



Retirement Villages Association

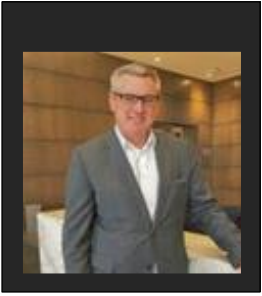
# **ANNUAL REPORT**

## **2021**

# CONTENTS

President's Report 2020/21 .....	3
31 March 2021 Annual report – Executive Director .....	5
Sector Data .....	8
RVA Executive Committee 2020/21 .....	12
<b>Balance Sheet</b> .....	19
Notes to and forming part of the financial statements .....	20
Auditors Report.....	24
Budget for financial year 1/4/2021 - 31/3/2022.....	26
Make your notes here .....	27

## President's Report 2020/21



### **PRESIDENT'S REPORT 2020-2021**

Turbulent times for our industry continued in the past year. Just as we celebrated retirement villages successfully navigating a global pandemic that still reverberates around the world, a threat to the core of our model emerged in the guise of proposed regulatory reform.

The RVA and its members are as keen as any industry stakeholder to seek best practices and product enhancement for their more than 45,000 residents. However, recommendations contained within the White Paper authored by the Commission for Financial Capability went far further than seeking to increase the 96%\* satisfaction rate of our residents.

All credible research shows residents move to villages seeking security, safety, certainty and companionship. Our model is simply one of "pay later" and the level and quality of amenity and facilities provided make it incomparable with the traditional housing model.

If residents wanted to remain in their family home, they would. Yet somehow, the focus was put on the financial aspects of our model with the potential to create uncertainty, stifle choice, and potentially even create operator and therefore by definition, resident solvency issues.

As always, we welcome constructive debate from anyone, both within and outside of our industry, however our model for delivering world-class security and satisfying our constituency is unchallenged. There is a reason the ORA model has barely changed since inception, and that's because it works with more than 100 new arrivals to villages every week.

That does not mean however that we disagree with all aspects of the White Paper. While villages are long term investments demanding a level of patience and care that has generally kept more scrupulous developers from participating, we recognise that some operators will be more resident centric than others.

There are also practices that have been improved from the early days which could benefit from codification. These include fees charged after unit vacation, dealings with operator chattels, and more complete disclosure of resale statistics.

Another area that the Retirement Commissioner is keen to address is complaints. While it is recognised that the level of genuine complaint is extremely low in the vast majority of villages, the CFFC clearly sees its role as ensuring the small minority of less sympathetic operators do not prevent resident access to recompense based on an imbalance of power. As an industry body, we agree and should support any measures that would assist, provided these measures do not have unintended consequences.

One initiative that was undertaken last year was the resale timing survey as part of RVA's drive to ensure we had accurate knowledge to refute improper allegations. We intend to roll this out to all

the industry this and in future years, not to support any changes, but to show regulators that there is “nothing to see here”.

The process dealing with the proposed regulatory reform is not over yet and there is still a critical need for the RVA to be vigilant and ensure that illogical noise by a small minority does not gain traction. However, provided we continue to ask the question “what would I want for my mother” we have little to fear.

Especially given the above, the RVA Executive has had a busy year and so did obviously several Chief Executives of our listed companies. I wish to thank the departing Glen Sowry and Julian Cook for their full and wise contributions, and recently Bill McDonald announced his intention to retire later this year. While all exiting the retirement village sector at this time, it would be no surprise if some of these very talented men resurfaced.

However, I also wish to thank all members for doing what they love doing every day, and to such an incredible standard. There are few industries where the objectives of the supplier and the customer are so aligned, with a constant drive towards doing what we do even better. We should all be very proud of our involvement, and of our achievements.

A handwritten signature in black ink, appearing to read 'G. Wilkinson'.

Graham Wilkinson  
President  
2 May 2021

\*UMR Resident Survey January 2021



## 31 March 2021 Annual report – Executive Director

### Overview

2020 was controlled by two very different events for the retirement village sector. The country's response to dealing with the Covid-19 pandemic has won praise and plaudits around the globe, and the outcome for retirement villages was equally meritorious.

During the initial lockdowns from March to May 2020 the RVA's Executive Committee formed a working party that teleconferenced every Tuesday morning to discuss how we should respond to the lockdowns, offer guidance to members, residents and their families, as well as deal with regulatory issues as they arose. The Working Party also agreed to co-opt the Retirement Commissioner to the video conferences so she could hear the discussions and contribute as she saw fit. Involving one of the sector's principal regulators was a very worthwhile decision and we appreciated Jane Wrightson's wise counsel during this incredibly stressful period. Once the country returned to level 1 the video conferences ceased, but they developed considerable camaraderie and collegial outcomes that we believe were of benefit to residents and operators.

We also published sets of guidelines for villages and residents that outlined how the Government's restrictions at each alert level might be implemented by villages, and we had extensive feedback from members and residents on their value. These remain accessible under a special pandemic tag in our website. Let's hope we don't need them again!

On a less formal basis the RVA ran twice-weekly afternoon tea sessions during the lockdown that were open to any member to video in and share successes and concerns.

Residents weren't left out either. Thanks to the Generus Group we organised a short story competition that was open to all RVA member village residents. We thought that if we received 40 or 50 entries we would be doing well, so when we got over 170 short stories from residents across the country, we were delighted! Our thanks to Joan Mackenzie (Whitcouls' "Joan's Picks" author) who agreed to judge the entries. The top 10 stories were published on the Retirement Life website, where they are still available to read. Our congratulations to the winners!

The other event came at the end of 2020 when the Retirement Commissioner published a White Paper advocating a review of the retirement village regulatory framework. President Graham Wilkinson has dealt with this threat in his report, so I don't propose to repeat it all, beyond noting that the RVA's formal response was published on 31 March 2020 and dealt extensively with the issues raised by the Commissioner. We are talking to a variety of stakeholders about the issues raised, and have argued that we do not support changes to the regulations but are keen to work with stakeholders – regulators and residents – on developing some best practice guidelines around issues such as delayed re-licensing times, the treatment of weekly fees once a resident leaves the village, and how to manage repairs to operator-owned chattels.

At the time of writing this (mid-May 2021) the CFFC's report on the 3,000 or so submissions they received has yet to be released.

## RVA activities in 2020

The Government closed the borders in March 2020 and, apart from some limited travel to Australia and the Cook Islands, they remain closed. As a result our planned conference at the Sofitel Fiji was cancelled and the deposits etc transferred to 2021. When it became plain that 2021 wasn't going to work either, the money is being held for a possible conference there in 2023. As a result, we did not hold a conference in 2020, which had a deleterious effect on the RVA's income.

Many regional and Policy forums were also either cancelled or adjourned in 2020, but thanks to support from the ANZ and PKF Goldsmith Fox we were able to hold a very successful Policy Forum in Christchurch during October 2020. Around 120 people came to hear a diverse range of speakers – not only because they wanted to hear what was being said, but also because we had all been in isolation for so long people wanted to be together again! The notes from the Forum were published in the RVA's newsletter over the following couple of months, and copies of the presentations are available on the website.

We held 19 regional forums in 2020, which remain popular with local members and associates, and 45 members from a range of Independent Villages got together in Christchurch on 14 October 2020 for an Independent Villages Forum.

## Policy issues

Aside from the CFFC's White Paper, we also needed to respond to other policy challenges. At the start of the lockdowns the Government offered wage and salary support for affected businesses, that included retirement villages and aged care. We commissioned a report from PwC on the policy around claiming a wage subsidy and made that available to members for their guidance.

The CFFC's 2020-2021 monitoring project was to be into the "differences and effectiveness of resale or disposal processes for vacant residential units following termination of an occupation right agreement." The project proposed to look at times taken to resell ORAs, as well as the process, real estate market factors, marketing approaches, refurbishment times, settlement, and processes other than at termination (e.g. separation, etc).

The RVA discussed this project with the Commission and expressed our concern about the potential of obtaining inaccurate results due to Covid. The Commission has agreed to work in partnership with the RVA on this matter. We commissioned some research from UMR Insight into actual times taken to re-license units that came vacant in 2019 and shared that with the CFFC. We agreed to undertake further research across the entire membership for vacant units in 2020, as use the 2019 information as a benchmark. We expect this data to be used to develop a best practice guide for operators around slow re-sales.

Consumer NZ published a long-awaited report into perceived "unfair" clauses in ORAs in late January 2021. The report relied on a self-selected sample of residents' complaints and some desk research into ORAs available via the Registrar's website. We met with Consumer on several occasions to discuss their findings, so the final report was rather less inflammatory than it might have been. However, the unscientific nature and error ridden nature of their survey was accepted by stakeholders as being gospel, despite the fact that the RVA's own survey, undertaken by UMR, showed the degree of dissatisfaction to be a fraction of that reported by Consumer.

The Government announced a reformation of the Resource Management Act, and we have commissioned Chapman Tripp to lead the RVA's response to this. At the time of writing there have been a number of broad policy decisions about the structure of the replacement legislation but the detail has yet to be released. We will be stressing the importance village have in releasing family homes back into the market and what the legislation should look like to allow this to continue.

Finally, as I always note, the strength of the Association lies in the commitment of its members, overseen by the Executive Committee. All are volunteers and are prepared to commit hours of time and expertise to ensuring the industry is in good hands, has a clear direction and a strong future.

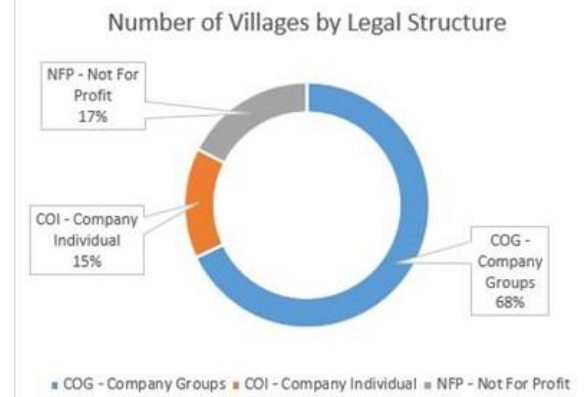
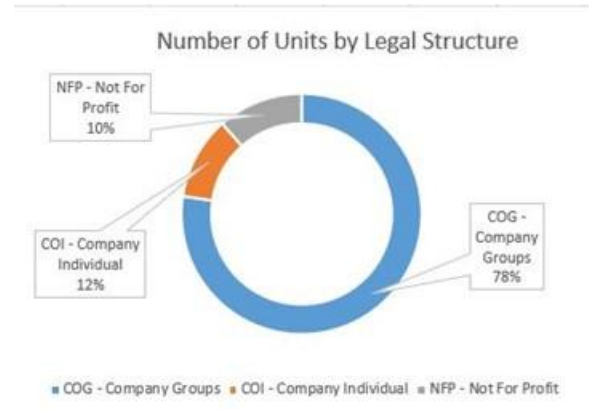
We were sorry to lose Roisin Burns and Sharon Hazeldine during the year, but were delighted to welcome Karen Ramsbottom (accounts) and Beth McEwan (Member Services) to the Association. I would like to thank them and Ed Thomas, the Association Manager, for their time and commitment during a difficult year. Without them the organisation would not be the success it has been.

A handwritten signature in blue ink, appearing to read 'John Collyns'. The signature is stylized and fluid.

John Collyns  
Executive Director

## Sector Data

Region	Sector	Units	Villages
Auckland	COG	10433	70
Bay of Plenty	COG	3337	32
Canterbury	COG	3719	42
Hawkes Bay - East Coas	COG	1361	16
Manawatu - Wanganui	COG	1168	17
Nelson - Marlborough	COG	1230	15
Northland	COG	703	6
Otago	COG	323	6
Southland	COG	308	6
Taranaki	COG	616	8
Waikato	COG	2559	24
Wellington	COG	2597	19
West Coast	COG	0	0
<b>Total</b>	<b>COG</b>	<b>28354</b>	<b>261</b>
Auckland	COI	643	10
Bay of Plenty	COI	675	9
Canterbury	COI	871	13
Hawkes Bay - East Coas	COI	229	3
Manawatu - Wanganui	COI	228	1
Nelson - Marlborough	COI	244	4
Northland	COI	169	4
Otago	COI	622	6
Southland	COI	0	0
Taranaki	COI	82	1
Waikato	COI	344	3
Wellington	COI	237	4
West Coast	COI	0	0
<b>TOTAL</b>	<b>COI</b>	<b>4344</b>	<b>58</b>
Auckland	NFP	1243	11
Bay of Plenty	NFP	62	3
Canterbury	NFP	287	8
Hawkes Bay - East Coas	NFP	75	1
Manawatu - Wanganui	NFP	303	10
Nelson - Marlborough	NFP	21	1
Northland	NFP	241	9
Otago	NFP	44	3
Southland	NFP	70	3
Taranaki	NFP	197	3
Waikato	NFP	524	7
Wellington	NFP	612	9
West Coast	NFP	0	1
<b>TOTAL</b>	<b>NFP</b>	<b>3679</b>	<b>69</b>
<b>TOTAL UNITS ALL TYPES</b>		<b>36377</b>	<b>388</b>



Sector	Units	Villages
COG - Company Groups	28354	261
COI - Company Individual	4344	58
NFP - Not For Profit	3679	69
<b>Total</b>	<b>36377</b>	<b>388</b>

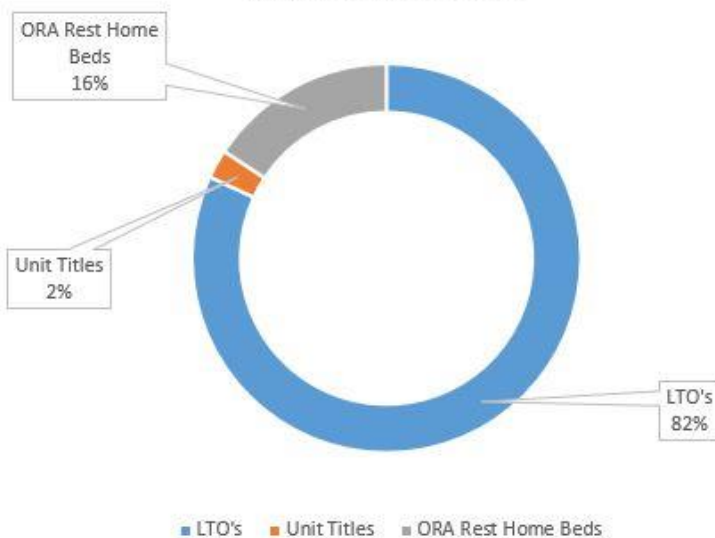


RVA MEMBER VILLAGES BY REGION AND VILLAGE SIZE															
		Auckland	Bay of Plenty	Canterbury	Hawkes Bay East Coast	Manawatu Wanganui	Nelson Marlborough	Northland	Otago	Southland	Taranaki	Waikato	Wellington	West Coast	Totals
0-10 Units	Units	19	19	16	3	34	7	14	15	10	9	22	18		186
	Villages	4	4	2	2	5	2	4	2	1	2	3	5	1	36
11-20 Units	Units	90	63	156	49	97	13	57	28	35	16	16	63		683
	Villages	6	4	10	4	6	1	4	2	2	1	1	4		45
21-30 Units	Units	84	181	227		56	43	53	25	53	24	92	54		892
	Villages	3	7	9		2	2	2	1	2	1	4	2		35
31-40 units	Units	180	67	170	31		71	114	72	69		37	71		882
	Villages	5	2	5	1		2	3	2	2		1	2		25
41-50 Units	Units	232	91	452		47	85					89	91		1087
	Villages	5	2	10		1	2					2	2		24
51-60 Units	Units	323	274	114	113	162	109		166			55			1316
	Villages	6	5	2	2	3	2		3			1			24
61-70 Units	Units	322	73	198			193			62	191	62			1101
	Villages	5	1	3			3			1	3	1			17
71-80 Units	Units	373		235	224			80	75						987
	Villages	5		3	3			1	1						13
81-90 Units	Units	254	90	172		86					164	173	174		1113
	Villages	3	1	2		1					2	2	2		13
91-100 Units	Units	286		195		486	95		100			190	91		1443
	Villages	3		2		5	1		1			2	1		15
101-110 Units	Units	524	212	101	101	206		103	101			423			1771
	Villages	5	2	1	1	2		1	1			4			17
111-120 Units	Units		118	229			114	117				112	116	114	920
	Villages		1	2			1	1				1	1	1	8
121-131 Units	Units			124	248							253			625
	Villages			1	2							2			5
131-140 Units	Units	275		268	140	136	136		140			140	132		1367
	Villages	2		2	1	1	1		1			1	1		10
141-150 Units	Units	148	283							149	148	289	150		1167
	Villages	1	2							1	1	2	1		8

RVA MEMBER VILLAGES BY REGION AND VILLAGE SIZE															
Village Size		Auckland	Bay of Plenty	Canterbury	Hawkes Bay East Coast	Manawatu Wanganui	Nelson Marlborough	Northland	Otago	Southland	Taranaki	Waikato	Wellington	West Coast	Totals
151-160 Units	Units	313	465	473	151			153							1555
	Villages	2	3	3	1			1							10
161-170 Units	Units	337	332		166	161	161	168					331		1656
	Villages	2	2		1	1	1	1					2		10
171-180 Units	Units	177	355		173								358		1063
	Villages	1	2		1								2		6
181-190 Units	Units	561										183			744
	Villages	3										1			4
191-200 Units	Units	593					199					198			990
	Villages	3					1					1			5
201-210 Units	Units	404	418									413	418		1653
	Villages	2	2									2	2		8
211-220 Units	Units			212								218			430
	Villages			1								1			2
221-230 Units	Units	668				228						225	225		1346
	Villages	3				1						1	1		6
231-240 Units	Units	469	478	234							231	233	250		1895
	Villages	2	2	1							1	1	1		8
241-250 Units	Units	1967													1967
	Villages	9													9
251-350 Units	Units	2901	555	944	266		269	254	267				906		6362
	Villages	10	2	3	1		1	1	1				3		22
350+ Units	Units	819		357											1176
	Villages	2		1											3
<b>Total Number of Units</b>		<b>12319</b>	<b>4074</b>	<b>4877</b>	<b>1665</b>	<b>1699</b>	<b>1495</b>	<b>1113</b>	<b>989</b>	<b>378</b>	<b>895</b>	<b>3427</b>	<b>3446</b>		<b>36377</b>
<b>Total Number of Villages</b>		<b>91</b>	<b>44</b>	<b>63</b>	<b>20</b>	<b>28</b>	<b>20</b>	<b>19</b>	<b>15</b>	<b>9</b>	<b>12</b>	<b>34</b>	<b>32</b>	<b>1</b>	<b>388</b>

ORA TYPES BY REGION							
Region	No of Villages	Number of Units	Median Number of Units	LTO's	Unit Titles	ORA Rest Home Beds	Rental
Auckland	91	12319	135	10197	245	1939	118
Bay of Plenty	44	4074	93	3638	90	346	17
Canterbury	63	4877	77	3610	194	1166	85
Hawkes Bay - East Coast	20	1665	83	1336	16	225	12
Manawatu - Wanganui	28	1699	61	1328	80	255	157
Nelson - Marlborough	20	1495	75	1148	21	360	23
Northland	19	1113	59	1033	0	80	84
Otago	15	989	66	810	53	126	1
Southland	9	378	42	311	2	64	44
Taranaki	12	895	75	719	0	176	17
Waikato	34	3427	101	2757	144	531	82
Wellington	32	3446	108	2874	8	564	34
West Coast	1	0	0	0	0	0	0
<b>Totals</b>	<b>388</b>	<b>36377</b>	<b>75</b>	<b>29761</b>	<b>853</b>	<b>5832</b>	<b>674</b>

ORA Types by Region



Total Units and Villages		
Region	Units	Villages
Auckland	12319	91
Bay of Plenty	4074	44
Canterbury	4877	63
Hawkes Bay - East Coast	1665	20
Manawatu - Wanganui	1699	28
Nelson - Marlborough	1495	20
Northland	1113	19
Otago	989	15
Southland	378	9
Taranaki	895	12
Waikato	3427	34
Wellington	3446	32
West Coast	0	1
<b>Total</b>	<b>36377</b>	<b>388</b>

## RVA Executive Committee 2020/21



**GRAHAM WILKINSON, PRESIDENT  
MANAGING DIRECTOR, GENERUS LIVING GROUP**

Graham Wilkinson is the Chief Executive of Generus Living Group, the developer and operator of boutique retirement villages. The company has villages in Auckland, Bay of Plenty and Christchurch.

Graham has been on the RVA Executive since 1997 and President from 2015.



**MICHELLE BURKE, VICE PRESIDENT  
PARTNER, ANTHONY HARPER LAWYERS**

Michelle practises as a partner at Anthony Harper Lawyers and is head of the team providing specialist legal advice in the areas of aged care and retirement villages. Prior to joining Anthony Harper, Michelle was a founding partner of Burke Melrose.

“I have been working in the retirement village sector since 1990 and have had the opportunity of watching an exciting sector grow in size and sophistication.

I have been privileged to serve as a board member of the RVA for a number of years. I've actively participated at Board level (including as vice president) and on specialist subcommittees including legislation, complaints, accreditation, governance and education.

I act for a broad range of retirement village clients; corporate, not for profit, large, small, and in-between. This enables me to consider issues from a sector-wide perspective.

My legal background means that I have developed excellent relationships with government officials and other trusted advisors to the sector, including bankers, valuers, insurers, accountants, and auditors.

I'm passionate about ensuring that people understand retirement villages and their benefits. I regularly share my knowledge by presenting seminars to retirement village managers and the legal profession”.



**MAGGIE OWENS – NON EXECUTIVE DIRECTOR FOR METLIFECARE AND IMMEDIATE  
PAST PRESIDENT**

Maggie Owens has been an elected member of the RVA Executive since 2004. Maggie was President of the RVA from June 2012 through to June 2015. Maggie is the Chair of the Catholic Caring Foundation and Chair of the Remuera Branch of the National Party. Past Board experience has included four years as Chair of the Board of Trustees at Marist College and one year as an independent director of a retirement village.

Maggie has held various positions in the industry over the last 26 years and provided operational advice as an industry consultant which was particularly important to members during the changes brought about by the new legislation in 2007 and 2008.

Having worked for both small and large organisations in the sector, Maggie understands the importance of representing the wide range of village offerings under the RVA banner and feels it is important for the RVA to represent operators on all issues that relate to the operation of their businesses, maximising opportunities to influence politicians and government officials to gain good outcomes for the operators and in turn, their residents.



**JULIAN COOK**  
**CHIEF EXECUTIVE OFFICER, SUMMERSET GROUP (Until March 2021)**

Julian is CEO of Summerset and has overall responsibility for the company and its strategy.

Julian joined Summerset in 2010 as Chief Financial Officer with responsibility for the finance, funding, legal, and IT teams. He has overseen Summerset become a publicly-listed company, first on the New Zealand Stock Exchange (NZX) in November 2011, and then the Australian Securities Exchange (ASX) in July 2013. It has also been a period of continued growth in the company.

Julian has been heavily involved in the company's AVID BENNETT development, which has a focus on delivering vibrant villages, offering high quality care, and has respect for our customers at the core of our thinking. Summerset's goal is to be the first choice of retirement village living for all New Zealanders.

He is passionate about creating villages that enhance residents' lives, and about making sure older New Zealanders have an enjoyable retirement in communities built with their care and needs in mind.

Prior to joining Summerset Julian spent 11 years in the investment sector which included a significant amount of work with retirement village and aged care companies.



**BRUCE CULLINGTON**  
**MANAGER, ACACIA COVE VILLAGE**

Bruce has been the Village Manager of Acacia Cove Village for 18 years. It is a privately-owned lifestyle village, situated on the beautiful Wattle Downs peninsula in Auckland. The village has 225 dwellings occupied by 322 residents.

Prior to this he was a successful real estate salesperson and branch manager. Before that he was Deputy Secretary of the Auckland Harbour Board. He has extensive experience on various Boards, having been Secretary of the National Maritime Museum and he chaired and has been secretary of two other charitable trusts.

Bruce is currently the Chairman of one private company and a director of another.

For many years Bruce was the Convenor of the Auckland RVA Managers Forums.

He founded and is the Convenor of the 'RVA Independent Villages Forums.' These Forums are always well attended and offer support, ideas, and guidance to independently owned Villages without back office Support.

Bruce won the RVA/Insite Manager of the Year Competition in 2010.



**GLEN SOWRY**  
**CHIEF EXECUTIVE OFFICER, METLIFECARE LTD**

Glen brings broad and extensive experience in corporate leadership to his role as CEO of Metlifecare.

Prior to joining Metlifecare in April 2016, Glen was Chief Executive Officer of Housing New Zealand with 67,000 properties across the country.

Before joining Housing New Zealand at the beginning of 2013, Glen held a number of senior executive roles at Air New Zealand over a 10-year period. Initially joining Air New Zealand as Head of Corporate Affairs and Government Relations, Glen subsequently ran the domestic and short haul international airlines where he oversaw a major financial and competitive turnaround of the Tasman network.

Glen held executive and senior management roles in media, marketing and public relations at Television New Zealand and Telecom prior to joining Air New Zealand.

Outside of work Glen is a highly accomplished sailor who was part of the team that won the Whitbread Round the World Yacht Race on Steinlager 2 in 1989/90 with Sir Peter Blake. He has sailed in many major events including four Round the World races, the America's Cup and finished fifth in the 2000 Sydney Olympics.



**DAVID BENNETT**  
**CHIEF FINANCIAL OFFICER, RYMAN HEALTHCARE**

David joined Ryman in 2013 and was promoted to Chief Financial Officer in 2017. David oversees the finance, legal, procurement, compliance, corporate affairs and investor relations teams at Ryman. Before joining Ryman, David worked as an auditor and accountant at Deloitte and Westland Milk Products.

David always seemed destined to end up in the retirement industry. His family has been involved in the industry for more than 30 years.



**BILL MCDONALD**  
**CHIEF EXECUTIVE OFFICER, ARVIDA GROUP**

Bill has held a number of senior executive roles in the New Zealand and Australian retirement sector including General Manager of ING's retirement assets division in New Zealand and Regional Operations Manager for Stockland Limited in Victoria, Australia.

Bill entered the industry as acting CEO for a community owned organisation in county Victoria, Australia where he successfully guided the organisation through the accreditation process. Bill subsequently joined the Buxton Group to assist in the development and operation of the acclaimed Rylands facilities in Melbourne. The development projects won multiple awards from the Urban Development Institute of Australia and Australian Institute of Building. They are recognised as benchmark retirement operations in Australia and internationally.

As CEO of Arvida Group, Bill is focused on building a retirement and aged care business that aligns with the demands of today as well as those of the future, through the principles of resident well-being and positive community interaction.



**SIMON O'DOWD**  
**MANAGING DIRECTOR, QESTRAL CORPORATION LTD**

Simon is currently a shareholder and Managing Director of the companies listed above, which cover resthome to retirement village levels of care and accommodation.

Simon has been Chairman of the New Zealand Aged Care Association for the last 22 years, the National Association that represents the views and interests of the Aged Care sector. In this role Simon's extensive experience is used to chair meetings and make representations to Ministers and their officials. As Chairman he is responsible for the Chief Executive Officer and his staff, based in the Association's Wellington office.

Simon has represented the NZACA at the ongoing negotiating meetings with the combined DHB representative group for more than ten years. Most recently he has been a part of the NZACA Group negotiating a settlement regarding the Equal Pay Case.



**EARL GASPARICH**  
**CHIEF EXECUTIVE OFFICER, OCEANIA HEALTHCARE GROUP (UNTILL 6 MARCH 2021)**

Earl joined the Executive Committee of the RVA in June 2015 and has served on the education and PR sub-committees since that time, as well as attending executive meetings. He has been CEO of Oceania Healthcare since August 2014. Oceania has 26 villages (approximately 1,000 units) amongst its portfolio of 51 aged care/retirement village sites

across New Zealand and is the sixth largest provider in the country. It is also the third largest provider of residential aged-care beds.

Prior to joining Oceania, Earl held three executive management positions in service-based companies and participated as a minor shareholder in two successful private equity investments. He is a qualified Lawyer and Chartered Accountant and was awarded Fellowship status from the New Zealand Institute of Chartered Accountants in September 2014. He also volunteers on the Board of a number of charities, providing necessary governance and a significant contribution to the strategic direction of organisations involved in the provision of community services.



**JASON MORE**  
**CHIEF FINANCIAL OFFICER SELWYN FOUNDATION**

Jason began his career in chartered accountancy in New Zealand, before moving to the United Kingdom, where he worked for eleven years across a variety of sectors. He returned to New Zealand in 2011 and began his retirement village career by joining Vision Senior Living as acting Chief Financial Officer with a focus on the recapitalisation of the group. When Metlifecare acquired Vision (along with Private Life Care), Jason worked on the financial integration of the entities. In 2013 he joined The Selwyn Foundation and was appointed Chief Financial Officer.

At Selwyn, Jason has responsibility for the finance function along with treasury, legal and non-retirement village commercial operations. He is also heavily involved in setting and delivering on group strategy. At Selwyn he has led a number of key strategic projects including formation of the Haumaru Housing joint venture with Auckland Council and the acquisition of Sprott Village in Wellington.

He has provided advice and undertaken strategic reviews for other retirement village operators in the charitable sector. Jason has a passion for supporting and growing the important work the charitable retirement village sector does for vulnerable older people.

Jason was co-opted to the Executive Committee in February 2020.

**RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND INC.**  
**Profit and Loss Statement**  
**For the year ended 31 March 2021**

	Note	2021 \$	2020 \$
<b>INCOME</b>			
<b>Membership Fees</b>		541,997	513,917
<b>Conference Income</b>		0	446,404
<b>Other Income</b>		116,580	113,911
<b>TOTAL INCOME</b>		<u>658,576</u>	<u>1,074,232</u>
<b>LESS EXPENSES</b>			
<b>Executive Committee Expenses</b>			
Accommodation, Travel and Meals		5,913	8,340
Honorarium		13,000	13,000
<b>Executive Director and Manager Expenses</b>			
Travel and Accommodation		22,621	42,863
<b>Conference Expenses</b>			
Conference Expenses		0	265,232
<b>Other Expenses</b>			
ACC Levies		832	797
Accounting and PwC Tax advice		11,750	6,982
AdviceWise - Members Service		20,214	20,214
Annual Report -		6,217	2,839
Audit Fee - PKFGF	3	10,750	10,100
Bank Fees & Charges		419	1,506
IT & Database Support		16,439	18,906
Postage and Stationery		4,420	7,366
Public Relations/Media		32,651	54,787
Insurance		4,507	3,884
<b>Subtotal</b>		<u>149,734</u>	<u>456,816</u>

This statement is to be read in conjunction with the Notes to the Financial Statements and the Independent Auditor's Report.



**RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND INC.**  
**Profit and Loss Statement continued...**  
**For the year ended 31 March 2021**

	Note	2021 \$	2020 \$
<b>Subtotal cfwd:</b>		149,734	456,816
<b>Other Expenses - continued</b>			
Legal Fees		18,340	21,393
Membership Services/Stakeholder engagement		8,797	15,992
Ombudsman Levies		3,780	3,780
Office Operating Expenses		14,239	20,639
Research		145,368	32,470
Rent		36,174	30,928
Seminars and Training Events		9,405	11,137
Staff Salaries		429,252	408,653
Subscriptions		12,354	11,541
Website Maintenance		14,204	15,623
		<u>841,645</u>	<u>1,028,972</u>
Gain/loss on foreign exchange		(45)	591
Donations and Gifts		664	587
Bad debts - Insolvency		0	600
Depreciation	9	<u>5,495</u>	<u>2,877</u>
<b>TOTAL EXPENSES</b>		<u>847,760</u>	<u>1,033,627</u>
<b>Profit/(Loss) before Taxation</b>		<u>(189,183)</u>	<u>40,605</u>
<b>Income Tax Expense for the year</b>	2	<u>0</u>	<u>(17,174)</u>
<b>Profit/(Loss) for the year</b>		<u>(189,183)</u>	<u>23,431</u>

This statement is to be read in conjunction with the Notes to the Financial Statements and the Independent Auditor's Report.

**RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND INC.**
**Statement of changes in Equity  
 For the year ended 31 March 2021**

	Note	2021 \$	2020 \$
<b>Equity at Start of Period</b>			
Retained Earnings		700,421	676,990
<b>Total Equity at Start of Period</b>			
Profit/(loss) for the year		<b>(189,183)</b>	23,431
<b>Total Comprehensive Income</b>		<u><b>(189,183)</b></u>	<u>23,431</u>
<b>Equity at End of Period</b>		<u><u>511,238</u></u>	<u><u>700,421</u></u>

This statement is to be read in conjunction with the Notes to the Financial Statements and the Independent Auditor's Report.

**RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND INC.**
**Balance Sheet**

As at 31 March 2021

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
ANZ - Current A/c		209,911	25,512
ANZ - Premium Call account		61,441	52
ANZ - Foreign Currency -AUD A/c		3,775	7,384
ANZ Interest Bearing Deposits		300,000	800,000
ANZ - Trade Me A/c		115,905	29
		<u>691,033</u>	<u>832,977</u>
Accounts Receivable		169,598	28,113
Prepaid Expenses - Conference and sundry		131,623	55,490
Interest Receivable		1,828	8,793
Taxation Refund Due		12,019	0
GST refundable		0	1,251
		<u>1,006,100</u>	<u>926,624</u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable		110,692	43,604
Accruals		38,355	33,719
Conference Prepaid Income		334,951	147,464
GST payable		23,524	5,645
		<u>507,522</u>	<u>230,432</u>
<b>NET CURRENT ASSETS</b>			
		<u>498,578</u>	<u>696,192</u>
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	9	12,660	4,229
TOTAL OTHER NON-CURRENT ASSETS		12,660	4,229
<b>NET ASSETS</b>			
		<u>511,238</u>	<u>700,421</u>
<b>REPRESENTED BY:</b>			
Balance Carried forward		700,421	676,990
RETAINED EARNINGS		<b>(189,183)</b>	23,431
<b>TOTAL ASSOCIATION FUNDS</b>			
		<u>511,238</u>	<u>700,421</u>



President  
Dated 18 May 2021



Executive Director  
Dated 18 May 2021

This statement is to be read in conjunction with the Notes to the Financial Statements and the Independent Auditor's Report

**RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND INC.**

Notes to and forming part of the financial statements

**FOR YEAR ENDED 31 MARCH 2021**

The following notes should be read in conjunction with the attached financial statements.

**1. Statement of Accounting Policies**
**Reporting Entity**

The Retirement Villages Association ('RVA' or 'Association') is incorporated and domiciled in New Zealand and is registered under the Incorporated Society Act 1908.

The RVA is an Industry Body whose membership comprises Owners/Operators of Registered Retirement Villages and other trading entities (Associates) who deliver goods and services to village operators. These Special Purpose Financial Statements for the year ended 31 March 2021 were authorised for issue by the President and Executive Director on 18 May 2021.

The Association does not have the power to amend these financial statements once issued.

**Basis of Preparation**

These financial statements are a special purpose financial report which has been prepared for reporting to members as required by the Association's Constitution and for taxation purposes using the Inland Revenue minimum financial reporting requirements. Accordingly, this report should not be relied upon for any other purpose.

The special purpose financial report is presented in New Zealand dollars (NZ\$) rounded to the nearest dollar using accruals method. Under the accruals method, revenues and expenses are recognised when they are earned or incurred rather than when cash is received or paid. Assets and liabilities are also recognised under the accrual basis.

The special purpose financial report has been prepared under the historical cost convention and on a going concern basis. The Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future.

Accounting policies applied to the special purpose financial report are detailed below:

**Specific Accounting Policies**

The following specific accounting policies which materially affect the measurement of profit and the financial position have been applied.

**A) Revenue**

Membership Fees and Conference Income are recorded as income in the year they are due. Interest revenue is recognised on an accrual basis using the effective interest method.

**B) Expenses**

Expenses are recognised when it is probable that any future economic benefit associated with the item will flow to or from the Association and when the item has a cost or value that can be measured reliably.

**C) Taxation**

The income tax expense recognised for the year includes the current year provision. Income Tax is recognised in the Profit and Loss Statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Deferred tax accounting has not been adopted by the Association.

## RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND INC.

### Notes to the Financial Statements (continued)

For year ended 31 March 2021

#### D) **Goods and Services Tax**

The financial statements are prepared on a GST exclusive basis except where the expenditure incurring the GST charge is one in respect of which a claim for recovery of the GST is not allowed by the Inland Revenue Department. In these cases and in respect of Accounts Receivable and Accounts Payable, the amounts include Goods and Services Tax (GST).

#### E) **Impairment**

Assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the Profit and Loss Statement. Any reversal of the impairment loss is recognised as income immediately.

#### F) **Financial Instruments**

Financial instruments comprise accounts receivable, cash and cash equivalents and other financial liabilities. Non-derivate financial instruments are recognised initially at fair value plus any directly attributable transaction costs.

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Association becomes party to the contractual provisions of the instrument. Financial assets are derecognised if the Association's contractual rights to the cash flows from the financial assets expire or if the Association transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Association's obligations specified in the contract expire, are discharged or are cancelled. The estimated fair values of the Association's financial instruments are considered to be materially the same as their carrying amounts as disclosed in the Statement of Financial Position.

#### **Trade and Other Payables**

Trade and other payables are measured at amortised cost, due to their short-term nature they are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition, due to their short-term nature their carrying value is assumed to approximate their fair value.

#### **Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

#### G) **DEPRECIATION**

Depreciation is provided for in the Profit and Loss Statement on a diminishing value basis over the estimated useful life of each asset using the rates permitted by the Income Tax Act 2007. The principal rates in use were:

- Computer equipment 25-50%

#### H) **Change in Accounting Policies / Framework**

All accounting policies were applied consistently during the year.

**RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND**  
**Notes to the Financial Statements (continued)**  
**For year ended 31 March 2021**

<b>2 Taxation</b>	<b>2021</b>	<b>2020</b>
Profit/(loss) per financial statements	(189,183)	40,605
Add non-deductible items	84,533	20,732
Taxable Profit/(Loss) for the year	(104,650)	61,337
Less B/fwd Losses	0	0
Taxable Profit/Loss	(104,650)	61,337
Income Tax Expense @28% on taxable profit	0	17,174

Taxable losses of \$104,650 (2020 - Nil) are available to carry forward against future profits. Subsequent to balance date, the Association has not made a provisional tax payment due to taxable loss for year.

**3 AUDITOR REMUNERATION**

PKF Goldsmith Fox Audit fees for audit activity were \$10,750 (2020: \$10,100).

**4 RECEIVABLES**

As at balance date all Accounts Receivable were current and not yet due.

**5 CONTINGENT LIABILITIES**

As at balance date there were no Contingent Liabilities (2020: Nil).

**6 COMMITMENTS – Operating Lease Commitments**

Lease commitments under operating leases	<b>2021</b>	<b>2020</b>
Current (within one year)	39,462	39,462
Non-Current	26,308	65,770
Total Operating Lease Commitments at year end	65,770	105,232

**7 RELATED PARTY TRANSACTIONS**

The RVA has no related party transactions to report in the last financial year (2020 - \$Nil)

**RETIREMENT VILLAGES ASSOCIATION OF NEW ZEALAND INC.**  
**Notes to the Financial Statements (continued)**  
**For year ended 31 March 2021**

**8 SIGNIFICANT EVENTS AFTER BALANCE DATE**

There have not been any significant events since balance date to affect the results shown in these financial statements

**9 FIXED ASSETS**

	<b>2021</b>	<b>2020</b>
<b>COMPUTER EQUIPMENT</b>		
Opening book value	4,229	5,384
Cost b/fwd	87,331	85,609
Additions/disposals	13,925	1,722
Cost c/fwd	101,257	87,331
Accumulated depreciation b/fwd	<b>(83,102)</b>	<b>(80,225)</b>
Depreciation for the year	<b>(5,494)</b>	<b>(2,877)</b>
Disposals	0	0
Accumulated depreciation c/fwd	<b>(88,596)</b>	<b>(83,102)</b>
Closing book value	12,660	4,229
<b>TOTAL FIXED ASSETS</b>	<b>12,660</b>	<b>4,229</b>

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Retirement Villages Association of New Zealand Incorporated

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the special purpose financial statements of the Retirement Villages Association of New Zealand Incorporated (the 'Association'), which comprise the balance sheet as at 31 March 2021, and the profit and loss statement, statement of changes in equity, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, in accordance with the accounting policies that are set out in Pages 20 to 21 of the financial statements.

This report is made solely to the Association's members, as a body. Our audit work has been undertaken so that we might state to the Association's members those matters which we are required to state to them in the 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 Association's members, as a body, for our review procedures, for this report, or for the opinion we have formed.

#### 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 Association 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 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 qualified opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Association.

#### Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to accounting policies to the financial statements, which describes the basis of accounting. The financial statements have been prepared in accordance with principles contained in the accounting policies that are set out in pages 20 to 21 of the financial statements and are required to be audited under the Association's constitution. As a result, the financial statements may not be suitable for another purpose.

#### Executive Board Members' Responsibilities for the Financial Statements

The Executive Board Members are responsible on behalf of the Association for the preparation and fair presentation of the financial statements in accordance with the principles contained in the accounting policies that are set out in Pages 20 to 21 of the financial statements, and for such internal control as the Executive Board Members determine 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 Executive Board Members are responsible, on behalf of the Association, for assessing the Association'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 Executive Board Members either intend to liquidate the Association or cease operations, or have no realistic alternative but to do so.

The Executive Board Members are responsible for overseeing the Association's financial reporting process.

#### 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.



As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board Members.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Executive Board Members and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Executive Board Members with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Dawn Alexander.



**Christchurch, New Zealand**  
19 May 2021

## Retirement Villages Association of New Zealand Inc

Budget for financial year 1/4/2021 - 31/3/2022

**INCOME**

Membership Subscriptions	560,580
Conference Income	516,000
Other Income	94,331
Total income	<b>1,170,911</b>
<b>EXPENDITURE</b>	
ACC	850
RVA Audit & accounting charges	18,750
PKFGF Non Audit Fees	350
Bank Charges - account operation	600
Computer and database support	14,616
Conference expenses	334,825
Executive Committee Expenses	5,040
Executive Dir / Assn Expenses	22,000
Honorarium	13,000
RVA Insurance	5,000
Legal and Consultancy	74,000
Depreciation	4,000
Office operating expenses	69,506
Photocopier - Xerox lease & expenses	4,116
Printing and design	7,395
Communication & Research	73,608
Member Services	27,640
Salaries, including PAYE & Kiwisaver	440,707
Technology	37,640
Gifts & bad debts	0
Total Expenditure	<b>1,153,448</b>
Excess Expenditure over Income	<b>17,463</b>

Make your notes here





Retirement Villages Association of New Zealand Inc.