

**BLUE MOUNTAINS VILLAGES LTD**

ABN 97 000 662 359

**FINANCIAL REPORT**

FOR THE YEAR ENDED 30 JUNE 2022

# BLUE MOUNTAINS VILLAGES LTD

ABN 97 000 662 359

## DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2022.

### Directors

The names of each person who has been a director during the year and to the date of this report are:

Alexis Viles  
Brian Single (Resigned 16/12/2021)  
Richard Wadick  
Christine Killinger  
Bryan Hardy  
John Rankins  
Jane Adams  
William Winn  
Tom Brownjohn  
Andrew White (Appointed 16/02/2022)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Principal Activities

The principal activity of the company during the financial year was the provision of affordable housing for people over the age of 55 years.

### Information on Directors

Alexis Viles	– Chair
Occupation	– Retired Nursing Director
	– Director since 1988
Brian Single	– Deputy Chair
Occupation	– Insurance Investigator
	– Director since 2004
Jane Adams	– Deputy Chair
Occupation	– Retired CEO of Hotel Management School
	– Director since 2019
Christine Killinger	– Secretary
Occupation	– Retired Tourism Operator
	– Director since 2005
Bryan Hardy	– Treasurer
Occupation	– Retired Real Estate Agent
	– Director since 2013
Richard Wadick	– Director
Occupation	– Bank Manager
	– Director since 1997
John Rankins	– Director
Occupation	– Retired TAFE Teacher
	– Director since 2016

# BLUE MOUNTAINS VILLAGES LTD

ABN 97 000 662 359

## DIRECTORS' REPORT

William Winn	– Director
Occupation	– Retired Company Director
	– Director since 2020
Tom Brownjohn	– Director
Occupation	– Funeral Director
	– Director since 2020
Andrew White	– Director
Occupation	– Solicitor
	– Director since 2022

	Directors' Meetings	
	Number eligible to attend	Number attended
Alexis Viles	11	9
Brian Single	4	4
Christine Killinger	11	10
Bryan Hardy	11	11
Richard Wadick	11	11
John Rankins	11	11
Jane Adams	11	9
William Winn	11	11
Thomas Brownjohn	11	11
Andrew White	4	4

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the entity.

### Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors.

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Alexis Viles (Chair)

Dated: 17<sup>th</sup> August 2022

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER S 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF BLUE MOUNTAINS VILLAGES LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 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.

Trumans  
Chartered Accountants

Peter Bray  
Partner

Dated: 16<sup>th</sup> August 2022

**Chatswood Office:**

Suite 302, 12 Help Street Chatswood NSW 2067 Australia  
PO Box 5485 West Chatswood NSW 1515 Australia  
T 61 2 9410 6999

**Katoomba Office:**

94 Lurline Street Katoomba NSW 2780 Australia  
PO Box 670 Katoomba NSW 2780 Australia  
T 61 2 4782 2587

**BLUE MOUNTAINS VILLAGES LTD**  
**ABN 97 000 662 359**

**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Revenue		744,369	759,221
Employee benefits expense		(8,673)	(8,296)
Depreciation and amortisation expenses		(119,733)	(88,425)
Finance costs		(13,770)	(12,467)
Other expenses		<u>(522,737)</u>	<u>(444,794)</u>
<b>Surplus/(deficit) before income tax</b>		79,456	205,239
Income tax expense		<u>-</u>	<u>-</u>
<b>Surplus/(deficit) for the year</b>		<u><u>79,456</u></u>	<u><u>205,239</u></u>

**BLUE MOUNTAINS VILLAGES LTD**  
**ABN 97 000 662 359**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>Surplus/(deficit) for the year</b>		79,456	205,239
<b>Other comprehensive surplus/(deficit):</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Revaluation decrement	9(b)	<u>(73,089)</u>	<u>-</u>
<b>Total other comprehensive surplus/(deficit) for the year</b>		<u>(73,089)</u>	<u>-</u>
<b>Total comprehensive surplus/(deficit) for the year</b>		<u><b>6,367</b></u>	<u><b>205,239</b></u>
Total comprehensive surplus/(deficit) attributable to member of the company		<u><u>6,367</u></u>	<u><u>205,239</u></u>

**BLUE MOUNTAINS VILLAGES LTD**  
**ABN 97 000 662 359**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	6,014,832	7,247,292
Trade and other receivables	3	5,511	3,066
Other assets	4	12,603	23,134
<b>TOTAL CURRENT ASSETS</b>		<u>6,032,946</u>	<u>7,273,492</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	14,174,066	12,344,494
Other non-current assets	4	140,120	135,375
<b>TOTAL NON-CURRENT ASSETS</b>		<u>14,314,186</u>	<u>12,479,869</u>
<b>TOTAL ASSETS</b>		<u><u>20,347,132</u></u>	<u><u>19,753,361</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	33,432	16,555
Other financial liabilities	7	7,390,161	6,832,301
Provisions	8	44,396	43,953
<b>TOTAL CURRENT LIABILITIES</b>		<u>7,467,989</u>	<u>6,892,809</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	8	17,604	5,381
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>17,604</u>	<u>5,381</u>
<b>TOTAL LIABILITIES</b>		<u><u>7,485,593</u></u>	<u><u>6,898,190</u></u>
<b>NET ASSETS</b>		<u><u>12,861,539</u></u>	<u><u>12,855,171</u></u>
<b>EQUITY</b>			
Reserves	9	7,134,370	7,207,458
Retained earnings		5,727,169	5,647,713
<b>TOTAL EQUITY</b>		<u><u>12,861,539</u></u>	<u><u>12,855,171</u></u>

**BLUE MOUNTAINS VILLAGES LTD**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Retained Earnings \$	Capital revaluation reserve \$	Total \$
<b>Balance at 1 July 2020</b>	5,442,474	7,207,458	12,649,932
<b>Comprehensive surplus/(deficit)</b> Surplus/(deficit) for the year	205,239	-	205,239
<b>Total comprehensive surplus/(deficit)</b> <b>for the year attributable to the member</b> <b>of the company</b>	<u>205,239</u>	<u>-</u>	<u>205,239</u>
<b>Balance at 30 June 2021</b>	<u>5,647,713</u>	<u>7,207,458</u>	<u>12,855,171</u>
<b>Balance at 1 July 2021</b>	5,647,713	7,207,458	12,855,171
<b>Comprehensive surplus/(deficit)</b> Surplus/(deficit) for the year	79,456	-	79,456
Other comprehensive income for the year	-	(73,089)	(73,089)
<b>Total comprehensive surplus/(deficit)</b> <b>for the year attributable to the member</b> <b>of the company</b>	<u>79,456</u>	<u>(73,089)</u>	<u>6,367</u>
<b>Balance at 30 June 2022</b>	<u><u>5,727,169</u></u>	<u><u>7,134,370</u></u>	<u><u>12,861,539</u></u>

The accompanying notes form part of these financial statements.



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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from residents		415,316	410,101
Payments to suppliers and employees		(619,278)	(532,022)
Interest received		35,693	97,429
Net rent received		41,340	20,740
<b>Net cash provided by (used in) operating activities</b>	<b>10(b)</b>	<b>(126,929)</b>	<b>(3,752)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(1,923,632)	(148,431)
<b>Net cash provided by (used in) investing activities</b>		<b>(1,923,632)</b>	<b>(148,431)</b>
<b>Cash flows from financing activities</b>			
Proceeds from interest free loans and holding deposits		1,210,000	791,000
Repayment of interest free loans and holding deposits		(391,900)	(861,600)
<b>Net cash provided by (used in) financing activities</b>		<b>818,100</b>	<b>(70,600)</b>
Net increase (decrease) in cash held		(1,232,461)	(222,783)
Cash and cash equivalents at beginning of financial year		7,247,293	7,470,076
Cash and cash equivalents at end of financial year	<b>10(a)</b>	<b>6,014,832</b>	<b>7,247,293</b>

**BLUE MOUNTAINS VILLAGES LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

The financial statements cover Blue Mountains Villages Ltd as an individual entity, incorporated and domiciled in Australia. Blue Mountains Villages Ltd is a not-for-profit company limited by guarantee.

The financial statements were authorised for issue on 17 August 2022 by the directors of the company.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

**Accounting Policies**

**a. Revenue**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Revenue is recognised when the business is entitled to it.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax.

**b. Property, Plant and Equipment**

**Plant and equipment**

Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis or diminishing value basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Plant and equipment	5% – 50%
Furniture	5% – 25%
Motor Vehicles	12.5%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

c. **Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

*Fair value* is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**Classification and subsequent measurement**

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) *Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses 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 reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All other available-for-sale financial assets are classified as current assets.

(v) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

**Impairment**

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

d. **Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited 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 same class of asset.

**e. Employee Provisions**

**Short-term employee benefits**

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of accounts payable and other payables in the statement of financial position.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

**Long-term employee benefits**

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits.

**f. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**g. Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from residents, donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**h. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

i. **Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

j. **Comparative Figures**

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

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements must be presented.

k. **Accounts Payable and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

l. **Critical Accounting Estimates and Judgments**

The directors 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 company.

**Key estimates**

(i) *Impairment*

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative

**BLUE MOUNTAINS VILLAGES LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
<b>2. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	200	200
Term deposits	5,405,947	6,778,111
General account	349,539	264,484
Maintenance account	7,740	17,780
Business cash reserve	247,053	183,373
Cash reserve fund raising	2,817	3,344
Business one	1,536	-
	<u>6,014,832</u>	<u>7,247,292</u>
<b>3. TRADE AND OTHER RECEIVABLES</b>		
<b>CURRENT</b>		
Sundry debtors	-	580
Goods and services tax	5,511	2,486
	<u>5,511</u>	<u>3,066</u>
<b>4. OTHER ASSETS</b>		
<b>CURRENT</b>		
Accrued income	<u>12,603</u>	<u>23,134</u>
<b>NON-CURRENT</b>		
Asset under construction	<u>140,120</u>	<u>135,375</u>
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
Retirement units at valuation	<u>11,210,000</u>	<u>11,210,000</u>
Property 6 Queens Rd Katoomba, at valuation	<u>220,000</u>	<u>220,000</u>
Property 8 Queens Rd Katoomba, at valuation	<u>200,000</u>	<u>200,000</u>
Total land and buildings	<u>11,630,000</u>	<u>11,630,000</u>
Properties, at valuation	<u>2,265,000</u>	<u>525,000</u>
Property improvement at cost	<u>233,263</u>	<u>129,490</u>
Plant and equipment at cost	168,159	169,857
Less accumulated depreciation	<u>(148,653)</u>	<u>(142,600)</u>
	<u>19,506</u>	<u>27,257</u>
Furniture at cost	94,272	95,736
Less accumulated depreciation	<u>(86,931)</u>	<u>(86,179)</u>
	<u>7,341</u>	<u>9,557</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Motor vehicle at cost	33,873	33,873
Less accumulated amortisation	<u>(14,917)</u>	<u>(10,683)</u>
	<u>18,956</u>	<u>23,190</u>
Total plant and equipment	<u>2,544,066</u>	<u>714,494</u>
<b>Total property, plant and equipment</b>	<u>14,174,066</u>	<u>12,344,494</u>
<b>6. TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Sundry creditors	24,657	9,309
PAYG withholding taxes payable	<u>8,775</u>	<u>7,246</u>
	<u>33,432</u>	<u>16,555</u>
<b>7. OTHER FINANCIAL LIABILITIES</b>		
<b>CURRENT</b>		
Levies in advance	16,333	11,466
Interest free loans and holding deposits	<u>7,373,828</u>	<u>6,820,835</u>
	<u>7,390,161</u>	<u>6,832,301</u>
<b>8. PROVISIONS</b>		
<b>CURRENT</b>		
Provision for holiday pay	25,370	25,032
Provision for long service leave	<u>19,026</u>	<u>18,921</u>
	<u>44,396</u>	<u>43,953</u>
<b>NON-CURRENT</b>		
Provision for long service leave	<u>17,604</u>	<u>5,381</u>
<b>9. RESERVES</b>		
<b>(a) Capital Revaluation Reserve</b>		
The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from this reserve.		
<b>(b) Analysis of Items of Other Comprehensive Income by Each Class of Reserve:</b>		
<b>Capital revaluation reserve</b>		
Revaluation decrement	<u>(73,089)</u>	<u>-</u>
Movement in capital revaluation reserve	<u>(73,089)</u>	<u>-</u>
Total other comprehensive income for the year	<u>(73,089)</u>	<u>-</u>

**BLUE MOUNTAINS VILLAGES LTD**  
**ABN 97 000 662 359**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>10. CASH FLOW INFORMATION</b>		
<b>(a) Reconciliation of cash</b>		
Cash at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash	200	200
Cash at Bank	608,685	468,982
Term deposits	5,405,947	6,778,111
	<u>6,014,832</u>	<u>7,247,293</u>
<b>(b) Reconciliation of cash flow from operations with surplus/(deficit) after income tax</b>		
Surplus/(deficit) after income tax	79,456	205,239
Non-cash flows in profit:		
Depreciation	16,221	17,144
Discount on interest free loans	(264,107)	(258,552)
Provision for employee entitlements	12,666	5,822
Gain on sale of property, plant and equipment	5	-
Changes in assets and liabilities:		
(Increase)/Decrease in debtors	(2,446)	742
(Increase)/Decrease in accrued income	10,531	26,320
Increase/(Decrease) in creditors and accruals	16,878	(1,007)
Increase/(Decrease) in levies in advance	3,867	540
<b>Net cash provided by (used in) operating activities</b>	<u>(126,929)</u>	<u>(3,752)</u>

## **BLUE MOUNTAINS VILLAGES LTD**

**ABN 97 000 662 359**

### **DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Blue Mountains Villages Ltd, the directors declare that:

1. The financial statements and notes, as set out on pages 4 to 17, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
  - a. comply with the Australian Accounting Standards applicable to the company; and
  - b. give a true and fair view of the financial position of the company as at 30 June 2022 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

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Alexis Viles (Chairperson)

Dated: 17<sup>th</sup> August 2022

## Independent Auditor's Report

### To the members of Blue Mountains Villages Limited

#### Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Blue Mountains Villages Limited, which comprises the statement of financial position as at 30 June 2022, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors declaration declaration.

#### *Directors' Responsibility 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* (ACNC Act) and the needs of the members. The director's responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### *Independence*

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board and the *Australian Charities and Not-for-Profits Commission Act 2012*.

#### *Opinion*

In our opinion, the financial report of Blue Mountains Villages Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a. Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance and cash flows for the year ended on that date; and
- b. Complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

#### *Basis of Accounting*

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to fulfil the directors' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose.

#### **Trumans Chartered Accountants**

**Peter Bray**  
**Partner**  
**Dated:**

#### **Chatswood Office:**

Suite 302, 12 Help Street Chatswood NSW 2067 Australia  
PO Box 5485 West Chatswood NSW 1515 Australia  
T 61 2 9410 6999

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PO Box 670 Katoomba NSW 2780 Australia  
T 61 2 4782 2587

**BLUE MOUNTAINS VILLAGES LTD**  
**ABN 97 000 662 359**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>INCOME</b>			
Loss on sale of non-current assets		(5)	-
Membership fees		74	80
Net garden fundraising		43	1,347
Interest received		25,162	71,109
Other revenue		9,028	10,269
Deferred management fees		264,107	258,552
Maintenance account income		404,615	397,124
Net rent received		41,340	20,740
		744,364	759,221
<b>LESS EXPENDITURE</b>			
Accounting and bookkeeping		3,087	2,099
Advertising		415	-
Application fees		-	800
Audit fees		13,770	12,075
Bank charges		171	159
Cleaning		7,139	4,723
Computer expenses		708	1,572
Credit card payments		108	-
Depreciation		16,221	17,144
Electricity and gas		103,512	71,281
Fringe benefits tax		5,064	5,064
Furn & Equip (<\$300)		199	343
Garbage removal		8,673	8,296
Gardens and grounds		83,337	81,191
Insurance		62,540	22,025
Management		197,207	170,905
Maintenance		64,837	76,963
Motor vehicle expenses		7,636	6,656
Printing, postage and stationery		2,659	1,783
Provision for annual leave		338	761
Provision for long service leave		12,328	5,060
Pest control		1,581	855
Vitalcare equipment and fees		97	-
Rates and taxes		25,886	14,582
Repairs and maintenance		33,877	30,597
Staff training and welfare		9,007	9,984
Telephone		3,281	3,664
Petty cash expenses		230	-
Valuation fees		1,000	5,400
		664,908	553,982
<b>NET OPERATING PROFIT</b>		79,456	205,239
Retained Profits at the beginning of the financial year		5,647,713	5,442,474
<b>TOTAL AVAILABLE FOR APPROPRIATION</b>		5,727,169	5,647,713
<b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>		<b>5,727,169</b>	<b>5,647,713</b>

The accompanying notes form part of these financial statements.