



**UNITING HOUSING (VICTORIA) LIMITED**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**UNITING HOUSING (VICTORIA) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE 2020**

	Note	2020 \$	2019 \$
<b>REVENUE FROM ORDINARY ACTIVITIES</b>			
Grants		2,535,869	2,260,694
Rent		618,094	596,374
Interest on deposit	3	78,143	30,270
Amortisation of Director of Housing loan		9,833	9,833
Gift & donation		-	1,094,986
Miscellaneous income		2,000	35,970
<b><u>TOTAL REVENUE</u></b>		<b><u>3,243,939</u></b>	<b><u>4,028,127</u></b>
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>			
Service agreement fees		2,334,366	1,808,608
Labour & related costs		293,708	354,398
Governance expenses		54,283	-
Printing & stationery		-	755
Responsive maintenance		61,656	252,071
Cyclical maintenance		56,380	69,325
Committee expenses		-	413
General expenses		15,745	58,185
Depreciation & amortisation expenses	3	60,918	35,358
IT charges		11,268	32,123
Consulting/legal fees		39,544	13,772
Motor vehicle & travel		6,616	11,859
Postage & telephone		-	5,802
Property costs		215,182	158,604
Loss on Disposal of Asset		7,055	-
<b><u>TOTAL EXPENSES</u></b>		<b><u>3,156,721</u></b>	<b><u>2,801,273</u></b>
<b><u>OPERATING RESULT FOR THE YEAR</u></b>		<b><u>87,218</u></b>	<b><u>1,226,854</u></b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Adjustment to Director of Housing - equity share liability		765,780	-
Unrealised gain / (loss) on revaluation of UEthical Investment Growth Fund		(44,357)	23,406
		<u>721,423</u>	<u>23,406</u>
<b><u>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</u></b>		<b><u>808,641</u></b>	<b><u>1,250,260</u></b>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**UNITING HOUSING (VICTORIA) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2020**

	NOTE	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	876,774	1,812,932
Trade and other receivables	5	50,571	115,058
<b>TOTAL CURRENT ASSETS</b>		<u>927,345</u>	<u>1,927,990</u>
<b>NON CURRENT ASSETS</b>			
UEthical Investment Growth Fund		1,405,976	332,897
Property, plant and equipment	6	5,293,968	5,371,269
<b>TOTAL NON-CURRENT ASSETS</b>		<u>6,699,944</u>	<u>5,704,166</u>
<b><u>TOTAL ASSETS</u></b>		<u><b>7,627,289</b></u>	<u><b>7,632,156</b></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	301,702	189,736
Employee benefit provision	8	-	19,236
Borrowings	9	47,591	9,833
<b>TOTAL CURRENT LIABILITIES</b>		<u>349,293</u>	<u>218,805</u>
<b>NON CURRENT LIABILITIES</b>			
Trade and other payables	7	2,797,089	3,628,508
Employee benefit provision	8	-	10,552
Borrowings	9	108,168	210,193
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>2,905,257</u>	<u>3,849,253</u>
<b><u>TOTAL LIABILITIES</u></b>		<u><b>3,254,550</b></u>	<u><b>4,068,058</b></u>
<b><u>NET ASSETS</u></b>		<u><b>4,372,739</b></u>	<u><b>3,564,098</b></u>
<b>EQUITY</b>			
Retained surplus		3,552,122	3,465,524
Reserves	12	820,617	98,574
<b><u>TOTAL EQUITY</u></b>		<u><b>4,372,739</b></u>	<u><b>3,564,098</b></u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**UNITING HOUSING (VICTORIA) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE 2020**

	Retained Surplus \$	Cyclical Maintenance Reserve	Asset Revaluation Reserve	Financial Asset Reserve	Total Equity \$
<b>Balance at 1 July 2018</b>	2,226,346	37,838	28,152	21,502	<b>2,313,838</b>
Surplus for the year	1,226,854	-	-	-	<b>1,226,854</b>
Transfer to reserves	12,324	(12,324)	-	-	-
Other comprehensive income for the year	-	-	-	23,406	<b>23,406</b>
<b>Balance as at 30 June 2019</b>	<b>3,465,524</b>	<b>25,514</b>	<b>28,152</b>	<b>44,908</b>	<b>3,564,098</b>
<b>Balance at 1 July 2019</b>	3,465,524	25,514	28,152	44,908	<b>3,564,098</b>
Surplus for the year	87,218	-	-	-	<b>87,218</b>
Transfer to reserves	(620)	620	-	-	-
Other comprehensive income for the year	-	-	765,780	(44,357)	<b>721,423</b>
<b>Balance as at 30 June 2020</b>	<b>3,552,122</b>	<b>26,134</b>	<b>793,932</b>	<b>551</b>	<b>4,372,739</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**UNITING HOUSING (VICTORIA) LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 30TH JUNE 2020**

	NOTE	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		3,220,451	3,699,693
Payment to suppliers and employees		(3,006,572)	(2,426,659)
Interest received		78,143	30,270
<b>Net cash provided by operating activities</b>	<b>10</b>	<b><u>292,022</u></b>	<b><u>1,303,304</u></b>
<b>Cash flows from investing activities</b>			
Payment for UEthical Growth Investment		(1,117,436)	(6,943)
Payment for property, plant and equipment		(56,311)	(568,491)
<b>Net cash used in investing activities</b>		<b><u>(1,173,747)</u></b>	<b><u>(575,434)</u></b>
<b>Cash flows from financing activities</b>			
Net repayments of Borrowings		(54,433)	(51,793)
Proceeds from Director of Housing - Equity Contribution		-	120,072
<b>Net cash provided by (used in) financing activities</b>		<b><u>(54,433)</u></b>	<b><u>68,279</u></b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(936,158)</b>	<b>796,149</b>
<b>Cash at beginning of the year</b>		<b>1,812,932</b>	<b>1,016,783</b>
<b>Cash at end of the year</b>	<b>4</b>	<b><u>876,774</u></b>	<b><u>1,812,932</u></b>

The above Statement of Cash Flow should be read in conjunction with the accompanying notes.

**UNITING HOUSING (VICTORIA) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2020**

The financial statements cover Uniting Housing (Victoria) Limited as an individual entity, incorporated and domiciled in Australia. Uniting Housing (Victoria) Limited is a company limited by guarantee.

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

## **1 BASIS OF PREPARATION**

The company is a non-reporting entity since there are unlikely to be any users who would rely on the general purpose financial statements.

These special purpose financial statements have been prepared in accordance with the requirements for section 60.40 of *the Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC Regulation).

The special purpose financial statements have been prepared in accordance with the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of the following Accounting Standards:

- 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*.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs except for certain items of property, plant and equipment that are measured at revalued amounts and selected non-current assets, financial assets and financial liabilities that are measured at fair value, as explained in the accounting policies below.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **(a) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### **(b) Property, Plant and Equipment**

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below. Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Cost include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable. Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

#### Property

Land and buildings are measured using the cost and revaluation models. Where land and buildings are measured at fair value, the fair value was determined based on Directors' valuation with reference to valuation conducted by local councils or independent valuers.

Increases in carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and recorded in the asset revaluation reserve in equity. When land and buildings are sold the related historical revaluation gain is transferred from the asset revaluation reserve to retained surplus.

#### Depreciation

The depreciation amount of all property, plant and equipment, except for freehold land is calculated on a straight line method from the date that management determine that the asset is available for use. Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of lease and the assets useful life. The useful lives used for each class of depreciable asset are shown below:

	<b>Useful Life</b>
Buildings	<b>40 years</b>
Leasehold Improvement	<b>30 years</b>
Computer Equipment	<b>3 years</b>
Motor Vehicles	<b>5 years</b>

At the end of each annual reporting period, the depreciation method, estimated useful life and residual value of each asset is reviewed, with the effect of any changes in estimate accounted for on a prospective basis.

**UNITING HOUSING (VICTORIA) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2020**

**(c) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset, which is an asset that necessarily takes a substantial period of time to get ready for its individual use or sale, are capitalised as part of the cost of that asset. All other borrowing costs are recognised as expense in the period in which they are incurred.

**(d) Trade and other receivables**

Trade receivables are recognised when the company becomes a party to the contract and are measured initially at the transaction price (i.e. cost). Trade receivables are subsequently measured at amortised cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

**(e) Revenue and other income**

Revenue from contracts with customers (including grants revenue received from Government and other funding bodies)

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Where the contract identified does not meet the criteria in AASB 15 as it is either unenforceable or not sufficiently specific, revenue is recognised on receipt in accordance with AASB 1058.

Asset transfers

The company receives contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of contribution in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests

Donations and bequests are recognised as revenue when received.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue

Dividend revenue is recognised when the right to receive a dividend has been established.

**(f) Trade and other payables**

Trade and other payables represents the liabilities at the end of the reporting period for goods and services received by the company that remain unpaid.

Trade payables are recognised when the company becomes a party to the contract and are measured at their transaction price. Trade payables are obligations on the basis of normal credit terms.

**UNITING HOUSING (VICTORIA) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2020**

**(g) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as cash flows.

**(h) Adoption of new and revised accounting standards**

**Revenue from contracts with customers - Adoption of AASB 15 and AASB 1058**

The company has adopted AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-profit Entities for the first time in the current year with a date of initial application of 1 July 2018.

Changes in accounting policies resulting from the adoption of AASB 15 and AASB 1058 have been applied retrospectively to each year presented except the company has applied the practical expedient(s) in AASB 15 which allows the association to not estimate variable consideration amounts in the comparative year and instead use the transaction price and the date the contract was completed at the date of transition for periods prior to the date of initial application of AASB 15. The adoption of AASB 15 and AASB 1058 has resulted in following adjustment to the reported financial position and performance of the company:

Part of the grant funding received for the 247 CHAnge Program in the 2019 financial year was considered a reciprocal transaction with performance obligation outstanding and was accordingly recognised as a liability in the statement of financial position as at 30 June 2019. The performance obligation is not considered to be sufficiently specific for meeting the recognition criteria of AASB 15, and is therefore recognised as revenue on receipt in accordance with AASB 1058. The aggregate effect of the retrospective adjustment is detailed as follows:

	<u>Previously Reported Balance</u>	<u>Retrospective Adjustment</u>	<u>Adjusted Balance</u>
<u>Statement of Comprehensive Income</u>			
Grants	1,864,580	396,114	2,260,694
<u>Statement of Financial Position</u>			
Trade and other payables	585,850	(396,114)	189,736
Retained surplus	3,069,410	396,114	3,465,524

**Leases - Adoption of AASB 16**

The company has adopted AASB 16 Leases using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 Leases and associated Accounting Interpretations.

Under AASB 117, the company assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the company or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The association has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

The adoption of AASB 16 has not caused any material adjustment to the reported financial position, performance or cash flow of the association.



**UNITING HOUSING (VICTORIA) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2020**

**(i) Critical accounting estimates and judgments**

The directors make estimates and judgments during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from estimates.

The significant estimates and judgements made have been described below:

Key judgements - provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

Key estimates - Director of Housing - equity shares

The Director of Housing's equity share in the Morton Street Accommodation Facility has not yet been confirmed with the Department. The balance included in the equity share liability for this property represent the best and most reliable estimate based on information available to management at the time of the preparation of this financial report. This estimate may need to be change when further information becomes available.

**UNITING HOUSING (VICTORIA) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2020**

Note	2020 \$	2019 \$
<b>3 OPERATING RESULT FOR THE YEAR</b>		
Operating result for the year includes the following specific income and expenses:		
<u>Depreciation</u>		
- Buildings	49,961	34,417
- Leasehold improvement	6,716	-
- Computer equipment	3,845	545
- Motor vehicles	396	396
	<b>60,918</b>	<b>35,358</b>
<u>Interest income from:</u>		
- UEthical Investment	77,900	30,050
- Bank	243	220
	<b>78,143</b>	<b>30,270</b>
<b>4 CASH AND CASH EQUIVALENTS</b>		
Cash at bank - Westpac	151,576	167,098
Cash at bank - UEthical Investment	725,198	1,645,834
	<b>876,774</b>	<b>1,812,932</b>
The above figure is shown in the statement of cash flows.		
<b>5 TRADE AND OTHER RECEIVABLES</b>		
Accounts receivables	6,451	85,651
Prepayment	44,120	11,340
Provision for GST	-	18,067
	<b>50,571</b>	<b>115,058</b>
<b>6 PROPERTY, PLANT AND EQUIPMENT</b>		
Land at cost	402,665	402,665
Land at Directors valuation -2016	586,000	586,000
Land at independent valuation - 2016	60,000	60,000
	<b>1,048,665</b>	<b>1,048,665</b>
Buildings at cost	1,520,315	1,520,316
Buildings at Directors valuation -2016	1,260,500	1,260,500
Buildings at independent valuation - 2016	440,000	440,000
Accumulated depreciation	(286,050)	(205,530)
	<b>2,934,765</b>	<b>3,015,286</b>
Leasehold Improvement	1,324,538	1,300,707
Accumulated depreciation	(46,480)	(4,684)
	<b>1,278,058</b>	<b>1,296,023</b>
Computer equipment	-	11,537
Accumulated depreciation	-	(1,000)
	<b>-</b>	<b>10,537</b>
Motor vehicles	-	2,198
Accumulated depreciation	-	(1,440)
	<b>-</b>	<b>758</b>
Buildings - work in progress	32,480	-
	<b>32,480</b>	<b>-</b>
	<b>5,293,968</b>	<b>5,371,269</b>

Land and buildings of the company were revalued at 30 June 2016, with the fair value of Bowen Street, St Arnaud, being determined based on valuation completed by independent valuers, Leader Property Practice, on a capitalisation approach and the fair values of the remaining properties held at the time being determined based on Directors' valuation with reference to the capital improved value in each property's respective council rate notices. All land and buildings acquired after 30 June 2016 are carried at cost.

**UNITING HOUSING (VICTORIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2020**

Note	2020 \$	2019 \$																																								
<b>7 TRADE AND OTHER PAYABLES</b>																																										
<i>Current</i>																																										
Trade creditors	255,233	118,931																																								
Provision for GST	46,469	70,805																																								
	<b>301,702</b>	<b>189,736</b>																																								
<i>Non-Current</i>																																										
Director of Housing - equity share	2,797,089	3,628,508																																								
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<p>Director of Housing - equity share related to the Director of Housing's registered interest under Section 110 of the Housing Act 1983 in relation to several of the properties owned by the Company, as follows:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; vertical-align: bottom;">Note</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">At 30 June 2020</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">At 30 June 2019</th> </tr> <tr> <th style="text-align: left; vertical-align: bottom;"></th> <th style="text-align: center; border-bottom: 1px solid black;">% share</th> <th style="text-align: center; border-bottom: 1px solid black;">\$ Share</th> <th style="text-align: center; border-bottom: 1px solid black;">% share</th> <th style="text-align: center; border-bottom: 1px solid black;">\$ Share</th> </tr> </thead> <tbody> <tr> <td>4 Shirreff Street &amp; 1-3 Robinson Street, Stawell</td> <td style="text-align: center;">83.31</td> <td style="text-align: right;">295,416</td> <td style="text-align: center;">83.31</td> <td style="text-align: right;">302,437</td> </tr> <tr> <td>Units 1-6, 46A Bowen Street, St Arnaud</td> <td style="text-align: center;">86.97</td> <td style="text-align: right;">396,582</td> <td style="text-align: center;">86.97</td> <td style="text-align: right;">406,150</td> </tr> <tr> <td>70 and 72 Hunter Street, Heywood</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">-</td> <td style="text-align: center;">86.50</td> <td style="text-align: right;">266,853</td> </tr> <tr> <td>212 Morton Street, Mount Pleasant</td> <td style="text-align: center;">58.01</td> <td style="text-align: right;">681,617</td> <td style="text-align: center;">N/A</td> <td style="text-align: right;">1,200,722</td> </tr> <tr> <td>Other RHAF Properties</td> <td style="text-align: center;">86.47</td> <td style="text-align: right;">1,423,474</td> <td style="text-align: center;">86.47</td> <td style="text-align: right;">1,452,346</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;"><b>2,797,089</b></td> <td></td> <td style="text-align: right; border-top: 1px solid black;"><b>3,628,508</b></td> </tr> </tbody> </table>			Note	At 30 June 2020		At 30 June 2019			% share	\$ Share	% share	\$ Share	4 Shirreff Street & 1-3 Robinson Street, Stawell	83.31	295,416	83.31	302,437	Units 1-6, 46A Bowen Street, St Arnaud	86.97	396,582	86.97	406,150	70 and 72 Hunter Street, Heywood	0.00	-	86.50	266,853	212 Morton Street, Mount Pleasant	58.01	681,617	N/A	1,200,722	Other RHAF Properties	86.47	1,423,474	86.47	1,452,346			<b>2,797,089</b>		<b>3,628,508</b>
Note	At 30 June 2020		At 30 June 2019																																							
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<b>8 EMPLOYEE BENEFIT PROVISION</b>	<b>2020</b>	<b>2019</b>																																								
	<b>\$</b>	<b>\$</b>																																								
<i>Current</i>																																										
Provision for annual leave	-	19,236																																								
	-	<b>19,236</b>																																								
<i>Non-Current</i>																																										
Provision for long service leave	-	10,552																																								
	-	<b>10,552</b>																																								
<b>9 BORROWINGS</b>																																										
<i>Current</i>																																										
Director of Housing-Loan	9,833	9,833																																								
Secured Loan - UEthical	37,758	-																																								
	<b>47,591</b>	<b>9,833</b>																																								
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Secured Loan - UEthical	-	92,192																																								
	<b>108,168</b>	<b>210,193</b>																																								
<b>10 CASH FLOW RECONCILIATION</b>																																										
Reconciliation of net cash provided by operating activities to operating result for the year:																																										
Operating result for the year	87,218	1,226,854																																								
<i>Adjustments for non-cash components in surplus</i>																																										
Depreciation of property, plant & equipment	60,918	35,358																																								
Amortisation of Director of Housing loan	(9,833)	(9,833)																																								
<i>Changes in assets and liabilities</i>																																										
(Increase) / decrease in trade and other receivables	71,542	105,407																																								
Increase / (decrease) in trade and other payables	111,965	(84,270)																																								
Increase / (decrease) in employee benefit provisions	(29,788)	29,788																																								
<b>Net cash provided by operating activities</b>	<b>292,022</b>	<b>1,303,304</b>																																								
<b>11 AUDITORS REMUNERATION</b>																																										
Audit & Review of financial statements	5,150	4,550																																								
	<b>5,150</b>	<b>4,550</b>																																								

**UNITING HOUSING (VICTORIA) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2020**

**12 RESERVES**

The asset revaluation reserve records unrealised gains on revaluation of land and buildings.

The cyclical maintenance reserve was established to record expenditure for the larger renovation and replacement type works on the Company's properties.

The financial asset reserve records unrealised gains or revaluation of the UEthical Investment Growth Fund.

**13 EVENTS OCCURRING AFTER THE REPORTING DATE**

On 11 March 2020, the World Health Organisation (WHO) confirmed the Coronavirus Disease (COVID-19) to be a pandemic. Following the confirmation from the WHO that COVID-19 was considered a pandemic, the Australian Federal Government and Victorian State Government have enforced bans for all non-essential travel and multiple stages of community lockdown. Financial markets have been adversely affected by the COVID-19 pandemic, which may have a prolonged impact on the value of investments held by the company. Further, following a second COVID-19 outbreak in the state of Victoria, the Victorian State Government introduced a further community lockdown period for Metropolitan Melbourne on 8 July 2020, with a further lockdown period for regional Victoria commencing on 5 August 2020.

The financial market reactions and community lockdowns are expected to have significant economic and social consequences, which are likely to significantly impact the operations and future financial results of the company. At the date of this report, the company is of the opinion that there is no effect on the financial position or financial performance of the company as reported in these financial statements for the year ended 30 June 2020.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

**14 COMPANY DETAILS**

The registered office and principal place of the company is:

Uniting Housing (Victoria) Limited  
130 Little Collins Street, Melbourne, VIC

**Uniting Housing (Victoria) Limited****Directors' Declaration**

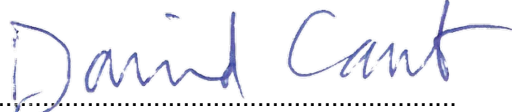
The Board of Directors determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

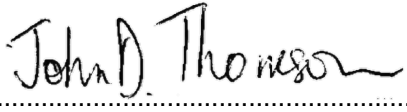
In the opinion of the Directors the financial report:

- i) satisfies the requirement of the *Australian Charities and Not-for-profits Commission Act 2012*, and
- ii) presents fairly the Company's financial position as at 30 June 2020 and its performance for the period ended on that date in accordance with the accounting policies described in Note 2 to the financial statements.

In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This Statement is made in accordance with subsection 60.15 (2) of the *Australian Charities and Not-for-profits Commission Regulation 2013* and a resolution of the Board of Directors, and is signed for and on behalf of the Directors by:

Director ..... 

Director ..... 

Dated this 16<sup>th</sup> September 2020

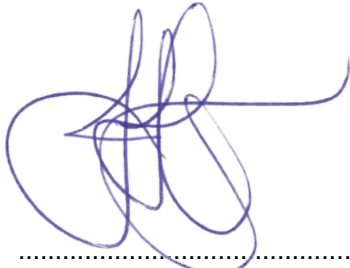
**Uniting Housing (Victoria) Limited**

**Auditors Independence Declaration to the Board of Uniting Housing (Victoria) Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been:

- (i) no contraventions of 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) no contraventions of any applicable code of professional conduct in relation to the audit.

*PPT Audit Pty Ltd*  
.....  
PPT Audit Pty Ltd



.....  
Jason D. Hargreaves  
Director

Dated this 15<sup>th</sup> day of September, 2020

20 Lydiard Street South, Ballarat

**UNITING HOUSING (VICTORIA) LIMITED****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITING HOUSING (VICTORIA) LIMITED****Opinion**

We have audited the accompanying financial report, being a special purpose financial report of Uniting Housing (Victoria) Limited (the Company), which comprises the balance sheet as at 30 June 2020, the profit and loss statement and the cash flow statement for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of the Company for the period ended 30 June 2020 is prepared, in all material respects, in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*:

- i. giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the period ended, and
- ii. complying with Australian Accounting Standards to the extent described in Note 1 and the *Australian Charities and Not-for-profits Regulations 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 Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

**Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Company in fulfilling its financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Company and should not be distributed to or used by parties other than the Company. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance**

Management is responsible for the preparation and fair presentation of the financial report in accordance with *the Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Report

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


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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 reporter, 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 Company 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.

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

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

*PPT Audit Pty Ltd*  
PPT Audit Pty Ltd

  
Jason D. Hargreaves  
Director

Dated this 17<sup>th</sup> September 2020  
20 Lydiard Street South, Ballarat