St Vincent de Paul Society
VICTORIA
good works

2018–2019
FINANCIAL REPORT

CONTENTS

Committee of Management Report	2
Independent Auditor's Report	9
Directors' Declaration	11
Consolidated Statement of Profit or Loss and Other Comprehensive Income	12
Consolidated Statement of Financial Position	13
Consolidated Statement of Changes in Accumulated Funds	14
Consolidated Statement of Cash Flows	15
Notes to the Financial Statements	16

COMMITTEE OF MANAGEMENT REPORT

The Committee of Management of the St Vincent de Paul Society Victoria (the Group) presents this report together with the consolidated financial statements of the Group for the year ending 30 June 2019 and the Independent Audit Report thereon.

The 'Group' described in this Financial Report comprises the following entities: St Vincent de Paul Society Victoria Inc. (the 'Parent' entity (the Society)) and its subsidiaries: VincentCare Victoria Ltd (and its subsidiary VincentCare Community Housing Ltd); and Society of St Vincent de Paul (Victoria).

NAMES AND PARTICULARS OF THE COMMITTEE OF MANAGEMENT

The names and particulars of the Committee of Management of the Group during or since the end of the financial year are:

MEMBER	PARTICULARS	
Mr Kevin McMahon	State President	
Mr Michael Quinn	Deputy State President	
Ms Margaret Gearon	Vice President	
Mr Ken Northwood	Vice President	
Mr Brendan Foley	State Treasurer	
Ms Rebecca Cassar	Youth Co-representative	
Mr Andrew Black	Youth Co-representative	
Mr Herbert Portanier	Southern Central Council President	
Mr Ian Hardy	Gippsland Central Council President	
Mr Desmond Madden	Northern Central Council President	
Ms Wendy Buchanan	Western Central Council President	End of Term 26 August 2018
Mr Arthur Donovan	Western Central Council President	Elected 26 August 2018
Mrs Marie O'Brien	North Western Central Council President	End of Term 24 March 2019
Mr Chris Pye	North Western Central Council President	Elected 24 March 2019
Mr Frank Purcell	North Eastern Central Council President	End of Term 10 April 2019
Mrs Barbara Anglin	North Eastern Central Council President	Elected 10 April 2019
Mr Kevin O'Callaghan	Eastern Central Council President	End of Term 9 August 2019
Mrs Margaret O'Donnell	Eastern Central Council President	Elected 9 August 2019

The above named office holders held office during the whole financial year except where noted.

The Committee of Management is comprised of office holders in their capacity as members of State Council performing the roles and responsibilities they have under the Society Rule, who are either elected or appointed for a four-year term.

The State President is elected by members of the State Council, and may appoint up to six voting members to hold various office bearer positions, for the term of his/her office. The seven members who are Central Council Presidents are elected to the Board by conference and council members within their Central Council.

PRINCIPAL ACTIVITIES

The St Vincent de Paul Society Victoria is a well-recognised and highly regarded charitable organisation established in Australia by Fr Gerald Ward on 5 March 1854 after witnessing the plight of people following the discovery of gold in Victoria. This year, the Group completes 165 years of providing care and support to the disadvantaged within our community.

The St Vincent de Paul Society Victoria aspires to be recognised as a caring Catholic charity offering ‘a hand up’ to people in need. We do this by respecting their dignity, sharing our hope and encouraging them to take control of their own destiny.

The St Vincent de Paul Society Victoria delivers its services through a group of specialised organisations. At the core is the Society, an incorporated association, primarily funded through its retail network of Vinnies shops and its fundraising activities which delivers material aid and companionship to those in need through our home visitations, assistance centres, soup vans and a range of education programs.

VincentCare Victoria (VincentCare) was established by the St Vincent de Paul Society Victoria in 2003 to deliver a range of support services for disadvantaged and vulnerable people, including those experiencing homelessness, who have a disability, are ageing or suffering from forms of substance abuse. VincentCare works to deliver these programs in partnership with government and a wide range of non-government providers.

VincentCare Community Housing Ltd was established by VincentCare in 2009 as a registered housing provider to manage a number of properties and to provide tenancy support.

VincentCare Community Housing Ltd, in partnership with Anglicare, established Compass Leaving Care Limited (CLC) in 2018. CLC has issued Social Impact Bonds to raise money from investors to fund the COMPASS Program; a program designed to deliver better outcomes for young people leaving out-of-home care.

REVIEW OF OPERATIONS OF THE GROUP

The following table provides a breakdown of the Group’s Consolidated result for the financial year ended 30 June 2019 and comparisons with the previous two financial years.

	2018/19 $M	**2017/18 $M**	**2016/17 $M**
INCOME			
Sale of Goods	48.441	45.653	40.406
Government Grants	26.952	29.960	25.237
Fundraising Activities	8.361	8.328	6.225
Bequests	5.730	3.527	5.136
Other Revenue	13.637	10.841	10.785
Total Income	**103.121**	**98.309**	**87.789**
EXPENDITURE			
Retail Costs	31.226	28.783	25.357
Accommodation & Support Services	32.640	30.429	27.256
Assistance Provided	18.130	16.680	14.145
Administration Support	7.300	6.738	6.565
Other Support Services	5.178	4.631	4.844
Fundraising/public relations	1.966	2.048	1.656
Other Expenditure	0.089	0.106	1.347
Total Expenditure	**96.529**	**89.415**	**81.170**
Surplus	**6.592**	**8.894**	**6.619**

The Group’s Total Income for the year was $103M, representing a 4.9% ($4.8M) increase on the prior year (2018: $98.3M). Total Expenditure for the Group in 2019 was $96.5M, representing an 7.9% ($7.1M) increase on the prior year (2018: $89.4M). Overall, the Group’s Surplus for the year was $6.6M (2018: $8.9M).

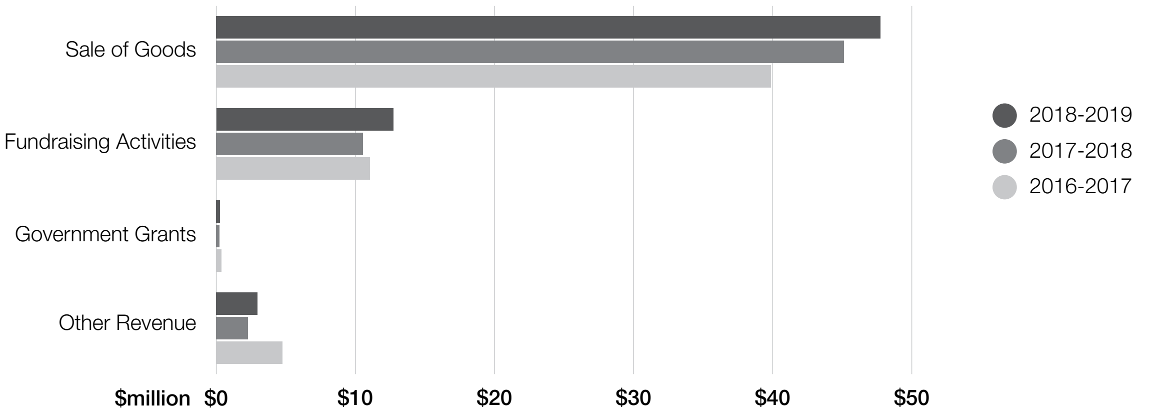
COMMITTEE OF MANAGEMENT REPORT (CONTINUED)

OPERATIONS – THE SOCIETY

	2018/19 $M	2017/18 $M	2016/17 $M
INCOME			
Sale of Goods	47.749	45.129	39.875
Government Grants	0.258	0.245	0.367
Fundraising Activities	7.465	7.033	6.200
Bequests	5.258	3.511	4.863
Other Revenue	2.954	2.267	4.770
Total Income	**63.684**	**58.185**	**56.075**
EXPENDITURE			
Retail Costs	29.055	26.927	23.672
Assistance Provided	18.376	17.198	15.066
Administration Support	7.300	7.737	6.565
Other Support Services	5.178	4.630	4.844
Fundraising/public relations	1.965	2.048	1.656
Total Expenditure	**61.874**	**58.540**	**51.803**
Surplus/(Deficit)	**1.810**	**(0.355)**	**4.272**

The Society's Total Income for 2019 was $63.7M which was 9.5% ($5.5M) up on the previous year (2018: $58.2M). Total Expenditure was $61.9M, representing a 5.7% ($3.3M) increase on the previous year (2018: $58.5M). Overall, the Society's Surplus for the year was $1.8M (2018: Deficit $355k).

THREE YEAR REVENUE HISTORY



Sale of goods mostly through our Vinnies retail shops increased by 6% to $47.8M (2018: $45.1M) with the opening of a new shop in Campbellfield and the relocation of the Port Melbourne shop as well as the full year impact of 10 new shops opened or relocated at various times thoughout the previous year. Vinnies now operates 108 shops throughout Victoria as well as two major distribution centres and a fleet of transport vehicles supporting shops and conferences. Around 6,000 volunteers and staff work in the retail shops and provide logistics and warehousing services. This year we have seen a net decline in our volunteer numbers of 262.

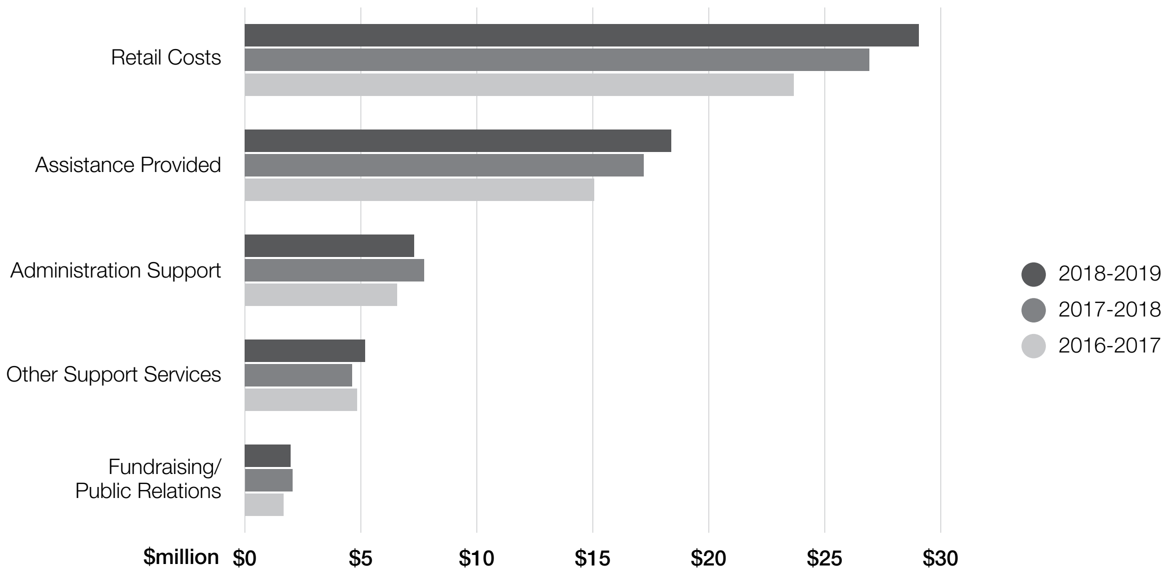
In our Vinnies shops this year:

- we served 3,936,808 customers; an increase of 3.5% on last year;
- we sold 12,481,325 units; an increase of 5.2% on the previous year; and
- the average customer spend was $11.82; an increase of 46 cents on last year.

Government grants of $258K (2018: $245K) were received as valued support to our Soup Van program.

Total Fundraising revenue of $12.7M increased significantly by 20.7% ($2.2M) on the prior year (2018: $10.5M). Income from bequests was $5.3M and donations totalled $7.4M, up 6.1% ($432K) on the previous year due to strong appeals, particularly the CEO Sleepout events in Melbourne and Geelong.

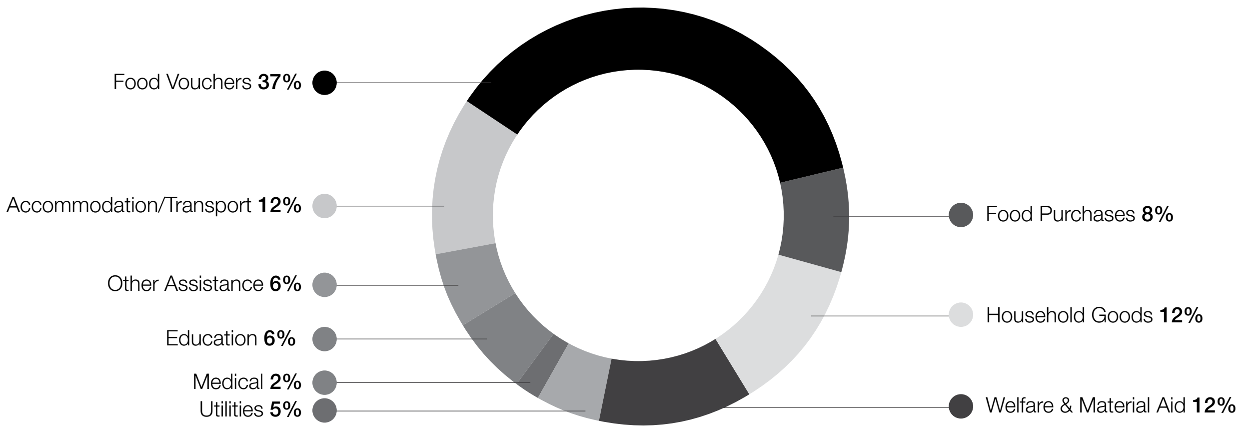
THREE YEAR EXPENDITURE HISTORY



With the growth in our Retail shop network, built on the significant investments of the previous 18 months, expenditure in this area increased by 7.9% ($2.2M) to $29.1M (2018: $26.9M). Assistance Provided expenditure increased by 7% ($1.2M) to be $18.4M for the year (2018: $17.2M). This is reflective of the increased demand for our services experienced by individual conferences across the State. Administration expenditure decreased 5.6% to $7.3M and Other Support Services increased by 11.8% to $5.2M. Despite an increase in revenue from Fundraising Activities, expenditure in this area was marginally less than the previous year's ($2M).

COMMITTEE OF MANAGEMENT REPORT (CONTINUED)

Assistance Provided expenditure includes many different types of assistance and material & welfare aid provided to people in need. The total of $18.4M in 2019 included the following major categories: Food Vouchers & Purchases $8.3M (2018: $7.6M); Household Goods & Material/Welfare Aid $4.5M (2018: $3.8M); Accommodation and Transport Support $2.2M (2018: $1.9M); and support for Education $1.2M (2018: $1.2M).



FINANCIAL POSITION – THE SOCIETY

The Society remains in a sound financial position with Net Assets at 30 June 2019 of $114.86M (2018: $113.05M). The main components of this are: Cash and Cash Equivalents $13.33M; Financial Assets (Endowment Fund) $26.37M; Property, Plant & Equipment $23.80M; and Investment in Controlled Entities (VincentCare Victoria) $52.65M which is eliminated on Consolidation.

OPERATIONS – VINCENTCARE VICTORIA

VincentCare's total revenue of $39.7M was $1.9M less than the prior year mainly due to a reduction in Government Grants by $3.0M to $26.7M (2018: $29.7M), offset by a net gain on sale of non-current assets of $1.6M (2018: Nil) and an increase in non-government grants by $0.6M to $2.0M (2018: $1.4M).

The total expenses of VincentCare increased by $2.5M for the year to be $34.8M (2018: $32.3M) driven by a $2.2M increase in Accommodation and Support Services costs, particularly Employee Salaries and Benefits which increased by $1.4M to $17.8M (2018: $16.4M), Occupancy Costs which increased by $0.4M to $3.5M (2018: $3.1M) and Interest Paid on the loan from CDF of $0.55M (2018: $30K).

VincentCare's operating Surplus for 2019 was $4.8M (2018: $9.2M).

FINANCIAL POSITION – VINCENTCARE VICTORIA

As at 30 June 2019, VincentCare's Net Assets were $103.78M (2018: $98.99M), representing an increase of $4.79M. Property, Plant and Equipment increased by $15.3M to $58.9M (2018: $43.6M), Cash and Cash Equivalents decreased by $3.3M to $5.2M (2018: $8.5M) and Trade and Other Payables decreased by $1.8M to $2.9M (2018: $4.7M).

Total Financial Assets held as at 30 June 2019 amounted to $67.6M (2018: $68.6M) representing VincentCare's long-term investment funds which are maintained to generate income to fund VincentCare's programs and strategic initiatives and to ensure VincentCare's long-term financial sustainability.

VincentCare's Total Liabilities as at 30 June 2019 were $32.4M (2018: $25.2M). This includes an increase of $8.5M in Borrowings from the line of credit facility established with CDF (fully drawn to $18M) to support financing of the North Melbourne Redevelopment and maintain essential earning capacity of VincentCare's investment funds.

CHANGES IN STATE OF AFFAIRS

There was no significant change in the state of affairs of the Group during the financial year.

SUBSEQUENT EVENTS

There were no matters or circumstances that have arisen since 30 June 2019 that have significantly affected, or may significantly affect the consolidated operations in future financial years; the results of those operations in future financial years; or the consolidated state of affairs in future financial years.

FUTURE DEVELOPMENTS

The likely developments in the operations of the Group and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would likely result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATIONS

The operations of the Group are not subject to any significant environmental regulation under either Commonwealth or State legislation. However, the Committee of Management believes it does have adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements.

INDEMNIFICATION OF OFFICERS AND AUDITORS

As a part of the ongoing funding arrangement with the Department of Health and Human Services, the Department pays a professional indemnity insurance premium to an insurer on behalf of the Group. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Group or any related body corporate against a liability incurred as such an officer or auditor.

MEETINGS OF COMMITTEE OF MANAGEMENT

The number of Committee of Management meetings held in the financial year attended by each Committee of Management member is detailed below:

MEMBER	ELIGIBLE	ATTENDED	COMMENT
Mr Kevin McMahon	11	10	as State President
Mr Michael Quinn	11	10	as Deputy State President
Ms Margaret Gearon	11	11	as Vice President
Mr Ken Northwood	11	9	as Vice President
Mr Brendan Foley	11	9	as State Treasurer
Ms Rebecca Cassar	11	8	
Mr Andrew Black	11	6	
Mr Herbert Portanier	11	11	
Mr Ian Hardy	11	8	
Mr Desmond Madden	11	11	
Ms Wendy Buchanan	2	0	
Mr Arthur Donovan	9	9	
Ms Marie O'Brien	8	7	
Mr Chris Pye	3	3	
Mr Frank Purcell	8	8	
Mrs Barbara Anglin	3	3	
Mr Kevin O'Callaghan	11	11	

BOARD COMMITTEES

The Committee of Management has established a number of sub-committees to support the Committee of Management's oversight responsibilities and ensure good governance through strategic and effective structures, processes and relationships.

These sub-committees serve as advisory committees to the Committee of Management and do not have delegations of authority from the latter. The primary role of each sub-committee is determined by the specific responsibilities conferred upon it by the Committee of Management. Each sub-committee works to approved Terms of Reference, which are reviewed annually.

	CHAIRPERSON	MEMBERS
Finance Committee	Mr Brendan Foley	Mr Michael Quinn, Mr Kevin McMahon, Mr Josef Czyzewski
Governance Committee	Mr Ken Northwood	Mr Michael Quinn, Mr Kevin McMahon, Ms Margaret Gearon, Mr Brendan Foley, Mr David Purchase (Legal Advisor)
Audit, Risk & Compliance Committee	Ms Marcia O'Neill	Mr Brendan Foley, Mr Michael Quinn, Ms Helen Lanyon (External), Mr Kevin McMahon, Mr Nick Madden (Member)

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE COMMITTEE OF MANAGEMENT

Kevin McMahon
State President

Brendan Foley
Treasurer

Dated this 23rd day of September 2019

INDEPENDENT AUDITOR'S REPORT

Deloitte Touche Tohmatsu
ABN 74 490 121 060

550 Bourke Street
VIC 3000
GPO Box 78
Melbourne VIC 3001 Australia

Tel: +61 3 9671 7000
Fax: +61 3 9671 7001
www.deloitte.com.au

Independent Auditor's Report to the members of St Vincent de Paul Society Victoria Inc.

Opinion

We have audited the financial report of St Vincent de Paul Society Victoria Inc. (the "Entity") and its subsidiaries (together, "the Group") which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in accumulated funds of the association and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and Statement by the State Council.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Entity and Group's financial position as at 30 June 2019 and of their financial performance and their cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Associations Incorporation Reform Act 2012* and the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Opinion

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

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

Other Information

The State Council is responsible for the other information. The other information comprises the information included in the Group's financial report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The State Council's Responsibility for the Financial Report

The State Council is responsible for the preparation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Regime for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Deloitte.

In preparing the financial report, management is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The State Council are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 report 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the State Council 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Craig Bryan
Partner
Chartered Accountants
Melbourne, 23 September 2019

DIRECTORS' DECLARATION

St Vincent de Paul Society
VICTORIA
good works

St Vincent de Paul Society Victoria Inc.
ABN: 28 911 702 061
RN: A0042727Y

43 Prospect Street
Box Hill VIC 3128
Locked Bag 4800
Box Hill VIC 3128

Telephone: 03 9895 5800
Facsimile: 03 9895 5850

Email: info@svdp-vic.org.au
Website: www.vinnies.org.au

In the directors' opinion, the financial report as set out in the audited Financial Statements:

1. Presents a true and fair view of the financial position of the St Vincent de Paul Society Victoria Inc. as at 30 June 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Reform Act 2012*.
2. At the date of this statement, there are reasonable grounds to believe that the St Vincent de Paul Society Victoria Inc. will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the directors and is signed for and on behalf of the directors by:

Kevin McMahon
State President

Brendan Foley
Treasurer

Dated this 23rd day of September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
REVENUE					
Fundraising activities	2 (a)	14,090,631	11,855,012	12,723,711	10,543,893
Government grants	2 (b)	26,951,789	29,959,785	257,522	245,058
Sale of goods	2 (c)	48,441,126	45,652,953	47,749,293	45,128,724
Net gain on sale of property, plant & equipment	2 (d)	1,639,568	52,705	57,562	52,705
Net gain on assets classified as fair value through profit or loss (FVTPL)	2 (e)	1,500,004	827,517	648,370	-
Other revenue	2 (f)	10,497,484	9,961,330	2,247,417	2,215,027
Total Revenue		**103,120,602**	**98,309,302**	**63,683,875**	**58,185,407**
Retail Costs	3 (a)	(31,226,338)	(28,783,331)	(29,054,814)	(26,926,968)
Gross Surplus		**71,894,264**	**69,525,971**	**34,629,061**	**31,258,440**
NON-RETAIL EXPENDITURE					
Fundraising/public relations	3 (b)	(1,965,517)	(2,048,234)	(1,965,517)	(2,048,234)
Administration	3 (c)	(7,300,148)	(6,737,482)	(7,300,148)	(7,737,482)
Assistance provided	3 (d)	(18,130,064)	(16,680,459)	(18,375,806)	(17,197,685)
Accommodation and support services	3 (e)	(32,639,553)	(30,428,850)	-	-
Other support services	3 (f)	(5,177,751)	(4,630,413)	(5,177,751)	(4,630,413)
Increase in depreciation arising from the change in useful lives of buildings, building improvements and fittings	3 (g)	-	(106,327)	-	-
Impairment expense	3 (h)	(89,109)	-	-	-
Total Non-Retail Expenditure		**(65,302,139)**	**(60,631,765)**	**(32,819,222)**	**(31,613,814)**
Surplus/(Deficit) for the year		**6,592,125**	**8,894,206**	**1,809,839**	**(355,374)**
OTHER COMPREHENSIVE INCOME					
Changes in fair value of financial assets designated as at fair value not taken through profit or loss		-	915,062	-	743,777
Other comprehensive income for the year		**-**	**915,062**	**-**	**743,777**
Total comprehensive surplus for the year		**6,592,125**	**9,809,268**	**1,809,839**	**388,403**
Surplus/(Deficit) for the year attributable to:					
Members of the organisation		6,592,125	8,894,206	1,809,839	(355,374)
Total Comprehensive Surplus attributable to:					
Members of the organisation		6,592,125	9,809,268	1,809,839	388,403

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	NOTE	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
CURRENT ASSETS					
Cash and cash equivalents	5	18,517,545	23,415,869	13,333,376	14,889,688
Trade and other receivables	6	2,929,720	2,802,457	953,921	819,014
Inventories	7	966,068	859,942	966,068	859,942
Financial assets	8	4,000,000	4,000,000	-	-
Other assets	10	1,976,514	1,749,110	1,651,746	1,444,598
		28,389,847	**32,827,378**	**16,905,111**	**18,013,242**
Assets classified as held for sale	12	1,842,479	814,744	-	-
Total current assets		**30,232,326**	**33,642,122**	**16,905,111**	**18,013,242**
NON-CURRENT ASSETS					
Financial assets	8	90,008,536	87,172,833	26,374,294	22,579,521
Investments in controlled entities	9	-	-	52,645,810	52,645,810
Property, plant & equipment	11	82,669,650	68,135,077	23,795,236	24,494,626
Intangible assets	13	449,968	522,738	94,333	142,515
Total non-current assets		**173,128,154**	**155,830,647**	**102,909,673**	**99,862,472**
Total assets		**203,360,480**	**189,472,770**	**119,814,784**	**117,875,714**
CURRENT LIABILITIES					
Trade and other payables	14	4,949,722	6,952,400	2,095,858	2,257,397
Provisions	15	4,972,471	4,510,169	2,295,229	2,055,971
Other liabilities	16	8,722,008	8,418,670	143,725	127,094
Total current liabilities		**18,644,201**	**19,881,239**	**4,534,812**	**4,440,462**
NON-CURRENT LIABILITIES					
Provisions	15	725,313	692,690	424,541	389,660
Borrowings	16	18,000,000	9,500,000	-	-
Total non-current liabilities		**18,725,313**	**10,192,690**	**424,541**	**389,660**
Total liabilities		**37,369,514**	**30,073,929**	**4,959,353**	**4,830,122**
Net assets		**165,990,966**	**159,398,841**	**114,855,431**	**113,045,592**
ACCUMULATED FUNDS OF THE ASSOCIATION					
Accumulated funds		12,683,584	12,683,584	12,683,584	12,683,584
Reserves	17	7,142,651	9,727,298	2,485,368	3,248,255
Retained earnings		146,164,731	136,987,959	99,686,479	97,113,753
Total accumulated funds of the association		**165,990,966**	**159,398,841**	**114,855,431**	**113,045,592**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN ACCUMULATED FUNDS

FOR THE YEAR ENDED 30 JUNE 2019

CONSOLIDATED ENTITY	ACCUMULATED FUNDS $	RETAINED EARNINGS $	BEQUEST RESERVE $	INVESTMENTS REVALUATION RESERVE $	TOTAL $
Balance at 1 July 2017	12,683,584	127,635,600	7,687,417	1,582,972	149,589,573
Surplus for the year	-	8,894,206	-	-	8,894,206
Other comprehensive income	-	-	-	915,062	915,062
Total comprehensive surplus	**-**	**8,894,206**	**-**	**915,062**	**9,809,268**
Transfer to/(from) bequest reserve	-	(41,847)	41,847	-	-
Transfer to accumulated funds	-	500,000	(500,000)	-	-
Balance at 30 June 2018	**12,683,584**	**136,987,959**	**7,229,264**	**2,498,034**	**159,398,841**
First time adoption of AASB 9 *Financial Instruments**	-	2,498,034	-	(2,498,034)	-
Adjusted Balance at 1 July 2018*	**12,683,584**	**139,485,993**	**7,229,264**	**-**	**159,398,841**
Surplus for the year	-	6,592,125	-	-	6,592,125
Transfer to/(from) bequest reserve	-	86,613	(86,613)	-	-
Balance at 30 June 2019	**12,683,584**	**146,164,731**	**7,142,651**	**-**	**165,990,966**

PARENT ENTITY	ACCUMULATED FUNDS $	RETAINED EARNINGS $	BEQUEST RESERVE $	INVESTMENTS REVALUATION RESERVE $	TOTAL $
Balance at 1 July 2017	12,683,584	97,510,974	2,530,134	(67,503)	112,657,189
Surplus for the year	-	(355,374)	-	-	(355,374)
Other comprehensive income	-	-	-	743,777	743,777
Total comprehensive surplus	**-**	**(355,374)**	**-**	**743,777**	**388,403**
Transfer to/(from) bequest reserve	-	(41,847)	41,847	-	-
Balance at 30 June 2018	**12,683,584**	**97,113,753**	**2,571,981**	**676,274**	**113,045,592**
First time adoption of AASB 9 *Financial Instruments**	-	676,274	-	(676,274)	-
Adjusted Balance at 1 July 2018*	**12,683,584**	**97,790,027**	**2,571,981**	**-**	**113,045,592**
Surplus for the year	-	1,809,839	-	-	1,809,839
Transfer to/(from) bequest reserve	-	86,613	(86,613)	-	-
Balance at 30 June 2019	**12,683,584**	**99,686,479**	**2,485,368**	**-**	**114,855,431**

* The transfer relates to the adoption of AASB 9 as discussed in Note 1.

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from operating activities		87,445,280	92,206,478	47,749,293	44,123,013
Receipts from donors & other persons		13,973,282	12,240,348	13,973,282	12,240,348
Payments to clients, suppliers and employees		(97,581,229)	(92,967,666)	(59,156,125)	(56,398,694)
Interest Paid		(582,101)	(24,573)	-	-
Interest and dividend income received		4,968,109	4,955,180	1,120,460	1,447,520
Net cash provided by operating activities	**20(b)**	**8,223,341**	**16,409,767**	**3,686,910**	**1,412,187**
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of property, plant & equipment and other assets		70,736	62,274	57,562	52,705
Proceeds from sale of non-current assets classified as held for sale		2,396,749	220,962	-	-
Proceeds on sale of financial assets		1,810,702	4,811,241	-	-
Payments for property, plant & equipment		(22,688,022)	(30,326,272)	(2,202,564)	(4,221,255)
Payments for intangible assets		(65,428)	(315,177)	48,182	(139,871)
Purchase of investments		(3,146,402)	(851,243)	(3,146,402)	(851,243)
Payment for Security Deposit		-	(4,000,000)	-	-
Net cash used in investing activities		**(21,621,665)**	**(30,398,215)**	**(5,243,222)**	**(5,159,664)**
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from Borrowings		8,500,000	9,500,000	-	-
Net cash provided by financing activities		**8,500,000**	**9,500,000**	**-**	**-**
Net decrease in cash and cash equivalents		(4,898,324)	(4,488,448)	(1,556,312)	(3,747,477)
Cash and cash equivalents at the beginning of the financial year		23,415,869	27,904,317	14,889,688	18,637,165
Cash and cash equivalents at the end of the financial year	**20(a)**	**18,517,545**	**23,415,869**	**13,333,376**	**14,889,688**

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

GENERAL INFORMATION

The St Vincent de Paul Society Victoria Inc. (the Society) is a non government welfare agency incorporated under the *Associations Incorporation Reform Act 2012* and is domiciled in Australia.

The Society's registered office and its principal place of business are as follows:

Registered office	**Principal place of business**
43–45 Prospect Street	43–45 Prospect Street
Box Hill VIC 3128	Box Hill VIC 3128
Tel: (03) 9895 5800	Tel: (03) 9895 5800

STATEMENT OF COMPLIANCE

These financial statements are general purpose financial statements which have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, the requirements of the *Associations Incorporation Reform Act 2012*, Australian Accounting Standards – Reduced Disclosure Regime and comply with other requirements of the law.

The financial report covers the consolidated entity being St Vincent de Paul Society Victoria Inc., VincentCare Victoria and its subsidiary VincentCare Community Housing and Society of St Vincent de Paul (Victoria). The consolidated entity in these financial statements is 'the Group'. The parent entity is St Vincent de Paul Society Victoria Inc. For the purposes of preparing the consolidated financial statements, the Group is a not-for-profit entity.

The financial report of St Vincent de Paul Society Victoria Inc. complies with Australian Accounting Standards to the extent noted above, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Due to the application of Australian-specific provisions for not-for-profit entities contained only within the AIFRS, the financial reports and notes thereto are not necessarily compliant with International Accounting Standards.

The financial statements were authorised for issue by the directors on 23rd September 2019.

BASIS OF PREPARATION

The consolidated financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 2 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The following are the critical judgements that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Allowance for doubtful debts

Refer note 6 for the allowance for doubtful debt disclosure.

Long service leave provision

Management judgement is applied in determining the following key assumptions used in the calculation of long service leave as at balance date:

- future increases in wages and salaries,
- future oncosts and rates, and
- experience of employee departures and periods of service.

Property

Refer note 11 for the impairment of property disclosure.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. In the 2016 Financial Year, the directors determined that the useful lives of certain buildings, building improvements and fittings should be shortened, due to the planned North Melbourne redevelopment.

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, was to increase the depreciation expense in 2016 by $940,000, and for the following years, by the amounts shown below:

2017-2018	$106,000
2016-2017	$470,000

(a) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of St Vincent de Paul Society Victoria Inc. comprise of St Vincent de Paul Society Victoria Inc., VincentCare Victoria and its subsidiary VincentCare Community Housing, and Society of St Vincent de Paul (Victoria).

A controlled entity is an entity controlled by St Vincent de Paul Society Victoria Inc. Control exists where St Vincent de Paul Society Victoria Inc. has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with St Vincent de Paul Society Victoria Inc. to achieve the objectives of St Vincent de Paul Society Victoria Inc. A list of controlled entities is contained in note 9.

All inter-entity balances and transactions have been eliminated on consolidation.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) REVENUE

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

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery and/or control of the goods has passed to the buyer.

Government grants

Grants are principally of a recurrent or capital nature and intended to fund ongoing operations or asset acquisitions. Government grants are recognised as revenue when the entity gains control of the funds.

Income from grants is measured at the fair value of the contributions received or receivable and only when all the following conditions have been satisfied:

- the Group obtains control of the grant funds or the right to receive the grant funds;
- it is probable that the economic benefits comprising grants will flow to the Group; and
- the amount of the grant can be measured reliably.

Client contributions

Client contributions by clients who have the capacity to pay are recognised when the service is provided.

Donations and bequests

Revenue or capital assets arising from donations and bequests is recognised when control is obtained, as it is impossible for the Group to reliably measure these prior to this time. For example, cash donations are recognised when banked and other donations are recognised when title of possession transfers to the Group.

Dividend and interest income

Dividend and distribution income from investments is recognised when the shareholder's or unitholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income

The Group's policy for recognition of revenue from operating leases is described in note 1(o).

(c) INCOME TAX

The Group is exempt under the provisions of the *Income Tax Assessment Act 1997* and as such is not subject to income taxes at this time. Accordingly, no income tax has been provided for the Group in these financial statements.

(d) CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

For the purposes of the Consolidated Statements of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(e) FINANCIAL ASSETS

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Term Deposits

The directors have reviewed the Group's term deposits in the light of its capital maintenance and liquidity requirements and have confirmed the Group's positive intention and ability to hold those assets to maturity. The carrying amount of the held-to-maturity financial assets is $4,000,000 (2018: $4,000,000). Details of these assets are set out in note 8.

Investments at FVTPL

The Group's investments in managed funds have been designated as financial assets at FVTPL. Changes in fair value on these managed funds are recognised in profit or loss.

Dividends on managed funds are recognised in profit or loss when the Group's right to receive the dividends is established. Interest on fixed interest instruments are recognised in profit or loss when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Financial assets at amortised cost

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest income is recognised by applying the effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(f) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

i. where the amount of GST incurred is not recoverable from the taxation authority it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the consolidated statements of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) PROPERTY, PLANT AND EQUIPMENT

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are carried at deemed cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Properties in the course of construction are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Plant and equipment and leasehold improvements are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition or construction of the item. In the event that the settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following depreciation rates and methods are used in the calculation of depreciation:

CLASS OF PROPERTY, PLANT AND EQUIPMENT	DEPRECIATION RATES AND METHOD
Buildings	1% to 2.5% straight line
Building Improvements	10% straight line
Leasehold Improvements	Over the term of the lease
Furniture, Plant & Equipment	7% to 20% straight line
Computer Hardware & Software	33% straight line
Motor Vehicles	15% to 20% straight line

Artwork and antiquities are not depreciated. Land is not a depreciable asset.

(h) ASSETS HELD FOR SALE

Non-current assets and disposal groups are reclassified as Assets held for sale (Current Assets) if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales for such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving specific facilities, all of the assets and liabilities of those facilities are classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

(i) INTANGIBLE ASSETS

Intangible assets are only recognised if they meet the identifiability criteria, that it is separable from the Group and arises from contractual or other legal rights. Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives.

Computer software

Computer software that is not integral to the operation of a related piece of hardware or plant is classified as an intangible asset (for example, accounting systems software), and is initially recognised at cost. Subsequent to initial recognition, computer software is carried at its cost less accumulated amortisation and impairment losses. Computer software has a finite life, and is amortised on a systematic basis over its estimated useful life, being on a straight-line basis over three years.

(j) IMPAIRMENT

The carrying values of tangible and intangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

At each reporting date, the directors review a number of factors affecting tangible and intangible assets, including property, plant and equipment, to determine if these assets may be impaired. If an impairment indicator exists, the recoverable amount of the asset, being the higher of the asset's 'fair value less costs to sell' and 'value in use' is compared to the carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in the consolidated Statement of Profit or Loss and Other Comprehensive Income as an impairment expense.

As the future economic benefits of the Group's assets are not primarily dependent on their ability to generate net cash inflows, and if deprived of the asset, the Group would replace the asset's remaining future economic benefits, 'value in use' may be determined as the depreciated replacement cost of the asset, rather than by using discounted future cash flows.

Depreciated replacement cost is defined as the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the future economic benefits of that asset could currently be obtained in the normal course of business.

Impairment losses are recognised in the consolidated Statement of Profit or Loss and Other Comprehensive Income.

(k) INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Where inventories are held for distribution or are to be consumed by the Group in providing services or aid at no or nominal charge, they are valued at the lower of cost and replacement cost.

(l) TRADE AND OTHER RECEIVABLES

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

(m) FINANCIAL LIABILITIES

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) TRADE AND OTHER PAYABLES

Trade and other payables represent unpaid liabilities for goods received by and services provided to the Group prior to the end of the financial year. The amounts are unsecured and are normally settled within 30 days.

(o) LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases with clients is recognised as client fees in profit or loss.

The Group did not enter into any finance lease arrangement as a lessor.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(p) EMPLOYEE BENEFITS

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Sick leave is non-vesting and has not been provided for.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

(q) COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current period.

(r) APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

Amendments to Accounting Standards and new Interpretations that are mandatorily effective for the current year.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for an accounting period that begins on or after 1 July 2018.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 9 *Financial Instruments* and related amending Standards
- AASB 15 *Revenue from Contracts with Customers* and related amending Standards
- AASB 2017-1 *Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle* and Other Amendments

Impact of initial application of AASB 9 *Financial Instruments*

In the current year, the Group has applied AASB 9 *Financial Instruments* (as revised in July 2014) and the related consequential amendments to other AASB Standards that are effective for an annual period that begins on or after 1 January 2018. The transition provisions of AASB 9 allow an entity not to restate comparatives.

Additionally, the Group adopted consequential amendments to AASB 7 *Financial Instruments: Disclosures* that were applied to the disclosures for 2018 and to the comparative period.

AASB 9 introduced new requirements for:

1) The classification and measurement of financial assets and financial liabilities;
2) Impairment of financial assets; and
3) General hedge accounting.

Details of these new requirements as well as their impact on the Group's consolidated financial statements are described below.

The Group has applied AASB 9 in accordance with the transition provisions as set out in AASB 9.

The date of initial application is 1 July 2018. Accordingly, the Group has applied the requirements of AASB 9 to instruments that continue to be recognised as at 1 January 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 July 2018. Comparative amounts in relation to instruments that continue to be recognised as at 1 July 2018 have been adjusted where appropriate.

All recognised financial assets that are within the scope of AASB 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost;
- debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through profit or loss (FVTPL);
- all other debt investments and equity investments are measured subsequently at FVTPL.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS (CONTINUED)

Impact of initial application of AASB 9 *Financial Instruments* (continued)

At the date of authorisation of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

STANDARD/AMENDMENT	EFFECTIVE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER
AASB 16 *Leases*	1 July 2019
AASB 1058 *Income of Not-for-Profit Entities*	1 July 2019
AASB 2018-1 *Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle*	1 July 2019
AASB 2018-3 *Amendments to Australian Accounting Standards – Reduced Disclosure Requirements*	1 July 2019

The potential impact of the revised Standards/Interpretations on the Group's financial statements has not yet been determined.

AASB 16 was issued in June 2016 and will supersede AASB 117 *Leases* and its associated interpretative guidance.

The Standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets). The Standard maintains substantially the lessor accounting approach under the predecessor AASB 117. The Company has one main class of lease agreements which will be impacted by the new Standard, premises lease under non-cancellable operating lease agreements.

The amount of commitments under non-cancellable operating lease agreements at 30 June 2019 was $19.323M. The Group estimates that the incremental lease liability that would be recognised as a consequence of the application of the new AASB 16 would not exceed this amount, however, the impact of options to extend lease terms has not yet been considered.

In addition, at the date of authorisation of the financial statements the following IASB Standards and IFRIC Interpretations were on issue but not yet effective, but for which Australian equivalent Standards and Interpretations have not yet been issued:

New and revised Australian Accounting Standards in issue not yet effective

STANDARD/AMENDMENT	EFFECTIVE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
AASB 1058 *Income of Not-for-Profit Entities*, and AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*	1 January 2019

NOTE 2 REVENUE AND OTHER INCOME

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
(a) FUNDRAISING ACTIVITIES				
Bequests	5,730,173	3,527,227	5,258,572	3,511,090
Capital Grants from trusts and foundations	704,794	1,201,000	-	-
Donations	7,655,664	7,126,785	7,465,139	7,032,803
	14,090,631	**11,855,012**	**12,723,711**	**10,543,893**
(b) GOVERNMENT GRANTS				
Councils/Conferences/Centres	257,522	245,058	257,522	245,058
Accommodation and support services	24,959,529	23,351,447	-	-
Capital Grants	1,000,000	5,524,904	-	-
Disability employment services	734,738	838,376	-	-
	26,951,789	**29,959,785**	**257,522**	**245,058**
(c) SALE OF GOODS				
Sales – retail stores	47,522,599	44,888,531	47,522,599	44,888,531
Sales – piety	226,694	240,193	226,694	240,193
Sales – disability employment services	691,833	524,229	-	-
	48,441,126	**45,652,953**	**47,749,293**	**45,128,724**
(d) NET GAIN ON SALE OF PROPERTY, PLANT AND EQUIPMENT	**1,639,568**	**52,705**	**57,562**	**52,705**
(e) CHANGES IN FAIR VALUE OF FINANCIAL ASSETS DESIGNATED AS HELD AT FAIR VALUE TAKEN THROUGH PROFIT OR LOSS	**1,500,004**	**827,517**	**648,370**	**-**
(f) OTHER REVENUE				
Client/residents fees	1,974,593	1,891,661	-	-
Non Government Grants	2,023,562	1,427,639	-	-
Interest and investment income	5,608,934	5,568,162	1,768,830	1,447,520
Sundry income	890,395	1,073,868	478,587	767,507
	10,497,484	**9,961,330**	**2,247,417**	**2,215,027**
	103,120,602	**98,309,302**	**63,683,875**	**58,185,407**

NOTE 3 EXPENSES

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
(a) RETAIL COSTS				
Employee salaries & benefits	14,037,021	12,582,051	12,409,829	11,272,096
Cost of goods sold – purchases/materials	3,387,549	2,605,170	3,382,308	2,595,624
Depreciation & amortisation	2,188,521	2,107,440	2,156,387	2,043,284
Net loss on disposal of property, plant & equipment	50,141	89	-	-
Other selling & administration costs	11,563,106	11,488,581	11,106,290	11,015,963
	31,226,338	**28,783,331**	**29,054,814**	**26,926,967**
(b) FUNDRAISING/PUBLIC RELATIONS				
Employee salaries & benefits	989,874	1,087,447	989,874	1,087,447
Promotional expenses	506,833	535,713	506,833	535,713
Other administration costs	468,810	425,074	468,810	425,074
	1,965,517	**2,048,234**	**1,965,517**	**2,048,234**
(c) ADMINISTRATION				
Employee salaries & benefits	4,296,718	3,790,158	4,296,718	3,790,158
Depreciation & amortisation	324,590	334,128	324,590	334,128
Computer maintenance	684,686	646,214	684,686	646,214
Legal & professional fees	151,757	160,130	151,757	160,130
Motor vehicle costs	248,602	230,358	248,602	230,358
Insurance	96,787	67,287	96,787	67,287
Printing/Postage/Office supplies	91,180	131,684	91,180	131,684
Repairs & maintenance	73,084	93,278	73,084	93,278
Telephone	105,821	120,938	105,821	120,938
Training	41,312	113,924	41,312	113,924
Travel & Accommodation	76,924	94,978	76,924	94,978
Other – includes shared services costs	605,051	450,769	605,051	450,769
VincentCare North Melbourne Development	-	-	-	1,000,000
Board/State Council	503,636	503,636	503,636	503,636
	7,300,148	**6,737,482**	**7,300,148**	**7,737,482**
(d) ASSISTANCE PROVIDED				
Accommodation/Transport	2,172,816	1,874,380	2,172,816	1,874,380
Food vouchers	6,759,900	6,333,006	6,759,900	6,333,006
Food purchases	1,489,605	1,271,648	1,489,605	1,271,648
Household goods	2,249,155	2,159,545	2,249,155	2,159,545
Welfare & Material Aid	2,282,962	1,640,819	2,282,962	1,640,819
Utilities	882,949	834,574	882,949	834,574
Medical	301,978	301,325	301,978	301,325
Education	1,173,150	1,161,633	1,173,150	1,161,633
Compassionate	109,462	45,592	109,462	45,592
Youth	37,613	4,924	37,613	4,924
Overseas projects	386,921	499,886	386,921	499,886
Bursary	588	1,080	588	1,080
Sundry	282,965	552,047	528,707	1,069,273
	18,130,064	**16,680,459**	**18,375,806**	**17,197,685**

NOTE 3 EXPENSES (CONTINUED)

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
(e) ACCOMMODATION & SUPPORT SERVICES				
Employee salaries & benefits	17,833,640	16,427,864	-	-
Depreciation & amortisation	851,088	934,998	-	-
Legal & professional fees	852,681	964,092	-	-
Utilities	426,907	385,576	-	-
Occupancy costs	3,496,049	3,122,953	-	-
Motor vehicle costs	94,595	79,155	-	-
Food services	168,919	156,207	-	-
Client services	6,017,306	6,117,347	-	-
Interest Paid – Other persons	582,101	24,573	-	-
Net loss on disposal of property, plant & equipment	9,253	10,850	-	-
Other administration costs	2,307,014	2,205,235	-	-
	32,639,553	**30,428,850**	**-**	**-**
(f) OTHER SUPPORT SERVICES				
Accounting & payroll support	256,390	248,922	256,390	248,922
Conference support – employee salaries & benefits	1,885,412	1,697,798	1,885,412	1,697,798
Conference support – other	424,302	462,827	424,302	462,827
State, national, international councils	906,647	682,262	906,647	682,262
Conference operating costs	1,705,000	1,538,604	1,705,000	1,538,604
	5,177,751	**4,630,413**	**5,177,751**	**4,630,413**
(g) INCREASE IN DEPRECIATION ARISING FROM THE CHANGE IN USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT				
Increase in depreciation arising from the change in useful lives of buildings, building improvements and fittings	-	106,327	-	-
(h) IMPAIRMENT EXPENSE				
Impairment of a property	89,109	-	-	-
Total expenses	**96,528,481**	**89,415,096**	**61,874,036**	**58,540,782**

NOTE 3 EXPENSES (CONTINUED)

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
(i) OTHER ITEMS				
Surplus for the year has been determined after:				
(i) Expenses				
Depreciation and amortisation of property, plant & equipment				
- Depreciation of property, plant & equipment	3,532,309	3,583,925	2,828,782	2,589,547
- Amortisation of intangibles	211,368	236,414	73,169	125,312
Construction costs expensed	1,260	24,606	-	-
Net impairment of trade receivables	-	58,230	-	-
Minimum lease payments	9,311,748	8,735,180	6,261,858	6,085,919
Employee salaries & benefits	37,157,253	33,887,520	19,838,223	18,096,421
Auditor's remuneration				
- Audit or review of the financial report	112,555	105,500	61,445	60,000
(ii) Net loss				
Net loss on disposal of property, plant & equipment	59,394	10,939	-	-

NOTE 4 KEY MANAGEMENT PERSONNEL COMPENSATION

The aggregate compensation made to key management personnel of the Group.	3,328,552	2,650,956	1,437,570	1,204,650

Key management personnel includes the Chief Executive Officer (CEO) and those senior executive officers that report to the CEO. The Committee of Management and Directors act in an honorary capacity serving the mission of the Society. No members receive remuneration for their service, other than reimbursements for costs incurred in attending Society meetings and performing their duties. A number of Committee of Management members and Directors are also provided with the use of a Society motor vehicle, mobile phone and laptop computer.

NOTE 5 CASH AND CASH EQUIVALENTS

CURRENT				
Cash on hand	40,770	40,650	31,020	30,650
Cash deposits with banks	4,946,930	5,645,063	4,923,271	4,637,311
Term deposits	13,529,845	17,730,156	8,379,085	10,221,727
	18,517,545	**23,415,869**	**13,333,376**	**14,889,688**

NOTE 6 TRADE AND OTHER RECEIVABLES

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
CURRENT				
Trade debtors [(i)]	872,584	622,901	243,078	136,271
Allowance for doubtful debts	(43,263)	(58,230)	-	-
	829,321	**564,671**	**243,078**	**136,271**
Other debtors	2,100,399	2,237,786	710,843	682,743
Total Receivables	**2,929,720**	**2,802,457**	**953,921**	**819,014**

(i) The average credit period on non-retail sale of goods and rendering of services is 30–60 days. No interest is charged on the trade receivables. An allowance has been made for estimated irrecoverable trade receivable amounts arising from the sale of goods and rendering of services, determined by reference to past default experience.

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
MOVEMENT IN THE ALLOWANCE FOR DOUBTFUL DEBTS				
Balance at the beginning of the year	58,230	211,489	-	-
Impairment losses written off against allowance for doubtful debts	(14,967)	(211,489)	-	-
Impairment losses recognised on receivables	-	58,230	-	-
Balance at the end of the year	**43,263**	**58,230**	**-**	**-**

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

NOTE 7 INVENTORIES

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
CURRENT				
Finished goods purchased	**966,068**	**859,942**	**966,068**	**859,942**

NOTE 8 FINANCIAL ASSETS

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
Held-to-maturity investments carried at amortised cost:				
CURRENT				
Security Deposits[(i)]	4,000,000	4,000,000	-	-
	4,000,000	**4,000,000**	**-**	**-**
Financial assets carried 'at fair value through profit or loss' (FVTPL):				
NON-CURRENT				
Shares in listed entities and investments in unlisted equity trusts	88,882,286	87,172,833	26,374,294	22,579,521
Debt Instrument – Compass Leaving Care [(ii)]	1,126,250	-	-	-
	90,008,536	**87,172,833**	**26,374,294**	**22,579,521**
Disclosed in the financial statements as:				
Current financial assets	4,000,000	4,000,000	-	-
Non-current financial assets	90,008,536	87,172,833	26,374,294	22,579,521
	94,008,536	**91,172,833**	**26,374,294**	**22,579,521**

(i) *The Group has a Catholic Development Fund (CDF) security deposit of $4 million (2018: $4 million) which has been pledged to secure borrowings of the Group. In addition to freehold land and buildings, the term deposit has been pledged as security for a line of credit facility with CDF to be used as short-term bridging finance for the North Melbourne Redevelopment pending the sale of existing freehold land assets in North Melbourne. The Group is not allowed to pledge this term deposit as security for other borrowings.*

(ii) *Compass Leaving Care Limited (CLC) issued Social Impact Bond (SIB) Loan Notes, to raise $14.2 million in funding from investors to fund the COMPASS Program, a program to deliver better outcomes for 202 young people leaving out-of-home-care (OOHC). The Group committed a total investment of $2,252,500 in relation to the Bond of which $1,126,250 has been paid and another $1,126,250 is due on 10 December 2019.*

NOTE 9 INVESTMENTS IN CONTROLLED ENTITIES

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
NON-CURRENT				
Society of St Vincent de Paul (Victoria)	-	-	4,873	4,873
VincentCare Victoria and Subsidiaries	-	-	52,640,937	52,640,937
	-	**-**	**52,645,810**	**52,645,810**

	COUNTRY OF INCORPORATION		PERCENTAGE OWNED	PERCENTAGE OWNED
PARENT ENTITY:				
St Vincent de Paul Society Victoria Inc.	Australia		-	-
CONTROLLED ENTITIES OF ST VINCENT DE PAUL SOCIETY VICTORIA INC.				
Society of St Vincent de Paul (Victoria)	Australia		100%	100%
VincentCare Victoria and Subsidiaries	Australia		100%	100%

NOTE 10 OTHER ASSETS

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
CURRENT				
GST Recoverable	855,350	354,559	855,350	354,559
Prepayments	1,121,163	1,394,551	796,396	1,090,039
	1,976,513	**1,749,110**	**1,651,746**	**1,444,598**

NOTE 11 PROPERTY, PLANT & EQUIPMENT

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
LAND				
At cost	**13,932,491**	**15,661,188**	**7,940,350**	**7,940,350**
BUILDINGS				
At cost	15,358,569	15,816,358	10,022,388	10,096,471
Buildings under construction	651,921	411,538	651,921	411,538
Less accumulated depreciation	(7,369,330)	(7,214,773)	(4,106,978)	(3,877,510)
	8,641,160	**9,013,123**	**6,567,331**	**6,630,499**
BUILDING IMPROVEMENTS				
At cost	8,695,858	8,644,374	5,545,605	5,440,274
Less accumulated depreciation	(5,307,039)	(4,767,686)	(3,007,214)	(2,566,410)
	3,388,819	**3,876,688**	**2,538,391**	**2,873,864**
LEASEHOLD IMPROVEMENTS				
At cost	7,084,556	6,974,050	5,286,174	5,178,815
Less accumulated depreciation	(4,960,112)	(4,212,099)	(3,801,947)	(3,242,689)
	2,124,444	**2,761,951**	**1,484,227**	**1,936,126**
FURNITURE, PLANT & EQUIPMENT				
At cost	12,507,921	12,203,975	9,911,231	9,477,355
Less accumulated depreciation	(8,619,134)	(7,896,852)	(6,445,003)	(5,715,626)
	3,888,787	**4,307,123**	**3,466,228**	**3,761,729**
MOTOR VEHICLES				
At cost	2,902,060	2,847,545	2,849,860	2,666,868
Less accumulated depreciation	(1,661,287)	(1,869,512)	(1,609,087)	(1,691,142)
	1,240,773	**978,033**	**1,240,773**	**975,726**
COMPUTER HARDWARE				
At cost	2,866,808	2,234,676	2,296,364	1,816,751
Less accumulated depreciation	(1,991,549)	(1,658,948)	(1,740,883)	(1,442,874)
	875,259	**575,728**	**555,481**	**373,877**
ARTWORK & ANTIQUITIES				
At cost	**2,455**	**2,455**	**2,455**	**2,455**
CAPITAL WORK-IN-PROGRESS				
At cost	**48,575,462**	**30,958,788**	**-**	**-**
Total property, plant & equipment	**82,669,650**	**68,135,077**	**23,795,236**	**24,494,626**

NOTE 11 PROPERTY, PLANT & EQUIPMENT (CONTINUED)

RECONCILIATIONS

Reconciliations of the carrying amounts of each class of property, plant & equipment at the beginning and end of the current and previous financial year are set out below and on the following page.

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
LAND				
Carrying amount at beginning of year	15,661,188	15,626,105	7,940,350	7,940,350
Additions	-	359,083	-	-
Reclassifications	(19,588)	-	-	-
Impairment loss recognised in Statement or Profit or Loss and Other Comprehensive Income	(89,109)	-	-	-
Reclassified as held for sale (note 12)	(1,620,000)	(324,000)	-	-
Carrying amount at end of year	**13,932,491**	**15,661,188**	**7,940,350**	**7,940,350**
BUILDINGS				
Carrying amount at beginning of year	9,013,123	10,282,665	6,630,499	7,385,784
Additions	940,671	2,997,870	937,275	2,758,480
Transfer of capital WIP	(668,645)	(3,258,351)	(668,645)	(3,258,351)
Reclassifications	(64,373)	(3,011)	(81,299)	(3,011)
Reclassified as held for sale (note 12)	(222,478)	(490,743)	-	-
Depreciation	(357,138)	(515,305)	(250,499)	(252,403)
Carrying amount at end of year	**8,641,160**	**9,013,123**	**6,567,331**	**6,630,499**
BUILDING IMPROVEMENTS				
Carrying amount at beginning of year	3,876,688	3,958,364	2,873,864	2,893,074
Additions	80,579	105,597	63,779	55,383
Transfer from capital WIP	88,401	549,847	52,909	416,339
Reclassifications	67,651	15,028	66,831	15,028
Disposals/Write-offs	(36,813)	(3,153)	(4,930)	(3,153)
Depreciation	(687,687)	(748,995)	(514,062)	(502,807)
Carrying amount at end of year	**3,388,819**	**3,876,688**	**2,538,391**	**2,873,864**
LEASEHOLD IMPROVEMENTS				
Carrying amount at beginning of year	2,761,951	1,624,816	1,936,126	1,058,966
Additions	61,008	83,213	60,522	74,529
Transfer from capital WIP	149,268	1,736,117	149,268	1,331,103
Reclassifications	23,204	-	20,542	-
Disposals/Write-offs	(13,106)	16,099	(13,106)	16,099
Depreciation	(857,881)	(698,292)	(669,125)	(544,569)
Carrying amount at end of year	**2,124,444**	**2,761,953**	**1,484,227**	**1,936,128**

NOTE 11 PROPERTY, PLANT & EQUIPMENT (CONTINUED)

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
FURNITURE, PLANT & EQUIPMENT				
Carrying amount at beginning of year	4,307,123	3,611,265	3,761,729	2,883,297
Additions	345,299	465,110	345,505	381,652
Asset write-off	(8,607)	-	-	-
Transfer from capital WIP	231,698	1,353,565	182,356	1,300,971
Reclassifications	(6,894)	(29,664)	(6,074)	(28,765)
Disposals/Write-offs	(35,220)	(70,951)	(5,452)	(23,407)
Depreciation	(944,612)	(1,022,202)	(811,836)	(752,019)
Carrying amount at end of year	**3,888,787**	**4,307,123**	**3,466,228**	**3,761,729**
MOTOR VEHICLES				
Carrying amount at beginning of year	978,033	344,511	975,726	342,204
Additions	532,522	899,370	532,522	899,370
Disposals/Write-offs	(3,370)	(31,077)	(1,063)	(31,077)
Depreciation	(266,412)	(234,771)	(266,412)	(234,771)
Carrying amount at end of year	**1,240,773**	**978,033**	**1,240,773**	**975,726**
COMPUTER HARDWARE				
Carrying amount at beginning of year	575,728	463,852	373,877	356,791
Additions	443,970	384,884	224,311	235,934
Asset write-off	-	(546)	-	-
Transfer from capital WIP	275,352	90,587	275,352	83,718
Reclassifications	-	3,319	-	2,420
Disposals/Write-offs	(1,210)	(2,007)	(1,210)	(2,007)
Depreciation	(418,581)	(364,361)	(316,849)	(302,979)
Carrying amount at end of year	**875,259**	**575,728**	**555,481**	**373,877**
ARTWORK & ANTIQUITIES				
Carrying amount at beginning of year	2,455	2,455	2,455	2,455
Carrying amount at end of year	**2,455**	**2,455**	**2,455**	**2,455**
CAPITAL WORK-IN-PROGRESS				
Carrying amount at beginning of year	30,958,788	3,667,756	-	-
Transfer to Building Improvements	(35,491)	-	-	-
Additions	17,702,767	28,053,161	-	-
Transfer of capital WIP	-	(762,129)	-	-
Transfer to Furniture Plant & Equipment	(49,342)	-	-	-
Expensed to statement of profit or loss	(1,260)	-	-	-
Carrying amount at end of year	**48,575,462**	**30,958,788**	**-**	**-**

NOTE 11 PROPERTY, PLANT & EQUIPMENT (CONTINUED)

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
TOTAL PROPERTY, PLANT & EQUIPMENT				
Carrying amount at beginning of year	68,135,077	39,581,787	24,494,626	22,862,919
Additions	20,106,820	33,348,287	2,163,914	4,405,348
Asset write-off	(8,607)	-	-	-
Transfer from buildings capital WIP	(8,761)	(265,760)	(8,761)	(126,221)
Reclassifications	-	(14,328)	-	(14,328)
Disposals/Write-offs	(89,719)	(90,405)	(25,761)	(43,545)
Reversal of prior year accrual	-	(1,230)	-	-
Classified as held for sale (note 12)	(1,842,479)	(814,743)	-	-
Expensed to Statement of Profit and Loss	(1,260)	(24,605)	-	-
Impairment loss recognised in consolidated statements of profit or loss and other comprehensive income	(89,109)	-	-	-
Depreciation	(3,532,312)	(3,583,926)	(2,828,783)	(2,589,547)
Carrying amount at end of year	**82,669,650**	**68,135,077**	**23,795,236**	**24,494,626**

Parent Entity:

An independent valuation of the Group's land and buildings is usually performed every three years. The latest valuation was performed in the 2018 financial year by JLT.

VincentCare Victoria:

An independent valuation of the VincentCare Group's land and buildings is performed every three years. The latest valuation was performed in the 2019 financial year by Charter Keck Cramer. Total current market value of the Group's land and buildings is $45,605,000 excluding the North Melbourne Redevelopment site.

The Directors believe that the current market value of the land for the North Melbourne Redevelopment site is greater than the carrying value.

An impairment loss of $89,109 was recognised in respect of land and buildings. This loss is attributable to the decrease in the recoverable value of a residential property located at Glenroy. This property is used in the Group's Accommodation and Support Services segment. The impairment loss has been included in the line item Impairment Expenses in the Statement of Profit or Loss and Other Comprehensive Income.

Freehold land and buildings with a carrying amount of approximately $1.9 million (2018: approximately $3.7 million) have been pledged to secure borrowings of the Group (see note 16). In addition to a security deposit (see note 8) and non-current assets classified as held for sale (see note 12), the freehold land and buildings have been pledged as security for a line of credit facility with CDF under a mortgage. The loan from CDF is used as short-term bridging finance for the North Melbourne Redevelopment pending the sale of existing freehold land assets in North Melbourne. The Group agreed not to give a charge or mortgage over the freehold land and buildings for which this loan is required.

The Capital Funding Deed for the North Melbourne Redevelopment includes a Property Deed of Charge. The Property Deed of Charge stipulates that, in consideration of the $10 million grant of Funds by the Director of Housing, VincentCare acknowledges that the Director has an interest in the North Melbourne Redevelopment site for the amount of the Funds. The property has been pledged as security for the payment to the Director of the relevant interest and as security for complying with the Capital Funding Deed and Property Deed of Charge.

NOTE 12 ASSETS CLASSIFIED AS HELD FOR SALE

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
Land held for sale	1,620,000	324,000	-	-
Building held for sale	222,479	490,744	-	-
	1,842,479	**814,744**	**-**	**-**

On 26 November 2018, the property at 59-61 Yuilles Road, Mornington was sold and settled at the agreed price of $2,450,000 less costs to sell of $53,250. The gain on sale is disclosed in Note 2(d) to the financial statements.

On 3 December 2018, the Group entered into an agreement to sell the property at 260-274 Abbotsford Street, North Melbourne, also known as Ozanam Community Centre. The property was sold at the agreed price of $4,250,000 with settlement due on 16 July 2019. On reclassification of the property as held for sale at reporting date, no impairment loss was recognised as the sale price less expected costs to sell is higher than the carrying amount.

On 18 November 2018, the Group entered into an agreement to sell the property at 68-72 Chapman Street, North Melbourne, formerly known as Bailly House. The property was sold at the agreed price of $7,750,000 with settlement due on 18 December 2019. On reclassification of the property as held for sale at reporting date, no impairment loss was recognised as the sale price less expected costs to sell is higher than the carrying amount.

260-274 Abbotsford Street, North Melbourne and 68-72 Chapman Street, North Melbourne have been pledged to secure borrowings of the Group. In addition to a term deposit and certain freehold land and buildings (see note 11), these properties have been pledged as security for a line of credit facility with CDF under a mortgage. The loan from CDF is used as short-term bridging finance for the North Melbourne Redevelopment pending the sale of existing freehold land assets in North Melbourne. In accordance with CDF's Mortgage Common Provisions, the Group agreed to pay CDF any deposit or other money released under any agreement for the sale of the mortgaged land.

NOTE 13 INTANGIBLE ASSETS

COMPUTER SOFTWARE & IT DEVELOPMENT				
At cost	2,219,684	2,194,699	832,288	807,302
Additions	113,613	-	-	-
Less accumulated amortisation	(1,883,329)	(1,671,961)	(737,955)	(664,787)
	449,968	**522,738**	**94,333**	**142,515**
Total Intangible Assets	**449,968**	**522,738**	**94,333**	**142,515**
TOTAL INTANGIBLE ASSETS				
Carrying amount at beginning of year	522,738	304,434	142,515	127,956
Additions	129,839	207,050	16,227	31,741
Disposals	-	(16,322)	-	(16,322)
Reclassifications	-	(1,770)	-	(1,770)
Transfer from capital WIP	8,760	265,761	8,760	126,222
Amortisation	(211,369)	(236,415)	(73,169)	(125,312)
Carrying amount at end of year	**449,968**	**522,738**	**94,333**	**142,515**

NOTE 14 TRADE AND OTHER PAYABLES

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
CURRENT				
Unsecured				
Trade creditors	1,273,417	1,731,016	644,215	1,129,172
Accrued expenses	1,638,387	4,646,538	618,524	701,994
Other creditors	2,037,918	574,846	833,119	426,231
	4,949,722	**6,952,400**	**2,095,858**	**2,257,397**

NOTE 15 PROVISIONS

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
CURRENT				
Employee benefits	**4,972,471**	**4,510,169**	**2,295,229**	**2,055,971**
NON-CURRENT				
Employee benefits	**725,313**	**692,690**	**424,541**	**389,660**
Aggregate Employee Entitlement Liability	**5,697,784**	**5,202,859**	**2,719,770**	**2,445,631**

NOTE 16 OTHER LIABILITIES

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
CURRENT				
Unsecured				
Grants in advance	8,072,098	7,658,761	-	-
Deferred lease liability	649,910	759,909	143,725	127,094
	8,722,008	**8,418,670**	**143,725**	**127,094**
NON CURRENT				
Secured				
Loan (i)	**18,000,000**	**9,500,000**	**-**	**-**

(i) VincentCare Victoria has a line of credit facility with the Catholic Development Fund for $18 million and is valid until August 2020. The facility is used as short-term bridging finance for the North Melbourne Redevelopment pending the sale of existing freehold land assets in North Melbourne. The loan facility is secured by a mortgage over non-current assets held for sale (see note 12), certain freehold land and buildings held by VincentCare Victoria (see note 11) and a $4 million security deposit (see note 8). At reporting date, the interest rate on the loan is 3.49% per annum.

NOTE 17 RESERVES

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
Bequest Reserve	7,142,651	7,229,264	2,485,368	2,571,981
Investments Revaluation Reserve	-	2,498,034	-	676,274
	7,142,651	**9,727,298**	**2,485,368**	**3,248,255**

(a) BEQUEST RESERVE

Balance at beginning of year	7,229,264	7,687,417	2,571,981	2,530,134
Transfer to reserve	(86,613)	41,847	(86,613)	41,847
Bequest funds applied	-	(500,000)	-	-
Balance at end of year	**7,142,651**	**7,229,264**	**2,485,368**	**2,571,981**

The Group receives bequests where the bequestor has nominated a specific purpose or service to which the funds are to be directed. In these instances the Group establishes a Reserve to recognise the unapplied funds from bequests of this nature. The Reserve is supported by the Donations and Bequest Register that details the breakdown of the Reserve.

NOTE 18 OPERATING LEASE ARRANGEMENTS

(a) THE GROUP AS LESSEE

Operating leases relate to leases of property, motor vehicles and equipment with lease terms of between one and eight years. All operating lease contracts contain clauses for annual market or CPI rental reviews, except for property leases with fixed rental increases, motor vehicle leases and equipment leases. The Group does not have an option to purchase the leased property, motor vehicles and equipment at the expiry of the lease periods.

Within one year	7,205,319	7,176,541	5,443,577	5,457,403
Later than one year but not later than five years	11,781,785	12,550,695	10,178,286	10,222,258
Later than five years	335,946	1,140,509	335,946	1,140,509
	19,323,050	**20,867,745**	**15,957,809**	**16,820,170**
Representing				
Non-cancellable operating leases	**19,323,050**	**20,867,745**	**15,957,809**	**16,820,170**

(b) THE GROUP AS LESSOR

Operating leases relate to properties headleased by the Group and sub-leased to clients with lease terms of one year. All operating lease contracts are in accordance with the Residential Tenancies Act 1997. The lessee does not have an option to purchase the property at the expiry of the lease period.

Within one year	437,168	300,925	-	-
Later than one year but not later than five years	-	-	-	-
Later than five years	-	-	-	-
	437,168	**300,925**	**-**	**-**
Representing				
Non-cancellable operating lease	**437,168**	**300,925**	**-**	**-**

NOTE 19 COMMITMENTS FOR EXPENDITURE

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
(a) LEASE COMMITMENTS				
Non-cancellable operating lease commitments are disclosed in note 18 to the financial statements.				
(b) OTHER EXPENDITURE COMMITMENTS				
Capital expenditure commitments contracted for:				
Building and refurbishment projects	406,942	17,459,207	406,942	259,345
	406,942	**17,459,207**	**406,942**	**259,345**
Payable				
Within one year	406,942	17,459,207	406,942	259,345
Later than one year but not later than 5 years	-	-	-	-
	406,942	**17,459,207**	**406,942**	**259,345**
(c) INVESTMENT COMMITMENT				
Commitment to invest in a Social Impact Bond (i)	1,126,250	500,000	-	-

(i) VincentCare Victoria and Anglicare Victoria came together to design and develop COMPASS, a Social Impact Bond program to deliver better outcomes for 202 young people leaving out-of-home-care (OOHC). The VincentCare Group committed a total investment of $2,252,500 in the Bond of which $1,126,250 remains due for payment.

NOTE 20 NOTES TO THE STATEMENTS OF CASH FLOWS

	CONSOLIDATED ENTITY 2019 $	CONSOLIDATED ENTITY 2018 $	PARENT ENTITY 2019 $	PARENT ENTITY 2018 $
(a) RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Cash and cash equivalents at the end of the financial period as shown in the Statements of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:				
Cash on hand	40,770	40,650	31,020	30,650
Cash deposits with banks	4,946,930	5,645,063	4,923,271	4,637,311
Bank term deposits	13,529,845	17,730,156	8,379,085	10,221,727
Balance per Statement of Cash Flows	**18,517,545**	**23,415,869**	**13,333,376**	**14,889,688**
(b) RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH SURPLUS FOR THE YEAR				
Surplus for the year	6,592,125	8,894,206	1,809,839	(355,374)
Non-cash flows and non-operating activities in total comprehensive income				
Depreciation of non-current assets	3,532,310	3,583,925	2,828,782	2,589,547
Amortisation of intangible assets	211,369	236,415	73,169	125,312
Construction costs expensed	1,260	24,606	-	-
Impairment of fixed assets	89,109	-	-	-
Gain on disposal of non-current asset classified as held for sale	(1,582,006)	-		
Net gain on sale of property, plant & equipment	1,832	(41,766)	(57,562)	(52,705)
Net gain/(loss) arising on financial assets designated as FVTPL	(1,500,004)	-	(648,370)	-
Net loss arising on disposal of available-for-sale financial assets	-	(472,583)	-	-
Net unrealised foreign exchange losses	-	(354,934)	-	-
Changes in assets and liabilities				
Decrease/(increase) in receivables	(127,260)	4,098,552	(134,907)	(321,820)
Decrease/(increase) in prepayments	(227,396)	(719,243)	(207,148)	(643,788)
(Increase) in inventories	(106,126)	(530,379)	(106,126)	(559,191)
Increase/(decrease) in provisions	494,920	854,653	274,142	446,859
Increase/(decrease) in payables and other liabilities	843,212	836,315	(144,909)	183,347
Cash flows from operations	**8,223,341**	**16,409,767**	**3,686,910**	**1,412,187**

NOTE 21 FINANCIAL INSTRUMENTS

FAIR VALUES

The fair values of listed investments have been valued at the quoted market bid price at reporting date adjusted for transaction costs expected to be incurred. For other assets and liabilities, the fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The aggregate fair values and carrying amounts of the Group's financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

Aggregate fair values and carrying amounts of the Group's financial assets and financial liabilities at reporting date.

	2019 CARRYING AMOUNT $	2019 FAIR VALUE $	2018 CARRYING AMOUNT $	2018 FAIR VALUE $
CONSOLIDATED ENTITY				
Financial assets				
Cash	18,517,545	18,517,545	23,415,869	23,415,869
Trade and other receivables	2,972,982	2,929,720	2,860,687	2,802,456
Other financial assets	94,008,536	94,008,536	91,172,832	91,172,832
	115,499,063	**115,455,801**	**117,449,388**	**117,391,157**
Financial liabilities				
Trade and other payables	4,949,722	4,949,722	6,952,400	6,952,400
	4,949,722	**4,949,722**	**6,952,400**	**6,952,400**
PARENT ENTITY				
Financial assets				
Cash	13,333,376	13,333,376	14,889,688	14,889,688
Trade and other receivables	953,921	953,921	819,014	819,014
Other financial assets	26,374,294	26,374,294	22,579,521	22,579,521
	40,661,591	**40,661,591**	**38,288,223**	**38,288,223**
Financial liabilities				
Trade and other payables	2,095,858	2,095,858	2,257,397	2,257,397
	2,095,858	**2,095,858**	**2,257,397**	**2,257,397**

NOTE 22 RELATED PARTY DISCLOSURES

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

The parent entity is St Vincent de Paul Society Victoria Inc. (the Society).

During the financial year the Society contributed $245,742 (2018: $561,777) to VincentCare Victoria for the HomeDirect program.

The Society donated $nil (2018: $1,000,000) to VincentCare Victoria towards the redevelopment of the North Melbourne property.

NOTE 23 ECONOMIC DEPENDENCY

A significant portion of the revenue of the subsidiary, VincentCare Victoria, is provided by the Federal and State Governments in the form of grants and subsidies.

NOTE 24 REMUNERATION OF AUDITORS

The remuneration of auditors is disclosed in note 3. No other services were provided during the year.

The auditor of St Vincent de Paul Society Victoria Inc. is Deloitte Touche Tohmatsu.

NOTE 25 SUBSEQUENT EVENTS

There were no matters or circumstances that have arisen since 30 June 2019 that have significantly affected, or may significantly affect the consolidated operations in future financial years; the results of those operations in future financial years; or the consolidated state of affairs in future financial years.

St Vincent de Paul Society
VICTORIA
good works

ST VINCENT DE PAUL SOCIETY VICTORIA INC.
ABN 28 911 702 061 I RN A0042727Y

Locked Bag 4800, Box Hill VIC 3128 43 Prospect Street, Box Hill VIC 3128
03 9895 5800 info@svdp-vic.org.au

www.vinnies.org.au