St Vincent de Paul Society
VICTORIA
good works

CONSOLIDATED FINANCIAL REPORT
2020-2021

ABN 28 911 702 061

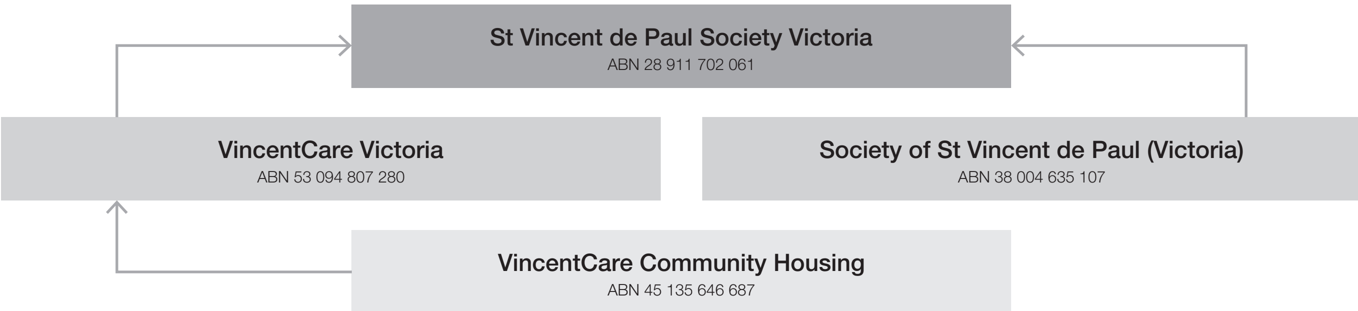
CONTENTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The Board of Directors of St Vincent de Paul Society Victoria (SVDPV) presents this report, together with the consolidated financial statements of the Group for the year ending 30 June 2021.

The 'Group' described in this Financial Report comprises the 100% owned entities, all companies limited by guarantee, depicted in the following diagram:



GOVERNANCE STRUCTURE

Governance Structure from 11 December 2020

The Members of the St Vincent de Paul Society, in Victoria, have been members of an incorporated association, formed to assist them in carrying out the good works of the Society. On 23 October 2020, the Members approved the transfer of that operating structure to a new company limited by guarantee, St Vincent de Paul Society Victoria (SVDPV) and on 11 December 2020 the new company was ratified by the Australian Securities and Investments Commission. The inaugural Board meeting of SVDPV was held on 29 January 2021.

The Board is comprised of:

- Five members from the State Council[1] of the St Vincent de Paul Society in Victoria (the State Council) including the State Council President, a State Council President appointee and three Central Council Presidents; and
- Four independent Directors.

Members of the State Council are either elected or appointed for a four-year term.

The four independent Directors are subject to retirement by rotation up to a maximum of nine years in aggregate.

The 13 members of the State Council, as individuals, are the members of the parent company, SVDPV for the duration of their State Council membership.

The Members of the State Council have certain executive powers in relation to SVDPV, as set out in the Company's constitution.

Governance Structure prior to 11 December 2020

Prior to 11 December 2020, the governing body of the incorporated association was the Committee of Management[2].

For completeness, this report includes the names and particulars of members of both the former Committee of Management and the Board of Directors of SVDPV.

[1] The State Council is formed in accordance with Article 9 of Part III of the Society's governing rules, *The Rule of the St Vincent de Paul Society in Australia.*
[2] The Committee of Management consisted of the Members of the State Council.

BOARD OF DIRECTORS

The following people were Directors of the SVDPV Board from 11 December 2020 and up to the date of this report, except as noted:

Member	Position Held	Details	Term
David Purchase	Chair	Independent	
Alyssa Caplan	Director	Independent	Commenced 19/7/2021
Thomas Quinn	Director	Independent	Commenced 19/7/2021
Bernard Bicknell	Director	Independent	Commenced 19/7/2021
Kevin McMahon	Director	State Council President	
Michael Quinn	Director	State Council	
Ken Northwood	Director	State Council	End of Term 19/7/2021
Brendan Foley	Director	State Council	End of Term 19/7/2021
Margaret O’Donnell	Director	Central Council President	
Desmond Madden	Director	Central Council President	End of Term 30/04/2021
Barbara Anglin	Director	Central Council President	
Christopher Pye	Director	Central Council President	Commenced 28/05/2021

FORMER COMMITTEE OF MANAGEMENT

The following people were members of the Committee of Management during the financial year up to 11 December 2020:

Member	Position Held
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
Ian Hardy	Gippsland Central Council President
Desmond Madden	Northern Central Council President
Barbara Anglin	North Eastern Central Council President
Christopher Pye	North Western Central Council President
Herbert Portanier	Southern Central Council President
Arthur Donovan	Western Central Council President
Nicole Ridler	Youth Co-Representative
Bao Nguyen	Youth Co-Representative

INFORMATION ON DIRECTORS

Name:	**David Purchase OAM**
Position:	Chair
Qualifications:	LLB
Experience:	An experienced senior executive and director across a wide range of commercial, government and not-for-profit entities. Roles have included: Deputy Executive Director VEF; Executive Director of Victorian Automobile Chamber of Commerce (17 years); Group Company Secretary of Norwich Union Financial Services Limited; Deputy General Manager of Lifescreen Australia (a subsidiary of Norwich Group); Executive Director of the Life Insurance Federation of Australia; Board member Australian Overseas Foundation Inc.; Board member Metropolitan Fire & Emergency Services Board; and Board member CARE Superannuation Fund. Awarded Order of Australia Medal in 2005.
Special responsibilities:	Ex officio member of: Group Finance Committee; Group Governance Committee; Group Investment Committee; and Audit, Risk & Compliance Committee.

Name:	**Alyssa Caplan**
Position:	Director
Qualifications:	Bachelor of Laws (Honours), Bachelor of Commerce with a Major in Economics, MAICD, Fellow Governance Institute of Australia
Experience:	A senior commercial lawyer with over 17 years' experience in the law, both in private practice at Allens Arthur Robinson and as a corporate lawyer at Accenture, a multinational professional services company. Held several roles on Accenture's executive leadership teams, including Director of Legal Services for North APAC.
Special responsibilities:	Member of Group Governance Committee.

Name:	**Thomas Quinn**
Position:	Director
Qualifications:	Bachelor of Science, Mechanical Engineering (Honours), MBA
Experience:	Over 30 years of global experience as a business and major project executive in multiple sectors including infrastructure, manufacturing, mining, oil and gas, food and chemical service industries, in global public companies. Currently, managing director of Telford Executive Consulting. Former Managing Director and Chief Executive Officer of Broadspectrum. Recognised from 2010 to 2013 as one of the top 100 engineers in Australia by Engineers Australia.
Special responsibilities:	Member of Audit, Risk & Compliance Committee.

Name:	**Bernard Bicknell**
Position:	Director
Qualifications:	CPA
Experience:	An experienced senior executive with specialised knowledge of the retail sector, having been Chief Executive Officer of Mitre 10 Pty Ltd for 8 years and Chief Financial Officer of Mitre 10 Pty Ltd; and Chief Operating Officer at The Godfreys Group.
Special responsibilities:	Chair Group Finance Committee and Chair Group Investment Committee.

Name:	**Kevin McMahon**
Position:	Director
Qualifications:	Bachelor of Education
Experience:	Taught in a number of secondary schools and had roles that included Deputy Principal, Campus Head and member of college leadership teams. A member of the Society in Victoria for over 14 years, holding various leadership positions, including: Diamond Valley Region President and Northern Central Council President before being elected State Council President in 2018.
Special responsibilities:	Member of: Group Finance Committee; Governance Committee; and Group Investment Committee. Former member of Audit, Risk & Compliance Committee. State Council President of the Society.

Name:	**Michael Quinn**
Position:	Director
Experience:	Over a period of 35 years, established and was the Managing Director of Quinn Industries, Australian-made furniture manufacturing company. Managing Director of M Print, a Victorian-based printing company for over 10 years. Past Chair of St Jude's Parish Advisory Council and Finance Committee 2013–2021. Established the East Timor Scholarship Fund in 2007–ongoing.
Special responsibilities:	Member of: Group Finance Committee; Governance Committee; and Group Investment Committee. Deputy State President of the Society and Chair of Retail Advisory Committee.

Name:	**Ken Northwood**
Position:	Director
Qualifications:	BA, LLB
Experience:	Solicitor in private practice – litigation specialist with an emphasis on corporate litigation 1964–1982. Australian Regular Army 1983–2000, serving in Defence Force Legal Services including Director of Military and Administrative Law, Defence Force Magistrate 1989–2000. Director of Legal Training 1997–2000. Service with United Nations, 1989 (Southwest Africa). Member, Commonwealth Refugee Review Tribunal 2000–2003. Thereafter – legal consultant to Department of Defence. Co-author "Justice in Arms – the first hundred years" (2014). Society member since 2001.
Special responsibilities:	Chair of Governance Committee. Society State Council Vice President (Governance).

Name:	**Brendan Foley**
Position:	Director
Qualifications:	Bachelor of Business (Accounting), Graduate Diploma Information Systems, CPA
Experience:	Extensive senior executive experience in a range of financial, commercial and information technology roles within the aluminium, petrochemical, metal manufacturing and glass packaging industries. Significant experience in China, Asia, USA and Europe involving the implementation of large-scale business improvement and information technology projects. Roles included CFO Australia; Business Information Manager Asia Pacific, Director Business Improvement Asia-Pacific and Global Manager IT Security.
Special responsibilities:	Current Member (and former Chair) of: Group Finance Committee; and Group Investment Committee. Former member of Audit, Risk & Compliance Committee. State Treasurer of the Society.

INFORMATION ON DIRECTORS (CONTINUED)

Name:	**Margaret O'Donnell**
Position:	Director
Qualifications:	Doctor of Education
Experience:	School Principal (20 years). Principal Leadership Consultant, currently Director on the Melbourne Archdiocese Catholic Schools Board with governance of over 200 schools. Chair for Principal Appointment Panels in Sandhurst Diocese, Member of Committee of Management for Eastern Palliative Care.
Special responsibilities:	Eastern Central Council President of the Society.

Name:	**Desmond Madden**
Position:	Director
Qualifications:	Certificate in Electronics Engineering, Mission & Values Centred Leadership Level 2 – De Paul University
Experience:	An extensive career in media with a number of years in senior positions with the Australian Broadcasting Corporation including Project Manager & Technical Manager – ABC TV & Radio. Served on various Community Committees. Board Member for Kerang District Health. Member of the State Council of the Society from 2017–21.
Special responsibilities:	Former Northern Central Council President of the Society.

Name:	**Barbara Anglin**
Position:	Director
Qualifications:	Business Diploma
Experience:	An extensive career, predominantly in the public sector, including roles such as: manager of a large organisation on Thursday Island; coordinator for Federal Government NT Emergency Response initiative; Department of Human Services Portfolio Manager for disaster response and Manager of Multicultural and Aboriginal Affairs in the region; Manager of Bicentennial Youth Team DSS; Manager at Australia Post; and VCAT Auditor.
Special responsibilities:	North East Central Council President of the Society. Member of: Reconciliation Action Plan Committee; Membership and Leadership Advisory Committee; and Emergency Recovery/Bushfire Committee.

Name:	**Christopher Pye**
Position:	Director
Qualifications:	B.Business, Dip Financial Services (FP), CPA
Experience:	Career in private practice, commenced as an auditor, then moved to taxation followed by financial planning. Roles included auditing contracts that covered education, hospitality, manufacturing, health services, agriculture and sport. Principal of a Financial Planning practice. Society member since December 2015, including leadership roles as a Conference Treasurer and Regional Council President.
Special responsibilities:	Member of Financial Management Framework Committee. North West Central Council President of the Society.

PRINCIPAL ACTIVITIES, OBJECTIVES AND STRATEGIES

The St Vincent de Paul Society (Society) 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 Society completes 167 years of providing care and support to the disadvantaged within our community.

The Society's Vision is to aspire *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 Society conducts its principal activities through a group of specialised entities. The parent entity of the Group, SVDPV, which is primarily funded through its retail network of Vinnies shops and its fundraising activities, delivers material aid and companionship to those in need through our home visitations, assistance centres, soup vans, a range of education, no-interest loans, kids camps and prison programs.

Within the Group, VincentCare Victoria (VincentCare) was established by the Society in Victoria in 2003 to deliver a range of specialist 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 (VCCH) was established by VincentCare in 2009 as a registered housing provider to manage a number of social housing properties and to provide tenancy support.

The fourth company in the Group, Society of St Vincent de Paul (Victoria), was incorporated on 23 June 1965. It currently leases property and owns real estate and holds those leases and property titles in trust for the Society.

VincentCare, in a joint venture with Anglicare Victoria, established Compass Leaving Care Limited (CLC) in 2018. CLC issued Social Impact Bonds to raise money from investors to fund the COMPASS program; designed to deliver improved outcomes for young people leaving out-of-home care.

These principal activities support the achievement of the Group's strategic objectives as set out in its new strategic plan, with each of the operations of the Society contributing to the overarching goal of empowering Victorians; *giving people the support they need to take control of their lives and reclaim their dignity.*

The Group's strategic plan articulates its strategic objectives (short and long-term) and strategies for achieving those objectives. These objectives include, being:

- **Outcomes Focused**: Responding to the need for immediate assistance, whilst investing in new areas of work that support people to achieve longer-term outcomes;
- **Values Driven**: Attracting people with the right skills, who have aligned values and are committed to helping people. We provide a welcoming, supportive and safe place for everyone;
- **Operationally Excellent**: Improving how we work to enable ease of experience and access for people accessing our services and ease of delivery by our people; and
- **Commercially Smart**: Excelling at being commercially smart without moving away from charitable roots. We maximise our strong, trusted brand and reputation to create greater opportunities for sustainable revenue generation.

The strategic plan is supported by a series of key performance indicators through which the achievement of these objectives can be measured.

SUMMARY OF FINANCIAL OUTCOMES

Operational performance

The following table provides a summary of the Group's consolidated result for the 2021 financial year, with comparisons to the two preceding years:

GROUP	2021 $M	2020 $M	2019 $M
REVENUE			
Sale of goods	43.37	44.87	48.44
Government grants	40.32	31.60	26.95
Fundraising	11.08	18.86	14.09
Gain on investments	9.52	-	1.50
Other revenue	10.66	19.67	12.14
Total Revenue	**114.95**	**115.00**	**103.12**
EXPENDITURE			
Retail costs	33.92	33.33	31.23
Accommodation & support	40.43	37.56	32.64
Assistance provided	12.50	18.83	18.13
Administration	7.72	8.23	7.30
Other support services	3.12	4.22	5.18
Fundraising & marketing	1.81	1.90	1.97
Loss on investments	-	5.08	-
Other expenses	0.14	-	0.08
Total expenditure	**99.64**	**109.15**	**96.53**
Surplus	**15.31**	**5.85**	**6.59**

The Group's Total Revenue for the year was $114.95M, slightly less ($0.05M) than the prior year (2020: $115.0M).

The main increases were in:

- government grants $8.72M, including an increase in JobKeeper funding for SVDPV which qualified for this government funding due to the impacts on the retail shops in 2020, of $4.86M and a $4.23M increase in government grants for VincentCare accommodation and support services, related to COVID-19 emergency response funding; and
- a net gain on investments of $9.52M (a net loss of $5.08M in 2020).

These increases were offset by:

- a decrease in fundraising income of $7.78M due to $5.65M of Victorian bushfire donations received in the prior year, 2020 and a comparative reduction in bequests of $1.98M due to a large donation received in 2020;
- a decrease in other revenue as a net gain on sale of property of $9.77M was recorded in the prior year, 2020; and
- a slight decline in sale of goods, predominantly due to the COVID-19 impact, of $1.50M.

Total Expenditure for the Group in 2021 was $99.64M, representing a 8.71% ($9.51M) decrease on the prior year (2020: $109.15M).

The main decreases were in:

- assistance provided, which decreased by 33.62% ($6.33M) to $12.5M for the year (2020: $18.83M), due to considerable disruption to the Society's conferences and their ability to operate on the ground predominantly due to COVID-19 restrictions;
- a reversal of the net loss on investments of $5.08M in 2020, caused by the significant downturn in the stock market due to the pandemic, which was replaced in 2021 by a net gain of $9.52M, classified as revenue; and
- a reduction in SVDPV administration costs of $0.51M, down to $7.72M (2020: $8.23M).

The largest increase in expenditure was in VincentCare's accommodation and support services, $2.87M which was largely due to additional staffing client services costs incurred in COVID-19 emergency response measures.

Overall, the Group's surplus for the year was $15.31M (2020: $5.85M).

Financial position

The Group remains in a sound financial position with Net Assets at 30 June 2021 of $187.16M (2020: $171.84M).

Cash and cash equivalents decreased by $4.49M to $22.09M (2020: $26.58M).

Financial assets (investment funds of SVDPV and VincentCare) increased by $23.72M (31.06%) to $100.08M (2020: $76.36M). Property, Plant & Equipment reduced by $1.94M to $78.72M (2020: $80.66M) and Right-of-use assets declined by $1.82M to $57.28M (2020: $59.11M).

The total liabilities of the Group increased by $0.73M (0.95%) to $77.90M (2020: $77.17M).

Dividends

The Company is precluded from paying dividends by its constitution. The Company is a company limited by guarantee and no Director holds an interest in the Company or is entitled to any options in the Company.

Changes in the state of affairs

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

Subsequent events

Impact of COVID-19 Pandemic

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 and its possible future impacts on the Group remain uncertain. The Victorian Government's shutdown of most retail activity in Victoria in early August 2021, which continues for Metropolitan Melbourne and parts of regional Victoria, has had a detrimental impact on the retail sales of the Group.

The speed and recovery of economic activity is largely dependent on measures imposed by the Australian and Victorian Governments, such as work and travel restrictions, social distancing requirements, quarantine, and any economic stimulus that may be provided.

Big Housing Build – Rapid Grants Round

On 28 July 2021, VincentCare Community Housing signed an agreement with the Victorian Government for the development of three social housing projects, involving a capital grant of $55.3M from the government and a commitment to build 164 social housing dwellings at a total cost of $75.4M. The construction phase of the project is expected to be around three years. The operational phase will extend for 20 years beyond that.

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.

Environmental issues

The operations of the Group are not subject to any significant environmental regulation under either Commonwealth or State legislation. However, the Board 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 and Insurance of Directors and Officers

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 by them.

Directors' benefits

During or since the end of the financial year, no Director has received or become entitled to a benefit as a result of a contract made by the Company with the Director, a firm of which a Director is a member or entity in which a Director has a substantial financial interest.

SUMMARY OF FINANCIAL OUTCOMES (CONTINUED)

Members' guarantee

St Vincent de Paul Society Victoria is a company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of $2 towards meeting any outstanding obligations of the Company. At 30 June 2021, the number of members was 13. Previously, under the incorporated association, there was no members' guarantee.

Directors' meetings

The number of Board meetings held during the financial period, and attendance by Directors is shown below:

Member	Eligible[3]	Attended	Position Held	Details
David Purchase	9	9	Chair	Independent
Kevin McMahon	9	8	Director	State Council President
Michael Quinn	9	9	Director	State Council
Ken Northwood	9	9	Director	State Council
Brendan Foley	9	8	Director	State Council
Margaret O'Donnell	9	9	Director	Central Council President
Desmond Madden	6	6	Director	Central Council President
Barbara Anglin	9	8	Director	Central Council President
Christopher Pye	3	3	Director	Central Council President

Meetings of the former Committee of Management

The number of Committee of Management meetings held in the financial year, prior to 11 December 2020, attended by each member of the Committee is detailed below:

Member	Eligible	Attended	Position Held
Kevin McMahon	5	5	State President
Michael Quinn	5	5	Deputy State President
Margaret Gearon	5	5	Vice President
Ken Northwood	5	5	Vice President
Brendan Foley	5	5	State Treasurer
Margaret O'Donnell	5	5	Eastern Central Council President
Ian Hardy	5	3	Gippsland Central Council President
Desmond Madden	5	5	Northern Central Council President
Barbara Anglin	5	4	North Eastern Central Council President
Christopher Pye	5	5	North Western Central Council President
Herbert Portanier	5	5	Southern Central Council President
Arthur Donovan	5	5	Western Central Council President
Nicole Ridler	5	4	Youth Co-Representative
Bao Nguyen	5	4	Youth Co-Representative

[3] Includes two Special Meetings of the Board.

Board committees

The Board has established a number of committees to support the Board's oversight responsibilities and ensure good governance through strategic and effective structures, processes and relationships. The current memberships of each committee are outlined in the following table:

Committee	Chair	Other Members
Group Finance Committee	Bernard Bicknell	Kevin McMahon Michael Quinn Brendan Foley (ex officio)
Governance Committee	Ken Northwood	David Purchase Michael Quinn Alyssa Caplan
Group Investment Committee	Bernard Bicknell	Kevin McMahon Michael Quinn Anita Chow (independent) John Hartley (independent) Brendan Foley (ex officio)
Audit, Risk & Compliance Committee	Helen Lanyon (independent)	Kevin McMahon Thomas Quinn Marcia O'Neill (VCV Board) David Gowland (independent) Nick Madden (independent)

These committees serve as advisory committees to the Board and do not have delegations of authority from the latter. The primary role of each committee is determined by the specific responsibilities conferred upon it by the Board.

Each committee works to an approved Terms of Reference, which is reviewed annually. The Board Chair and CEO are ex officio members of each committee.

Auditor independence

The Board of the Company appointed Crowe Audit Australia as auditors for the year ended 30 June 2021 in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act).

A copy of the auditor's independence declaration as required under the ACNC Act is included on page 12.

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

Director: D Purchase

David Purchase
Chair

Dated: 22 October 2021

Director:

Bernard Bicknell
Chair Group Finance Committee

Dated: 22 October 2021

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The Board of Directors
St Vincent de Paul Society Victoria
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Dear Board Members

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 and its subsidiaries.

As lead audit partner for the audit of the financial statements of St Vincent de Paul Society Victoria and its subsidiaries for the financial year ended 30 June 2021, 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

22nd of October 2021

Liability limited by a scheme approved under Professional Standards Legislation.

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 external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. 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.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

	Note	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
REVENUE					
Fundraising activities	2	11,078,921	18,864,420	10,985,154	18,754,409
Government grants	2	40,323,003	31,596,725	8,440,394	3,514,272
Sale of goods	2	43,369,644	44,874,319	43,126,484	44,391,582
Net gain on sale of property, plant & equipment	2	16,400	9,774,631	16,436	121,415
Net gain on financial assets classified as fair value through profit or loss (FVTPL)	2	9,516,220	-	4,459,151	-
Other revenue	2	10,647,423	9,885,512	1,502,374	1,485,005
Total Revenue		**114,951,611**	**114,995,607**	**68,529,993**	**68,266,683**
Retail costs	3	(33,923,968)	(33,323,641)	(32,791,452)	(31,729,708)
Gross Surplus		**81,027,643**	**81,671,966**	**35,738,541**	**36,536,975**
NON-RETAIL EXPENDITURE					
Fundraising/public relations	3	(1,805,336)	(1,898,167)	(1,805,336)	(1,898,167)
Administration	3	(7,718,099)	(8,233,217)	(7,718,099)	(8,233,217)
Assistance provided	3	(12,499,661)	(18,825,982)	(12,499,661)	(18,809,982)
Accommodation and support services	3	(40,425,330)	(37,559,438)	-	-
Other support services	3	(3,117,662)	(4,220,335)	(3,117,662)	(4,220,335)
Impairment expense	3	(150,480)	-	(150,480)	-
Net loss on financial assets classified as fair value through profit or loss (FVTPL)	3	-	(5,080,943)	-	(2,291,062)
Total Non-Retail Expenditure		**(65,716,568)**	**(75,818,082)**	**(25,291,238)**	**(35,452,763)**
Surplus for the year		**15,311,075**	**5,853,884**	**10,447,303**	**1,084,212**
Other comprehensive income		-	-	-	-
Total comprehensive surplus for the year		**15,311,075**	**5,853,884**	**10,447,303**	**1,084,212**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
ASSETS					
Current Assets					
Cash and cash equivalents	5	22,090,991	26,582,949	12,067,319	15,247,822
Trade and other receivables	6	4,057,334	3,326,520	1,432,546	1,919,598
Inventories	7	989,551	934,840	989,551	934,840
Financial assets	8	-	-	-	-
Other assets	10	1,603,436	1,700,844	1,468,014	1,342,956
Total Current Assets		**28,741,312**	**32,545,153**	**15,957,430**	**19,445,216**
Non-Current Assets					
Financial assets	8	100,078,402	76,363,002	43,964,306	26,895,953
Investments in controlled entities	9	-	-	52,645,809	52,645,809
Property, plant & equipment	11	78,721,672	80,656,756	22,815,822	23,377,986
Intangible assets	12	226,862	337,698	62,765	71,694
Right-of-use assets	13	57,284,597	59,109,537	55,931,583	56,892,379
Total Non-Current Assets		**236,311,533**	**216,466,993**	**175,420,285**	**159,883,821**
Total Assets		**265,052,845**	**249,012,146**	**191,377,715**	**179,329,037**
LIABILITIES					
Current Liabilities					
Trade and other payables	14	5,655,497	3,492,097	1,824,433	1,848,263
Provisions	15	6,005,630	5,136,024	3,138,367	2,564,203
Other liabilities	16	10,428,961	12,114,872	5,303,708	4,487,535
Total Current Liabilities		**22,090,088**	**20,742,993**	**10,266,508**	**8,900,001**
Non-Current Liabilities					
Provisions	15	935,174	731,276	554,921	431,317
Other Liabilities	16	54,871,658	55,693,027	54,169,340	54,058,076
Total Non-Current Liabilities		**55,806,832**	**56,424,303**	**54,724,261**	**54,489,393**
Total Liabilities		**77,896,920**	**77,167,296**	**64,990,769**	**63,389,394**
Net Assets		**187,155,925**	**171,844,850**	**126,386,946**	**115,939,643**
EQUITY					
Accumulated funds		12,683,584	12,683,584	12,683,584	12,683,584
Reserves	17	7,030,908	10,182,147	2,373,625	5,524,864
Retained earnings		167,441,433	148,979,119	111,329,737	97,731,195
Total Equity		**187,155,925**	**171,844,850**	**126,386,946**	**115,939,643**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

CONSOLIDATED ENTITY	Accumulated Funds $	Retained Earnings $	Bequest Reserve $	Bushfire Reserves $	Total Equity $
2021					
Balance at 1 July 2020	12,683,584	148,979,119	7,074,714	3,107,433	171,844,850
Surplus/(deficit) for period	-	15,311,075	-	-	15,311,075
Transfer from bequest reserve	-	101,478	(101,478)	-	-
Transfer from bushfire reserve	-	3,049,761	-	(3,049,761)	-
Balance at 30 June 2021	**12,683,584**	**167,441,433**	**6,973,236**	**57,672**	**187,155,925**
2020					
Balance at 1 July 2019	12,683,584	146,164,731	7,142,651	-	165,990,966
Surplus/(deficit) for period	-	5,853,884	-	-	5,853,884
Transfer from bequest reserve	-	67,937	(67,937)	-	-
Transfer to bushfire reserve	-	(3,107,433)	-	3,107,433	-
Balance at 30 June 2020	**12,683,584**	**148,979,119**	**7,074,714**	**3,107,433**	**171,844,850**

PARENT ENTITY	Accumulated Funds $	Retained Earnings $	Bequest Reserve $	Bushfire Reserves $	Total Equity $
2021					
Balance at 1 July 2020	12,683,584	97,731,195	2,417,431	3,107,433	115,939,643
Surplus/(deficit) for period	-	10,447,303	-	-	10,447,303
Transfer from bequest reserve	-	101,478	(101,478)	-	-
Transfer from bushfire reserve	-	3,049,761	-	(3,049,761)	-
Balance at 30 June 2021	**12,683,584**	**111,329,737**	**2,315,953**	**57,672**	**126,386,946**
2020					
Balance at 1 July 2019	12,683,584	99,686,479	2,485,368	-	114,855,431
Surplus/(deficit) for period	-	1,084,212	-	-	1,084,212
Transfer from bequest reserve	-	67,937	(67,937)	-	-
Transfer to bushfire reserve	-	(3,107,433)	-	3,107,433	-
Balance at 30 June 2020	**12,683,584**	**97,731,195**	**2,417,431**	**3,107,433**	**115,939,643**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Note	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from operating activities		111,464,346	99,013,612	70,238,561	65,746,041
Payments to clients, suppliers and employees		(94,659,762)	(92,798,346)	(53,144,735)	(55,926,134)
Interest and investment income received		3,970,521	3,915,206	1,301,789	1,433,547
Interest paid		(2,184,288)	(334,602)	(2,103,341)	-
Net cash provided by operating activities	20	**18,590,817**	**9,795,870**	**16,292,274**	**11,253,454**
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant & equipment and intangible assets		36,950	468,969	28,024	143,057
Proceeds from sale of non-current assets classified as held for sale (at cost)		-	11,495,695	-	-
Payments for property, plant & equipment		(3,030,480)	(3,323,153)	(2,215,553)	(2,410,048)
Payments for intangible assets		(35,370)	(47,050)	(33,900)	(12,950)
Proceeds from refund of investment deposits		-	4,000,000	-	-
Proceeds on sale of/(Payments for) financial assets		(14,199,180)	8,564,594	(12,609,202)	(2,812,721)
Net cash provided by/(used in) investing activities		**(17,228,080)**	**21,159,055**	**(14,830,630)**	**(5,092,662)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds/(repayments) of borrowings		-	(18,000,000)	-	-
Repayments of lease liabilities		(5,854,696)	(4,889,521)	(4,642,147)	(4,246,346)
Net cash used in financing activities		**(5,854,696)**	**(22,889,521)**	**(4,642,147)**	**(4,246,346)**
Net increase/(decrease) in cash and cash equivalents held		(4,491,958)	8,065,404	(3,180,503)	1,914,446
Cash and cash equivalents at beginning of financial year		26,582,949	18,517,545	15,247,822	13,333,376
Cash and cash equivalents at end of financial year	5	**22,090,991**	**26,582,949**	**12,067,319**	**15,247,822**

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1. GENERAL INFORMATION

The St Vincent de Paul Society Victoria (the Company) is a company limited by guarantee, incorporated under the *Corporations Act 2001* (Commonwealth) and is domiciled in Australia.

The Members of the St Vincent de Paul Society, in Victoria, had been members of an incorporated association, formed to assist them in carrying out the good works of the Society and domiciled in Australia. On 23 October 2020, the Members approved the transfer of that operating structure to a company limited by guarantee, St Vincent de Paul Society Victoria (SVDPV) and on 11 December 2020 the new company was ratified by the Australian Securities and Investments Commission.

The registered office of the Company is:

43-45 Prospect Street
Box Hill VIC 3128
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* and Australian Accounting Standards – Reduced Disclosure Requirements (RDR) framework.

The financial report covers the consolidated entity being St Vincent de Paul Society Victoria, 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 (SVDPV). For the purposes of preparing the consolidated financial statements, the Group is a not-for-profit entity.

The financial report of the Company 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 AIFRS, the financial reports and notes thereto are not necessarily compliant with International Financial Reporting Standards.

The financial statements were authorised for issue by the Directors on 22 October 2021.

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 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.

1. GENERAL INFORMATION (CONTINUED)

Critical 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.

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:

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;
- experience of employee departures and periods of service; and
- amounts recoverable in respect of eligible employees covered by the Victorian Portable Long Service Benefits Scheme under the *Long Service Leave Act 2018* (Vic).

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; incurrence 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 are comprised of:

- St Vincent de Paul Society Victoria;
- 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. Control exists where St Vincent de Paul Society Victoria 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 to achieve the objectives of St Vincent de Paul Society Victoria. 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 *Revenue from Contracts with Customers*, with revenue recognised as these performance obligations are met. If these conditions are not met, income is recognised under AASB 1058 *Income of Not-for-Profit Entities*.

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 not possible for the Group to reliably measure these prior to this time. For example, cash donations are recognised when banked and other donations are recognised when title of possession transfers to the Group.

Dividend and interest income

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

Revenue from rental income is recognised on a straight-line monthly basis.

(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.

1. GENERAL INFORMATION (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.

(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 of 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 & equipment	Depreciation rates and methods
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 and 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 of 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.

1. GENERAL INFORMATION (CONTINUED)

(i) Right-of-use assets

A right-of-use asset and a lease liability is recognised on the balance sheet 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 re-measurement of lease liabilities.

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.

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) Volunteer services

The core principle of the recognition requirements in AASB 1058 is when a 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.

(q) 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.

The Group accounts for the portable long service benefits liability under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* (AASB 137) as a provision as it is a liability of uncertain timing or amount and satisfies the below conditions:

a) it has a present obligation as a result of a past event;

b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c) a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under the Victorian Portable Long Service Benefits Scheme, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is recognised in profit or loss net of any reimbursement.

The Scheme only applies to certain employees performing community services work e.g. all home care work in a private residence is regarded as community services work.

1. GENERAL INFORMATION (CONTINUED)

(r) Comparative figures

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

(s) Application of new and revised Accounting Standards

No new or revised accounting standards have been adopted for the year.

New and revised Accounting Standards in issue but not yet effective

At the date of authorisation of the financial statements, the Company 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 2020-1	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	1 January 2023
AASB 2020-3	Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022
AASB 2020-6	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date	1 January 2022
AASB 1060	General Purpose Financial Statements – Simplified Disclosure for For-Profit and Not-For-Profit Tier 2 Entities	1 July 2021
AASB 2020-7	Amendments to Australian Accounting Standards – Covid-19 – Related Rent Concessions: Tier 2 Disclosures	1 July 2021
AASB 2020-9	Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments	1 July 2021
AASB 2021-1	Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities	1 July 2021

The Group is in the process of evaluating the impact of these new standards with no material impact expected.

(t) Going Concern and COVID-19

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 12 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 cash flow 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 $22.09M cash on hand and a further $100.08M in liquid investments, a portion of which, although classified as non-current assets, can be readily converted into cash; 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.

2. REVENUE AND OTHER INCOME

	Consolidated		Parent	
	2021 $	2020 $	2021 $	2020 $
Fundraising activities				
Bequests	3,286,126	5,289,040	3,276,390	5,258,359
Donations	7,792,795	13,575,380	7,708,764	13,496,050
	11,078,921	**18,864,420**	**10,985,154**	**18,754,409**
Government grants				
Councils/conferences/centres	398,194	331,272	398,194	331,272
JobKeeper COVID-19	8,042,200	3,183,000	8,042,200	3,183,000
Accommodation and support services	31,536,521	27,302,996	-	-
Capital Grants	-	70,200	-	-
Disability employment services	346,088	709,257	-	-
	40,323,003	**31,596,725**	**8,440,394**	**3,514,272**
Sale of goods				
Retail stores	42,980,165	44,243,701	42,980,165	44,243,701
Piety	146,319	147,881	146,319	147,881
Disability employment services	243,160	482,737	-	-
	43,369,644	**44,874,319**	**43,126,484**	**44,391,582**
Gain on sale of property, plant & equipment	16,400	9,774,631	16,436	121,415
Net gain on financial assets classified as fair value through profit or loss (FVTPL)	9,516,220	-	4,459,151	-
Other revenue				
Client/resident fees	2,885,167	2,761,153	-	-
Non-government grants	3,026,390	2,660,538	120,920	-
Interest and investment income	3,970,521	3,915,205	1,301,789	1,433,546
Net gain on termination of leases	16,140	-	16,140	-
Sundry income	749,205	548,616	63,525	51,459
	10,647,423	**9,885,512**	**1,502,374**	**1,485,005**
Total revenue and other income	**114,951,611**	**114,995,607**	**68,529,993**	**68,266,683**

3. EXPENSES

	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Retail costs				
Employee salaries & benefits	15,182,193	14,676,122	14,447,331	13,559,695
Cost of goods sold – purchases/materials	3,150,129	3,697,514	3,146,123	3,695,457
Depreciation & amortisation	2,384,308	2,119,295	2,362,640	2,091,921
Depreciation of right-of-use assets	5,362,445	5,190,790	5,362,445	5,190,790
Loss on disposal of property, plant & equipment	-	(1,845)	-	-
Other selling & administration costs	7,844,893	7,641,765	7,472,913	7,191,845
	33,923,968	**33,323,641**	**32,791,452**	**31,729,708**
Fundraising/public relations				
Employee salaries & benefits	1,307,289	1,222,986	1,307,289	1,222,986
Promotional expenses	196,520	295,648	196,520	295,648
Depreciation & amortisation	6,548	9,948	6,548	9,948
Other administration costs	294,979	369,585	294,979	369,585
	1,805,336	**1,898,167**	**1,805,336**	**1,898,167**
Administration				
Employee salaries & benefits	4,874,059	4,824,202	4,874,059	4,824,202
Depreciation & amortisation	197,528	335,821	197,528	335,821
Depreciation of right-of-use assets	542,622	565,062	542,622	565,062
Computer maintenance	777,036	805,120	777,036	805,120
Legal & professional fees	134,758	250,931	134,758	250,931
Motor vehicle costs	19,371	87,288	19,371	87,288
Insurance	28,173	110,105	28,173	110,105
Printing/postage/office supplies	18,579	79,457	18,579	79,457
Repairs & maintenance	78,473	59,690	78,473	59,690
Telephone	18,644	141,607	18,644	141,607
Training	32,959	65,144	32,959	65,144
Travel & accommodation	1,058	60,199	1,058	60,199
Other – includes shared services costs	201,571	195,644	201,571	195,644
Board/State Council	793,268	652,947	793,268	652,947
	7,718,099	**8,233,217**	**7,718,099**	**8,233,217**
Assistance provided				
Accommodation/transport	1,046,401	1,940,163	1,046,401	1,940,163
Food vouchers	3,871,682	6,255,756	3,871,682	6,255,756
Food purchases	1,096,956	1,265,249	1,096,956	1,265,249
Household goods	323,153	1,538,211	323,153	1,538,211
Welfare & material aid	1,733,157	2,309,865	1,733,157	2,309,865
Bushfire assistance	3,049,761	2,542,591	3,049,761	2,542,591
Utilities	216,262	690,977	216,262	690,977
Medical	158,059	267,500	158,059	267,500
Education	268,529	1,102,008	268,529	1,102,008
Compassionate	21,719	73,067	21,719	73,067
Youth	29,850	78,607	29,850	78,607
Overseas projects	450,816	363,289	450,816	363,289
Bursary	1,151	4,597	1,151	4,597
Sundry	232,165	394,102	232,165	378,102
	12,499,661	**18,825,982**	**12,499,661**	**18,809,982**

3. EXPENSES (CONTINUED)

	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Accommodation & support services				
Employee salaries & benefits	23,133,352	20,092,655	-	-
Depreciation & amortisation	2,260,595	2,281,245	-	-
Depreciation of right-of-use assets	968,966	1,368,662	-	-
Legal & professional fees	305,982	504,149	-	-
Utilities	556,322	563,880	-	-
Occupancy costs	3,071,811	2,869,174	-	-
Motor vehicle costs	49,895	80,363	-	-
Food services	209,934	241,986	-	-
Client services	6,594,448	6,140,360	-	-
Interest paid	80,947	334,617	-	-
Loss on disposal of property, plant & equipment	-	636	-	-
Other administration costs	3,193,078	3,081,711	-	-
	40,425,330	**37,559,438**	**-**	**-**
Other support services				
Accounting & payroll support	156,682	264,082	156,682	264,082
Conference support – employee salaries & benefits	1,527,685	1,620,283	1,527,685	1,620,283
Depreciation & amortisation	91,758	403,556	91,758	403,556
Conference support – other	-	152,484	-	152,484
State, national, international councils	578,893	800,145	578,893	800,145
Conference operating costs	762,644	979,785	762,644	979,785
	3,117,662	**4,220,335**	**3,117,662**	**4,220,335**
Net loss on financials assets classified as fair value through profit or loss (FVTPL)	-	5,080,943	-	2,291,062
Impairment expense	150,480	-	150,480	-
Total expenses	**99,640,536**	**109,141,723**	**58,082,690**	**67,182,471**
Other items				
Total expenses includes:				
Depreciation of property, plant & equipment	4,775,341	4,938,519	2,615,644	2,763,251
Amortisation of intangibles	165,396	211,346	42,830	77,995
Depreciation of right-of-use assets	6,874,033	7,124,514	5,905,067	5,755,852
Employee salaries & benefits	46,024,578	42,436,248	22,156,364	21,227,166
Net impairment of trade receivables	68,556	28,941	-	-
Auditor's remuneration				
- audit or review of the financial report	95,790	93,096	54,500	37,860

	Consolidated		Parent	
	2021 $	2020 $	2021 $	2020 $

4. KEY MANAGEMENT PERSONNEL COMPENSATION

	2021 $	2020 $	2021 $	2020 $
The aggregate compensation made to key management personnel of the Group	**2,776,178**	**2,893,614**	**1,723,489**	**1,387,370**

Key management personnel includes the Chief Executive Officer (CEO) and those senior executive officers that report to the CEO. The Directors and the members of the former Committee of Management 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.

5. CASH AND CASH EQUIVALENTS

Cash on hand	47,988	48,186	33,070	33,270
Cash deposits with banks	8,757,594	13,296,319	6,247,827	9,433,612
Term deposits	13,285,409	13,238,444	5,786,422	5,780,940
Total cash and cash equivalents	**22,090,991**	**26,582,949**	**12,067,319**	**15,247,822**

6. TRADE AND OTHER RECEIVABLES

Current

Trade debtors	924,542	763,037	85,088	141,703
Allowance for doubtful debts	(72,287)	(51,948)	-	-
Other debtors	3,205,079	2,615,431	1,347,458	1,777,895
Total current trade and other receivables	**4,057,334**	**3,326,520**	**1,432,546**	**1,919,598**

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.

7. INVENTORIES

Finished goods purchased	989,551	934,840	989,551	934,840
At end of period	**989,551**	**934,840**	**989,551**	**934,840**

8. FINANCIAL ASSETS

Non-current

Shares in listed entities and investments in unlisted equity trusts	97,825,902	74,110,502	43,964,306	26,895,953
Debt instruments – Compass Leaving Care	2,252,500	2,252,500	-	-
Total non-current financial assets	**100,078,402**	**76,363,002**	**43,964,306**	**26,895,953**

Compass Leaving Care Limited (CLC) issued Social Impact Bond (SIB) Loan Notes, to raise $14.20M 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 2021 the Group has invested $2,252,500 (2020:$2,252,500).

9. INVESTMENTS IN CONTROLLED ENTITIES

	Consolidated		Parent	
	2021 $	2020 $	2021 $	2020 $
Society of St Vincent de Paul (Victoria)	-	-	4,873	4,873
VincentCare Victoria and subsidiary	-	-	52,640,936	52,640,936
Total investments in controlled entities	**-**	**-**	**52,645,809**	**52,645,809**

	Country of Incorporation	Percentage Owned	Percentage Owned
Parent Entity:			
St Vincent de Paul Society Victoria	Australia		
Controlled Entities of St Vincent de Paul Society Victoria:			
Society of St Vincent de Paul (Victoria)	Australia	100%	100%
VincentCare Victoria and subsidiary	Australia	100%	100%

10. OTHER ASSETS

	Consolidated		Parent	
	2021 $	2020 $	2021 $	2020 $
GST receivable	254,218	552,720	435,915	522,160
Prepayments	1,349,218	1,148,124	1,032,099	820,796
Total other assets	**1,603,436**	**1,700,844**	**1,468,014**	**1,342,956**

11. PROPERTY, PLANT & EQUIPMENT

	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Land				
At cost	**14,148,370**	**13,932,491**	**8,156,229**	**7,940,350**
Buildings				
At cost	59,410,758	59,525,452	9,852,269	10,022,389
Buildings under construction	1,703,277	349,576	1,703,277	349,575
Less accumulated depreciation	(9,791,236)	(8,607,835)	(4,557,805)	(4,357,515)
	51,322,799	**51,267,193**	**6,997,741**	**6,014,449**
Building improvements				
At cost	8,759,516	8,684,534	5,785,019	5,768,334
Less accumulated depreciation	(6,340,268)	(5,737,180)	(3,996,053)	(3,521,996)
	2,419,248	**2,947,354**	**1,788,966**	**2,246,338**
Leasehold improvements				
At cost	7,295,662	7,306,308	5,488,070	5,498,716
Less accumulated depreciation	(6,239,831)	(5,677,114)	(4,703,384)	(4,330,048)
	1,055,831	**1,629,194**	**784,686**	**1,168,668**
Furniture, plant & equipment				
At cost	18,915,668	18,673,890	11,490,656	11,355,594
Less accumulated depreciation	(11,357,534)	(9,935,027)	(7,937,483)	(7,216,101)
	7,558,134	**8,738,863**	**3,553,173**	**4,139,493**
Motor Vehicles				
At cost	2,976,573	2,929,324	2,944,920	2,897,671
Less accumulated depreciation	(1,651,808)	(1,462,107)	(1,620,155)	(1,430,454)
	1,324,765	**1,467,217**	**1,324,765**	**1,467,217**
Computer Hardware				
At cost	3,181,984	3,054,220	2,480,760	2,394,351
Less accumulated depreciation	(2,834,835)	(2,401,419)	(2,272,953)	(1,995,335)
	347,149	**652,801**	**207,807**	**399,016**
Artwork & antiquities				
At cost	**2,455**	**2,455**	**2,455**	**2,455**
Capital work-in-progress				
At cost	**542,921**	**19,188**	**-**	**-**
Total property, plant & equipment	**78,721,672**	**80,656,756**	**22,815,822**	**23,377,986**

11. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

Reconciliations

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

	Consolidated		Parent	
	2021 $	2020 $	2021 $	2020 $
Land				
Carrying amount at the beginning of year	13,932,491	13,932,491	7,940,350	7,940,350
Additions	215,879	-	215,879	-
Reclassifications	-	-	-	-
Impairment loss recognised in profit & loss	-	-	-	-
Reclassified as held for sale	-	-	-	-
Carrying amount at end of year	**14,148,370**	**13,932,491**	**8,156,229**	**7,940,350**
Buildings				
Carrying amount at the beginning of year	51,267,193	8,641,162	6,014,449	6,567,331
Additions	1,667,165	1,372,997	1,611,739	1,372,998
Transfer to/(from) buildings	(258,037)	42,491,540	(258,037)	(1,675,343)
Reclassifications	-	-	-	-
Impairment loss recognised in profit & loss	(119,884)	-	(119,884)	-
Disposals/write-offs	-	(850)	-	-
Depreciation	(1,233,638)	(1,237,656)	(250,526)	(250,537)
Carrying amount at end of year	**51,322,799**	**51,267,193**	**6,997,741**	**6,014,449**
Building improvements				
Carrying amount at the beginning of year	2,947,354	3,388,819	2,246,338	2,538,391
Additions	32,836	12,702	32,836	12,313
Transfer from buildings	42,324	210,415	42,324	210,415
Transfer from capital WIP	58,297	216,712	-	-
Impairment loss recognised in profit & loss	(30,600)	-	(30,600)	-
Disposals/write-offs	-	(237,886)	-	-
Depreciation	(630,963)	(643,408)	(501,932)	(514,781)
Carrying amount at end of year	**2,419,248**	**2,947,354**	**1,788,966**	**2,246,338**
Leasehold improvements				
Carrying amount at the beginning of year	1,629,194	2,124,443	1,168,668	1,484,227
Additions	10,700	29,018	10,700	22,762
Transfer from buildings	62,391	253,916	62,391	250,962
Disposals/write-offs	(616)	-	(616)	-
Depreciation	(645,838)	(778,183)	(456,457)	(589,283)
Carrying amount at end of year	**1,055,831**	**1,629,194**	**784,686**	**1,168,668**

11. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

	Consolidated		Parent	
	2021 $	2020 $	2021 $	2020 $
Furniture, plant & equipment				
Carrying amount at the beginning of year	8,738,863	3,888,787	4,139,493	3,466,228
Additions	204,122	458,061	149,361	400,880
Transfer from buildings	71,332	1,079,972	71,332	1,079,972
Transfer from capital WIP	51,955	4,918,536	-	-
Reclassifications	(505)	-	(505)	-
Disposals/write-offs	(9,839)	(96,554)	(9,839)	(10,170)
Depreciation	(1,497,794)	(1,509,939)	(796,669)	(797,417)
Carrying amount at end of year	**7,558,134**	**8,738,863**	**3,553,173**	**4,139,493**
Motor vehicles				
Carrying amount at the beginning of year	1,467,217	1,240,773	1,467,217	1,240,773
Additions	175,429	485,751	175,429	485,751
Disposals/write-offs	-	(742)	-	(742)
Depreciation	(317,881)	(258,565)	(317,881)	(258,565)
Carrying amount at end of year	**1,324,765**	**1,467,217**	**1,324,765**	**1,467,217**
Computer hardware				
Carrying amount at the beginning of year	652,801	875,259	399,016	555,481
Additions	63,342	185,060	19,609	115,342
Transfer from buildings	81,990	100,570	81,990	80,862
Reclassifications	505	-	505	-
Disposals/write-offs	(2,261)	981	(1,134)	-
Depreciation	(449,228)	(509,069)	(292,179)	(352,669)
Carrying amount at end of year	**347,149**	**652,801**	**207,807**	**399,016**
Artwork & antiquities				
Carrying amount at the 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 the beginning of year	19,188	48,575,462	-	-
Additions	661,006	779,559	-	-
Transfer to building improvements	(58,297)	-	-	-
Transfer to computer software	(19,189)	(11,040)	-	-
Transfer to furniture, plant & equipment	(51,955)	(49,324,793)	-	-
Disposal/write-offs	(7,832)	-	-	-
Carrying amount at end of year	**542,921**	**19,188**	**-**	**-**
Total property, plant & equipment	**78,721,672**	**80,656,756**	**22,815,822**	**23,377,986**

An independent valuation of the Group's land and buildings is performed every three years. The latest valuation was performed in the 2021 financial year by Marsh and included a review of all land and buildings. The total reviewed market value of the Group's land and buildings is $132,180,250. This excludes the land at Mt. Duneed purchased in April 2021. The equivalent carrying value is $67,890,417 at 30 June 2021.

The Directors have reviewed the Group's land and buildings portfolio at 30 June 2021 and have determined that, apart from an impairment loss of $150,484 in relation to the former Wangaratta Assistance Centre located at 45 Templeton Street, Wangaratta due to functional obsolescence, there is no basis for recognising an impairment of the carrying value of portfolio.

12. INTANGIBLE ASSETS

	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Computer software & IT development				
At cost	2,483,315	2,428,756	921,544	887,644
Less accumulated amortisation	(2,256,453)	(2,091,058)	(858,779)	(815,950)
Total Intangible Assets	**226,862**	**337,698**	**62,765**	**71,694**
Computer software & IT development				
Carrying amount at beginning of year	337,698	449,968	71,694	94,333
Additions	35,370	47,050	33,900	12,950
Disposals	-	(1,416)	-	-
Transfer to building improvements	-	42,406	-	42,406
Transfer from capital WIP	19,189	11,040	-	-
Amortisation	(165,395)	(211,350)	(42,829)	(77,995)
Carrying amount at year end	**226,862**	**337,698**	**62,765**	**71,694**

13. RIGHT-OF-USE ASSETS

	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Property, plant & equipment				
At cost	69,260,762	64,737,193	66,336,839	61,813,270
Less accumulated depreciation	(12,276,151)	(6,114,426)	(10,673,028)	(5,319,886)
	56,984,611	**58,622,767**	**55,663,811**	**56,493,384**
Motor vehicles				
At cost	1,420,841	1,103,010	1,047,972	834,961
Less accumulated depreciation	(1,120,855)	(616,240)	(780,200)	(435,966)
	299,986	**486,770**	**267,772**	**398,995**
Total Right-of-use assets	**57,284,597**	**59,109,537**	**55,931,583**	**56,892,379**
Property, plant & equipment				
Carrying amount at beginning of year	58,622,767	-	56,493,384	-
Adoption of AASB 16	-	57,254,712	-	54,836,397
Additions	3,167,728	7,876,329	3,167,726	6,976,873
Modifications	2,004,509	-	2,004,509	-
Expiration	(74,393)	-	(74,393)	-
Termination	(366,582)	-	(366,582)	-
Depreciation	(6,369,418)	(6,508,274)	(5,560,833)	(5,319,886)
Carrying amount at year end	**56,984,611**	**58,622,767**	**55,663,811**	**56,493,384**
Motor vehicles				
Carrying amount at beginning of year	486,770	-	398,995	-
Adoption of AASB 16	-	1,029,836	-	761,787
Additions	171,095	73,174	66,275	73,174
Modifications	205,133	-	205,133	-
Expiration	(19,928)	-	(19,928)	-
Termination	(38,469)	-	(38,469)	-
Depreciation	(504,615)	(616,240)	(344,234)	(435,966)
Carrying amount at year end	**299,986**	**486,770**	**267,772**	**398,995**
Total Right-of-use assets	**57,284,597**	**59,109,537**	**55,931,583**	**56,892,379**

The Group leases a number of assets, including property, plant & equipment and motor vehicles, with varying lease terms.

Amounts recognised in profit & loss

	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Depreciation of right-of-use assets	6,874,025	6,730,665	5,905,067	5,755,852
Interest expense on lease liabilities	2,184,288	2,390,927	2,103,341	2,274,151

14. TRADE AND OTHER PAYABLES

	Note	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Unsecured					
Trade creditors		612,789	1,313,642	422,412	581,337
Accrued expenses		2,593,932	1,452,651	1,232,014	557,072
Other creditors		2,448,776	725,804	170,007	709,854
Total current trade and other payables		**5,655,497**	**3,492,097**	**1,824,433**	**1,848,263**

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.

15. PROVISIONS

	Note	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Current					
Employee benefits		**6,005,630**	**5,136,024**	**3,138,367**	**2,564,203**
Non-current					
Employee benefits		**935,174**	**731,276**	**554,921**	**431,317**
Total employee entitlement liability		**6,940,804**	**5,867,300**	**3,693,288**	**2,995,520**

16. OTHER LIABILITIES

	Note	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Current					
Unsecured					
Grants in advance		3,880,317	5,194,048	-	-
Tax withheld		11,750	-	11,750	-
Vinnies loyalty cards		629,708	-	629,708	-
Refunds to government		-	1,013,257	-	-
Lease liabilities	18	5,907,186	5,907,567	4,662,250	4,487,535
		10,428,961	**12,114,872**	**5,303,708**	**4,487,535**
Non-current					
Unsecured					
Lease liabilities	18	54,871,658	55,693,027	54,169,340	54,058,076
		54,871,658	**55,693,027**	**54,169,340**	**54,058,076**

The Group receives significant funding from government and other third parties in the form of grants with a range of associated performance obligations. When appropriate, 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.

17. RESERVES

	Consolidated		Parent	
	2021 $	2020 $	2021 $	2020 $
Bequest reserve	6,973,236	7,074,714	2,315,953	2,417,431
Bushfire relief reserve	-	2,304,763	-	2,304,763
Bushfire education reserve	57,672	802,670	57,672	802,670
Total reserves	**7,030,908**	**10,182,147**	**2,373,625**	**5,524,864**

Bequest reserve

Balance at beginning of year	7,074,714	7,142,851	2,417,431	2,485,368
Transfer from reserve	(101,478)	(67,937)	(101,478)	(67,937)
Balance at year end	**6,973,236**	**7,074,714**	**2,315,953**	**2,417,431**

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.

Bushfire relief reserve

Balance at beginning of year	2,304,763	4,650,025	2,304,763	4,650,025
Transfer from reserve	(2,304,763)	(2,345,262)	(2,304,763)	(2,345,262)
Balance at year end	**-**	**2,304,763**	**-**	**2,304,763**

Bushfire education reserve

Balance at beginning of year	802,670	1,000,000	802,670	1,000,000
Transfer from reserve	(744,998)	(197,330)	(744,998)	(197,330)
Balance at year end	**57,672**	**802,670**	**57,672**	**802,670**

18. LEASE ARRANGEMENTS

	Consolidated		Parent	
	2021 $	2020 $	2021 $	2020 $
The Group as a lessee				
This represents operating leases that are short-term leases, i.e. a lease that at the commencement date, has a lease term of 12 months or less, and leases of low value assets. 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	382,218	182,301	106,568	136,333
Later than one year but not later than 5 years	156,101	134,897	156,101	134,897
Representing				
Non-cancellable operating leases	**538,319**	**317,198**	**262,669**	**271,230**
The Group as lessor				
Operating leases relate to properties head-leased 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	226,743	1,344,353	-	-
Later than one year but not later than 5 years	3,608	-	-	-
Representing				
Non-cancellable operating lease	**230,351**	**1,344,353**	**-**	**-**
Lease liabilities				
Current				
Motor vehicle	312,304	482,831	-	-
Property leases	5,594,882	5,424,736	4,662,250	4,487,535
Total current lease liabilities	**5,907,186**	**5,907,567**	**4,662,250**	**4,487,535**
Non-current				
Motor vehicle	-	-	-	-
Property leases	54,871,658	55,693,027	54,169,340	54,058,076
Total non-current lease liabilities	**54,871,658**	**55,693,027**	**54,169,340**	**54,058,076**

19. COMMITMENTS FOR EXPENDITURE

	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Other expenditure commitments				
Capital expenditure commitments contracted for:				
Building and refurbishment projects	**321,326**	**1,422,296**	**321,326**	**1,422,296**
Payable				
Within one year	**321,326**	**1,422,296**	**321,326**	**1,422,296**

20. CASH FLOW INFORMATION

	Consolidated 2021 $	Consolidated 2020 $	Parent 2021 $	Parent 2020 $
Reconciliation of surplus to net cash flows from operating activities				
Net surplus for the year	15,311,075	5,853,895	10,447,303	1,084,210
Non-cash flow and non-operating activities in total comprehensive income				
Depreciation of non-current assets	4,775,341	4,937,670	2,615,644	2,763,249
Amortisation of intangible assets	165,396	211,350	42,830	77,995
Depreciation of right-of-use assets	6,874,025	6,730,665	5,905,067	5,755,852
Loss on disposal of investments	-	-	-	2,291,062
Impairment of property, plant & equipment	150,480	-	150,480	-
Net gain on disposal of property, plant & equipment	(16,400)	(122,624)	(16,436)	(121,415)
Net gain on disposal of non-current assets classified as held for sale	-	(9,653,216)	-	-
Net gain on financial assets	(9,516,220)	5,080,943	(4,459,151)	-
Net gain on termination of leases	(16,140)	-	(16,140)	-
Changes in operating assets and liabilities				
Decrease/(increase) in receivables	(730,814)	(427,370)	487,052	(965,678)
Decrease/(increase) in other assets	97,408	306,230	(125,058)	308,795
Decrease in inventories	(54,711)	31,228	(54,711)	31,228
Increase in amount of refundable Government grants	(1,013,257)	1,013,527	-	-
Decrease in grants in advance	(1,313,731)	(2,878,050)	-	-
Increase in provisions	1,073,504	169,520	697,768	275,752
Increase/(decrease) in payables and other liabilities	2,804,861	(1,457,898)	617,626	(247,596)
Cash flows from operating activities	**18,590,817**	**9,795,870**	**16,292,274**	**11,253,454**

21. FINANCIAL INSTRUMENTS

Fair value

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.

	Carrying Amount 2021 $	Fair Value 2021 $	Carrying Amount 2020 $	Fair Value 2020 $
Consolidated Entity				
Financial assets				
Cash	22,090,991	22,090,991	26,582,949	26,582,949
Trade and other receivables	4,129,621	4,057,334	3,378,468	3,326,520
Right-of-use assets	57,284,597	57,284,597	59,109,537	59,109,537
Debt instrument – Compass Leaving Care	2,252,500	2,252,500	2,252,500	2,252,500
Other financial assets	97,825,902	97,825,902	74,110,502	74,110,502
	183,583,611	**183,511,324**	**165,433,956**	**165,382,008**
Financial liabilities				
Trade and other payables	5,655,497	5,655,497	3,492,097	3,492,097
Lease liabilities	60,778,844	60,778,844	61,600,594	61,600,594
	66,434,341	**66,434,341**	**65,092,691**	**65,092,691**
Parent Entity				
Financial assets				
Cash	12,067,319	12,067,319	15,247,822	15,247,822
Trade and other receivables	1,432,546	1,432,546	1,919,598	1,919,598
Right-of-use assets	55,931,583	55,931,583	56,892,379	56,892,379
Debt instrument – Compass Leaving Care	-	-	-	-
Other financial assets	43,964,306	43,964,306	26,895,953	26,895,953
	113,395,754	**113,395,754**	**100,955,752**	**100,955,752**
Financial liabilities				
Trade and other payables	1,824,433	1,824,433	1,848,263	1,848,263
Lease liabilities	58,831,590	58,831,590	58,545,611	58,545,611
	60,656,023	**60,656,023**	**60,393,874**	**60,393,874**

22. CONTINGENT LIABILITY

National Redress Scheme

At 30 June 2021, the Group had a contingent liability in relation to possible future claims made by former clients under the National Redress Scheme which the Society has joined as a respondent. 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 2021.

23. 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 (SVDPV).

During the financial year the Society contributed $1,446 (2020: $19,329) to VincentCare Victoria for the HomeDirect program.

24. 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.

25. 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 is Crowe Audit Australia.

26. SUBSEQUENT EVENTS

Impact of COVID-19 Pandemic

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 its possible future impacts on the Group remain uncertain. The speed and recovery of economic activity is largely dependent on measures imposed by the Australian and Victorian Governments, such as work and travel restrictions, social distancing requirements, quarantine, and any economic stimulus that may be provided.

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.

Big Housing Build – Rapid Grants Round

On 28 July 2021, VincentCare Community Housing signed an agreement with the Victorian Government for the development of three social housing projects, involving a capital grant for $55.3M from the government and a commitment to build 164 social housing dwellings at a total cost of $75.4M. The construction phase of the project is expected to be around 3 years. The operational phase will extend for 20 years beyond that.

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.

27. MEMBERS' GUARANTEE

St Vincent de Paul Society Victoria is a company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of $2 towards meeting any outstanding obligations of the Company. At 30 June 2021, the number of members was 13. Previously, under the incorporated association, there was no members' guarantee.

DIRECTORS' DECLARATION

St Vincent de Paul Society
VICTORIA
good works

St Vincent de Paul Society Victoria
ABN: 28 911 702 061
ACN: 646 178 421

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

Telephone: 03 9895 5800

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

In the opinion of the Directors:

(a) The consolidated financial statements and notes of St Vincent de Paul Society Victoria are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of its financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- (ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and

(b) There are reasonable grounds to believe that St Vincent de Paul Society Victoria will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Director:

David Purchase
Chair

Dated: 22 October 2021

Director:

Bernard Bicknell
Chair Group Finance Committee

Dated: 22 October 2021

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Independent Auditor's Report to the Members of St Vincent de Paul Society Victoria

Opinion

We have audited the financial report of St Vincent de Paul Society Victoria ("the Company") and its subsidiaries (together, "the Group") which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement 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 of the Company and Group is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act), including:

(a) giving a true and fair view of the Company and the Group's financial position as at 30 June 2021 and of their financial performance for the year ended on that date; and

(b) complying with Australian Accounting Standards – *Reduced Disclosure Requirements* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 auditor independence requirements of the ACNC Act and 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.

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Other Information

The Directors are responsible for the other information. The other information comprises the information included in the directors' report and annual report but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Emphasis of Matter – Subsequent Event Re: COVID-19

We draw attention to Note 26 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 Directors for the Financial Report

The Directors are responsible for the for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the ACNC Act and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The Directors 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

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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 Director'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 Directors 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

22nd of October 2021

St Vincent de Paul Society
VICTORIA
good works

ST VINCENT DE PAUL SOCIETY VICTORIA ABN 28 911 702 061 | ACN 646 178 421

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