

[www.retirementvillages.govt.nz](http://www.retirementvillages.govt.nz) | 0800 268 269

Email your completed form to: [retirementvillages@companies.govt.nz](mailto:retirementvillages@companies.govt.nz)

or post to: Registrar of Retirement Villages, Private Bag 92061, Victoria Street West, Auckland 1142

## Annual return and certificate of registered documents

Sections 13(2) and 16, Retirement Villages Act 2003

**Name of village**

**Registration number**

### Part 1 — Retirement village details

1. Street address of village

2. Address of registered office of village

*This address must be a physical address in New Zealand and must not be a post office box or private bag address*

3. Address for service of village

*This address must be a physical address in New Zealand and must not be a post office box or private bag address*

4. Postal address of village

5. Email address for village

6. Telephone number for village

7. Fax number for village (optional)

**Name of village****Registration number**

## Part 2 — Operator details

**NOTE** — Where there is more than one operator continue on a separate sheet and attach all pages to this annual return.

1. Name of operator

2. Company or other registration number (if any)

3. New Zealand Business Number (if any)

4. Nature of operator e.g. company, natural person

5. Address of registered office of operator

This address must be a physical address in New Zealand and must not be a post office box or private bag address

6. Address for service of operator

This address must be a physical address in New Zealand and must not be a post office box or private bag address

7. Postal address of operator to which communications from the Registrar may be sent

8. Email address of operator

9. Telephone number of operator

10. Fax number of operator (optional)

Name of village

Registration number

[Empty text box for Name of village]

[Empty text box for Registration number]

### Part 3 — Certificate of registered documents

Section 13(1) of the Retirement Villages Act 2003 requires the annual return for the village to be signed by the operator or by a solicitor or qualified statutory accountant (within the meaning of section 5(1) of the Financial Reporting Act 2013).

I,

(Insert name of operator)

certify that

for:

(Insert name of the retirement village)

Each registered document is correct, current, and not likely to mislead or deceive any resident, intending resident, or the public.

Documents to update the registered information are attached to the annual return form.  
A change of circumstances form (RV3) must be completed for material changes including changes to —

- retirement village name
- operator details
- registered document details
- land details
- change of statutory supervisor, and
- any other material changes.

Signed:



.....

Name of signatory:

Dated:

**Name of village**

**Registration number**



**Part 4 — Checklist**

To speed up registration, use this checklist to ensure you have included all of the information required.

Have you completed?

- Parts 1, 2 and 3 and have you signed the form (attach extra pages if applicable)

Have you attached?

- A copy of the audited financial statements that comply with section 35B of the Retirement Villages Act 2003 (the Act) or, as referred to in section 35F of the Act, the audited financial statements that comply with subpart 3 of Part 7 of the Financial Markets Conduct Act 2013 or section 55 of the Financial Reporting Act 2013; **and**
- A copy of the audited financial statements which comply with section 35C of the Retirement Villages Act 2003 (where applicable); **and**
- A copy of the statutory supervisor’s certification addressed to the Registrar (where applicable); **and**
- The documents supporting any information on the register that has changed (where applicable)

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**Contact details of person completing this form**

Name:	
Address:	Email address: <span style="background-color: black; color: black;">[REDACTED]</span>
	Telephone number: <span style="background-color: black; color: black;">[REDACTED]</span>
	Fax number (optional):

11 September 2024

The Registrar of Retirement Villages  
c/o Companies Office  
Ministry of Economic Development  
Private Bag 92061  
Victoria Street West  
**Auckland 1142**

## **Report of Statutory Supervisor in respect of Ranfurly Village ("Village")**

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We confirm that we act as statutory supervisor of the Village.

The terms of our appointment as statutory supervisor are recorded in a Deed of Supervision with the operator of the Village, being Ranfurly Village Limited ("Operator"), dated 29 May 2013 and the Retirement Villages Act 2003 ("Act").

This report accompanies the Operator's 2024 annual return ("Annual Return") and has been prepared by us in accordance with sections 13(3) (c) and 42(c) of the Act for the period the subject of the Annual Return only.

In terms of section 13(3)(c) of the Act, we certify that:

1. The Operator has supplied to us a copy of the Operator's audited financial statements for the year ended 31 March 2024. The financial statements of the Operator are the financial statements of the Village.
2. The information contained in the Annual Return is, to the best of our knowledge and belief, accurate.

In terms of section 42(c) of the Act, we report as follows:

1. We have at all times performed our duties and discharged our obligations as statutory supervisor of the Village. In particular, we have:
  - (a) provided and maintained a stakeholder facility for all resident moneys and this facility has been subject to external audit;
  - (b) monitored the financial position of the Village;
  - (c) has reported to the residents on the performance of our duties and the exercise of our powers; and
  - (d) discharged all other duties imposed on us by the Act, the regulations made under the Act and the Deed of Supervision.
2. The Operator has complied with all covenants, in particular all financial obligations and reporting requirements, contained in the Deed of Supervision.
3. We have reviewed all scheduled reports from the Operator for the year ended 31 March 2024.
4. All occupation right agreements issued or terminated during the year ended 31 March 2024 were dealt with in accordance with the relevant provisions of the Act and Deed of Supervision.

5. We have not exercised any of the powers conferred on us as statutory supervisor of the Village pursuant to section 43 of the Act.

Our certification and report have been provided on the basis that, subject to the duties imposed on us as statutory supervisor of the Village by the Act, the regulations made under the Act and the Deed of Supervision, we have relied on the information, explanations and confirmations supplied to us by the Operator and the auditor of the Village and have not carried out an independent check of the same.

Yours faithfully  
for **Covenant Trustee Services Limited:**

A handwritten signature in blue ink, appearing to read 'R McMeekan', with a long horizontal flourish extending to the right.

Raylene McMeekan  
Relationship Manager

**RANFURLY VILLAGE LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2024**

**RANFURLY VILLAGE LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2024**

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**RANFURLY VILLAGE LIMITED**

**DIRECTORY  
FOR THE YEAR ENDED 31 MARCH 2024**

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NATURE OF BUSINESS:	Retirement Village	
DATE OF COMMENCEMENT:	14 December 2006	
SHAREHOLDER:	Parkdale Capital Trust	100%
DIRECTOR:	Graham Wilkinson	
AUDITORS:	Audit Professionals Limited Dunedin	
BANKERS:	ASB Bank Limited Auckland	
STATUTORY SUPERVISOR:	Covenant Trustee Services Limited Auckland	

**RANFURLY VILLAGE LIMITED**

**DIRECTOR'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2024**

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The Director has pleasure in presenting the annual report of Ranfurly Village Limited, incorporating the financial statements and audit report, for the year ended 31 March 2024.

With the unanimous agreement of all shareholders, the Company has taken advantage of the reporting concessions available to it under Section 211(3) of the Companies Act 1993.

The Director of Ranfurly Village Limited authorised the financial statements presented on pages 5 - 23 for issue on 21 June 2024.

For and on behalf of the Board:



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Director  
Graham Wilkinson

**RANFURLY VILLAGE LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 \$	2023 \$
<b>Revenue</b>			
Village contributions		4,969,320	4,761,708
Village fees and services		2,185,651	1,521,960
Rental income	22	618,041	618,041
Dividend revenue		27,726	19,087
Interest revenue		45,233	30,854
Other income		211,805	247,301
<b>Total revenue</b>		<b>8,057,776</b>	<b>7,198,951</b>
Fair value movement of investment property	13	1,249,994	5,052,262
<b>Total income</b>		<b>9,307,770</b>	<b>12,251,213</b>
<b>Expenses</b>			
Operating expenses	6	5,346,099	4,917,730
Depreciation	11	20,053	31,324
Finance costs	7	4,095,732	3,168,147
<b>Total expenses</b>		<b>9,461,884</b>	<b>8,117,201</b>
<b>(Loss)/ Profit before income tax</b>		<b>(154,114)</b>	<b>4,134,012</b>
Income tax expense	8	850,424	-
<b>Net (loss)/ profit for the year - total comprehensive (loss)/income</b>		<b>(1,004,538)</b>	<b>4,134,012</b>

The above statement should be read in conjunction with the accompanying notes.

**RANFURLY VILLAGE LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 \$	2023 \$
<b>Equity at beginning of the financial year</b>		49,766,687	45,632,675
Total comprehensive (loss)/ income		(1,004,538)	4,134,012
<b>Equity at end of the financial year</b>		<b><u>48,762,149</u></b>	<b><u>49,766,687</u></b>
<b>Comprising of:</b>			
<b>Share capital</b>			
Opening balance		-	-
Closing balance	19	<u>-</u>	<u>-</u>
<b>Retained Earnings</b>			
Opening balance		49,509,959	45,325,038
Net (loss)/ profit for the year		(1,004,538)	4,134,012
Net transfer (to)/from maintenance reserve		(142,581)	50,909
Closing balance	20	<u>48,362,840</u>	<u>49,509,959</u>
<b>Maintenance reserve</b>			
Opening balance		256,728	307,637
Net transfer from/(to) retained earnings		142,581	(50,909)
Closing balance	21	<u>399,309</u>	<u>256,728</u>
		<b><u>48,762,149</u></b>	<b><u>49,766,687</u></b>

The above statement should be read in conjunction with the accompanying notes.

**RANFURLY VILLAGE LIMITED**

**BALANCE SHEET  
AS AT 31 MARCH 2024**

	Notes	2024 \$	2023 \$
<b>Assets</b>			
Cash and cash equivalents	9	1,552,534	1,142,880
Trade and other receivables	10	1,161,145	1,660,670
Property, plant and equipment	11	51,340	71,393
Deferred expenses	13	1,531,193	1,492,717
Investment property under construction	12	-	-
Investment property	13	231,100,898	228,507,715
<b>Total assets</b>		<b>235,397,110</b>	<b>232,875,375</b>
<b>Liabilities</b>			
Trade and other payables	14	9,833,415	8,691,946
Deferred revenue	13	10,533,435	10,239,329
Obligations to residents	15	115,587,442	109,018,624
Bank loans (secured)	16	31,275,444	36,826,159
Lease obligations	17	14,091,656	14,096,010
Loans from related parties	18	4,463,145	4,236,620
Deferred tax liability	8	850,424	-
<b>Total liabilities</b>		<b>186,634,961</b>	<b>183,108,688</b>
<b>Net assets</b>		<b>48,762,149</b>	<b>49,766,687</b>
<b>Equity</b>			
Share capital	19	-	-
Retained earnings	20	48,362,840	49,509,959
Maintenance reserve	21	399,309	256,728
<b>Total equity</b>		<b>48,762,149</b>	<b>49,766,687</b>

Authorised the issue of these financial statements  
on 21 June 2024.



Director  
Graham Wilkinson

The above statement should be read in conjunction with the accompanying notes.

**RANFURLY VILLAGE LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from residents - village tariffs and service fees		2,155,876	1,412,334
Receipts from residents - occupation licences		16,817,500	22,135,000
Rent and other income		834,846	860,342
Interest received		45,233	30,854
Dividends received		24,450	19,087
Payments to suppliers and employees		(4,714,048)	(4,222,425)
Repayments to residents - occupation licences		(3,934,048)	(2,185,500)
Interest paid		(3,867,556)	(2,582,101)
Income tax paid		(7,706)	(2,699)
<b>Net cash flows from operating activities</b>		<b><u>7,354,547</u></b>	<b><u>15,464,892</u></b>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		-	-
Purchase and development of investment property		(1,269,401)	(9,437,496)
Capitalised interest paid		-	(613,226)
<b>Net cash flows to investing activities</b>		<b><u>(1,269,401)</u></b>	<b><u>(10,050,722)</u></b>
<b>Cash flows from financing activities</b>			
Advances from related parties		230,000	360,000
Advances to related parties		(350,423)	(100,000)
Repayment of lease liability		(4,354)	(4,101)
Drawdown of bank loans		3,453,127	12,517,865
Repayment of bank loans		(9,003,842)	(18,213,050)
<b>Net cash flows to financing activities</b>		<b><u>(5,675,492)</u></b>	<b><u>(5,439,286)</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>409,654</b>	<b>(25,116)</b>
Cash and cash equivalents at beginning of financial year		1,142,880	1,167,996
<b>Cash and cash equivalents at end of financial year</b>	<b>9</b>	<b><u><u>1,552,534</u></u></b>	<b><u><u>1,142,880</u></u></b>

The above statement should be read in conjunction with the accompanying notes.

## RANFURLY VILLAGE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 1 General information

Ranfurlly Village Limited (the Company) was formed on 14 December 2006 to construct and lease an aged care facility and construct and operate a retirement village. In the 2012 financial year (on 1 October 2011), the Company acquired a leasehold interest in the land situated at 539 Mt Albert Road, Three Kings, Auckland from The Ranfurlly Veterans' Trust for a term of 100 years. An associated entity, Ranfurlly Village Hospital Limited, operates the aged care business from the 60 bed aged care facility completed in September 2013. The Company is registered under the Retirement Villages Act 2003. The village is complete and consists of the aged care facility with 60 care beds, leased to Ranfurlly Village Hospital Limited, and 193 serviced apartments. Residents of the village are issued with an Occupation Right Agreement and Covenant Trustee Services Limited has been appointed Statutory Supervisor to look after the interests of residents in terms of a Deed of Supervision.

#### 2 Summary of significant accounting policies

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

The financial statements of the Company are for the year ended 31 March 2024 and are approved for issue on 21 June 2024.

##### (a) Basis of preparation

Ranfurlly Village Limited is a Tier 2 for-profit entity under the Financial Reporting Act 2013. The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate for profit-orientated entities.

##### *NZ IFRS - Reduced Disclosure Regime*

The Company has adopted External Reporting Board Standard A1 'Accounting Standards Framework (For-profit Entities Update)' (XRB A1). For the purposes of complying with NZ GAAP, the Company is eligible to apply Tier 2 For-profit Accounting Standards (New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime (NZ IFRS RDR)) on the basis that it does not have public accountability and is not a large for-profit public sector entity. The Company has elected to report in accordance with NZ IFRS RDR and has applied disclosure concessions.

##### *Statutory base*

Ranfurlly Village Limited is a company registered under the Companies Act 1993.

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and the Companies Act 1993.

##### *Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property.

##### *Critical accounting estimates*

The preparation of financial statements in conformity with NZ IFRS RDR 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 5.

##### *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company is New Zealand Dollars.

##### *Balance sheet*

The presentation of the balance sheet is based on order of liquidity.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**(b) Revenue recognition**

Revenue is recognised to the extent that it is probable that future economic benefits will flow to the Company and the amount can be measured reliably.

*(i) Occupation right agreement*

Village contributions are considered operating lease income under NZ IFRS 16. The village contribution accrues during the occupation of the resident and is offset against the obligation to residents and settled on termination of the occupation right agreement. The village contribution legally accrues over a three or four year period, depending on the occupation right agreement, to a maximum of 30% of the residents initial entry price. The village contribution is accrued to the statement of comprehensive income on a straight line basis over the estimated average period of occupancy of eight years. The village contribution differences between the legal entitlement and the average period of occupancy are treated as deferred revenue in the balance sheet.

*(ii) Village tariffs and services fees charged to residents*

Village tariffs are charged to residents for recovering village operating costs. Service fees are charged to residents for the providing of various care and additional services. Village tariffs and service fees are recognised in the accounting period in which the services are rendered at a point in time.

*(iii) Interest received*

Interest received is recognised on a time proportion basis using the effective interest method.

*(iv) Rent income*

Rent income is recognised on an accrual basis in accordance with the substance of the agreement to lease in regards to the aged care facility, and lease of management offices to Generus Living Group Limited.

**(c) Income tax**

Income tax expense for the period comprises current and deferred tax. Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Deferred tax is provided using the comprehensive balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not provided for in respect of non-depreciating assets included within property, plant and equipment and investment properties. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates expected to apply in the period of settlement, based on tax rates enacted or substantively enacted.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred tax assets and liabilities have been offset in accordance with NZ IAS 12 Income Tax.

**(d) Goods and Services Tax (GST)**

The Company is registered for GST. The statement of comprehensive income has been prepared so that all components are stated exclusive of GST. All items in the balance sheet are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

**(e) Leases**

*Leases where the Company is the lessee*

At commencement of the lease, a lease liability is recognised at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the Company's incremental borrowing rate or the interest rate implicit in the lease. A corresponding right of use asset is also recognised at the commencement of the lease.

A lease liability and right of use asset are not recognised for leases for a term of 12 months or less or where the underlying asset is of a low value under the recognition exemptions of NZ IFRS 16. Lease payments associated with these leases are recognised as operating expenses in the statement of comprehensive income as incurred over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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Right of use assets that meet the NZ IAS 40 definition of investment property are classified as investment property, with their movements in fair value recognised in the statement of comprehensive income in accordance with the accounting policy for investment property. All other right of use assets are classified as property, plant and equipment and depreciated at their appropriate depreciation rate. Lease liabilities are disclosed as lease obligations on the balance sheet at their present value.

*Leases where the Company is the lessor*

Leases in which a significant portion of the risk and rewards of ownership are retained by the Company as lessor are classified as operating leases under NZ IFRS 16. Payments received under operating leases are recognised as revenue in the statement of comprehensive income on a straight line basis over the period of the lease.

**(f) Impairment of non-financial assets**

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

**(g) Financial instruments**

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

*(i) Classification*

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through the statement of comprehensive income, and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

*(ii) Recognition and derecognition*

Financial assets are recognised on the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

*(iii) Measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the statement of comprehensive income, transaction costs that are directly attributable to the acquisition of the financial asset.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income and presented in other gains/(losses).

*(iv) Impairment*

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and fair valued through the statement of comprehensive income. For trade receivables, the Company applies the simplified approach permitted by NZ IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

*Cash and cash equivalents*

Cash and cash equivalents include cash on hand and deposits held at call with financial institutions.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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*Trade receivables*

Trade receivables are measured at amortised cost less any impairment. This is equivalent to fair value being the receivable face (or nominal) value, less appropriate provision for doubtful debts, which are recognised in the statement of comprehensive income when there is objective evidence that the receivable is impaired.

*Obligation to residents*

A resident pays an entry price on entry into the village and on being issued an occupation right agreement to occupy one of the Company's retirement units. An equivalent amount is refundable on the termination of the occupation right agreement, subject to a new occupation right agreement being issued. A resident is also charged a village contribution to a maximum of 30% of the entry price, payable on termination of the occupation right agreement. The village contribution portion is recognised as revenue in accordance with the revenue recognition policy in Note 2 (b) above.

As the resident may terminate their occupancy with limited notice, and as the obligation to residents is not interest bearing, it has a demand feature and is therefore carried at face value, which is the original entry price received.

The Company has a legal right to set-off any amounts owing to the Company by a resident against that resident's exit payment. Such amounts include village tariffs outstanding, resident loans and village contributions accrued.

*Trade and other payables*

Trade and other payables are measured at amortised cost. This is equivalent to the face (or nominal) value of payables which is assumed to approximate their fair value.

*Borrowings*

Borrowings are initially recognised at fair value, plus transaction costs incurred. Borrowings are subsequently measured at amortised cost, with any differences from the initial amount recognised and the redemption value being recognised in the statement of comprehensive income using the effective interest rate method.

*Borrowing costs*

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

*Fair value estimation*

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The face (or nominal value) less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The nominal value of other financial assets and liabilities approximate their fair values unless otherwise disclosed.

**(h) Property, plant and equipment**

Property, plant and equipment comprise of plant & equipment, motor vehicles, furniture & fittings and office & computer equipment. All property, plant and equipment are initially stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

## RANFURLY VILLAGE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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Depreciation on other assets is calculated using the diminishing value method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Plant & equipment	10% - 67%
Motor vehicle	30%
Furniture & fittings	13% - 67%
Office equipment	13% - 67%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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 carrying amount. These are included in the statement of comprehensive income.

#### **(i) Investment property under construction**

Investment property under construction comprises land, buildings and associated equipment and furnishings relating to retirement village units and communal facilities being developed to be held for long-term yields and not occupied by the Company. These are carried at cost, where fair value is not reliably determinable until completion. These costs include borrowing costs incurred during development.

Upon completion, investment property under construction will be transferred to investment property at cost.

Investment property under construction is not depreciated.

#### **(j) Investment property**

Investment property comprises land, buildings and associated equipment and furnishings relating to the completed aged care facility, completed retirement village units and communal facilities. Investment properties are held for long-term yields and not occupied by the Company. The fair value is determined annually by a qualified, independent external valuer. Changes in fair values are recorded in the statement of comprehensive income.

Investment property is initially recorded at cost whilst being developed and is included in investment property under construction. On completion, investment property under construction is transferred to investment property at cost.

Investment property is not depreciated in the financial statements.

#### **(k) Employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. The liability for employee entitlements is carried at the present value of the estimated cash flows.

#### **(l) Contributed equity**

Ordinary shares are classified as equity.

#### **(m) Statement of cash flows**

Cash comprises cash at bank, cash on hand and call deposit facilities. Operating activities represent all transactions and other events that are not investing or financing activities, and includes receipts and repayments of occupancy advances. Investing activities are those activities relating to the acquisition and disposal of investments and any other property, plant and equipment or investment properties. Financing activities are those activities relating to changes in the equity and debt capital structure of the Company.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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**(n) Changes in accounting policies**

There have been no changes to accounting policies during the year.

**3 New accounting standards and interpretations adopted during the year**

There were no new accounting standards adopted during the year that significantly impact the Company.

**4 Financial risk management**

***Cash flow and fair value interest rate risk***

As the Company has no significant interest bearing assets, the Company's income and operating cash in flows are not substantially impacted by changes in market interest rates.

The Company's interest rate risk arises from long term borrowings. Borrowings at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. At balance date, borrowing arrangements exposing the Company to interest rate risk are the loans from ASB Bank Limited.

**5 Critical accounting estimates, assumptions and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**(a) Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements relate to the fair value of investment property, deferred revenue and taxation.

*(i) Fair value of investment property*

The fair value of investment property is determined by an independent qualified valuer using assumptions relating to future cash flows arising from the investment property and assumptions relating to future growth rates of retirement village unit prices, the average duration of residency of occupants and appropriate discount rates. The fair value of investment properties is subjective and changes to the assumptions will have a significant impact on profit and the fair value. Deferred revenue is described in Note 2 (b).

*(ii) Taxation*

Income tax and deferred tax have been calculated on the assumption that there will be no change in tax law or circumstances of the Company.

**(b) Critical judgements in applying the entity's accounting policies**

*Revenue recognition*

Village contributions are recognised as revenue on a straight-line basis. This requires management to estimate the period of occupancy for units and serviced apartments. Management estimates are based on industry benchmarks.

**RANFURLY VILLAGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

<b>6 Operating expenses</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Employee benefits	1,573,183	1,256,613
Auditors' remuneration - audit fees	18,500	18,000
Rent - The Ranfurly Veterans' Trust (refer Note 25(c))	854,079	880,125
Other operating expenses	2,900,337	2,762,992
	<b>5,346,099</b>	<b>4,917,730</b>
<b>7 Finance costs</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Total interest cost on bank loans and finance related costs	2,903,138	2,693,598
Total interest cost on related party loans	346,948	206,670
Total interest cost on lease liabilities	845,646	845,895
Amount of interest capitalised to investment property under construction	-	(578,016)
	<b>4,095,732</b>	<b>3,168,147</b>
<b>8 Income tax</b>		
<b>(a) Income tax expense</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Current tax expense	-	-
Deferred tax expense	850,424	-
	<b>850,424</b>	<b>-</b>
<b>Reconciliation of income tax expense to prima facie tax payable:</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
(Loss)/ Profit before income tax expense	(154,114)	4,134,012
Income tax at 28%	(43,152)	1,157,523
<i>Less taxation effect of:</i>		
Permanent and other differences	(388,633)	(1,615,819)
Benefit of tax losses recognised	(126,123)	(71,045)
Benefit of losses transferred to other group entities	1,408,332	529,341
	<b>850,424</b>	<b>-</b>

The Company has tax losses carried forward and available for offset against future taxable income of \$23,653,145 (2023: \$21,317,422). The benefit of these tax losses has been recognised in the tax calculations above, to the extent to which they reduce any deferred tax liability. A potential tax benefit of \$nil (2023: \$126,123) relating to income tax losses has not been recognised.

The Company is a qualifying company in accordance with Section HA on the Income Tax Act 2007.

**RANFURLY VILLAGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

<b>(b) Deferred income tax</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Opening balance	-	-
Deferred tax credit for the year	850,424	-
Closing balance	<b>850,424</b>	<b>-</b>
<i>Deferred income tax relates to the following:</i>		
Employee related benefits	(50,495)	(40,557)
Deferred revenue / deferred expenses	(2,520,628)	(2,449,051)
Investment property depreciation	10,045,454	8,333,455
Other	(1,026)	(1,092)
Benefit of tax losses recognised above	(6,622,881)	(5,842,755)
<b>Total deferred tax liability</b>	<b>850,424</b>	<b>-</b>
<b>(c) Imputation credit account</b>		
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Closing balance	17,048	12,510
<b>9 Cash and cash equivalents</b>		
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	1,153,225	673,255
Cash and cash equivalents - restricted - Maintenance Reserve	399,309	256,728
Cash and cash equivalents - restricted - Contractor Retentions	-	212,897
	<b>1,552,534</b>	<b>1,142,880</b>

An amount of \$399,309 (2023: \$256,728) is held in a separate bank account and 10% of residents' village tariffs are transferred into this account. In terms of the Retirement Village Code of Practice the bank account is restricted to be used for the future maintenance, renovation and replacement of village property (refer Note 21).

To comply with the amendments to the Construction Contracts Act 2002, the Company has placed \$nil (2023: \$212,897) of funds in a restricted account with Bank of New Zealand, to cover contractor retentions.

<b>10 Trade and other receivables</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	10,414	159,238
Receivables from related parties (refer Note 22)	124,382	121,119
Receivables from residents	856,533	1,257,299
Income tax refund due	7,706	4,240
Loans to residents	60,663	47,941
Prepayments and other receivables	101,447	70,833
	<b>1,161,145</b>	<b>1,660,670</b>

RANFURLY VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

11 Property, plant and equipment	Plant & Equipment at cost	Motor Vehicle at cost	Furniture & Fittings at cost	Office Equipment at cost	Total \$
<b>31 March 2024</b>					
<b>Gross carrying amount</b>					
Opening balance	51,001	114,090	138,984	120,428	424,503
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Closing balance	51,001	114,090	138,984	120,428	424,503
<b>Accumulated depreciation</b>					
Opening balance	40,925	92,271	113,504	106,410	353,110
Current year depreciation	1,763	6,546	5,067	6,677	20,053
Disposals	-	-	-	-	-
Closing balance	42,688	98,817	118,571	113,087	373,163
<b>Closing book value</b>	<b>8,313</b>	<b>15,273</b>	<b>20,413</b>	<b>7,341</b>	<b>51,340</b>
<b>31 March 2023</b>					
<b>Gross carrying amount</b>					
Opening balance	51,001	114,090	138,984	120,428	424,503
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Closing balance	51,001	114,090	138,984	120,428	424,503
<b>Accumulated depreciation</b>					
Opening balance	38,598	82,921	107,058	93,209	321,786
Current year depreciation	2,327	9,350	6,446	13,201	31,324
Disposals	-	-	-	-	-
Closing balance	40,925	92,271	113,504	106,410	353,110
<b>Closing book value</b>	<b>10,076</b>	<b>21,819</b>	<b>25,480</b>	<b>14,018</b>	<b>71,393</b>
<b>12 Investment property under construction</b>				<b>2024</b>	<b>2023</b>
				<b>\$</b>	<b>\$</b>
<b>Gross carrying amount</b>					
Opening balance				-	20,265,091
Additions during the year				-	8,431,676
Transfer to investment property				-	(28,696,767)
<b>Closing balance</b>				<b>-</b>	<b>-</b>

Investment property under construction is recorded at cost and includes the cost of land, buildings, communal facilities and related assets under development. Interest of \$nil (2023: \$578,016) has been capitalised during the period of development in the current year. Investment property under construction is not depreciated.

The Company has been developing a retirement village in Three Kings, Auckland. Resource consent has been granted for 193 retirement village units. As at 31 March 2024, all 193 apartments are completed (2023: 193).

## RANFURLY VILLAGE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

13 Investment property	2024	2023
	\$	\$
<b>At fair value</b>		
Opening balance	228,507,715	194,355,507
Transfer from investment property under construction	-	28,696,767
Additions to completed investment property	1,348,572	406,447
Disposals from completed investment property	(5,383)	(3,268)
Fair value movement	1,249,994	5,052,262
<b>Closing balance</b>	<b>231,100,898</b>	<b>228,507,715</b>

A reconciliation between the valuation amount and the amount recognised on the balance sheet as investment property is as follows:

	2024	2023
	\$	\$
Completed investment property at fair value	87,598,933	92,419,458
Add lease obligations (refer Note 17)	14,091,656	14,096,010
Add refundable obligations to residents (refer Note 15)	115,587,442	109,018,624
Add deferred revenue	10,533,435	10,239,329
Add occupation licence rent payable	4,820,625	4,227,011
Less deferred expenses	(1,531,193)	(1,492,717)
Net occupation licence rent payable	3,289,432	2,734,294
<b>Closing balance</b>	<b>231,100,898</b>	<b>228,507,715</b>

Investment property comprises land, buildings and associated equipment and furnishings relating to the completed aged care facility which is leased to Ranfurly Village Hospital Limited, a related party, and completed retirement units.

As at 31 March 2024, 193 units are completed (2023: 193 units).

Investment properties are not depreciated and are fair valued.

Deferred revenue and net occupancy licence rent payable have been added as a component of the investment property value to recognise that they have previously been deducted by the valuer in arriving at the fair value of the investment property.

Deferred expenses relate to the difference between the legal entitlement and the average period of occupancy on the up to 4% of the entry price payable as occupation licence rent for the premises (refer note 25(c)).

The carrying value of completed investment property is the fair value as determined by independent valuation reports prepared by registered valuers CBRE Limited, as at 31 March 2024. The aged care facility valuation uses discounted future cash flows based on an operator of average efficiency to determine a market rental, and then adds the assessed market rental for the management offices used by Generus Living Group Limited. The total assessed market rental is then capitalised at a leasehold return rate of 7.75% (2023: 7.50%) to determine the fair value of the aged care facility. The retirement units valuation combines discounted future cash flows and occupancy advances received from residents in respect of practically complete retirement village units for which there is an unconditional occupation right agreement. Completed units for which there is no unconditional occupation right agreement are also fair valued. Significant assumptions used by the valuer include long term house price inflation (which ranges from 1.0% - 3.5% nominal (2023: 0.0% - 3.5%)), a discount rate (13.25% (2023: 13.25%)), and an estimated average period of occupancy.

## RANFURLY VILLAGE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

CBRE comments in their valuation report that there still remains a degree of economic uncertainty during current inflationary and volatile periods in local and global markets. Past experience has shown that consumer and investor behaviour can change rapidly in such periods, with a possibility of a softening in values. Further, CBRE continues to recommend that their valuation is reviewed periodically.

<b>14 Trade and other payables</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Trade & other payables	6,312,799	5,693,861
GST Payable	2,971,939	2,549,941
Employee entitlements	246,759	208,600
Income invoiced in advance	193,094	175,963
Owing to related parties (refer Note 22)	108,824	63,581
	<b>9,833,415</b>	<b>8,691,946</b>

Trade & other payables includes \$4,820,625 (2023: \$4,227,011) which is occupation licence rent that is repayable only on future termination of the occupation right agreements. All other trade payables are current liabilities and are typically paid within 30 days of invoice date or 20th of the month following invoice date.

<b>15 Obligations to residents</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Gross obligations to residents	151,701,196	140,610,347
Less village contribution accrued	(36,113,754)	(31,591,723)
	<b>115,587,442</b>	<b>109,018,624</b>

Obligations to residents are non-interest bearing. Residents' interests are secured by a first charge in favour of the Statutory Supervisor, Covenant Trustee Services Limited, over the land and buildings owned by the Company. A resident pays an entry price upon entry into the village and is issued an occupation right agreement, which is refundable (less any amounts owing to the Company) on termination of the occupation right agreement (subject to a new occupation right agreement for the unit being issued to an incoming resident).

Of the \$115,587,442 (2023: \$109,018,624) of obligations to residents, \$5,777,000 (2023: \$7,253,900) is expected to be a current liability and \$109,810,442 (2023: \$101,764,724) a non current liability.

<b>16 Bank loans (secured)</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Bank loans (secured)	31,275,444	36,826,159
Repayable		
Less than 1 year	-	36,826,159
Within 1 - 2 years	31,275,444	-
	<b>31,275,444</b>	<b>36,826,159</b>

	<b>2024</b>	<b>2023</b>
	<b>%</b>	<b>%</b>
Interest rates - per annum		
ASB development loans	7.59 - 7.63%	6.79 - 7.10%
ASB revolving credit loan	-	6.55 - 6.77%

The bank loans are owing to ASB Bank Limited (ASB) and are secured by a General Security Deed over all present and after-acquired property of the Company and Ranfurly Village Hospital Limited, a registered second ranking all obligations mortgage over the leasehold title at 539 Mt Albert Road, Auckland, and an unlimited all obligations guarantee and indemnity from the Director, Graham Wilkinson.

## RANFURLY VILLAGE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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The loan facilities total \$37,000,000 (2023: \$42,750,000), all of which is a development facility (2023: development facility \$23,000,000, core facility \$19,000,000, overdraft facility \$750,000). The development facility is repayable from the proceeds received from the issue of occupation right agreements and this facility matures on 27 November 2025.

The ASB facilities contain various financial covenants including that the bank borrowings in respect of the development facility not exceed 60% of a registered valuation of the land and improvements. There were no breaches of the covenants during the year.

#### 17 Leases

The balance sheet includes the following amounts relating to leases:

	2024	2023
<b>Lease obligations</b>	<b>\$</b>	<b>\$</b>
Current	823,004	823,004
Non-current	13,268,652	13,273,006
	<u>14,091,656</u>	<u>14,096,010</u>

Interest costs of \$nil relating to leases have been capitalised to investment property under development in the year ended 31 March 2024 (2023: \$55,958).

The statement of comprehensive income includes the following amounts relating to leases:

	2024	2023
	<b>\$</b>	<b>\$</b>
Interest expense	845,646	789,937

The total cash outflow for leases in the year ended 31 March 2024 was \$850,000 (2023: \$850,000).

The Company has an existing lease for land situated at 539 Mt Albert Road, Three Kings, Auckland, with The Ranfurly Veterans' Trust. The lease is for a period of 100 years and commenced in October 2011. The lease instrument was determined to contain a lease under NZ IFRS 16.

The Company's current lease obligations are \$850,000 per annum. The Company has applied a discount rate of 6%, being the lessee's incremental borrowing rate, to calculate the present value of the future lease payments on adoption of NZ IFRS 16.

The Company is exposed to potential future increases in variable lease payments based on index or rate, which are not included in the lease liability until they take effect. These potential future increases relate to rental reviews, which occur every seven years, with the next review being October 2025. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured by discounting the revised lease payments.

The right of use asset recognised in respect of the land lease meets the definition of investment property under NZ IAS 40 and therefore is classified as investment property in accordance with the leases accounting policy. The right of use asset was initially recorded as additions to investment property and investment property under development totalling \$14,039,492 in the 2020 year.

**RANFURLY VILLAGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

<b>18 Loans from related parties</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Generus Living Group Limited	2,696,729	2,487,158
Ranfurlly Village Hospital Limited	1,766,416	1,749,462
	<u><b>4,463,145</b></u>	<u><b>4,236,620</b></u>

The amounts owing to Generus Living Group Limited and Ranfurlly Village Hospital Limited, companies for which Graham Wilkinson is the director, are unsecured. Interest has been charged at the Inland Revenue Department FBT prescribed interest rate of 7.89% - 8.41% per annum (2023: 4.50% - 6.71%) on the loans, and there are no fixed terms of repayment.

<b>19 Share capital</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Opening balance	-	-
Closing balance	<u>-</u>	<u>-</u>

On incorporation, 100 ordinary shares were issued to Parkdale Capital Trust. No consideration has been paid for these shares.

All shares have equal voting rights.

<b>20 Retained earnings</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Opening balance	49,509,959	45,325,038
Net (loss)/profit for the year	(1,004,538)	4,134,012
Net transfer (to)/from maintenance reserve	(142,581)	50,909
Closing balance	<u><b>48,362,840</b></u>	<u><b>49,509,959</b></u>

<b>21 Maintenance reserve</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Opening balance	256,728	307,637
Net transfer from/(to) retained earnings		
10% of base village tariff	136,585	93,960
Interest received in maintenance reserve bank account	11,332	5,873
Maintenance reserve expenditure incurred	(5,336)	(150,742)
	<u>142,581</u>	<u>(50,909)</u>
Closing balance	<u><b>399,309</b></u>	<u><b>256,728</b></u>

A maintenance reserve is maintained based on 10% of residents' village tariffs. The amount is supported by an equivalent amount in a separate bank account (see Note 9) which is restricted to be used for the future maintenance, renovation and replacement of village property.

## RANFURLY VILLAGE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 22 Related party transactions

The shareholder of the Company is Parkdale Capital Trust. Transactions involving the shareholders or companies related to the shareholders, are as follows:

	2024	2023
	\$	\$
<b>Ranfurly Village Hospital Limited</b>		
Rental income	(575,000)	(575,000)
Other income	(161,495)	(184,991)
Advances from Ranfurly Village Hospital Limited (see Note 18)	(230,000)	(360,000)
Advances to Ranfurly Village Hospital Limited (see Note 18)	350,423	100,000
Interest expense on advance (see note 7)	137,377	81,779
<b>Generus Living Group Limited</b>		
Rental income	(43,041)	(43,041)
Management fees	415,200	165,000
Project management fees	-	150,824
Recharge of capital items	925	21,268
Sales & Marketing and legal staff recharges	46,483	91,128
Interest expense on advance (see Note 7)	209,571	124,891
<b>The Foundation Village Partnership</b>		
Sales & Marketing staff recharges	(158,985)	(54,075)
Operating expense recharges	-	(1,925)
<b>The Russley Village Limited</b>		
Operating expense recharges	-	353

Rental income is the market rental as determined by registered valuers, CBRE Limited on an annual basis.

Project management costs are included in investment property under construction.

Included in other income are recovery of expenses from Ranfurly Village Hospital Limited, a company in which Graham Wilkinson is the director, include the recharging of salary and utility, rates and telephone costs which relate to the aged care facility operation.

Other related party transactions include recharges from Beswick Holdings Limited and Generus Living Group Limited, companies of which Graham Wilkinson is a director. These recharges are generally for items such as travel and accommodation expenses and joint marketing costs, which are initially invoiced by the third party provider to Beswick Holdings Limited and/or Generus Living Group Limited, for administrative convenience, and then recharged at cost.

The trade receivable and trade payable balances at balance date were:

		2024	2023
		\$	\$
Trade receivables	Beswick Holdings Limited	-	86
	Generus Living Group Limited	49,498	49,497
	Ranfurly Village Hospital Limited	62,457	66,354
	The Foundation Village Partnership	12,427	5,182
		<u>124,382</u>	<u>121,119</u>
Trade payables	Beswick Holdings Limited	1,348	-
	Generus Living Group Limited	54,421	34,719
	Ranfurly Village Hospital Limited	53,055	28,658
	The Russley Village Limited	-	204
		<u>108,824</u>	<u>63,581</u>

## RANFURLY VILLAGE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 23 Financial instruments

Categories of financial instruments:	2024 \$	2023 \$
<b>Financial assets</b>		
At Amortised cost (including cash equivalents)	2,713,679	2,803,550
	<u>2,713,679</u>	<u>2,803,550</u>
<b>Financial liabilities</b>		
At Amortised cost	161,159,446	158,773,349
	<u>161,159,446</u>	<u>158,773,349</u>

Financial liabilities are all liabilities except deferred revenue, lease obligations and deferred tax.

#### 24 Contingencies

The Company has no contingent assets or liabilities at balance date (2023: \$Nil).

#### 25 Commitments

##### (a) Development agreement

The Company entered into a development agreement with Generus Living Group Limited, for this entity to manage the development and construction of the retirement village until completion. A fixed project management fee was payable at a rate of \$21,450 per month plus recharges of landscape design and related costs. These project management fees ceased in October 2022 upon completion of construction of the final apartment block.

##### (b) Management service agreement

The Company has entered into a management service agreement with Generus Living Group Limited, for this entity to provide accounting, financial and other management services. The fee payable is at a rate of \$25,000 per month (2023: \$5,000) plus an additional \$600 per completed unit per year (2023: \$600). The agreement expires on 31 March 2025.

##### (c) Additional rent commitments

In addition to the ground lease obligations (refer Note 17), the Company pays The Ranfurly Veterans' Trust an additional rent of \$10,000 (plus GST, if any) on settlement of the first occupation right agreement being issued in respect of each retirement unit. The Company also pays The Ranfurly Veterans' Trust an "Occupation Licence Rent" of up to 4% of the entry price (accruing at the equivalent rate of the village contribution amortisation per Note 2(b)(i)) of each occupation right agreement once it is reissued.

These payments do not meet the definition of lease payments under NZ IFRS 16 and therefore have been excluded from the lease liability recognised in respect of the land lease.

#### 26 Subsequent events

There are no events subsequent to balance date which materially impact these financial statements.

## ***Independent Auditor's Report***

to the shareholder of Ranfurly Village Limited

### **Our Opinion**

We have audited the financial statements of Ranfurly Village Limited (the Company), which comprise the balance sheet as at 31 March 2024 and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2024 and its financial performance and cash flows for the year ended on that date in accordance with the accounting standard, New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR).

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm provides Trust Deed Compliance services in form of a separate Deed of Supervision Report. The provision of this service has not impaired our independence as auditor of the Company.

### **Director's Responsibilities for the Financial Statements**

The Director is responsible, on behalf of the Company, for the preparation and fair presentation of the financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR) and for such internal control as the Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the Director is 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 Director either intends 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 Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (NZ) 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board website:

[https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx)

This report is made solely to the Company's shareholder as a body. Our audit work has been undertaken so that we might state to the shareholder those matters which we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder, as a body, for our audit work, for this report or for the opinions we have formed.

*Audit Professionals Limited*

Chartered Accountants  
21 June 2024

Dunedin