital.

Name: Elizabeth Shearer
Title: Director
Qualifications: Certificate III & IV in Community Services
Experience and expertise: Worked closely with community nurses and was the manager of Palliative Care Volunteers. Coordinator of Clarence Valley Council Community Programs for 12 years and managed volunteers.

Name: Lynette Dorothy Harris
Title: Director
Qualifications: Chartered Fellow Safety Institute of Australia
Experience and expertise: Former Registered Nurse and Midwife. Coordinator Northern New South Wales Health District, Safe Work NSW WHS Trainer.

Name: Arthur Francis Lysaught
Title: Director
Experience and expertise: Former General Manager, Grafton District Services Club Ltd. Current Councillor Clarence Valley Council. Life Member and Vice President Grafton District Services Club Ltd.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
G R Shepherd	7	11
C P Wheelahan	8	11
R Bell	6	8
N R Payne	10	11
M C Dougherty	11	11
T Straw	10	11
A M Gough	9	11
Dr N C Bacon	2	2
E A Shearer	5	6

Held: represents the number of meetings held during the time the director held office.

Contributions on winding up

The company is a public company limited by guarantee and no shares or options are issued. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company.

Membership Class - Ordinary

Number of Members - 20

Individual Members Contribution on winding up of Company - \$2

Total Members Contribution on winding up of a company - \$40


Clarence Village Limited
Directors' report
30 June 2021

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



G R Shepherd
Chairman



M C Dougherty
Vice Chairman

8 October 2021
194 Turf Street, GRAFTON

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF CLARENCE VILLAGE LIMITED ABN 46 135 598 097**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Westlawn Audit Services Pty Ltd

Paul Kenneth Trimble
Registered Company Auditor

22 Queen Street GRAFTON NSW 2460

Dated 8 October 2021.

Directors

Paul K Trimble B Bus, CPA
Andrew H Hayes B Bus, GDipFP, CA, CTA, SSA

*Liability limited by a scheme approved
under Professional Standards Legislation*

Clarence Village Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	4	9,821,531	7,445,174
Interest revenue		95,108	200,018
Total revenue		<u>9,916,639</u>	<u>7,645,192</u>
Expenses			
Employee benefits expense	5	(5,451,023)	(4,389,022)
Depreciation and amortisation expense	5	(734,077)	(619,772)
Occupancy expenses	5	(418,389)	(384,669)
Repairs & Maintenance	5	(534,822)	(424,190)
Other expenses	5	(1,525,358)	(1,105,238)
Total expenses		<u>(8,663,669)</u>	<u>(6,922,891)</u>
Profit before income tax expense		1,252,970	722,301
Income tax expense		<u>-</u>	<u>-</u>
Profit after income tax expense for the year attributable to the owners of Clarence Village Limited	19	1,252,970	722,301
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the owners of Clarence Village Limited		<u><u>1,252,970</u></u>	<u><u>722,301</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Clarence Village Limited
Statement of financial position
As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,909,513	2,066,225
Trade and other receivables	7	872,955	458,353
Held-to-maturity investments	8	7,006,780	11,500,000
Land Option	9	-	35,840
Total current assets		<u>9,789,248</u>	<u>14,060,418</u>
Non-current assets			
Available-for-sale financial assets	10	2,980,000	-
Investment properties	11	2,644,644	-
Property, plant and equipment	12	17,976,545	17,826,432
Intangibles	13	19,220	19,544
Total non-current assets		<u>23,620,409</u>	<u>17,845,976</u>
Total assets		<u>33,409,657</u>	<u>31,906,394</u>
Liabilities			
Current liabilities			
Trade and other payables	14	256,168	816,184
Borrowings	15	5,895	5,895
Provisions	16	625,123	651,234
Financial liability	17	14,161,795	13,319,477
Total current liabilities		<u>15,048,981</u>	<u>14,792,790</u>
Non-current liabilities			
Borrowings	18	16,036	21,934
Total non-current liabilities		<u>16,036</u>	<u>21,934</u>
Total liabilities		<u>15,065,017</u>	<u>14,814,724</u>
Net assets		<u>18,344,640</u>	<u>17,091,670</u>
Equity			
Retained profits	19	18,344,640	17,091,670
Total equity		<u>18,344,640</u>	<u>17,091,670</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Clarence Village Limited
Statement of changes in equity
For the year ended 30 June 2021

	Retained profits \$	Total equity \$
Balance at 1 July 2019	16,369,369	16,369,369
Profit after income tax expense for the year	722,301	722,301
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>722,301</u>	<u>722,301</u>
Balance at 30 June 2020	<u>17,091,670</u>	<u>17,091,670</u>
	Retained profits \$	Total equity \$
Balance at 1 July 2020	17,091,670	17,091,670
Profit after income tax expense for the year	1,252,970	1,252,970
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>1,252,970</u>	<u>1,252,970</u>
Balance at 30 June 2021	<u>18,344,640</u>	<u>18,344,640</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Clarence Village Limited
Statement of cash flows
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		8,168,949	7,155,515
Payments to suppliers and employees (inclusive of GST)		<u>(8,446,929)</u>	<u>(5,773,039)</u>
		(277,980)	1,382,476
Interest received		95,109	200,018
Other revenue		1,539,790	427,799
Rental income		33,931	-
Trust distributions		<u>90,411</u>	<u>-</u>
Net cash from operating activities	26	<u>1,481,261</u>	<u>2,010,293</u>
Cash flows from investing activities			
Payments/(Redemptions) for held to maturity investments	8	4,493,220	(214,522)
Payments for investment property	11	(2,644,644)	-
Payments for property, plant and equipment	12	(875,495)	(3,484,740)
Payments for intangibles	13	(8,372)	-
Payments for units in unlisted unit trusts		<u>(2,980,000)</u>	<u>-</u>
Net cash used in investing activities		<u>(2,015,291)</u>	<u>(3,699,262)</u>
Cash flows from financing activities			
Proceeds/(Repayment) of borrowings		<u>377,318</u>	<u>1,172,365</u>
Net cash from financing activities		<u>377,318</u>	<u>1,172,365</u>
Net decrease in cash and cash equivalents		(156,712)	(516,604)
Cash and cash equivalents at the beginning of the financial year		<u>2,066,225</u>	<u>2,582,829</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,909,513</u></u>	<u><u>2,066,225</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Clarence Village Limited
Notes to the financial statements
30 June 2021

Note 1. General information

The financial statements cover Clarence Village Limited as an individual entity. The financial statements are presented in Australian dollars, which is Clarence Village Limited's functional and presentation currency.

Clarence Village Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Clarence Village Limited
194 Turf Street
GRAFTON NSW 2460

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 8 October 2021. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

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 company 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.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 9 Financial Instruments

The company has adopted AASB 9 from 1 January 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Note 2. Significant accounting policies (continued)

AASB 15 Revenue from Contracts with Customers

The company has adopted AASB 15 from 1 January 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 1058 Income of Not-for-Profit Entities

The company has adopted AASB 1058 from 1 January 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss and certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: 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.

Note 2. Significant accounting policies (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The company is exempt from income tax under Section 50 of the Income Tax Assessment Act 1997. This decision was ratified by the Australian Taxation Office granting exemption to Income Tax on the 1st July, 2009.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original 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.

Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the company's share of net assets of the joint venture.

Investments and other financial assets

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Note 2. Significant accounting policies (continued)

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the company. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Transfers to and from investment properties to property, plant and equipment are determined by a change in use of owner-occupation. The fair value on the date of change of use from investment properties to property, plant and equipment are used as deemed cost for the subsequent accounting. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on the date of change of use.

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.

Property, plant and equipment

Land and buildings are shown at cost, less subsequent depreciation and impairment for buildings.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings and Improvements	2.5 - 7.5%
Plant and Equipment	2.5 - 20%
Motor Vehicles	23%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Intangible assets

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

Note 2. Significant accounting policies (continued)

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2021. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 4. Revenue

	2021 \$	2020 \$
<i>Revenue from contracts with customers</i>		
Rendering of services	3,201,715	3,012,373
Government subsidies	4,916,836	4,005,002
	<u>8,118,551</u>	<u>7,017,375</u>
<i>Other revenue</i>		
Rent	36,179	-
Trust distributions	127,011	-
ATO Job Keeper	1,318,500	309,000
ATO Cash Flow Boost	50,000	50,000
Government Grant	118,080	21,670
Other revenue	53,210	47,129
	<u>1,702,980</u>	<u>427,799</u>
Revenue	<u>9,821,531</u>	<u>7,445,174</u>

Clarence Village Limited
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Note 5. Expenses

	2021	2020
	\$	\$
Profit before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Freehold improvements	415,933	416,283
Leasehold improvements	149,960	74,507
Plant and equipment	92,393	81,359
Fixtures and fittings	52,184	29,418
Motor vehicles	4,620	6,077
Office equipment	10,292	4,116
Total depreciation	<u>725,382</u>	<u>611,760</u>
<i>Amortisation</i>		
Software	8,695	8,012
Total depreciation and amortisation	<u>734,077</u>	<u>619,772</u>
<i>Employee benefits expense</i>		
Salary and wages	5,010,520	3,915,674
Superannuation	425,900	349,077
Provision for employee entitlements	(33,547)	60,457
Other staff costs	48,150	63,814
Total employee benefits expense	<u>5,451,023</u>	<u>4,389,022</u>
<i>Occupancy expenses</i>		
Cleaning and garbage removal	98,811	80,205
Electricity	133,307	115,175
Insurance	86,645	84,080
Rates and taxes	78,449	82,852
Telephone	21,177	22,357
Total occupancy expense	<u>418,389</u>	<u>384,669</u>
<i>Other expenses</i>		
Computer software and maintenance	91,272	66,754
Gas	15,700	14,967
Cleaning & Laundry	20,723	15,820
Meals	387,542	356,279
Medical supplies	146,262	93,759
Professional fees	130,399	52,087
Contract Medical Professionals	191,703	106,558
Office supplies	32,275	25,921
Workers Compensation Insurance	190,978	116,806
Other operating expenses	318,504	256,287
Total other expenses	<u>1,525,358</u>	<u>1,105,238</u>
<i>Repairs & Maintenance</i>		
Repairs & Maintenance	502,003	419,175
Lawn Mowing and Garden Care	32,819	5,015
Total Repairs & Maintenance	<u>534,822</u>	<u>424,190</u>

Clarence Village Limited
Notes to the financial statements
30 June 2021

Note 6. Current assets - cash and cash equivalents

	2021	2020
	\$	\$
Cash on hand	6,109	6,967
Cash at bank	1,903,404	2,059,258
	<u>1,909,513</u>	<u>2,066,225</u>

Note 7. Current assets - trade and other receivables

	2021	2020
	\$	\$
Other receivables	<u>872,955</u>	<u>458,353</u>

The balance of other receivables is predominantly made up of a Independent Living Contribution receivable from residents, being \$730,000 (2020: \$265,000).

Note 8. Current assets - held-to-maturity investments

	2021	2020
	\$	\$
Term Deposits	<u>7,006,780</u>	<u>11,500,000</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	11,500,000	11,285,478
Deposits/(Withdrawals)	(4,493,220)	214,522
Closing fair value	<u>7,006,780</u>	<u>11,500,000</u>

Note 9. Current assets - Land Option

	2021	2020
	\$	\$
Land Purchase Option - 95 Armidale Road, South Grafton	<u>-</u>	<u>35,840</u>

Refer to note 21 for further information on the exercising of option

Clarence Village Limited
Notes to the financial statements
30 June 2021

Note 10. Non-current assets - available-for-sale financial assets

	2021	2020
	\$	\$
Units in Unlisted Unit Trust - Westlawn Property Trust	<u>2,980,000</u>	<u>-</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	-	-
Additions	<u>2,980,000</u>	<u>-</u>
Closing fair value	<u>2,980,000</u>	<u>-</u>

Note 11. Non-current assets - investment properties

	2021	2020
	\$	\$
Investment property Alice Street - at cost	<u>563,164</u>	<u>-</u>
Investment property Prince Street - at cost	<u>2,081,480</u>	<u>-</u>
	<u>2,644,644</u>	<u>-</u>

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	-	-
Additions	<u>2,644,644</u>	<u>-</u>
Closing fair value	<u>2,644,644</u>	<u>-</u>

Clarence Village Limited
Notes to the financial statements
30 June 2021

Note 12. Non-current assets - property, plant and equipment

	2021 \$	2020 \$
Land - at cost	1,510,908	997,815
Land and buildings JV - at cost	132,560	132,560
Less: Accumulated depreciation	(70,486)	(67,671)
	<u>62,074</u>	<u>64,889</u>
Freehold improvements - at cost	14,436,156	14,408,423
Less: Accumulated depreciation	(5,163,155)	(4,750,036)
	<u>9,273,001</u>	<u>9,658,387</u>
Leasehold improvements - at cost	6,158,874	5,976,973
Less: Accumulated depreciation	(224,467)	(74,507)
	<u>5,934,407</u>	<u>5,902,466</u>
Plant and equipment - at cost	1,609,800	1,575,785
Less: Accumulated depreciation	(968,054)	(875,662)
	<u>641,746</u>	<u>700,123</u>
Fixtures and fittings - at cost	959,030	911,218
Less: Accumulated depreciation	(513,891)	(461,707)
	<u>445,139</u>	<u>449,511</u>
Motor vehicles - at cost	38,341	38,341
Less: Accumulated depreciation	(21,943)	(17,323)
	<u>16,398</u>	<u>21,018</u>
Office equipment - at cost	172,784	101,843
Less: Accumulated depreciation	(79,912)	(69,620)
	<u>92,872</u>	<u>32,223</u>
	<u><u>17,976,545</u></u>	<u><u>17,826,432</u></u>

Reconciliations

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

	Leasehold Improvements \$	Land & Buildings \$	Plant & Equipment \$	Total \$
Balance at 1 July 2019	3,400,597	11,102,338	450,515	14,953,450
Additions	2,576,376	33,138	875,227	3,484,741
Depreciation expense	(74,507)	(416,283)	(120,969)	(611,759)
Balance at 30 June 2020	5,902,466	10,719,193	1,204,773	17,826,432
Additions	181,901	542,724	150,870	875,495
Depreciation expense	(149,960)	(415,934)	(159,488)	(725,382)
Balance at 30 June 2021	<u><u>5,934,407</u></u>	<u><u>10,845,983</u></u>	<u><u>1,196,155</u></u>	<u><u>17,976,545</u></u>

Clarence Village Limited
Notes to the financial statements
30 June 2021

Note 13. Non-current assets - intangibles

	2021	2020
	\$	\$
Software - at cost	130,510	122,138
Less: Accumulated amortisation	<u>(111,290)</u>	<u>(102,594)</u>
	<u><u>19,220</u></u>	<u><u>19,544</u></u>

Reconciliations

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

	Software	Total
	\$	\$
Balance at 1 July 2019	27,555	27,555
Amortisation expense	<u>(8,011)</u>	<u>(8,011)</u>
Balance at 30 June 2020	19,544	19,544
Additions	8,372	8,372
Amortisation expense	<u>(8,696)</u>	<u>(8,696)</u>
Balance at 30 June 2021	<u><u>19,220</u></u>	<u><u>19,220</u></u>

Note 14. Current liabilities - trade and other payables

	2021	2020
	\$	\$
Trade payables	105,309	230,355
Other payables	<u>150,859</u>	<u>585,829</u>
	<u><u>256,168</u></u>	<u><u>816,184</u></u>

Refer to note 20 for further information on financial instruments.

In the 2020 financial statements an amount of \$362,775 is included in Other Payables and relates to insurance proceeds received which were yet to be expensed.

Note 15. Current liabilities - borrowings

	2021	2020
	\$	\$
Loan - Toyota Finance	8,099	8,099
Unexpired Charges	<u>(2,204)</u>	<u>(2,204)</u>
	<u><u>5,895</u></u>	<u><u>5,895</u></u>

Refer to note 20 for further information on financial instruments.

Clarence Village Limited
Notes to the financial statements
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Note 16. Current liabilities - provisions

	2021 \$	2020 \$
Annual leave	320,333	339,579
Long service leave	304,790	311,655
	<u>625,123</u>	<u>651,234</u>

Note 17. Current liabilities - financial liability

	2021 \$	2020 \$
Residential aged care services	8,889,245	7,365,308
Supported Living & Self care	5,272,550	5,954,169
	<u>14,161,795</u>	<u>13,319,477</u>

Financial liabilities comprise refundable accommodation deposits for residents which are unsecured, non-interest bearing deposits repayable upon the cessation of residency.

Note 18. Non-current liabilities - borrowings

	2021 \$	2020 \$
Loan - Toyota Finance	17,325	25,425
Unexpired Charges	(1,289)	(3,491)
	<u>16,036</u>	<u>21,934</u>

Refer to note 20 for further information on financial instruments.

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	2021 \$	2020 \$
Loan - Toyota Finance	25,424	33,524
Unexpired Charges	(3,493)	(5,695)
	<u>21,931</u>	<u>27,829</u>

Assets pledged as security

A Hyundai TQ3 IMAX was purchased via a Toyota Finance Loan. The term was 5 years.

Note 19. Equity - retained profits

	2021 \$	2020 \$
Retained profits at the beginning of the financial year	17,091,670	16,369,369
Profit after income tax expense for the year	1,252,970	722,301
	<u>18,344,640</u>	<u>17,091,670</u>

Clarence Village Limited
Notes to the financial statements
30 June 2021

Note 20. Financial instruments

Financial risk management objectives

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable, accounts payable and leases.

The company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the company based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The carrying amounts for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows: -

	2021 \$	2020 \$
Financial assets		
Cash and cash equivalents	1,909,513	2,066,225
Trade and other receivables	872,955	458,353
Held to maturity financial assets	7,006,780	11,500,000
Units in unlisted unit trusts	2,980,000	-
Total financial assets	<u>12,769,248</u>	<u>14,024,578</u>
	2021 \$	2020 \$
Financial liabilities		
Trade and other payables	256,168	816,184
Financial liabilities - Refundable Accommodation Deposits	14,161,795	13,319,477
Borrowings	21,931	27,829
Total financial liabilities	<u>14,439,894</u>	<u>14,163,490</u>

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 21. Contingent liabilities

The company had no contingent liabilities as at 30 June 2021 and 30 June 2020.

Note 22. Commitments

The company had no commitments for expenditure at 30 June 2021

	2021 \$	2020 \$
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Land	-	550,000

On the 13th December 2019 the Company entered into a contract for the purchase of vacant land situated at 95 Armidale Street, South Grafton NSW 2460. The purchase price was \$550,000 including GST. The purchase was settled in full on the 21st September 2020.

Clarence Village Limited
Notes to the financial statements
30 June 2021

Note 23. Interests in joint ventures

Interests in joint ventures are accounted for using the equity method of accounting. Information relating to joint ventures that are material to the company are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2021 %	2020 %
Clarence Village Limited and NSW Housing Corporation	Construction of residential units for disadvantaged pensioners of the district	31.77%	31.77%

Summarised financial information

	2021 \$	2020 \$
<i>Summarised statement of financial position</i>		
Other current assets	66,793	71,313
Total assets	66,793	71,313
Net assets	66,793	71,313
<i>Summarised statement of profit or loss and other comprehensive income</i>		
Depreciation	(4,519)	(4,533)
Loss before income tax	(4,519)	(4,533)
Other comprehensive income	-	-
Total comprehensive income	(4,519)	(4,533)

Note 24. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 25. Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the financial year, on the 9th April 2021, the company purchased at auction, an investment property at 183-185 Prince Street, Grafton known as City Centre Apartments. The purchase was made from an entity controlled by Mr. Mark C Dougherty, a director of the company, in the amount of \$2,172,500 including GST. Mr. Dougherty did not vote or enter discussions regarding the purchase at any time over the period of the purchase.

Clarence Village Limited
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Note 26. Reconciliation of profit after income tax to net cash from operating activities

	2021	2020
	\$	\$
Profit after income tax expense for the year	1,252,970	722,301
Adjustments for:		
Depreciation and amortisation	734,077	619,772
Change in operating assets and liabilities:		
Decrease in trade and other receivables	86,239	129,313
Increase/(decrease) in trade and other payables	(565,914)	478,547
Increase/(decrease) in employee benefits	(26,111)	60,360
Net cash from operating activities	<u>1,481,261</u>	<u>2,010,293</u>

Note 27. Segment reporting

Refer following for a detailed analysis of Clarence Village Limited operating segments.

Note 27. Segment reporting (cont.)

Primary reporting - business segments

	Residential Aged Care ID 0259 \$	Supported Living \$	Independent Living \$	Total \$
Current Year				
Income				
<i>Operating Activities</i>				
Bond retentions	-	-	428,352	428,352
Commonwealth subsidies	4,835,089	-	-	4,835,089
Donations and contributions	-	-	-	0
Interest received	47,445	-	47,662	95,107
Other operating revenue	39,026	2,520	6,865	48,411
Resident charges	1,134,947	841,652	708,966	2,685,565
State grants	-	-	-	0
Total revenue from operating activities	6,056,507	844,172	1,191,846	8,092,525
<i>Non-operating activities</i>				
Capital grants	118,080	-	-	118,080
Profit/(loss) on sale of fixed assets	-	-	-	0
Insurance claims	-	21,810	-	21,810
Trust distributions	127,011	-	-	127,011
Rental income	-	-	36,179	36,179
Other non-operating revenue	1,512,676	4,179	4,179	1,521,035
Total revenue from non-operating activities	1,757,767	25,989	40,358	1,824,115
Total revenue	7,814,275	870,161	1,232,204	9,916,640
Expenses				
Depreciation and amortisation	(452,033)	(67,701)	(214,343)	(734,077)
Insurance	(224,979)	(35,580)	(29,138)	(289,698)
Interest paid	(2,202)	-	-	(2,202)
Management fees	-	-	-	-
Motor vehicle expenses	(1,922)	-	(1,122)	(3,045)
Rent	(6,115)	-	-	(6,115)
Repairs and maintenance	(264,472)	(27,069)	(96,984)	(388,524)
Staff on-costs	-	-	-	-
Utilities	(175,168)	(34,309)	(56,574)	(266,051)
Wages and superannuation - admin	(785,241)	(109,657)	(143,889)	(1,038,787)
Wages and superannuation - care staff	(3,458,327)	(8,689)	(14,482)	(3,481,498)
Wages and superannuation - other	(1,012,325)	(110,233)	183,712	(938,846)
Other expenses	(656,190)	(350,770)	(507,869)	(1,514,829)
One-off expenses	-	-	-	-
Total expenses	(7,038,974)	(744,007)	(880,688)	(8,663,670)
Segment Result	775,300	126,154	351,516	1,252,970

Note 27. Segment reporting (cont.)

Primary reporting - business segments

	Residential Aged Care Services ID 0259 \$	Supported Living \$	Independent Living \$	Total \$
Prior year				
Income				
<i>Operating Activities</i>				
Bond retentions	-	-	397,451	397,451
Commonwealth subsidies	4,040,756	-	-	4,040,756
Donations and contributions	-	-	-	-
Interest received	43,182	-	156,836	200,018
Other operating revenue	19,531	7,863	32,966	60,360
Resident charges	1,004,315	829,439	732,183	2,565,937
State grants	-	-	-	-
Trust distributions	-	-	-	-
Total revenue from operating activities	5,107,784	837,303	1,319,436	7,264,522
<i>Non-operating activities</i>				
Capital grants	21,670	-	-	21,670
Profit/(loss) on sale of fixed assets	-	-	-	-
Insurance claims	-	-	-	-
Other non-operating revenue	359,000	-	-	359,000
Total revenue from non-operating activities	380,670	-	-	380,670
Total revenue	5,488,454	837,303	1,319,436	7,645,192
Expenses				
Depreciation and amortisation	(335,831)	(72,273)	(211,668)	(619,772)
Insurance	(162,127)	(26,350)	(24,839)	(213,316)
Interest paid	(2,466)	-	-	(2,466)
Management fees	-	-	(27,600)	(27,600)
Motor vehicle expenses	(2,202)	(176)	(195)	(2,573)
Rent	(8,179)	-	-	(8,179)
Repairs and maintenance	(125,045)	(12,080)	(68,391)	(205,515)
Staff on-costs	(62,877)	(24)	(233)	(63,133)
Utilities	(167,801)	(33,750)	(45,371)	(246,922)
Wages and superannuation - admin	(234,129)	(26,422)	(7,151)	(267,702)
Wages and superannuation - care staff	(2,429,864)	-	-	(2,429,864)
Wages and superannuation - other	(1,158,830)	(269,274)	(199,538)	(1,627,642)
Other expenses	(823,321)	(215,097)	(169,789)	(1,208,207)
One-off expenses	-	-	-	-
Total expenses	(5,512,670)	(655,446)	(754,775)	(6,922,891)
Segment Result	(24,216)	181,857	564,661	722,301

Note 27. Segment reporting (cont.)

Primary reporting - business segments

	Residential Aged Care ID 0259 \$	Supported Living \$	Independent Living	Total \$
Current Year				
Current Assets				
Cash and cash equivalents	1,449,357	200	459,956	1,909,513
Trade and other receivables	135,372	(813)	738,396	872,955
Financial assets	2,006,175	-	5,000,605	7,006,780
Land option	-	-	-	-
<i>Total Current Assets</i>	<u>3,590,903</u>	<u>(613)</u>	<u>6,198,958</u>	<u>9,789,248</u>
Non Current Assets				
Property, plant and equipment	9,341,304	2,081,101	6,554,141	17,976,546
Leasehold Improvements	-	-	-	-
Available-for-sale financial assets	2,980,000	-	-	2,980,000
Investment property	-	-	2,644,644	2,644,644
Intangible assets	19,220	-	-	19,220
<i>Total Non Current Assets</i>	<u>12,340,524</u>	<u>2,081,101</u>	<u>9,198,785</u>	<u>23,620,409</u>
Total Assets	<u>15,931,427</u>	<u>2,080,488</u>	<u>15,397,743</u>	<u>33,409,657</u>
Current Liabilities				
Trade and other payables	174,637	31,644	49,887	256,168
Borrowings	5,895	-	-	5,895
Accommodation bonds	8,889,245	-	5,272,550	14,161,795
Employee provisions	625,123	-	-	625,123
<i>Total Current Liabilities</i>	<u>9,694,901</u>	<u>31,644</u>	<u>5,322,437</u>	<u>15,048,982</u>
Non Current Liabilities				
Borrowings	16,036	-	-	16,036
<i>Total Non Current Liabilities</i>	<u>16,036</u>	<u>-</u>	<u>-</u>	<u>16,036</u>
Total Liabilities	<u>9,710,937</u>	<u>31,644</u>	<u>5,322,437</u>	<u>15,065,017</u>
Net Assets	<u>6,220,490</u>	<u>2,048,844</u>	<u>10,075,306</u>	<u>18,344,640</u>

Note 27. Segment reporting (cont.)

Primary reporting - business segments

Prior Year	Residential Aged Care Services ID 0259 \$	Supported Living \$	Independent Living \$	Total \$
Current Assets				
Cash and cash equivalents	1,257,600	200	808,427	2,066,225
Trade and other receivables	108,486	20,382	329,485	458,353
Financial assets	2,600,000	-	8,900,000	11,500,000
Land option	-	-	35,840	35,840
<i>Total Current Assets</i>	<u>3,966,087</u>	<u>20,582</u>	<u>10,073,752</u>	<u>14,060,418</u>
Non Current Assets				
Property, plant and equipment	9,505,271	2,147,475	6,173,685	17,826,432
Leasehold Improvements	-	-	-	-
Intangible assets	19,544	-	-	19,544
<i>Total Non Current Assets</i>	<u>9,524,815</u>	<u>2,147,475</u>	<u>6,173,685</u>	<u>17,845,975</u>
Total Assets	<u>13,490,902</u>	<u>2,168,057</u>	<u>16,247,437</u>	<u>31,906,394</u>
Current Liabilities				
Trade and other payables	667,116	66,510	82,558	816,184
Borrowings	5,895	-	-	5,895
Accommodation bonds	7,365,308	-	5,954,169	13,319,477
Employee provisions	651,234	-	-	651,234
<i>Total Current Liabilities</i>	<u>8,689,553</u>	<u>66,510</u>	<u>6,036,728</u>	<u>14,792,790</u>
Non Current Liabilities				
Borrowings	21,934	-	-	21,934
<i>Total Non Current Liabilities</i>	<u>21,934</u>	<u>-</u>	<u>-</u>	<u>21,934</u>
Total Liabilities	<u>8,711,487</u>	<u>66,510</u>	<u>6,036,728</u>	<u>14,814,724</u>
Net Assets	<u>4,779,415</u>	<u>2,101,546</u>	<u>10,210,709</u>	<u>17,091,670</u>

Clarence Village Limited
Directors' declaration
30 June 2021

In the directors' opinion:

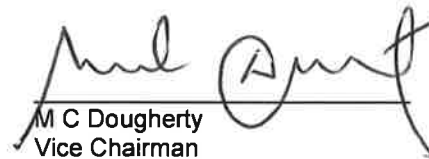
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the , the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



G R Shepherd
Chairman



M C Dougherty
Vice Chairman

8 October 2021
194 Turf Street, GRAFTON

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
CLARENCE VILLAGE LIMITED ABN 46 135 598 097**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Clarence Village Limited, which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Clarence Village Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2021 and its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

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

Responsibilities of the Directors for the Financial Report

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

Directors

Paul K Trimble B Bus, CPA
Andrew H Hayes B Bus, GDipFP, CA, CTA, SSA

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under Professional Standards Legislation*

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
CLARENCE VILLAGE LIMITED ABN 46 135 598 097 (CONTINUED)**

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

Westlawn Audit Services Pty Ltd

Paul Kenneth Trimble
Registered Company Auditor

22 Queen Street GRAFTON NSW 2460

Dated 8 October 2021.

Directors

Paul K Trimble B Bus, CPA
Andrew H Hayes B Bus, GDipFP, CA, CTA, SSA

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