ST VINCENT DE PAUL SOCIETY
CANBERRA/GOULBURN
SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

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CANBERRA/GOULBURN

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

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ST VINCENT DE PAUL SOCIETY
CANBERRA/GOULBURN

COMMITTEE MEMBERS' REPORT
FOR THE YEAR ENDED 30 JUNE 2017

Your committee members submit the financial report of the Territory Council of the St Vincent de Paul Society Canberra-Goulburn, hereinafter referred to as "St Vincent de Paul Society Canberra/Goulburn" or the "Society".

Committee Members

The names of committee members throughout the year and at the date of this report are:

NAME	DATE STATUS
Warwick Fulton	President
Pat Farrelly	Treasurer
Stewart Chapman	Vice President Conferences
Bernard Meadley	Vice President Centres
Kate Barton	Vice President Youth *resigned 24.06.17*
Suhasini Sumithra	Vice President Youth *commenced 24.06.17*
Edward Smith	Vice President Special Works
Sr Therese Haywood DC	Spiritual Advisor *resigned 20.03.17*
John Vance	Spiritual Advisor *commenced 24.06.17*
Christine Mabbott	Regional President Far South Coast
Mary Donnelly	Regional President Western Region
Raymond Akhurst	Regional President Molonglo
John Feint	Regional President Tuggeranong/Monaro
Cornelius Barend Johannes Van Wyk	Chief Executive Officer *commenced 23.01.17*
Paul Trezise	Chief Executive Officer *resigned 01.03.17*

Principal Activities

The principal activities of the Society during the financial year were:

- to follow the teaching and charism of Blessed Frederic Ozanam within the Roman Catholic Archdiocese of Canberra and Goulburn.
- to facilitate the spiritual welfare of members by sharing their skills and talents, and what has been given to the Society, on a person to person basis with those in need.
- to seek to cooperate in shaping a more just, compassionate Australia and to share the Society's resources with their twinned countries, (being India, Indonesia and Thailand).
- to work with and assist people in need whilst respecting their dignity, sharing our hope and encouraging them to take control of their own future.
- to promote informed discussion on the plight of those in need and to advocate improved services and facilities for them.
- to liaise with and share resources with other charitable and benevolent organisations with the objective of assisting those people in need.

Significant Changes

No significant changes in operations occurred in the 2016-2017 year.

Operating Result

The surplus from the ordinary activities amounted to **$1,368,489** (2016: $2,692,984).

ST VINCENT DE PAUL SOCIETY
CANBERRA/GOULBURN

COMMITTEE MEMBERS' REPORT
FOR THE YEAR ENDED 30 JUNE 2017

Signed in accordance with a resolution of the members of the committee.

WARWICK FULTON
President

P. A. Farrelly
PAT FARRELLY
Treasurer

Dated this day of 11th September 2017

ST VINCENT DE PAUL SOCIETY
CANBERRA/GOULBURN

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017 $	2016 $
Revenue			
Government grants	2(a)	4,436,467	5,075,932
Sale of goods	2(b)	8,254,808	7,406,794
Client contributions	2(c)	1,108,508	873,749
Fundraising income	2(d)	1,892,600	1,732,546
Other revenue	2(e)	370,951	1,229,916
Total revenue from operating activities		**16,063,334**	**16,318,937**
Other Income			
Net (loss)/gain on disposal of property, plant & equipment	2(f)	54,044	850
Operating Expenses			
Centres of Charity	3(a)	5,023,021	4,422,676
Administration	3(b)	2,453,087	2,236,290
Fundraising	3(c)	490,784	484,002
		7,966,892	**7,142,968**
Total funds available for community services		**8,150,486**	**9,176,819**
Community Services Expenses			
People in Need services	3(d)	2,460,044	2,259,245
Homeless & Mental Health services	3(e)	4,200,953	4,118,270
		6,660,997	**6,377,516**
Transfers to related entities	19	121,000	106,320
Surplus for the period		**1,368,489**	**2,692,984**
Other Comprehensive Income			
Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-
Revaluation of land and buildings		-	(4,468,413)
Total comprehensive income for the year		**1,368,489**	**(1,775,429)**

The accompanying notes form part of these financial statements

ST VINCENT DE PAUL SOCIETY
CANBERRA/GOULBURN

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	NOTE	2017 $	2016 $
CURRENT ASSETS			
Cash and cash equivalents	**4**	5,945,503	4,214,451
Trade and other receivables	**5**	252,404	251,720
Inventory	**6**	32,128	55,391
Other assets	**7**	269,570	233,597
TOTAL CURRENT ASSETS		**6,499,605**	**4,755,159**
NON-CURRENT ASSETS			
Property, plant and equipment	**8**	10,503,928	10,706,412
TOTAL NON-CURRENT ASSETS		**10,503,928**	**10,706,412**
TOTAL ASSETS		**17,003,533**	**15,461,571**
CURRENT LIABILITIES			
Trade and other payables	**9**	791,106	655,875
Provisions	**10**	784,504	778,084
Loans and borrowings	**11**	-	45,310
TOTAL CURRENT LIABILITIES		**1,575,610**	**1,479,269**
NON-CURRENT LIABILITIES			
Provisions	**10**	180,608	103,476
TOTAL NON-CURRENT LIABILITIES		**180,608**	**103,476**
TOTAL LIABILITIES		**1,756,218**	**1,582,745**
NET ASSETS		**15,247,315**	**13,878,826**
EQUITY			
Reserves	**13**	3,807,247	3,807,247
Retained earnings		11,440,068	10,071,579
TOTAL EQUITY		**15,247,315**	**13,878,826**

The accompanying notes form part of these financial statements.

ST VINCENT DE PAUL SOCIETY
CANBERRA/GOULBURN

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	$ Retained Earnings	$ Asset Revaluation Reserve	$ General Reserves	$ Total Equity
At 1 July 2015	7,378,597	8,274,832	828	15,654,256
Surplus for the year	2,692,983		-	2,692,983
Other comprehensive income	-	(4,468,413)	-	(4,468,413)
Total comprehensive income	2,692,983	(4,468,413)	-	(1,775,430)
At 30 June 2016	**10,071,579**	**3,806,419**	**828**	**13,878,826**
Surplus for the year	1,368,489		-	1,368,489
Other comprehensive income	-	-	-	-
Total comprehensive income	1,368,489	-	-	1,368,489
At 30 June 2017	**11,440,068**	**3,806,419**	**828**	**15,247,315**

The accompanying notes form part of these financial statements.

ST VINCENT DE PAUL SOCIETY
CANBERRA/GOULBURN

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017 $	2016 $
Cash flows From Operating Activities:			
Receipts from operating activities		17,601,454	17,756,299
Interest income		66,304	55,553
Payments to suppliers & employees		(15,653,676)	(15,079,421)
Net cash from operating activities	**15**	**2,014,082**	**2,732,431**
Cash flows From Investing Activities:			
Proceeds from sale of property, plant and equipment		54,044	850
Purchase of property, plant and equipment		(287,074)	(1,468,665)
Net cash used in investing activities		**(233,030)**	**(1,467,815)**
Cash flows From Financing Activities:			
Payment of borrowings		(50,000)	(100,000)
Net cash used in financing activities		**(50,000)**	**(100,000)**
Net increase in cash and cash equivalents		1,731,052	1,164,616
Cash and cash equivalents at the beginning of the financial period		4,214,451	3,049,835
Cash and cash equivalents at the end of the financial period	**4**	**5,945,503**	**4,214,451**

The accompanying notes form part of these financial statements

NOTE 1: SUMMARY OF ACCOUNTING POLICIES

The St Vincent de Paul Society, working in Australia since 1854, is an independent, volunteer based, charitable organisation operating within the ethos of the Catholic Church. The organisation comprises separate autonomous legal entities in each State and Territory plus the National body who work together as members of the International Confederation of the St Vincent de Paul Society, originating in Paris in 1833. Our mission states that "The Society is a lay Catholic organisation that aspires to live the gospel message by serving Christ in the poor with love, respect, justice, hope and joy, and by working to shape a more just and compassionate society."

The financial report covers the activities of the Territory Council of Canberra-Goulburn of the Society of St Vincent de Paul. These activities are conducted by the Society of St Vincent de Paul Pty Limited and St Vincent de Paul Society (Canberra/Goulburn) Inc. This financial report represents the consolidated financial information of both the Society of St Vincent de Paul Pty Limited and St Vincent de Paul Society (Canberra/Goulburn) Inc. (an association incorporated in the ACT under the *Associations Incorporation Act 1991*.)

New, revised or amending Accounting Standards and Interpretations adopted

There were no changes in accounting policies, new and amended standards and interpretations during this financial year that impacted on the Society.

Basis of Preparation

Statement of Compliance
In the opinion of the Committee, the Society is not a reporting entity as there are unlikely to exist users who are capable to command the preparation of the reports tailored so as to satisfy all of their information needs. The financial report of the Society has been drawn up as a special purpose financial report that has been prepared to satisfy self-imposed national reporting requirements of the confederation of State and Societies; and for distribution to the Committee and to meet the requirements of the Constitution and the *Associations Incorporation Act 1991* and the *Australian Charities and Not-for-Profits Commission Act 2012.*

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures'.

Basis of Measurement

The financial report is prepared on an accrual basis and based on historical cost convention and does not take into account changing money values, except to the extent that they are reflected in the revaluation of certain assets. Cost is based on the fair value of the consideration given in the exchange for assets.

(a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods
Revenue from sales of goods comprises revenue earned from the sale of goods donated and purchased for resale. Sales revenue is recognised when the control of goods passes to the customer.

Government Grants
Grants are principally of a recurrent or capital nature and intended to fund ongoing operations or asset acquisitions.

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)

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

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

Contributions / Fees for services
Contributions / Fees for services from or on behalf of people we assist who have the capacity to pay, are recognised when the service is provided.

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

Donated goods
Donated goods obtained for centres of charity have a nil replacement value (that is they would be replaced by other donated goods), and as such revenues from the donations of these goods are not included in the financial statements other than as defined under donations and bequests.

Interest revenue
Interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of Comprehensive Income.

Proceeds of non-current asset sales
The net profit from the sale of an asset is included as gains when control of the asset passes to the buyer. The profit or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and net proceeds.

Bequests
Bequests are recognised when the legacy is received. Revenues from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the Society becomes legally entitled to the shares or property.

(b) Income and fringe benefits tax
The Society is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The Society holds deductible gift recipient status.

The Society is entitled to a partial exemption from fringe benefits tax.

(c) Current versus non-current classification
The Society presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)

(d) Current versus non-current classification (continued)

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Society classifies all other liabilities as non-current.

(e) Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and deposits at call or with an original maturity of a specific term.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(f) Financial instruments

Financial assets
All financial assets are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. Where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition.

Held to maturity investments
These are investments that have fixed maturities and it is the Society's intention to hold these investments to maturity. Any investments held to maturity by the Society are stated at amortised cost using the effective interest method.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities
Financial liabilities, including loans and borrowings, are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arms-length transactions, reference to similar instruments and pricing models.

Impairment
At each reporting date the committee members assess whether there is objective evidence that a financial instrument has been impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty. Impairment losses are recognised in the Statement of Comprehensive Income.

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)

(g) 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 Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the 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 Australian Taxation Office is classified as operating cash flows.

(h) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Any property, plant and equipment donated to the Society or acquired at nominal cost is recognised at fair value at the date the Society obtains control of the assets.

Property

Freehold and leasehold land and buildings are measured on the fair value basis. Changes in values are reflected directly in the asset revaluation reserve. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Comprehensive Income. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. Valuations are performed every three years, or sooner should there be a significant change in market conditions, to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

A revaluation surplus is recorded in Other Comprehensive Income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same class of asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same class of assets recognised in the asset revaluation reserve.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold and leasehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, except leasehold improvements, which are over the term of the lease.

The depreciation rates used for each class of depreciable asset are:

	Depreciation Rates
CLASS OF PROPERTY, PLANT AND EQUIPMENT	
Buildings	2.50%
Furniture, plant and equipment	20%
Motor Vehicles – Cars	22.50%
Leasehold improvements and make good	Lower of useful lives and life of the lease

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)

(h) Property, plant and equipment (continued)

Impairment
An asset's residual value and useful life is reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

At each reporting date, the committee members review a number of factors affecting plant and equipment, including their carrying values, 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 Statement of Comprehensive Income as an impairment expense.

The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. Value in use is the depreciated replacement cost of an asset when the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits.

(i) Intangibles
All intangibles are initially recognised at their cost, or, when acquired for no consideration, at their fair value at the date of acquisition.

Computer Software
Computer software is carried at its cost less accumulated amortisation and impairment losses; it has a finite life, and is amortised on a straight line basis over 3 years. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income in the expense category that is consistent with the function of the intangible assets.

(j) Impairment of non-financial assets
At each reporting date, the Society reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication 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 asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(k) Inventories
Inventories are valued at the lower of cost and net realisable value. Where inventories are held for distribution or are to be consumed by the Society in providing services or aid at no or nominal charge, they are valued at the lower of cost and replacement cost.

(l) Trade and other receivables
Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectable 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.

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)

(m) Trade creditors and other payables

Trade creditors and other payables represent liabilities for goods and services provided to the Society prior to the end of the financial year that are unpaid. The amounts are unsecured and are normally settled within 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

(n) Leases

Finance leases which transfer to the Society substantially all the risks and benefits included in the ownership of the leased item are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the Statement of Comprehensive Income. The fair value of the leases is estimated as the present value of future cash flows, discounted at market interest rates. The carrying value of the leases is considered a reasonable reflection of fair value.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight line basis over the lease term.

(o) Employee benefits

Employee benefits comprise salaries and wages, annual, accumulating sick and long service leave, and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months of balance date are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to anticipated future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

ACT LSL Portable Provision

Employee benefits in relation to long service leave accruals for ACT-based staff since 1 July 2010 are not accrued in the accounts and are charged as expenses to the extent of the payment required under the ACT Community Sector Portable Long Service Scheme.

(p) Make good provisions

Costs required to return certain leased premises to their original condition as set out in the lease agreements are recognised as a provision in the financial statements. The provision has been calculated as an estimate of future costs and discounted to a present value.

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)

(q) Critical accounting judgements, estimates and assumptions

The committee members evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Society.

(i) Revaluation of Property, Plant and Equipment

The entity carries its land and buildings at fair value, with changes in fair value being recognised in other comprehensive income. The entity engaged independent valuation specialists to assess fair value as at 30 June 2016 for land and buildings. Land and buildings were valued either by reference to market based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property, or by reference to depreciated replacement cost.

(ii) Make good provision

A provision has been recognised for the present value of the anticipated cost of future restoration of leased premises. The provision includes future cost estimates of restoring the premises to its original state. Uncertainties may result in future actual expenditure differing from the amount currently provided. The provision recognised is periodically reviewed based on the facts and circumstances available at the time.

(r) Interest free long term loans

Interest free long term loans are recognised on receipt at their fair value based on the present value of all future payments discounted using the prevailing market rate of interest on instruments that have a similar type of interest rate and credit risk. The net discount in interest free (concessional) loans is recognised in the Statement of Comprehensive Income over the term of the loan.

(s) New standards and interpretations issued but not yet effective

The Society has reviewed the new accounting standards and interpretations that have been issued but are not yet applicable. The Society's assessment over the applicable standards is as follows:

Reference	Summary	Application date of standard	Application date for the Society	Impact on the Society
AASB 16 - *Leases*	The key features of AASB 16 are as follows: **Lessee accounting** • Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. • A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. • Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. • AASB 16 contains disclosure requirements for lessees.	1 January 2019	1 July 2019	The effect on the Society will be that operating leases would come 'on balance sheet'.
AASB 1058 *Income of Not for Profit Entities* *AASB 2016-8*	The key features of AASB 1058 and AASB 2016-8 are as follows: AASB 1058 and AASB 2016-8 will defer income recognition in some circumstances for not-for-profit entities, particularly when there is a performance obligation or any other liability. In addition, certain components in an arrangement, such as donations, may be separated from other types of income and recognised immediately. The Standard also expands the circumstances in which not-for-profit entities are required to recognise income for goods and services received for consideration that is significantly less than the fair value of the asset principally to enable the entity to further its objectives (discounted goods and services), including for example, peppercorn leases. Consequently AASB 1004 *Contributions* is also amended, with its scope effectively limited to address issues specific to government entities and contributions by owners in a public sector entity context.	1 January 2019	1 July 2019	The Society is still assessing the impact of the standards on operations and classifications

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2: REVENUE	2017 $	2016 $
(a) Government Grants		
People in Need services	1,252,515	1,322,862
Mental Health & Homeless services	3,183,952	3,753,070
	4,436,467	**5,075,932**
(b) Sale of Goods		
Sales - Centres of Charity	8,236,325	7,382,343
Sales - Other	18,483	24,451
	8,254,808	**7,406,794**
(c) Client Contributions		
Homeless & Mental Health services	1,108,508	873,749
	1,108,508	**873,749**
(d) Fundraising		
Donations & Appeals	1,892,600	1,732,546
	1,892,600	**1,732,546**
(e) Other Revenue		
Interest received	66,304	55,553
Bequests	196,897	1,094,015
Sundry income	107,750	80,348
	370,951	**1,229,916**
(f) Net (loss)/gain on disposal of property, plant and equipment	**54,044**	**850**
Total Revenue	**16,117,378**	**16,319,787**

NOTE 3: OPERATING EXPENSES

	2017 $	2016 $
Other expenses from ordinary activities		
(a) Centres of Charity	5,023,021	4,422,676
(b) Administration	2,453,087	2,236,290
(c) Fundraising	490,784	484,002
(d) People in Need Services	2,460,044	2,259,245
(e) Homeless and Mental Health Services	4,200,953	4,118,270
	14,627,889	**13,520,484**

(f) Surplus for the period has been determined after:

	2017 $	2016 $
(i) Depreciation of non-current assets		
– Buildings	202,952	268,090
– Plant and equipment	233,106	164,009
– Leasehold Improvements/Make Good	5,547	6,259
– Motor vehicles	52,642	45,192
Total Depreciation	494,247	483,550
(ii) Remuneration of the auditor of the association for:		
– auditing the financial report	31,665	38,147
(iii) Rental expense on operating leases minimum lease payments	1,115,682	1,049,866
(iv) Net gain/(loss) on sale of fixed assets	54,044	-
(v) Net discount on concessional loan	-	5,037
(vi) Transfers to related entities:		
– National office levies	121,000	106,320
(vii) Defined contribution: superannuation expense	929,774	855,948
(viii) Bad debt expense	108,909	67,410
(ix) Employee Benefits Expense		
Wages and salaries	6,608,452	6,041,144
Superannuation expense	929,774	855,948
Total Employee Benefits	7,538,226	6,897,092

NOTE 4: CASH AND CASH EQUIVALENTS

	2017 $	2016 $
Cash on hand	148,189	161,623
Cash at bank	3,197,314	4,052,828
Investments	2,600,000	-
	5,945,503	**4,214,451**

NOTE 5: TRADE AND OTHER RECEIVABLES

	2017 $	2016 $
Sundry debtors	250,063	191,924
Property debtors	67,890	74,711
	317,953	266,635
Less provision for doubtful debts	(65,549)	(14,915)
	252,404	**251,720**

Analysis of allowance for Property Doubtful Debts:

At 1 July 2015	28,718
Amounts utilised	(13,803)
At 30 June 2016	14,915
Amounts utilised	(14,915)
Property debts past due and impaired	65,549
At 30 June 2017	65,549

The ageing analysis of trade receivables is as follows:

		Current		Past due but not impaired		Past due and impaired
	Total	**30 days**	**30-60 days**	**61-90 days**	**>91 days**	**>91 days**
2017	317,953	244,835	2,664	4,202	703	65,549
2016	266,635	190,941	33,409	8,098	19,272	14,915

NOTE 6: INVENTORY

	2017	2016
Inventory (Gift Cards)	32,128	55,391
	32,128	**55,391**

Stock on hand is made up of Gift Cards purchased but not yet issued to clients as at 30 June 2017.

NOTE 7: OTHER ASSETS - CURRENT

	2017	2016
Prepayments	151,616	233,597
Accrued Income	117,954	-
	269,570	**233,597**

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2017 $	2016 $
Land		
At fair value	2,133,200	2,306,900
	2,133,200	**2,306,900**
Buildings		
At fair value	7,764,233	7,748,045
Less accumulated depreciation	(197,216)	-
	7,567,017	**7,748,045**
Make Good Asset		
At cost	45,513	45,513
Less accumulated depreciation	(30,680)	(25,133)
	14,833	**20,380**
Furniture, Plant & Equipment & Leasehold improvements		
At cost	1,847,904	2,618,709
Less accumulated depreciation	(1,155,937)	(2,086,538)
	691,967	**532,171**
Motor Vehicles		
At cost	973,746	1,003,589
Less accumulated depreciation	(876,835)	(904,673)
	96,911	**98,916**
	10,503,928	**10,706,412**

In 2016, the Society engaged Opteon Property Group Limited and Regional and Rural Valuers Pty Limited, both accredited independent valuers, to determine the fair value of all its land and buildings. The effective date of the valuation was 30 June 2016. Land and buildings were valued either by reference to market based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property, or by reference to depreciated replacement cost.

For 30 June 2017, it has been determined by Committee members' valuation that there was no significant change in fair value. This was made with reference to a brief review undertaken by Opteon Property Group Limited and Regional and Rural Valuers Pty Limited as to whether there had been significant changes to the market conditions since their last full valuation.

NOTE 8: PROPERTY, PLANT & EQUIPMENT (CONT.)

Reconciliations

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

	2017 $	2016 $
Land		
Carrying amount at beginning of financial year	2,306,900	2,456,900
Additions	-	-
Disposals	(173,700)	
Revaluation adjustment	-	(150,000)
Carrying amount at end of financial year	**2,133,200**	**2,306,900**
Buildings		
Carrying amount at beginning of financial year	7,748,045	11,455,728
Additions	325,188	878,820
Disposal	(303,264)	-
Revaluation adjustment	-	(4,318,413)
Less depreciation	(202,952)	(268,090)
Carrying amount at end of financial year	**7,567,017**	**7,748,045**
Make Good Asset		
Carrying amount at beginning of financial year	20,380	6,639
Additions	-	20,000
Disposals	-	-
Less depreciation	(5,547)	(6,259)
Carrying amount at end of financial year	**14,833**	**20,380**
Furniture, Plant & Equipment & Leasehold improvements		
Carrying amount at beginning of financial year	532,171	181,116
Additions	565,562	515,064
Disposal	(172,660)	-
Less depreciation	(233,106)	(164,009)
Carrying amount at end of financial year	**691,967**	**532,171**
Motor Vehicles		
Carrying amount at beginning of financial year	98,916	103,756
Additions	50,637	74,781
Disposals	-	(34,429)
Less depreciation	(52,642)	(45,192)
Carrying amount at end of financial year	**96,911**	**98,916**
Total Property, Plant & Equipment		
Carrying amount at beginning of financial year	10,706,412	14,204,139
Additions	941,387	1,488,665
Disposals	(649,624)	(52,763)
Revaluation adjustment	-	(4,468,413)
Depreciation	(494,247)	(465,216)
Carrying amount at end of financial year	**10,503,928**	**10,706,412**

	2017 $	2016 $
NOTE 9: TRADE AND OTHER PAYABLES		
Trade creditors	168,625	290,598
Other creditors and other accruals	200,964	100,153
GST payable	20,912	11,201
Grants in advance	13,614	19,500
Accruals and other revenue in advance	386,991	234,423
	791,106	**655,875**
NOTE 10: PROVISIONS		
PROVISIONS - CURRENT		
Provision for make good	45,513	45,513
Deferred lease liability	-	3,336
	45,513	**48,849**
Employee benefits		
Annual leave	563,851	536,209
Long service leave	175,140	193,023
	738,991	**729,232**
	784,504	**778,081**
PROVISIONS - NON CURRENT		
Deferred Lease Liability	166,614	103,476
Employee benefits		
Long service leave	13,994	-
	180,608	**103,476**
NOTE 11: LOANS AND BORROWINGS		
Current	-	45,310
	-	**45,310**

NOTE 12: KEY MANAGEMENT PERSONNEL

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the association, directly or indirectly, including its committee members, is considered key management personnel.

The aggregate compensation of key management personnel of the Society is set out below:

	2017 $	2016 $
Short term benefits	879,604	820,955
Long term benefits	107,772	105,596
Post-employment benefits	13,039	113,759
Total Benefits	**1,000,415**	**1,040,310**

NOTE 13: RESERVES

General reserve

The general reserve represents funds set aside for future activities of the Society.

Asset revaluation reserve

The asset revaluation reserve represents revaluation surplus of land and buildings.

NOTE 14: LEASE COMMITMENTS

	2017 $	2016 $
Property – Operating Leases		
Not later than one year	641,193	650,613
Later than one year but not later than 5 years	1,930,675	1,856,476
Later than five years	-	-
Minimum lease payments	**2,571,868**	**2,507,089**

The Society has entered into commercial leases for a number of buildings with lease terms between 1 and 7 years. The Society has the option under the leases to renew the leases for additional terms of 1 to 7 years.

NOTE 15: STATEMENT OF CASH FLOWS

Reconciliation of cash flow from operations with surplus/(deficit) for the period

	2017	2016
Operating surplus/(deficit)	1,368,489	2,692,983
Non-cash flows in operating deficit:		
Depreciation and amortisation	494,247	517,979
Net Loss(profit) on sale of assets	(54,044)	(850)
Net discount on concessional loan	-	5,037
Changes in assets and liabilities:		
(Increase)/decrease in receivables and inventories	22,581	(129,889)
(Increase)/decrease in other assets	(35,973)	(53,056)
Increase/(decrease) in provisions	83,552	55,514
Increase/(decrease) in payables	135,230	(335,288)
Cash flows from operations	**2,014,082**	**2,752,430**

NOTE 16: FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Society's financial instruments consist mainly of deposits with banks, and accounts receivable and payable.

(i) ***Treasury Risk Management***

The Society's risk management policies and objectives are designed to minimise the potential impacts of risks.

(ii) ***Financial Risks***

The main risks the Society is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

The Society is subject to normal commercial interest rate fluctuations on its bank accounts and money market instruments. For further details on interest rate risk, refer to Note 16(c).

Liquidity risk

The Society manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilized borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognized financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

(b) Fair value of financial instruments

The Society considers that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values.

(c) Sensitivity Analysis

The organisation has not performed a sensitivity analysis relating to its exposure to interest rate risk or price risk at balance sheet date, as the Society is not subject to any material exposure to these risks.

NOTE 17: EVENTS SUBSEQUENT TO BALANCE DATE

There are no events after the reporting date that will materially affect the financial statements.

NOTE 18: ECONOMIC DEPENDENCY

A significant portion of the Society's revenue is provided by the Commonwealth and ACT Governments in the form of grants and subsidies.

NOTE 19: RELATED PARTIES

For the year ended 30 June 2017, St Vincent de Paul Society entities, the NSW State Council and the National Council, have had transactions with the Territory Council of Canberra/Goulburn during the year and are considered related parties. Transactions with the related parties: Levies paid to the National Council. This amounted to $121,000 (2016: $106,320).

NOTE 20: CONTINGENT ASSETS/LIABILITIES

There are no contingent assets or liabilities for the financial year 2016 - 2017.

NOTE 21: ASSOCIATION & COMPANY DETAILS

(a) The registered office of the association and company is:
St Vincent de Paul Society
15 Denison Street
Deakin ACT 2600

(b) The principal place of business is:
St Vincent de Paul Society
15 Denison Street
Deakin ACT 2600

ST VINCENT DE PAUL SOCIETY
CANBERRA/GOULBURN

STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2017

In accordance with a resolution of the committee members of St Vincent de Paul Society Canberra/Goulburn, we state that in the opinion of the committee members:

(a) the Society is not a reporting entity as defined in the Australian Accounting Standards;

(b) the financial statements and notes of the Society are in accordance with the *Associations Incorporation Act 1991* and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

  (i) giving a true and fair view of the Society's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements and complying with the *Australian Charities and Not-for-Profits Commission Regulation 2013*;

(c) there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

On behalf of the committee by:

WARWICK FULTON
President

P. A. Farrelly
PAT FARRELLY
Treasurer

Dated this day of 11th September 2017

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Independent Auditor's Report to the Members of St Vincent de Paul Society Canberra/Goulburn

Report on the Financial Report

Opinion

We have audited the financial report of St Vincent de Paul Society Canberra/Goulburn (the 'registered entity'), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the committee members' declaration.

In our opinion, the accompanying financial report of the Registered Entity is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

a) giving a true and fair view of the Registered Entity's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and 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 Registered Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The Committee members are responsible for the other information. The other information is the Committee Members' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly 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.

Responsibilities of the Committee Members for the Financial Report

The committee members of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the committee members determine 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 committee members are responsible for assessing the Registered Entity'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 committee members either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 Registered Entity's internal control.

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

- Conclude on the appropriateness of the committee members' 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 Registered Entity'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 Registered Entity to cease to continue as a going concern.

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

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

Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015*

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

Opinion

In our opinion:

a) the financial report of St Vincent de Paul Society Canberra/Goulburn has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2017, in all material respects, in accordance with:

   i. sections 20(1), 22(1-2), 24(1-3) of the NSW Charitable Fundraising Act 1991;

   ii. sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015;

b) the money received as a result of fundraising appeals conducted by the registered entity during the financial year ended 30 June 2017 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts and Regulations.

Ernst & Young

Ernst & Young

Anthony Ewan
Partner
Canberra
11 September 2017

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Auditor's Independence Declaration to the Members of St Vincent de Paul Society Canberra/Goulburn

In relation to our audit of the financial report of St Vincent de Paul Society Canberra/Goulburn for the financial year ended 30 June 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Australian Charities and Not-for profits Commission Act 2012* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Anthony Ewan
Partner
Canberra
11 September 2017