St Vincent de Paul Society
VICTORIA
good works

CONSOLIDATED FINANCIAL REPORT 2019–2020

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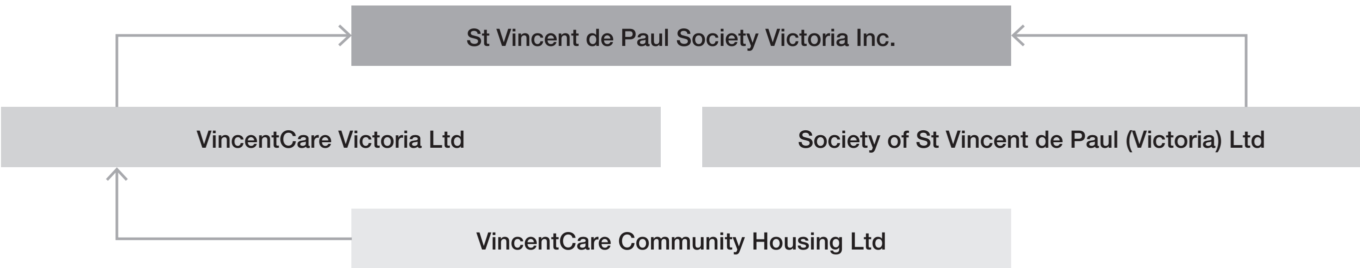
COMMITTEE OF MANAGEMENT REPORT

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 2020 and the Independent Audit Report thereon.

The 'Group' described in this Financial Report comprises the 100% owned entities depicted in the following diagram:

ST VINCENT DE PAUL SOCIETY VICTORIA GROUP STRUCTURE



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.

The State President is elected by members of the State Council, and may appoint, for the term of their office, up to six voting members to hold various office bearer positions on the Committee of Management.

The seven members who are Central Council Presidents are each elected to the Board by conference and council members within their Central Council.

Members of the Committee of Management (herein also described as 'Directors') are either elected or appointed for a four-year term.

NAMES AND PARTICULARS OF THE COMMITTEE OF MANAGEMENT

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

Member	Position Held	Term[1]
Kevin McMahon	State President	
Michael Quinn	Deputy State President	
Margaret Gearon	Vice President	
Ken Northwood	Vice President	
Brendan Foley	State Treasurer	
Margaret O'Donnell	Eastern Central Council President	Elected 9 August 2019
Kevin O'Callaghan	Eastern Central Council President	End of Term 27 July 2019
Ian Hardy	Gippsland Central Council President	
Desmond Madden	Northern Central Council President	
Barbara Anglin	North Eastern Central Council President	
Chris Pye	North Western Central Council President	
Herbert Portanier	Southern Central Council President	
Arthur Donovan	Western Central Council President	
Nicole Ridler	Youth Co-Representative	Commenced 25 October 2019
Bao Nguyen	Youth Co-Representative	Commenced 25 October 2019
Rebecca Cassar	Youth Co-Representative	End of Term 25 October 2019
Andrew Black	Youth Co-Representative	End of Term 25 October 2019

[1] Each listed member of the Committee of Management held office during the whole financial year except where noted.

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 166 years of providing care and support to the disadvantaged within our community.

The Group 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 Group 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, 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 (VCCH) was established by VincentCare in 2009 as a registered housing provider to manage a number of properties and to provide tenancy support.

VCCH, 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; designed to deliver better outcomes for young people leaving out-of-home care.

SUMMARY OF THE YEAR'S FINANCIAL OUTCOMES

Overview of the Group's operations

The Group, consisting of the two main operations: The Society; and VincentCare, is consolidated within this financial report in accordance with applicable Accounting Standards.

The following table provides a breakdown of the Group's consolidated result for the 2019/20 financial year, with comparisons to the two preceding years:

	2019/20 $M	2018/19 $M	2017/18 $M
INCOME			
Sale of Goods	44.87	48.44	45.65
Government Grants	31.60	26.95	29.96
Fundraising Activities	13.58	8.36	8.34
Bequests	5.29	5.73	3.53
Other Revenue	19.66	13.64	10.83
Total Income	**115.00**	**103.12**	**98.31**
EXPENDITURE			
Retail Costs	33.32	31.23	28.78
Accommodation & Support Services	37.56	32.63	30.43
Assistance Provided	18.83	18.13	16.68
Administration Support	8.23	7.30	6.74
Other Support Services	4.22	5.18	4.63
Fundraising/Public Relations	1.90	1.97	2.05
Other Expenditure	5.09	0.09	0.11
Total Expenditure	**109.15**	**96.53**	**89.42**
Surplus/(Deficit)	**5.85**	**6.59**	**8.89**

The Group's Total Income for the year was $115.00M, representing an 11.5% ($11.88M) increase on the prior year (2018/19: $103.12M). The main increases were in: Fundraising ($5.22M); Government Grants ($4.65M), including JobKeeper payments of $3.2M; Other Revenue ($6.02M), including an increase in profit on sale of assets of $8.14M; offset by a decline in Sale of Goods due to COVID-19 of $3.57M.

COMMITTEE OF MANAGEMENT REPORT (CONTINUED)

Total Expenditure for the Group in 2019/20 was $109.15M, representing a 13.1% ($12.62M) increase on the prior year (2018/19: $96.53M). The main increases were in: Other Expenditure ($5M), due to the net loss on investments of $5.08M; and Accommodation and Support Services (VincentCare) of $4.92M, mainly in employee costs ($2.26M) and depreciation ($2.41M).

Notably, as a consequence of the COVID-19 impact the gain/loss on investments decreased by $6.58M from a net gain of $1.50M in 2018/19 to a net loss of $5.08M in the current year.

Overall, the Group's Surplus for the year was $5.85M (2018/19: $6.59M).

OPERATIONS OF THE SOCIETY

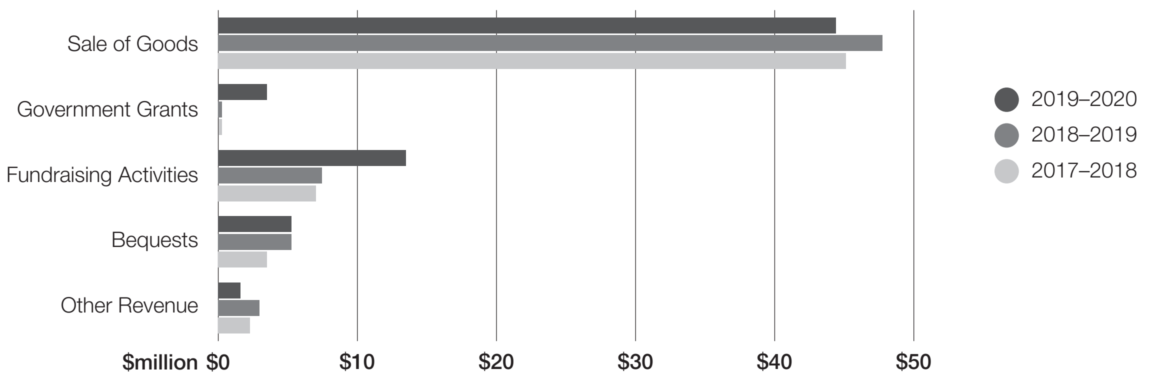
The Society's Total Income for 2019/20 was $68.26M which was 7.2% ($4.58M) up on the previous year (2018/19: $63.68M). Total Expenditure was $67.18M, representing an 8.6% ($5.31M) increase on the previous year (2018/19: $61.87M). Overall, the Society's Surplus for the year was $1.08M (2018/19: $1.81M).

	2019/20 $M	2018/19 $M	2017/18 $M
INCOME			
Sale of Goods	44.39	47.75	45.13
Government Grants	3.51	0.26	0.25
Fundraising Activities	13.49	7.46	7.03
Bequests	5.26	5.26	3.51
Other Revenue	1.61	2.95	2.27
Total Income	**68.26**	**63.68**	**58.19**
EXPENDITURE			
Retail Costs	31.73	29.06	26.93
Assistance Provided	18.81	18.38	17.20
Administration Support	8.23	7.30	7.74
Other Support Services	4.22	5.16	4.62
Other Expenditure	2.29	0.00	0.00
Fundraising/Public Relations	1.90	1.97	2.05
Total Expenditure	**67.18**	**61.87**	**58.54**
Surplus/(Deficit)	**1.08**	**1.81**	**-0.36**

Income

Sale of Goods, mostly through the Society's Vinnies retail shops, decreased by 7% to $44.39M (2018/19: $47.75M) with results significantly impacted by the COVID-19 pandemic in the last quarter of the year, during which actual retail sales were down around 50% on budget.

Three Year Revenue History ($M)



New shops were opened in Thomastown, Thornbury, Lakes Entrance and Sebastopol during the year. Vinnies now operates 109 shops throughout Victoria, as well as two major distribution centres and a fleet of transport vehicles. Around 6,000 volunteers and staff work in the retail shops and supporting logistics and warehousing services. The Society served around 3.44 million customers (2018/19 – 3.94 million) in its Vinnies shops this year and sold 11.3M units (2018/19 – 12.5M) at an average customer spend of $12.66 (2018/19 $11.82).

In 2019/20 the Society received $3.51M in Government Grants (2018/19: $258K). $3.18M of this was payments from the Commonwealth Government under the JobKeeper scheme; an emergency wage subsidy response to the economic downturn in Australia caused by the COVID-19 pandemic, for which the Society qualified by virtue of the significant reduction in Income during the last quarter of the year.

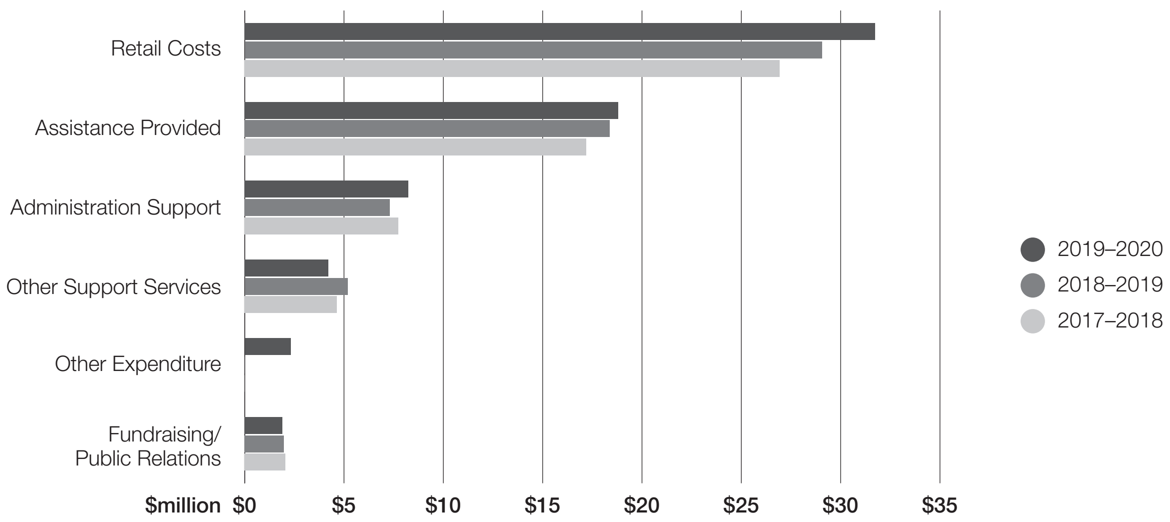
Income from Fundraising Activities was $13.49M which was 81% ($6.02M) more than the previous year (2018/19: $7.47M), predominantly due to the Victorian Bushfire Appeal which raised $5.65M. One hundred percent of these funds are being distributed directly to people affected by this devastating natural disaster, including $3.1M to be distributed in 2020/21.

Other Revenue reduced significantly in 2019/20 with the dramatic downturn in the stock market in late March 2020, caused by the COVID-19 pandemic, which had only partially recovered by year-end. Net gains on investments in the previous year of $648K reduced to zero in Other Revenue as the net losses this year of $2.29M were reclassified as Other Expenses (see below). Similarly, investment income (dividends and interest) at $1.43M in 2019/20 was down by 19% ($340K) on the prior year (2018/19: $1.77M). Sundry income (mostly discounts and rebates) was also down by $428K.

Expenses

Despite the downturn in Retail sales caused by the impacts of the COVID-19 pandemic, Retail Costs were $31.73M, more than 9% ($2.68M) higher than the previous year (2018/19: $29.05M). This movement is partly explained by the first year of adoption of the new Accounting Standard AASB16 *Leases* which accounts for around $0.8M of the increase ($5.2M extra depreciation expense, offset by a reduction in operating lease expense of $4.4M).

Three Year Expenditure History ($M)

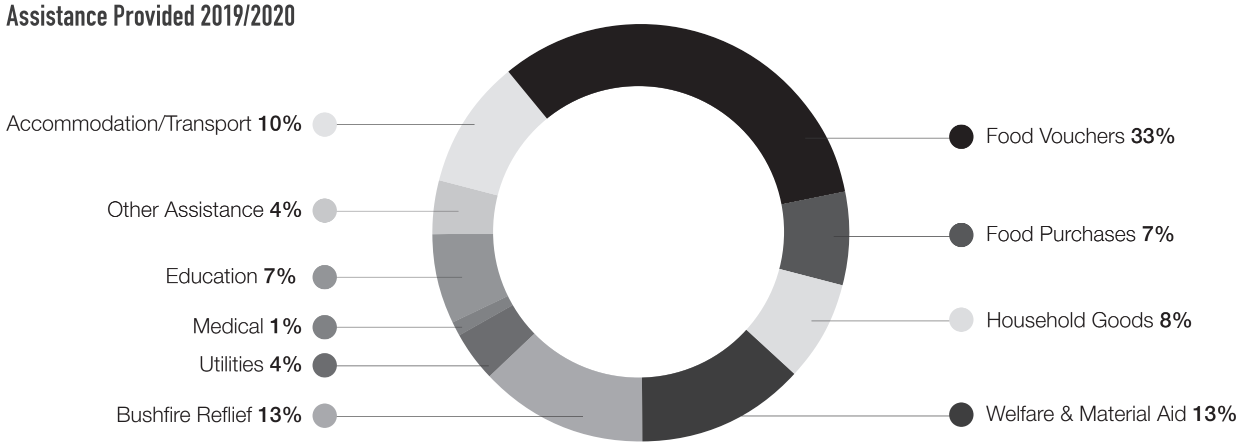


COMMITTEE OF MANAGEMENT REPORT (CONTINUED)

Direct Assistance Provided to people in need slightly increased by 2% ($434K) to $18.81M for the year (2018/19: $18.38M). This is reflective of the increased demand for our services arising from the Victorian Bushfire Emergency and, despite the considerable disruption to our conferences and their ability to operate on the ground due to COVID-19 restrictions, the continued provision of assistance services throughout the pandemic. The following chart shows the % breakdown of assistance types. The major categories include:

- Food Vouchers & Purchases: $7.52M (2018/19: $8.25M);
- Household Goods & Welfare/Material Aid: $3.85M (2018/19: $4.53M);
- Accommodation and Transport Support: $1.94M (2018/19: $2.17M);
- Education support: $1.30M (2018/19: $1.17M); and in 2020
- Assistance for Bushfire affected areas totalled $2.54M.

Assistance Provided 2019/2020



Administration and Other Support Services expenses combined were $12.45M, just slightly lower than the previous year ($12.48M). Despite a significant increase in income from Fundraising Activities, expenditure on Marketing and Fundraising was 3% ($67K) less than the previous year.

Other Expenses were recorded in the current year to recognise the net losses on investments of $2.29M. Last year there was a net gain on investments, classified as Other Revenue.

FINANCIAL POSITION OF THE SOCIETY

The Society remains in a sound financial position with Net Assets at 30 June 2020 of $115.94M (2018/19: $114.86M).

Cash and Cash Equivalents increased by $1.92M to $15.25M (2018/19: $13.33M). The balance of Financial Assets (Endowment Fund) increased slightly by 2% ($0.53M) to $26.90M (2018/19: $26.37M). Property, Plant and Equipment reduced by $0.42M to $23.38M (2018/19: $23.80M). Investment in Controlled Entities (VincentCare Victoria) remained unchanged at $52.65M[2].

Total Assets increased by 52% ($59.25M) largely due to the adoption of the new Accounting Standard AASB 16 *Leases* and the consequential first time recognition of $56.89M worth of 'Right-of-Use Assets' related to leased assets, on the Balance Sheet.

Trade and Other Payables decreased by $0.25M to $1.85M (2018/19: $2.10M).

Other Liabilities (current and non-current) increased to $58.54M (2018/19: $0.14M) made up of $4.49M current and $54.06M non-current Lease liabilities, again due to the first time adoption of Accounting Standard AASB 16 *Leases*.

In accordance with AASB16, the Group has chosen not to restate prior year comparative balances of Right-of-Use Assets and Lease Liabilities.

[2] Valued at historical cost. For Group reporting, this investment is eliminated on consolidation.

OPERATIONS OF THE VINCENTCARE GROUP[3]

The VincentCare Group's *Consolidated Statement of Profit or Loss and Other Comprehensive Income* showed a net Surplus of $4.77M for the year ended 30 June 2020 (2018/19: $4.78M).

Total Revenue of the Group for 2019/20 was $46.71M, which was $7.03M (17.7%) more than the prior year (2018/19: $39.68M) mainly due to:

- an $8.07M increase in Net Gain on Sale of Non-Current Assets (part of the funding for Ozanam House) to $9.65M (2018/19: $1.58M);
- a $1.39M (5.2%) increase in Government Grants to $28.08M (2018/19: $26.69M); offset by
- a $1.26M reduction in Fundraising to $0.11M (2018/19: $1.37M); and
- a $0.85M reduction in Net Gain on Financial Assets (with a net loss recorded in 2019/20 due to COVID-19 pandemic impact on share markets; classified as Other Expenses) to $0 (2018/19: $0.85M).

The Total Expenses increased by $7.04M for the year to be $41.94M (2018/19: $34.90M) driven by:

- a $4.92M increase in Accommodation and Support Services costs, particularly:
  - Employee Salaries and Benefits which increased by $2.26M to $20.09M (2018/19: $17.83M); and
  - Depreciation which increased by $2.41M to $3.26M (2018/19: $0.85M), partly as a consequence of the first time adoption of the new Accounting Standard AASB 16 *Leases* and also reflecting close to a full year's depreciation on the new Ozanam House;
- a Net Loss on Financial Assets of $2.79M. Last year there was a net gain on investments, classified as Other Revenue; offset by
- a reduction of $0.58M in Disability Employment Services costs to $1.59M (2018/19: $2.17M).

FINANCIAL POSITION OF THE VINCENTCARE GROUP

As at 30 June 2020, the VincentCare Group's Net Assets were $108.54M (2018/19: $103.78M), representing an increase of $4.76M.

Cash and Cash Equivalents increased by $6.15M to $11.33M (2018/19: $5.18M). Total Financial Assets (current & non-current) decreased by $18.16M to $49.47M (2018/19: $67.63M). Property, Plant and Equipment decreased by $1.59M to $57.28M (2018/19: $58.87M).

Adoption of the new Accounting Standard AASB 16 *Leases*, saw the recognition of $2.22M worth of 'Right-of-Use Assets' as a non-current asset on the Balance Sheet, for the first time.

The VincentCare Group's Total Liabilities as at 30 June 2020 were $13.78M (2018/19: $32.41M) representing a decrease of $18.63M. This was largely due to a decrease in Borrowings of $18.00M on repayment of the Catholic Development Fund line of credit facility used as temporary financing for the Ozanam House development. Trade and Other Payables decreased by $1.21M to $1.64M (2018/19: $2.85M).

The first time adoption of Accounting Standard AASB 16 *Leases* resulted in an increase of $3.00M in total Lease Liabilities to be $3.05M ($1.42M current and $1.63M non-current).

CHANGES IN STATE OF AFFAIRS

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

SUBSEQUENT EVENTS

The Coronavirus (COVID-19) was declared a worldwide pandemic by the World Health Organisation in March 2020. COVID-19, has since had a significant impact on the Australian and local economies.

As at the date of signing this financial report, the impact of the COVID-19 pandemic is ongoing and the situation is rapidly changing and developing. The Victorian Government's shutdown of most retail activity in Metropolitan Melbourne which commenced in early August 2020 and continues, has had a detrimental impact on the retail sales of the Group.

Other than the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

[3] Includes VincentCare Victoria Ltd and its 100% controlled entity VincentCare Community Housing Ltd.

COMMITTEE OF MANAGEMENT REPORT (CONTINUED)

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 ongoing funding arrangements with the Victorian State Government, the Group accesses professional indemnity and directors and officers insurance from the Victorian Managed Insurance Authority. The policies include coverage for 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 of 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	Position Held
Kevin McMahon	12	11	State President
Michael Quinn	12	12	Deputy State President
Margaret Gearon	12	10	Vice President
Ken Northwood	12	11	Vice President
Brendan Foley	12	11	State Treasurer
Margaret O'Donnell	11	8	Eastern Central Council President
Kevin O'Callaghan	1	1	Eastern Central Council President
Ian Hardy	12	9	Gippsland Central Council President
Desmond Madden	12	12	Northern Central Council President
Barbara Anglin	12	11	North Eastern Central Council President
Chris Pye	12	11	North Western Central Council President
Herbert Portanier	12	11	Southern Central Council President
Arthur Donovan	12	12	Western Central Council President
Nicole Ridler	9	6	Youth Co-Representative
Bao Nguyen	9	9	Youth Co-Representative
Rebecca Cassar	5	3	Youth Co-Representative
Andrew Black	5	3	Youth Co-Representative

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. The current memberships of each sub-committee are outlined in the following table:

Sub-Committee	Chair	Other Members
Finance	Brendan Foley	Kevin McMahon
		Michael Quinn
		Josef Czyzewski
		Bernie Bicknell
Governance	Ken Northwood	Kevin McMahon
		Michael Quinn
		Margaret Gearon
		Brendan Foley
		David Purchase (Legal Advisor)
		Arthur Donovan
Audit, Risk and Compliance	Helen Lanyon (External)	Kevin McMahon
		Michael Quinn
		Brendan Foley
		Marcia O'Neill (VCV Board)
		Nick Madden (Independent)

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 an approved Terms of Reference, which is reviewed annually. The CEO is an *ex officio* member of the Committee of Management and the three sub-committees.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under the *Australian Charities and Not-for-profits Commission Act 2012* is included on page 10.

Signed in accordance with a resolution of the Committee of Management.

Kevin McMahon

Kevin McMahon
State President

Brendan Foley
State Treasurer

Dated this 29th day of September 2020

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The Board of Directors
St Vincent de Paul Victoria Inc.
43-45 Prospect Street
BOX HILL VIC 31288

Dear Board of Directors,

LEAD AUDITOR'S INDEPENDENCE DECLARATION

In accordance with section 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of St Vincent de Paul Society Victoria Inc. and its subsidiaries.

As lead audit partner for the audit of the financial statements of St Vincent de Paul Society Victoria Inc. and its subsidiaries for the financial year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

i) The auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

ii) Any applicable code of professional conduct in relation to the audit.

Crowe Audit Australia

CROWE AUDIT AUSTRALIA

David Munday

DAVID MUNDAY
Partner

Melbourne

29 September 2020

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

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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 "Association") and its subsidiaries (together, "the Group") which comprises the consolidated statements of financial position as at 30 June 2020, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in accumulated funds of the Group and the consolidated statements of cash flows for the year ended, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Association and Group's financial position as at 30 June 2020 and of their financial performance and their cash flows for the year ended 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 (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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 2020, but does not include the financial report and our auditor's report thereon.

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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.

Emphasis of Matter – Subsequent Event Re: COVID-19

We draw attention to Note 27 of the financial statements, which describes the effects of the Coronavirus (COVID-19) pandemic which continues to impact both communities and businesses throughout the world including Australia and the community where the Group operates. Our opinion is not modified in respect of this matter.

Responsibilities of the State Council for the Financial Report

The State Council is responsible for the preparation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and 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.

In preparing the financial report, management are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters relating 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the State Council'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 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.

We communicate with the State Council of the Group 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 the audit.

Crowe Audit Australia

CROWE AUDIT AUSTRALIA

David Munday

DAVID MUNDAY

Partner

Melbourne

29 September 2020

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 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission 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

Kevin McMahon
State President

Brendan Foley
State Treasurer

Dated this 29th day of September 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Note	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
REVENUE					
Fundraising activities	2 (a)	18,864,421	14,090,631	18,754,410	12,723,711
Government grants	2 (b)	31,596,729	26,951,789	3,514,272	257,522
Sale of goods	2 (c)	44,874,316	48,441,126	44,391,581	47,749,293
Net gain on sale of property, plant & equipment	2 (d)	9,774,631	1,639,568	121,415	57,562
Net gain on financial assets classified as fair value through profit or loss (FVTPL)	2 (e)	-	1,500,004	-	648,370
Other revenue	2 (f)	9,885,506	10,497,484	1,485,002	2,247,417
Total Revenue		**114,995,603**	**103,120,602**	**68,266,680**	**63,683,875**
Retail costs	3 (a)	(33,323,633)	(31,226,338)	(31,729,702)	(29,054,814)
Gross Surplus		**81,671,970**	**71,894,264**	**36,536,978**	**34,629,061**
NON-RETAIL EXPENDITURE					
Fundraising/public relations	3 (b)	(1,898,168)	(1,965,517)	(1,898,168)	(1,965,517)
Administration	3 (c)	(8,233,222)	(7,300,148)	(8,233,222)	(7,300,148)
Assistance provided	3 (d)	(18,825,981)	(18,130,064)	(18,809,981)	(18,375,806)
Accommodation and support services	3 (e)	(37,559,433)	(32,639,553)	-	-
Other support services	3 (f)	(4,220,332)	(5,177,751)	(4,220,332)	(5,177,751)
Impairment expense	3 (g)	-	(89,109)	-	-
Net loss on financial assets classified as fair value through profit or loss (FVTPL)	3 (h)	(5,080,943)	-	(2,291,062)	-
Total Non-Retail Expenditure		**(75,818,079)**	**(65,302,139)**	**(35,452,766)**	**(32,819,222)**
Surplus for the year		**5,853,891**	**6,592,125**	**1,084,210**	**1,809,839**
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified subsequently to profit or loss		-	-	-	-
Items that may be reclassified subsequently to profit or loss		-	-	-	-
Total Comprehensive Income		**5,853,891**	**6,592,125**	**1,084,210**	**1,809,839**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Note	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
CURRENT ASSETS					
Cash and cash equivalents	5	26,582,951	18,517,545	15,247,823	13,333,376
Trade and other receivables	6	3,357,081	2,929,720	1,919,599	953,921
Inventories	7	934,840	966,068	934,840	966,068
Financial assets	8	-	4,000,000	-	-
Other assets	10	1,670,283	1,976,514	1,342,957	1,651,746
		32,545,155	**28,389,847**	**19,445,217**	**16,905,111**
Assets classified as held for sale	12	-	1,842,479	-	-
Total Current Assets		**32,545,155**	**30,232,326**	**19,445,217**	**16,905,111**
NON-CURRENT ASSETS					
Financial assets	8	76,363,008	90,008,536	26,895,953	26,374,294
Investments in controlled entities	9	-	-	52,645,810	52,645,810
Property, plant & equipment	11	80,656,761	82,669,650	23,377,985	23,795,236
Intangible assets	13	337,699	449,968	71,695	94,333
Right-of-use assets	14	59,109,532	-	56,892,381	-
Total Non-current Assets		**216,467,000**	**173,128,154**	**159,883,824**	**102,909,673**
Total assets		**249,012,155**	**203,360,480**	**179,329,042**	**119,814,784**
CURRENT LIABILITIES					
Trade and other payables	15	3,492,096	4,949,722	1,848,262	2,095,858
Provisions	16	5,136,025	4,972,471	2,564,204	2,295,229
Other liabilities	17	12,114,873	8,722,008	4,487,536	143,725
Total Current Liabilities		**20,742,994**	**18,644,201**	**8,900,001**	**4,534,812**
NON-CURRENT LIABILITIES					
Provisions	16	731,279	725,313	431,318	424,541
Other Liabilities	17	55,693,026	18,000,000	54,058,076	-
Total Non-Current Liabilities		**56,424,305**	**18,725,313**	**54,489,393**	**424,541**
Total Liabilities		**77,167,298**	**37,369,514**	**63,389,394**	**4,959,353**
Net Assets		**171,844,857**	**165,990,966**	**115,939,641**	**114,855,431**
ACCUMULATED FUNDS OF THE ASSOCIATION					
Accumulated funds		12,683,584	12,683,584	12,683,584	12,683,584
Reserves	18	10,182,147	7,142,651	5,524,864	2,485,368
Retained earnings		148,979,126	146,164,731	97,731,193	99,686,479
Total Accumulated Funds Of The Association		**171,844,857**	**165,990,966**	**115,939,641**	**114,855,431**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN ACCUMULATED FUNDS

FOR THE YEAR ENDED 30 JUNE 2020

CONSOLIDATED ENTITY	Accumulated Funds $	Retained Earnings $	Bequest Reserve $	Bushfire Reserves $	Investments Revaluation Reserve $	Total $
Balance at 1 July 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 1 July 2019	**12,683,584**	**146,164,731**	**7,142,651**	**-**	**-**	**165,990,966**
Surplus for the year	-	5,853,891	-	-	-	5,853,891
Transfer to/(from) bequest reserve	-	67,937	(67,937)	-	-	-
Transfer to bushfire reserves	-	(3,107,433)	-	3,107,433	-	-
Balance at 30 June 2020	**12,683,584**	**148,979,126**	**7,074,714**	**3,107,433**	**-**	**171,844,857**

PARENT ENTITY	Accumulated Funds $	Retained Earnings $	Bequest Reserve $	Bushfire Reserves $	Investments Revaluation Reserve $	Total $
Balance at 01 July 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 1 July 2019	**12,683,584**	**99,686,479**	**2,485,368**	**-**	**-**	**114,855,431**
Surplus for the year	-	1,084,210	-	-	-	1,084,210
Other comprehensive income	-	-	-	-	-	-
Transfer to/(from) bequest reserve	-	67,937	(67,937)	-	-	-
Transfer to bushfire reserves	-	(3,107,433)	-	3,107,433	-	-
Balance at 30 June 2020	**12,683,584**	**97,731,193**	**2,417,431**	**3,107,433**	**-**	**115,939,641**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Note	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from operating activities		80,259,202	87,445,280	46,991,631	47,749,293
Receipts from donors & other persons		18,754,410	13,973,282	18,754,410	13,973,282
Payments to clients, suppliers and employees		(92,798,346)	(97,581,229)	(55,926,134)	(59,156,125)
Interest paid		(334,602)	(582,101)	-	-
Interest and dividend income received		3,915,206	4,968,109	1,433,547	1,120,460
Net cash provided by operating activities	**21 (b)**	**9,795,870**	**8,223,341**	**11,253,454**	**3,686,910**
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of property, plant & equipment and intangible assets		468,969	70,736	143,057	57,562
Proceeds from sale of non current assets classified as held for sale (net of costs)		11,495,695	2,396,749	-	-
Proceeds on sale of financial assets		8,564,596	1,810,702	-	-
Payments for property, plant & equipment		(3,323,153)	(22,688,022)	(2,410,047)	(2,202,564)
Payments for intangible assets		(47,050)	(65,428)	(12,950)	48,182
Proceeds from refund of investment deposits		4,000,000	-	-	-
Payments for financial assets		-	(3,146,402)	(2,812,721)	(3,146,402)
Net cash used in investing activities		**21,159,057**	**(21,621,665)**	**(5,092,661)**	**(5,243,222)**
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from/(repayment of) borrowings		(18,000,000)	8,500,000	-	-
Repayments of lease liabilities		(4,889,521)	-	(4,246,346)	-
Net cash provided by financing activities		**(22,889,521)**	**8,500,000**	**(4,246,346)**	**-**
Net increase/(decrease) in cash and cash equivalents		8,065,406	(4,898,324)	1,914,447	(1,556,312)
Cash and cash equivalents at the beginning of the financial year		18,517,545	23,415,869	13,333,376	14,889,688
Cash and cash equivalents at the end of the financial year	**21 (a)**	**26,582,951**	**18,517,545**	**15,247,823**	**13,333,376**

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

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 29th September 2020.

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 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 on-costs and rates; and
- experience of employee departures and periods of service.

Property

Refer to note 11 for the impairment of property disclosure.

Estimation of useful lives of assets

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

Lease terms

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include: the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurring of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the Statement of Financial Position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

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:

(a) Principles of consolidation

The consolidated financial statements of St Vincent de Paul Society Victoria Inc. are comprised 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.

(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 from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Government grants

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for under AASB 15 as revenue from contracts with customers, with revenue recognised as these performance obligations are met.

Client contributions

Contributions by clients 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.

During the year the Society received donations of $4.65M plus $1M from the Smorgon Foundation (for Education) to be utilised in provision of assistance for those affected by the Victorian Bushfires. 100% of these donations will be provided to those affected by the Bushfires, with the remaining balance to be distributed in 2020/21. The undistributed funds at year end have been set aside in Reserves as detailed in notes 18(b) and 18(c).

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 revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rental income

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

(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.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

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 (2019: $4,000,000). Details of these assets are set out in note 8.

(e) Financial assets

Investments are recognised and de-recognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe 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 de-recognised 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.

Investments at FVTPL

The Group's investments in managed funds, equities and fixed interest have been designated as financial assets at FVTPL. Changes in fair value on these funds are recognised in profit or loss. Dividends 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 de-recognises 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:

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

(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
Right-of-Use Assets	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.

Property valuations are performed every three years with a review completed annually to assess for impairment. The Directors confirmed the latest valuation amount exceeds the carrying value as detailed in note 11.

(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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(j) 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.

(k) 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.

(l) 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. Retail inventory is valued at cost. No value is assigned to donated goods based on the lower of cost and net realisable value principle.

(m) 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.

(n) 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.

(o) 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.

(p) Leasing

As described in note 17, the Group has applied AASB 16 using the modified retrospective approach and therefore comparative information has not been restated. This means comparative information is reported under AASB 117.

Accounting policy applicable from 1 July 2019

For any new contracts entered into on or after 1 July 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key criteria:

- the contract contains an identified asset,
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, and
- the Group has the right to direct the use of the identified asset throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment.

Total Operating lease commitment disclosed at 30 June 2019	70,445,996
Other minor adjustments relating to commitment disclosure	0
Operating liabilities before discounting	70,445,996
Discount using incremental borrowing rate	(14,968,087)
Operating Lease Liabilities	55,477,909
Finance Lease Liabilities	0
Total Lease Liabilities recognised at 1 July 2019	**55,477,909**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leasing (continued)

Following is a reconciliation of the financial statement line items from AASB 117 & AASB 16 at 1 July 2019.

	Carrying amount at 30 June 2019	Remeasurement	AASB 16 Carrying value at 1 July 2019
Property, Plant & Equipment	23,795,240	55,334,184	79,129,423
Lease Liabilities	(143,725)	(55,334,184)	(55,477,909)

Accounting policy applicable before 30 June 2019

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

(q) Volunteer services

The core principle of the new income recognition requirements in AASB 1058 is when an Not-for-profit entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately. The Standard also prescribes specific accounting requirements for a transaction which is a transfer of a financial asset to enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the entity (i.e. an in-substance acquisition of a non-financial asset) and volunteer services. The Directors have decided not to recognise volunteer services within the financial statements, given the true value of these services is not reliably measurable in financial terms. Volunteer services provide value by helping communities, providing time and attributes, and are not reliably measured in financial terms.

(r) 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.

(s) Comparative figures

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

(t) 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 or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group. The following Accounting Standards and Interpretations are most relevant to the Group:

AASB 15 *Revenue from Contracts with Customers*

The Group has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 1058 *Income of Not-for-Profit Entities*

The Group has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 *Contributions* in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137.

The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense. The Group has elected not to do so.

AASB 16 *Leases*

AASB 16 *Leases* replaces AASB 117 *Leases* and some lease-related interpretations. The new standard has been applied using the modified retrospective approach and accordingly no adjustment was required to the opening balance of retained earnings for the current period.

The Group has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of AASB 16, being 1 July 2019. At this date, the Group has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Group has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of AASB 16.

For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under AASB 117 immediately before the date of initial application.

On transition to AASB 16 the incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 3.89%.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Application of new and revised Accounting Standards (continued)

Impact of adoption

AASB 15, AASB 16 and AASB 1058 were adopted using the modified retrospective approach and as such comparatives have not been restated. Impact on the current year is shown below – there was no impact on opening retained profits as at 1 July 2019.

	New $	Previous $	Difference $
Contract Assets	56,628,379	-	56,628,379
Other Current Assets	-	-	-
Contract Liabilities	58,281,610	-	58,281,610
Other Current Liabilities	-	-	-
Net Assets	(1,653,232)	-	(1,653,232)

New and Revised Accounting Standards in Issue but not yet effective

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 / Interpretation	Applicable for annual reporting periods beginning on
AASB 2018 – 7 Amendments to Australian Accounting Standards – Definition of Material	1 January 2020
AASB 2019 – 3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	1 January 2020
AASB 2019 – 5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS	1 January 2020
AASB 2020 – 4 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions	1 June 2020
AASB 2020 – 7 Amendments to Australian Accounting Standards – COVID-19 Related Rent Concessions: Tier 2 disclosures [AASB 16 and AASB 1060]	1 July 2021
AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities	1 July 2021
AASB 2020 – 2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities	1 July 2021
AASB 2020 – 1 Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current	1 January 2022
AASB 2020 – 3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments	1 January 2022

(u) Coronavirus (COVID-19) and Going Concern

This report has been prepared on the going concern basis, which contemplates the ultimate continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

In determining the appropriateness of the going concern principle the Directors have considered the level of cash held by the Group as at the date of this report and the level of fixed outgoings for the forthcoming period and is satisfied that the Group has sufficient resources available to meet these outgoings for a period of at least twelve months from the date of this report.

In response to COVID-19 the Group has adopted the following measures to address the risks associated with the COVID-19 pandemic:

- The Group prepares and updates on a monthly basis a 12-month rolling cashflow forecast for the Group;
- The Group's compliance arrangements will continue and the Group will receive ongoing advice where required from external advisors;
- All compliance documentation for the business is held and stored electronically;
- The Group has reviewed its conflicts of interest policy and the existing policy is adequate;
- Delegations of financial authority have been reviewed and deemed to be appropriate. All procurement and payment processes involve multi-stage authorisations, in accordance with the delegations of authority;
- The Group outsources part of its information technology oversight function to blueAPACHE and has confirmed how its business operates during this period;
- The Group has reviewed, and is satisfied with, the business continuity processes in place;
- The Group has reduced its annual expenditure where appropriate. The Group has circa $26.58M cash on hand and a further $76.36M in Investments; and
- The Group has reviewed its risk management system and processes and the Group believes that they are all appropriate during this COVID-19 period.

As at the date of this report, and having considered the above position, the Directors are confident that the Group will be able to continue as a going concern and in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

NOTE 2. REVENUE AND OTHER INCOME

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
(a) Fundraising activities				
Bequests	5,289,040	5,730,173	5,258,359	5,258,572
Capital Grants from trusts and foundations	-	704,794	-	-
Donations	13,575,381	7,655,664	13,496,051	7,465,139
	18,864,421	**14,090,631**	**18,754,410**	**12,723,711**

During the year the Society received donations of $4.65M plus $1M from the Smorgon Foundation (for Education) to be utilised in provision of assistance for those affected by the Victorian Bushfires. 100% of these donations are being provided to those affected by the Bushfires with the remaining balance to be distributed in 2020/21. The undistributed funds at year end have been set aside in Reserves as detailed in Notes 18(b) and 18(c).

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
(b) Government grants				
Councils/Conferences/Centres	331,272	257,522	331,272	257,522
JobKeeper COVID-19	3,183,000	-	3,183,000	-
Accommodation and support services	27,303,001	24,959,529	-	-
Capital Grants	70,200	1,000,000	-	-
Disability employment services	709,256	734,738	-	-
	31,596,729	**26,951,789**	**3,514,272**	**257,522**
(c) Sale of goods				
Sales – retail stores	44,243,700	47,522,599	44,243,700	47,522,599
Sales – piety	147,881	226,694	147,881	226,694
Sales – disability employment services	482,735	691,833	-	-
	44,874,316	**48,441,126**	**44,391,581**	**47,749,293**
(d) Net gain on sale of property, plant & equipment	**9,774,631**	**1,639,568**	**121,415**	**57,562**
(e) Net gain on financial assets classified as fair value through profit or loss (FVTPL)	**-**	**1,500,004**	**-**	**648,370**
(f) Other revenue				
Client / resident fees	2,761,153	1,974,593	-	-
Non government grants	2,660,538	2,023,562	-	-
Interest and investment income	3,915,206	5,608,934	1,433,547	1,768,830
Sundry income	548,609	890,395	51,455	478,587
	9,885,506	**10,497,484**	**1,485,002**	**2,247,417**
Total Revenue excluding Fair Value taken through Profit or Loss	**114,995,603**	**101,620,598**	**68,266,680**	**63,035,505**
Total Revenue	**114,995,603**	**103,120,602**	**68,266,680**	**63,683,875**

NOTE 3. EXPENSES

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
(a) Retail costs				
Employee salaries & benefits	14,676,123	14,037,021	13,559,696	12,409,829
Cost of goods sold – purchases/materials	3,697,512	3,387,549	3,695,455	3,382,308
Depreciation & amortisation	2,119,295	2,188,521	2,091,921	2,156,387
Depreciation of right-of-use assets	5,190,790	-	5,190,790	-
Net loss on disposal of property, plant & equipment	(1,845)	50,141	-	-
Other selling & administration costs	7,641,758	11,563,106	7,191,840	11,106,290
	33,323,633	**31,226,338**	**31,729,702**	**29,054,814**
(b) Fundraising/public relations				
Employee salaries & benefits	1,222,986	989,874	1,222,986	989,874
Promotional expenses	295,648	506,833	295,648	506,833
Other administration costs	379,534	468,810	379,534	468,810
	1,898,168	**1,965,517**	**1,898,168**	**1,965,517**
(c) Administration				
Employee salaries & benefits	4,824,202	4,296,718	4,824,202	4,296,718
Depreciation & amortisation	335,821	324,590	335,821	324,590
Depreciation of right-of-use assets	565,062	-	565,062	-
Computer maintenance	805,120	684,686	805,120	684,686
Legal & professional fees	250,931	151,757	250,931	151,757
Motor vehicle costs	87,289	248,602	87,289	248,602
Insurance	110,105	96,787	110,105	96,787
Printing/postage/office supplies	79,458	91,180	79,458	91,180
Repairs & maintenance	59,691	73,084	59,691	73,084
Telephone	141,608	105,821	141,608	105,821
Training	65,144	41,312	65,144	41,312
Travel & accommodation	60,200	76,924	60,200	76,924
Other – includes shared services costs	195,644	605,051	195,644	605,051
Board / State Council	652,947	503,636	652,947	503,636
	8,233,222	**7,300,148**	**8,233,222**	**7,300,148**
(d) Assistance provided				
Accommodation/transport	1,940,338	2,172,816	1,940,338	2,172,816
Food vouchers	6,255,756	6,759,900	6,255,756	6,759,900
Food purchases	1,265,249	1,489,605	1,265,249	1,489,605
Household goods	1,538,036	2,249,155	1,538,036	2,249,155
Welfare & material aid	2,309,865	2,282,962	2,309,865	2,282,962
Bushfire assistance (i)	2,542,593	-	2,542,593	-
Utilities	690,977	882,949	690,977	882,949
Medical	267,500	301,978	267,500	301,978
Education	1,102,007	1,173,150	1,102,007	1,173,150
Compassionate	73,067	109,462	73,067	109,462
Youth	78,607	37,613	78,607	37,613
Overseas projects	363,289	386,921	363,289	386,921
Bursary	4,597	588	4,597	588
Sundry	394,103	282,965	378,103	528,707
	18,825,981	**18,130,064**	**18,809,981**	**18,375,806**

(i) Bushfire Assistance includes Education Assistance to Bushfire affected areas. The undistributed funds at year end have been set aside in Reserves as detailed in notes 18(b) and 18(c).

NOTE 3. EXPENSES (CONTINUED)

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
(e) Accommodation & support services				
Employee salaries & benefits	20,092,654	17,833,641	-	-
Depreciation & amortisation	3,256,058	851,088	-	-
Legal & professional fees	784,542	852,681	-	-
Utilities	563,880	426,907	-	-
Occupancy costs	3,634,210	3,496,049	-	-
Motor vehicle costs	142,976	94,595	-	-
Food services	241,986	168,919	-	-
Client services	6,173,752	6,017,306	-	-
Interest Paid – other persons	334,602	582,101	-	-
Net loss on disposal of property, plant & equipment	636	9,253	-	-
Other administration costs	2,334,139	2,307,014	-	-
	37,559,433	**32,639,553**	**-**	**-**
(f) Other support services				
Accounting & payroll support	264,082	256,390	264,082	256,390
Conference support – employee salaries & benefits	1,620,283	1,885,412	1,620,283	1,885,412
Conference support – other	163,981	424,302	163,981	424,302
State, national, international councils	800,145	906,647	800,145	906,647
Conference operating costs	1,371,840	1,705,000	1,371,840	1,705,000
	4,220,332	**5,177,751**	**4,220,332**	**5,177,751**
(g) Impairment of property	**-**	**89,109**	**-**	**-**
(h) Net loss on financial assets clasified as fair value through profit or loss (FVTPL)	5,080,943	-	2,291,062	-
	109,141,712	**96,528,481**	**64,891,406**	**61,874,036**
(i) Other items				
(i) Expenses				
Depreciation and amortisation of property, plant & equipment				
- Depreciation of property, plant & equipment	4,938,517	3,532,309	2,763,249	2,828,782
- Amortisation of intangibles	211,350	211,368	77,995	73,169
- Depreciation of right-of-use assets	6,730,665	-	5,755,852	-
Construction costs expensed	-	1,260	-	-
Minimum lease payments	210,847	9,311,748	210,847	6,261,858
Employee salaries & benefits	40,815,964	37,157,254	21,491,249	19,838,223
Net impairment of trade receivables	28,941	-	-	-
Auditor's remuneration				
- Audit or review of the financial report	93,096	112,555	37,860	61,445
(ii) Net loss				
Net gain/(loss) on disposal of property, plant and equipment	(1,209)	59,394	-	-

NOTE 4. KEY MANAGEMENT PERSONNEL COMPENSATION

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
The aggregate compensation made to key management personnel of the Group	**3,278,352**	**3,328,552**	**1,387,370**	**1,437,570**

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	43,020	40,770	33,270	31,020
Cash deposits with banks	13,301,487	4,946,930	9,433,613	4,923,271
Term deposits	13,238,444	13,529,845	5,780,940	8,379,085
	26,582,951	**18,517,545**	**15,247,823**	**13,333,376**

NOTE 6. TRADE AND OTHER RECEIVABLES

Current

Trade debtors (i)	763,037	872,584	141,703	243,078
Allowance for doubtful debts	(51,948)	(43,263)	-	-
	711,089	**829,321**	**141,703**	**243,078**
Other debtors	2,645,991	2,100,399	1,777,896	710,843
Total Receivables	**3,357,081**	**2,929,720**	**1,919,599**	**953,921**

(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.

Movement in the allowance for doubtful debts

Balance at the beginning of the year	43,263	58,230	-	-
Impairment losses written off against allowance for doubtful debts	(20,256)	(14,967)	-	-
Impairment losses recognised on receivables	28,941	-	-	-
Balance at the end of the year	**51,948**	**43,263**	**-**	**-**

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 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Current				
Finished goods purchased	**934,840**	**966,068**	**934,840**	**966,068**

NOTE 8. FINANCIAL ASSETS

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Current				
Security deposits	-	4,000,000	-	-
	-	**4,000,000**	**-**	**-**
Non-Current				
Shares in listed entities and investments in unlisted equity trusts	74,110,508	88,882,286	26,895,953	26,374,294
Debt instrument – Compass Leaving Care (i)	2,252,500	1,126,250	-	-
	76,363,008	**94,008,536**	**26,895,953**	**26,374,294**
Disclosed in the financial statements as:				
Current financial assets	-	4,000,000	-	-
Non-current financial assets	76,363,008	90,008,536	26,895,953	26,374,294
	76,363,008	**94,008,536**	**26,895,953**	**26,374,294**

(i) 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. At 30 June 2020 the Group has invested $2,252,500 (2019: $1,126,250).

NOTE 9. INVESTMENTS IN CONTROLLED ENTITIES ENTITIES

	2020 $	2019 $	2020 $	2019 $
Non-Current				
Society of St Vincent de Paul (Victoria)	-	-	4,873	4,873
VincentCare Victoria and Subsidiary	-	-	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 Subsidiary	Australia	100%	100%

NOTE 10. OTHER ASSETS

	2020 $	2019 $	2020 $	2019 $
Current				
GST receivable	522,160	855,350	522,160	855,350
Prepayments	1,148,123	1,121,164	820,797	796,396
	1,670,283	**1,976,514**	**1,342,957**	**1,651,746**

NOTE 11. PROPERTY, PLANT & EQUIPMENT

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Land				
At cost	**13,932,491**	**13,932,491**	**7,940,350**	**7,940,350**
Buildings				
At cost	59,525,453	15,358,569	10,022,389	10,022,388
Buildings under construction	349,575	651,921	349,575	651,921
Less accumulated depreciation	(8,607,836)	(7,369,330)	(4,357,515)	(4,106,978)
	51,267,191	**8,641,160**	**6,014,449**	**6,567,331**
Building Improvements				
At cost	8,684,533	8,695,858	5,768,334	5,545,605
Less accumulated depreciation	(5,737,179)	(5,307,039)	(3,521,996)	(3,007,214)
	2,947,354	**3,388,819**	**2,246,338**	**2,538,391**
Leasehold Improvements				
At cost	7,306,310	7,084,556	5,498,716	5,286,174
Less accumulated depreciation	(5,677,114)	(4,960,112)	(4,330,048)	(3,801,947)
	1,629,195	**2,124,444**	**1,168,668**	**1,484,227**
Furniture, Plant & Equipment				
At cost	18,673,891	12,507,921	11,355,594	9,911,231
Less accumulated depreciation	(9,935,027)	(8,619,134)	(7,216,101)	(6,445,003)
	8,738,863	**3,888,787**	**4,139,493**	**3,466,228**
Motor Vehicles				
At cost	2,929,324	2,902,060	2,897,671	2,849,860
Less accumulated depreciation	(1,462,107)	(1,661,287)	(1,430,454)	(1,609,087)
	1,467,217	**1,240,773**	**1,467,217**	**1,240,773**
Computer Hardware				
At cost	3,054,222	2,866,808	2,394,351	2,296,364
Less accumulated depreciation	(2,401,419)	(1,991,549)	(1,995,335)	(1,740,883)
	652,803	**875,259**	**399,016**	**555,481**
Artwork & Antiquities				
At cost	**2,455**	**2,455**	**2,455**	**2,455**
Capital Work-In-Progress				
At cost	**19,190**	**48,575,462**	**-**	**-**
Total property, plant & equipment	**80,656,761**	**82,669,650**	**23,377,985**	**23,795,236**

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 in the following page.

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Land				
Carrying amount at beginning of year	13,932,491	15,661,188	7,940,350	7,940,350
Additions	-	-	-	-
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)	-	-
Carrying amount at end of year	**13,932,491**	**13,932,491**	**7,940,350**	**7,940,350**
Buildings				
Carrying amount at beginning of year	8,641,162	9,013,122	6,567,331	6,630,499
Additions	1,372,997	940,672	1,372,998	937,275
Transfer of capital WIP	42,491,540	(668,645)	(1,675,343)	(668,645)
Reclassifications	-	(64,373)	-	(81,299)
Reclassified as held for sale (note 12)	-	(222,478)	-	-
Disposals/write-offs	(850)	1	-	-
Depreciation	(1,237,656)	(357,138)	(250,537)	(250,499)
Carrying amount at end of year	**51,267,193**	**8,641,162**	**6,014,449**	**6,567,331**
Building Improvements				
Carrying amount at beginning of year	3,388,819	3,876,688	2,538,391	2,873,864
Additions	12,702	80,579	12,313	63,779
Transfer from capital WIP	427,127	88,401	210,415	52,909
Reclassifications	-	67,651	-	66,831
Disposals/write-offs	(237,886)	(36,813)	-	(4,930)
Depreciation	(643,408)	(687,687)	(514,781)	(514,062)
Carrying amount at end of year	**2,947,354**	**3,388,819**	**2,246,338**	**2,538,391**
Leasehold Improvements				
Carrying amount at beginning of year	2,124,443	2,761,950	1,484,227	1,936,126
Additions	29,018	61,008	22,762	60,522
Transfer from capital WIP	253,916	149,268	250,962	149,268
Reclassifications	-	23,204	-	20,542
Disposals/write-offs	-	(13,106)	-	(13,106)
Depreciation	(778,182)	(857,881)	(589,281)	(669,125)
Carrying amount at end of year	**1,629,195**	**2,124,444**	**1,168,670**	**1,484,227**

NOTE 11. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Furniture, plant & equipment				
Carrying amount at beginning of year	3,888,787	4,307,123	3,466,228	3,761,729
Additions	458,061	345,299	400,880	345,505
Asset write-off	-	(8,607)	-	-
Transfer from capital WIP	5,998,508	231,698	1,079,972	182,356
Reclassifications	-	(6,894)	-	(6,074)
Disposals/write-offs	(96,554)	(35,220)	(10,170)	(5,452)
Depreciation	(1,509,939)	(944,612)	(797,417)	(811,836)
Carrying amount at end of year	**8,738,863**	**3,888,787**	**4,139,493**	**3,466,228**
Motor vehicles				
Carrying amount at beginning of year	1,240,773	978,033	1,240,773	975,726
Additions	485,751	532,522	485,751	532,522
Disposals/write-offs	(742)	(3,370)	(742)	(1,063)
Depreciation	(258,565)	(266,412)	(258,565)	(266,412)
Carrying amount at end of year	**1,467,217**	**1,240,773**	**1,467,217**	**1,240,773**
Computer hardware				
Carrying amount at beginning of year	875,259	575,728	555,481	373,877
Additions	185,060	443,970	115,342	224,311
Transfer from capital WIP	100,570	275,352	80,862	275,352
Disposals/write-offs	981	(1,210)	-	(1,210)
Depreciation	(509,067)	(418,581)	(352,669)	(316,849)
Carrying amount at end of year	**652,803**	**875,259**	**399,016**	**555,481**
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	48,575,462	30,958,788	-	-
Transfer to Building Improvements	-	-	-	-
Additions	779,562	17,702,767	-	-
Transfer to Computer Software	(11,040)	-	-	-
Transfer to Furniture, Plant & Equipment	(49,324,793)	(84,833)	-	-
Expensed to statement of profit or loss	-	(1,260)	-	-
Carrying amount at end of year	**19,190**	**48,575,462**	**-**	**-**

NOTE 11. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Total property, plant & equipment				
Carrying amount at beginning of year	82,669,650	68,135,077	23,795,236	24,494,626
Additions	3,323,155	20,107,022	2,410,047	2,163,914
Asset write-off	-	(8,607)	-	-
Transfer from buildings capital WIP	(53,133)	(8,760)	(53,133)	(8,761)
Transfers to computer software	(11,040)	-	-	-
Disposals/write-offs	(335,052)	(89,923)	(10,915)	(25,760)
Classified as held for sale (note 12)	-	(1,842,478)	-	-
Expensed to Statement of Profit and Loss	-	(1,260)	-	-
Impairment loss recognised in consolidated statement of profit or loss and other comprehensive income	-	(89,109)	-	-
Depreciation	(4,936,819)	(3,532,312)	(2,763,250)	(2,828,783)
Carrying amount at end of year	**80,656,761**	**82,669,650**	**23,377,986**	**23,795,236**

Parent Entity:

An independent valuation of the Group's land and buildings is performed every three years. The latest valuation was performed in the 2018 financial year by JLT and included a review of all land and buildings. The total reviewed market value of the Group's land and buildings is $49,569,200. The equivalent carrying value is $13,954,799 at 30 June 2020. The Directors have reviewed the property portfolio at 30 June 2020 and confirm that properties are recorded at carrying values in the accounts.

VincentCare Victoria:

An independent valuation of the Group's land and buildings is performed every three years. The latest valuation was performed in the 2019 financial year by Charter Keck Cramer and included a review of all land and buildings, excluding the North Melbourne Redevelopment site. The total reviewed market value of the Group's land and buildings is $66,880,989. The equivalent carrying value is $51,244,230 at 30 June 2020. The Directors have reviewed the property portfolio at 30 June 2020 and confirm that properties are recorded at carrying values in the accounts.

In 2019 an impairment loss of $89,109 was recognised in respect of land and buildings. This loss was attributable to the decrease in the recoverable value of a residential property located at Glenroy and 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.

Mortgages, charges and pledges over land and buildings, used to secure bridging finance for the completion of Ozanam House have been extinguished. In 2019 freehold land and buildings with a carrying value of $1,900,000 had been pledged for a line of credit facility with CDF under a mortgage, pending the sale of freehold land and buildings. On settlement the line of credit became unnecessary, outstanding facilities repaid or extinguished, and mortgages released.

NOTE 12. ASSETS CLASSIFIED AS HELD FOR SALE

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Land held for sale	-	1,620,000	-	-
Building held for sale	-	222,479	-	-
	-	**1,842,479**	**-**	**-**

NOTE 13. INTANGIBLE ASSETS

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Computer Software & IT Development				
At cost	2,428,757	2,333,297	887,645	832,288
Less accumulated amortisation	(2,091,058)	(1,883,329)	(815,950)	(737,955)
	337,699	**449,968**	**71,695**	**94,333**
Total Intangible Assets	**337,699**	**449,968**	**71,695**	**94,333**
Computer Software & IT Development				
Carrying amount at beginning of year	449,968	522,738	94,333	142,515
Additions	47,050	129,839	12,950	16,227
Disposals	(1,416)	-	-	-
Transfer from capital WIP	53,446	8,760	42,406	8,760
Amortisation	(211,350)	(211,369)	(77,995)	(73,169)
Carrying amount at end of year	**337,699**	**449,968**	**71,695**	**94,333**

NOTE 14. RIGHT-OF-USE ASSETS

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Properties, Plant & Equipment				
Opening net book amount – initial adoption of AASB 16	57,254,712	-	54,836,397	-
Additions	7,482,474	-	6,976,875	-
At 30 June 2020	**64,737,186**	**-**	**61,813,272**	**-**
Accumulated Depreciation				
Opening net book amount – initial adoption of AASB 16	-	-	-	-
Depreciation	(6,114,425)	-	(5,319,886)	-
At 30 June 2020	**(6,114,425)**	**-**	**(5,319,886)**	**-**
Carrying Amount		-		-
At 30 June 2020	**58,622,761**	**-**	**56,493,386**	**-**
Motor Vehicle at Cost				
Opening net book amount – initial adoption of AASB 16	1,029,836	-	761,787	-
Additions	73,174	-	73,174	-
At 30 June 2020	**1,103,010**	**-**	**834,961**	**-**
Accumulated Depreciation				
Opening net book amount – initial adoption of AASB 16	-	-	-	-
Deprecaition	(616,239)	-	(435,966)	-
At 30 June 2020	**(616,239)**	**-**	**(435,966)**	**-**
Carrying Amount				
At 30 June 2020	**486,771**	**-**	**398,995**	**-**
Total Right-of-Use Assets	**59,109,532**	**-**	**56,892,381**	**-**

The Group leases several assets including buildings, plant & equipment, IT Equipment and Motor Vehicles. The term of the lease varies over asset class.

Amounts recognised in Profit and Loss

Depreciation expense on right-of-use assets	6,730,665
Interest expense on lease liabilities	2,274,151

At balance date the Group is committed to $2.705M for short term assets.

NOTE 15. TRADE AND OTHER PAYABLES

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Current				
Unsecured				
Trade creditors	1,313,644	1,273,417	581,337	644,215
Accrued expenses	1,452,650	1,638,387	557,072	618,524
Other creditors	725,803	2,037,918	709,853	833,119
	3,492,096	**4,949,722**	**1,848,262**	**2,095,858**

The average credit period on purchases of goods is 30 days. No interest is charged on the trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

NOTE 16. PROVISIONS

Current				
Employee benefits (i)	**5,136,025**	**4,972,471**	**2,564,204**	**2,295,229**
Non-Current				
Employee benefits	**731,279**	**725,313**	**431,318**	**424,541**
Aggregate Employee Entitlement Liability	**5,867,304**	**5,697,784**	**2,995,522**	**2,719,770**

NOTE 17. OTHER LIABILITIES

Current				
Unsecured				
Grants in advance	5,194,048	8,072,098	-	-
Refunds to government (i)	1,013,257	-	-	-
Lease liabilities	5,907,568	649,910	4,487,536	143,725
	12,114,873	**8,722,008**	**4,487,536**	**143,725**
Non-Current				
Unsecured				
Lease liabilities	55,693,026	-	54,058,076	-
Secured				
Loan	-	18,000,000	-	-
	55,693,026	**18,000,000**	**54,058,076**	**-**

(i) The group receives significant funding from government and other third parties in the form of grants with a range of associated performance obligations. Wherever possible revenue is recognised at the point when performance obligations have been achieved. Where performance is based on expenditure of funds, revenue recognition is capped at the level of expenditure. Where unspent funds are returned irrespective of the achievement of obligations, recognition is capped at the level of spend incurred to date.

Refunds to government are required where there is no reasonable prospect that funds advanced will convert to revenue.

NOTE 18. RESERVES

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Bequest Reserve	7,074,714	7,142,651	2,417,431	2,485,368
Bushfire Relief Reserve	2,304,763	-	2,304,763	-
Bushfire Education Reserve	802,670	-	802,670	-
	10,182,146	**7,142,651**	**5,524,863**	**2,485,368**

(a) Bequest Reserve

Balance at beginning of year	7,142,651	7,229,264	2,485,368	2,571,981
Transfer from reserve	(67,937)	(86,613)	(67,937)	(86,613)
Bequest funds applied	-	-	-	-
Balance at end of year	**7,074,714**	**7,142,651**	**2,417,431**	**2,485,368**

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.

(b) Bushfire Relief Reserve

Balance at beginning of year	-	-	-	-
Donations received throughout the year	4,650,025	-	4,650,025	-
Expenditure to date in provision of assistance	(2,345,262)	-	(2,345,263)	-
Balance at end of year	**2,304,763**	**-**	**2,304,763**	**-**

During the year the Society received donations of $4.65M to be utilised in provision of assistance for those affected by the Victorian Bushfires. 100% of these donations will be provided to those affected by the Bushfires with the remaining balance to be distributed in 2020/21.

(c) Bushfire Education Reserve

Balance at beginning of year	-	-	-	-
Donations received throughout the year	1,000,000	-	1,000,000	-
Expenditure to date in provision of assistance	(197,330)	-	(197,330)	-
Balance at end of year	**802,670**	**-**	**802,670**	**-**

During the year the Society received a donation of $1M from the Smorgon Foundation to be utilised in provision of education assistance for those affected by the Victorian Bushfires. 100% of these donations will be provided to those affected by the Bushfires with the remaining balance to be distributed in 2020/21.

Total Reserves	**10,182,147**	**7,142,651**	**5,524,863**	**2,485,368**

NOTE 19. OPERATING LEASE ARRANGEMENTS

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
(a) The Group as lessee				
Operating leases relate to leases of property, motor vehicles and equipment with lease terms of between 1 and 8 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	1,480,586	7,205,319	136,233	5,443,577
Later than one year but not later than 5 years	134,897	11,781,785	134,897	10,178,286
Later than five years	-	335,946	-	335,946
	1,615,483	**19,323,050**	**271,130**	**15,957,809**
Representing				
Non-cancellable operating leases	**1,615,483**	**19,323,050**	**271,130**	**15,957,809**
(b) The Group as lessor				
Operating leases relate to properties headleased by the Group and sub-leased to clients with lease terms of 1 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	214,487	437,168	-	-
Later than one year but not later than 5 years	-	-	-	-
Later than five years	-	-	-	-
	214,487	**437,168**	**-**	**-**
Representing				
Non-cancellable operating lease	**214,487**	**437,168**	**-**	**-**
Motor Vehicle Leases				
The impact of adoption on opening retained profits as at 1 July 2019 was as follows:				
Operating lease commitments as at 30 June 2019				
Other adjustment relating to commitments disclosures	1,072,963	-	795,942	-
Operating lease liabilities before discounting	-	-	-	-
Operating lease commitments discount using the incremental borrowing rate of 4.43%	1,072,963	-	795,942	-
Lease liabilities recognised as at 1 July 2019	(43,127)	-	(34,155)	-
	1,029,836	**-**	**761,787**	**-**
Of which were				
Lease Liabilities – Current	585,118	-	406,371	-
Lease Liabilities – Non Current	444,718	-	355,416	-
Total Lease Liabilities	**1,029,836**	**-**	**761,787**	**-**

NOTE 19. OPERATING LEASE ARRANGEMENTS (CONTINUED)

Property Leases

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
The impact of adoption on opening retained profits as at 1 July 2019 was as follows:				
Operating lease commitments as at 30 June 2019				
Other adjustment relating to commitments disclosures	72,754,401	-	69,650,054	-
Operating lease liabilities before discounting	-	-	-	-
Operating lease commitments discount using the incremental borrowing rate of 4.43%	72,754,401	-	69,650,054	-
Lease liabilities recognised as at 1 July 2019	(15,164,492)	-	(14,933,932)	-
	57,589,909	**-**	**54,716,122**	**-**
Of which were				
Lease Liabilities – Current	4,497,690	-	3,779,393	-
Lease Liabilities – Non Current	53,092,219	-	50,936,729	-
Total Lease Liabilities	**57,589,909**	**-**	**54,716,122**	**-**

NOTE 20. COMMITMENTS FOR EXPENDITURE

(a) Other expenditure commitments

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Capital expenditure commitments contracted for:				
Building and refurbishment projects	1,422,296	406,942	1,422,296	406,942
	1,422,296	**406,942**	**1,422,296**	**406,942**
Payable				
Within one year	1,422,296	406,942	1,422,296	406,942
Later than one year but not later than 5 years	-	-	-	-
	1,422,296	**406,942**	**1,422,296**	**406,942**

(b) Investment commitment

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
Commitment to invest in a Social Impact Bond (i)	**-**	**1,126,250**	**-**	**-**

(i) VincentCare Victoria and Anglicare Victoria came together to design and develop COMPASS, a Social Impact Bond program to deliver better outcomes for young people leaving out-of-home-care (OOHC). As at 30 June 2020, outstanding commitments to the program were $nil (2019:$1,126,250).

NOTE 21. NOTES TO THE STATEMENTS OF CASH FLOWS

	Consolidated Entity 2020 $	Consolidated Entity 2019 $	Parent Entity 2020 $	Parent Entity 2019 $
(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	43,020	40,770	33,270	31,020
Cash deposits with banks	13,301,486	4,946,930	9,433,613	4,923,271
Bank term deposits	13,238,444	13,529,845	5,780,940	8,379,085
Cash and bank balances included in assets classified as held for sale	-	-	-	-
Balance per Statement of Cash Flows	**26,582,950**	**18,517,545**	**15,247,823**	**13,333,376**
(b) Reconciliation of cash flows from operations with surplus for the year				
Surplus for the year	5,853,895	6,592,125	1,084,210	1,809,839
Non-cash flows and non-operating activities in total comprehensive income				
Depreciation of non-current assets	4,937,670	3,532,310	2,763,249	2,828,782
Amortisation of intangible assets	211,350	211,369	77,995	73,169
Depreciation of right-of-use assets	6,730,665	-	5,755,852	-
Loss on disposal of investments	-	-	2,291,062	-
Construction costs expensed	-	1,260	-	-
Impairment of fixed assets	-	89,109	-	-
Gain (net) on disposal of property, plant & equipment	(1,209)	-	-	-
Gain on disposal of non-current assets classified as held for sale	(9,653,216)	(1,582,006)	-	-
Net loss on sale of property, plant & equipment	(121,415)	1,832	(121,415)	(57,562)
Net gain/(loss) on financial assets	5,080,943	(1,500,004)	-	(648,370)
Changes in assets and liabilities				
Decrease/(increase) in receivables	(427,370)	(127,260)	(965,678)	(134,907)
Decrease/(increase) in prepayments	306,230	(227,396)	308,795	(207,148)
Decrease in grants	(2,878,050)	-	-	-
Decrease/(increase) in inventories	31,228	(106,126)	31,228	(106,126)
Increase in amount refundable to government	1,013,257	-	-	-
Increase/(decrease) in provisions	169,520	494,920	275,752	274,142
Increase/(decrease) in payables and other liabilities	(1,457,629)	843,208	(247,596)	(144,909)
Cash flows from operations	**9,795,870**	**8,223,341**	**11,253,453**	**3,686,910**

NOTE 22. 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.

	2020 Carrying Amount $	2020 Fair Value $	2019 Carrying Amount $	2019 Fair Value $
Consolidated Entity				
Financial assets				
Cash	26,582,951	26,582,951	18,517,545	18,517,545
Trade and other receivables	3,409,029	3,357,081	2,972,982	2,972,982
Right-of-use assets	59,109,532	59,109,532	-	-
Debt instrument – Compass Leaving Care	2,252,500	2,252,500	-	-
Other financial assets	74,110,508	74,110,508	94,008,536	94,008,536
	165,464,519	**165,412,571**	**115,499,063**	**115,499,063**
Financial liabilities				
Trade and other payables	3,492,096	3,492,096	4,949,722	4,949,722
Lease liabilities	61,600,593	61,600,593	-	-
	65,092,690	**65,092,690**	**4,949,722**	**4,949,722**
Parent Entity				
Financial assets				
Cash	15,247,823	15,247,823	13,333,376	13,333,376
Trade and other receivables	1,919,599	1,919,599	953,921	953,921
Right-of-use assets	56,892,381	56,892,381	-	-
Other financial assets	26,895,953	26,895,953	26,374,294	26,374,294
	100,955,755	**100,955,755**	**40,661,591**	**40,661,591**
Financial liabilities				
Trade and other payables	1,848,262	1,848,262	2,095,858	2,095,858
Lease liabilities	58,545,611	58,545,611	-	-
	60,393,873	**60,393,873**	**2,095,858**	**2,095,858**

NOTE 23. CONTINGENT LIABILITY

National Redress Scheme

At 30 June 2020, the Group had a contingent liability in relation to possible future claims made by former clients under the National Redress Scheme which the Society will join as a respondent in September 2020. Due to the number of possible claims being indeterminable at this point in time, it is considered that the amount of any contingent liability from potential claims cannot be reliably estimated as at 30 June 2020.

NOTE 24. 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 $16,000 (2019: $356,870) to VincentCare Victoria for the HomeDirect program.

NOTE 25. 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 26. 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 Crowe Audit Australia (2019: Deloitte Touche Tohmatsu).

NOTE 27. SUBSEQUENT EVENTS

The Coronavirus (COVID-19) was declared a worldwide pandemic by the World Health Organisation in March 2020. COVID-19, as well as measures to slow the spread of the virus, have since had a significant impact on the Australian and local economies.

As at the date of signing this financial report, the impact of the COVID-19 pandemic is ongoing and the situation is rapidly changing and developing. The speed and recovery of economic activity is largely dependent on measures imposed by the Australian and Victorian Governments, such as maintaining social distancing requirements, quarantine, work and travel restrictions and any economic stimulus that may be provided. Of particular relevance to the Group is the Victorian Government's shutdown of most retail activity in Metropolitan Melbourne which commenced in early August 2020 and continues. This has had a detrimental impact on the retail sales of the Group.

Given the dynamic and evolving nature of COVID-19, as well as limited recent experience of the economic and financial impacts of such a pandemic on the preparation of this financial report, changes to the estimates and judgements that have been applied in the measurement of assets and liabilities may arise in the future. Other than adjusting events that provide evidence of conditions that existed at the end of the reporting period, the impact of events that arise after the reporting period will be accounted for in future reporting periods.

Other than the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

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St Vincent de Paul Society
VICTORIA
good works

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