



**Financial Statements**  
ABN: 67 934 884 236

For the Year Ended 31 December 2023

# Baptist Union of Victoria

ABN: 67 934 884 236

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For the Year Ended 31 December 2023

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# **Baptist Union of Victoria**

ABN: 67 934 884 236

## **Councillors' Report**

For the Year Ended 31 December 2023

The Baptist Union of Victoria is an entity incorporated under the Baptist Union of Victoria Incorporation Act 1930.

This special purpose financial report covers the body corporate of the Baptist Union of Victoria [BUV] as an individual entity and is presented in Australian currency.

The financial report was authorised for issue by the Executive Council on the same day as the signing of this report.

### **Principal Office**

Level 1, 1193 Toorak Road  
Camberwell, Victoria, 3124  
(03) 9880 6123  
[www.buv.com.au](http://www.buv.com.au)

### **Council Members during the period of this report**

M Turnbull, D Bullock, S Mullins, P Holdway, D Kilker, M Browning, D Uy, D Talathoti, C Wanstall,  
G Hmun (Co-opted)

### **Union Secretary**

D Uy

### **Auditors**

Saward Dawson  
20 Albert Street  
Blackburn, Victoria, 3130

### **Banker**

Baptist Financial Services Ltd  
Level 1, Cnr Rawson Street & Carlingford Road  
Epping, New South Wales, 2121

**Councillors' Report**

For the Year Ended 31 December 2023

**General Information**

The Councillors present their report with respect to the results of the Union for the financial year ended 31 December 2023 and the state of the Union's affairs at that date.

**Information on Council members**

The Council members in office during the period of this report are:

**Mick Turnbull** - Cert. Bus (RMIT), Grad Dip of Management (USQ), GAICD, FAIM

*Over 42 years of business and management experience*

*Former regional CEO (Australasia and North Asia) of Agility Logistics (18 years)*

*Advisory Board Member and Director of a number of private companies involved in industries including Agriculture, Business Investment and Technology*

*Non-Executive Director of CBM Australia*

*Non-Executive Director CBM Global Disability (Netherlands)*

*Former Director and Chair of Baptist World Aid (2011-2021)*

*Former Director and Vice Chair of Business for Millennium Development (2010-2015)*

*Former Chair of Eastern College Australia (Formerly Tabor Victoria) (2009-2014)*

*Member of Syndal Baptist Church*

*Special responsibilities: Chair of Audit and Risk Committee Council member (2016-2022)*

**Rev Daniel Bullock** - Dip Theol, Adv Dip Min, B.Min, MA Church Leadership, GAICD, MSL

*Director of Mission & Ministries of the Baptist Union of Victoria*

*Senior Pastor at Essendon Baptist Church, Senior Associate Pastor at New Hope Baptist Church, Interim Pastor at Berwick Baptist Church*

*Member of Albert Park/Port Melbourne Baptist Church*

*Council member since March 2012*

*Special responsibilities: Member of Pastoral Search Advisory Group, member of Ordination Pathway Group, member of Nominations Committee*

**Councillors' Report**

For the Year Ended 31 December 2023

**Debbie Uy** - B.Sc.Com. (Marketing), B.A. (Psychology), MBA, GAICD*Director of Finance & Administration and Secretary of the Baptist Union of Victoria**Over 19 years-experience in corporate business management and over 14 years- experience in executive leadership in the Not-For-Profit sector, with special focus in combining operational strategy, governance and administrative management expertise.**Former Head of Operations – Crossway LifeCare Ltd. (until January 2017)**Former Ex-officio member – Crossway LifeCare Finance Committee (until January 2017)**Former Assistant General Manager / Corporate Secretary – TSI Contracts Inc. (until 2008)**Former Member - Oakleigh Baptist Church**Member - Crossway Baptist Church**Member- Australian Human Resources Institute (AHRI)**Graduate - Australian Institute of Company Directors (AICD)**Director – Baptist Financial Services**Director – Surrey Hill Baptist Early Learning Centre**Chair – Mission Grants Committee**Council member since February 2017**Special responsibilities: Union Secretary, member - Constitution Review Committee,**BUV Public Officer***Paul Holdway** - LLB, BA (Hons), B.Theol*Principal, Lewis Holdway Lawyers**Lawyer with 30 years Litigation & Commercial experience as well as acting for Churches & Charities and victims of Institutional Sexual Abuse.**More than 20 years as a law firm principal and as a director of not for profit organisations.**Honorary Legal Advisor to the Baptist Union of Victoria**Member of South Yarra Baptist Church**Actively part of the Church Plant at Sanctuary Warrnambool – a BUV Faith Community**Special responsibilities: Chair of Constitution Review Committee*

**Councillors' Report**

For the Year Ended 31 December 2023

**Christine Wanstall** – BSW, M.A, Dip of Management*Community Services consultant**Over thirty-years' experience in Community, Religious and Government industry sector, particularly in child safeguarding.**Member of Encounter Baptist Church**Former member of the BUV Church Health Team**Council Member since May 2023**Special responsibilities: Chair of Audit and Risk Committee***Sally Mullins** - BB (Business Admin.), Grad Dip IR & HRM, Cert IV Project Management, GAICD*Over 20 years' experience in various HR roles, primarily in the banking and finance industry.**Non-Executive Director of Baptist Financial Services (BFS) board (since 2015),  
and Chair BFS Board Governance and Remuneration Committee (since 2019).**Member - New Peninsula Baptist Church**Former Member – Ashburton Baptist Church**Special responsibilities: member, Council Development Committee**Co-opted Union Council member since Nov 2022***Mark Browning** – EMBA*Over twenty five years' experience in the banking industry.**Member – Syndal Baptist Church (since 2004); including a 6 year appointment on Council as Treasurer.**Former Member – Frankston Forest Baptist Church**Former Member – Sale Baptist Church**Former Treasurer – Frankston Forest Baptist Church**Council member since May 2016**Special responsibilities: member, Audit & Risk Committee (2011 - June 2016); Chair, Audit & Risk Committee (2023) ; member, Council Development Committee*

**Councillors' Report**

For the Year Ended 31 December 2023

**Rev Darryl Kilker – BA***Interim Minister, Frankston Forest Baptist Church 2021**Senior Pastor, Pakenham Baptist Church 2008-2020**Ouachita Baptist University, USA**Pastoring various Baptist Church's since 1982**Partnered in three church plants**Council member since October 2014**Special responsibilities: member, Audit and Risk Committee until 10<sup>th</sup> Oct 2023***Rev. Dr. David Talathoti – Dip Theol, BTheol, MTS, PhD, Dip Psych (Honours)***Senior Pastor, Dandenong Baptist Church**Former Youth and Young Adult pastor Waverley Baptist church**Former Young Adults Pastor, Chelsea Baptist Church**Former Youth Pastor, St Matthias Anglican Church**Chair of Cornerstone Contact Centre Board**Special responsibilities:*

- *Supervisor for ordination candidates and member of Ordination Discernment Group*
- *Dandenong City Council, Grant Assessment Panel Member.*
- *Member, Nominations Committee*

**Grace Hmun (Co-opted) – B.Bus. (Accounting), CA***5 years of external audit, management and financial accounting experience**Member of Australia Zotung Church, member of Building Fund Committee**Committee Member of Zotung Community in Australia**Co-opted Union Council member since July 2023**Special responsibilities: Member, Audit and Risk Committee*

**Councillors' Report**

For the Year Ended 31 December 2023

During the financial year, 10 meetings of Councillors were held. Attendances by each council member during the year were as follows:

	Council Meetings	
	Number eligible to attend	Number attended
Mick Turnbull	10	10
Rev Daniel Bullock	10	8
Debbie Uy	10	8
Paul Holdway	10	10
Christine Wanstall	9	8
Rev Darryl Kilker	10	10
Sally Mullins	10	10
Mark Browning	10	10
Rev Dr David Talathoti	10	8
Grace Hmun	4	3

**Union Secretary**

The following person held the position of Union secretary at the end of the financial year:

Ms Debbie Uy

B.Sc.Com. (Marketing), B.A. (Psychology), MBA, GAICD

**Principal activities**

The principal activity of the Baptist Union of Victoria during the financial year was to empower leaders of Victorian Baptist churches for mission. Accordingly, the Union does not aim to generate a surplus from its operations, other than that which may be required to enable it to carry out its mission among the churches. No significant change in those activities has occurred during the year.

The Union is trustee under various beneficiary trusts, and holds funds generated from the sale of church properties on behalf of those churches. It invests and disburses funds in accordance with the provisions of the appropriate deed, or trust instruments.

**Significant changes in ministry operations or financial position**

There have been no significant changes in the scope or nature of ministry operations or in the vision and purpose of the Baptist Union of Victoria during the year ended 31 December 2023.



## **Baptist Union of Victoria**

ABN: 67 934 884 236

### **Councillors' Report**

For the Year Ended 31 December 2023

#### **Indemnification of officers and auditors**

The Union has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Union or any related agency or body:

- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings, with the exception of premiums paid under its normal Management Liability cover.

#### **Proceedings on behalf of the Union**

The Union has registered a claim against an external third-party borrower that has gone into liquidation. The claim is to recover overdue funds of \$571,416 secured by residual guarantees, after calling in mortgages.

No other person has applied for leave of Court to bring proceedings on behalf of the Union or intervene in any proceedings to which the Union is a party for the purpose of taking responsibility on behalf of the Union for all or any part of those proceedings.

#### **Executive Council members' benefits**

The following Council members are also paid staff of the Union and are compensated according to the guidelines established by the Council:

- Rev Daniel Bullock – Director of ministries
- Ms Debbie Uy – Director of Finance & Administration

**Signed in accordance with a resolution of the Council on:** 23/04/2024

Responsible person

**Rev Daniel Bullock**

Director of Mission & Ministries

Responsible person

**Mr Mick Turnbull**

Chair of Union Council

# Baptist Union of Victoria

ABN: 67 934 884 236



## Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Councillors of Baptist Union of Victoria

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of 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.

  
Saward Dawson

  
Jeffrey Tulk  
Partner

Blackburn VIC

Dated: 23 May 2024

# Baptist Union of Victoria

ABN: 67 934 884 236

## Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 31 December 2023

	Note	2023 \$	2022 \$
<b>REVENUE</b>			
Constituent membership contributions		1,535,855	1,521,500
Donations, bequests and legacies		745,309	479,855
Grants		238,564	93,609
Rental income		1,302,406	1,266,774
Insurance administration fee		396,581	366,442
Interest income		1,409,504	626,093
Dividend income		779,479	1,219,321
Sale of church property brought on as investment property	6	2,430,000	-
Other income		636,161	1,072,903
<b>Total revenue</b>		<b>9,473,859</b>	<b>6,646,497</b>
<b>EXPENDITURE</b>			
Employee benefits expense		(3,609,564)	(3,558,078)
Depreciation		(342,431)	(337,403)
Grants paid		(675,382)	(345,232)
Travel & hospitality		(300,927)	(286,417)
Occupancy		(398,847)	(452,124)
IT & office expenses		(275,847)	(226,349)
Interest paid		(873,975)	(287,860)
Professional services		(296,080)	(466,721)
Doubtful debts expense		(32,560)	-
<b>Total expenditure</b>		<b>(6,805,613)</b>	<b>(5,960,184)</b>
<b>Surplus from operating activities</b>		<b>2,668,246</b>	<b>686,313</b>
<b>INVESTMENTS</b>			
Gains/(losses) on sale of investments		4,050	(86,860)
Net movement in financial assets designated at fair value through profit or loss		1,014,305	(1,363,738)
Fair value gains/(losses) from investment properties		(3,111,553)	-
<b>Net gain/(loss) on investment capital</b>		<b>(2,093,198)</b>	<b>(1,450,598)</b>
<b>Surplus for the year</b>		<b>575,048</b>	<b>(764,285)</b>

The accompanying notes form part of these financial statements.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 31 December 2023

	2023	2022
Note	\$	\$
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Fair value gains/(losses) on financial assets at FVOCI	768,471	(1,081,843)
Share of gain on revaluation of land and buildings	(1,282,152)	-
<b>Other comprehensive income for the year</b>	<u>(513,681)</u>	<u>(1,081,843)</u>
<b>Total comprehensive income for the year</b>	<u>61,367</u>	<u>(1,846,128)</u>

The accompanying notes form part of these financial statements.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Statement of Financial Position

As at 31 December 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	1,459,445	6,422,538
Trade and other receivables	3	892,149	869,708
Other financial assets	4	14,189,943	11,038,930
<b>TOTAL CURRENT ASSETS</b>		<b>16,541,537</b>	<b>18,331,176</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	4	33,185,252	30,202,930
Property, plant and equipment	6	17,405,797	18,952,274
Investment property	5	52,989,828	53,671,381
<b>TOTAL NON-CURRENT ASSETS</b>		<b>103,580,877</b>	<b>102,826,585</b>
<b>TOTAL ASSETS</b>		<b>120,122,414</b>	<b>121,157,761</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	23,807,696	24,981,560
Short-term provisions	8	528,467	507,806
<b>TOTAL CURRENT LIABILITIES</b>		<b>24,336,163</b>	<b>25,489,366</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	8	1,330,736	1,274,247
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,330,736</b>	<b>1,274,247</b>
<b>TOTAL LIABILITIES</b>		<b>25,666,899</b>	<b>26,763,613</b>
<b>NET ASSETS</b>		<b>94,455,515</b>	<b>94,394,148</b>
<b>EQUITY</b>			
Reserves		66,580,431	66,971,907
Accumulated Surpluses		27,875,084	27,422,241
<b>TOTAL EQUITY</b>		<b>94,455,515</b>	<b>94,394,148</b>

The accompanying notes form part of these financial statements.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Statement of Changes in Equity

For the Year Ended 31 December 2023

2023

	Unrestricted Fund	Asset Revaluation Reserve (PPE)	Financial Asset Revaluation Reserve	Specific Ministry Reserves	Restricted Funds	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 January 2023</b>	27,422,241	6,622,908	3,112,784	3,652,631	53,583,584	94,394,148
Surplus for the year	575,048	-	-	-	-	575,048
Other comprehensive income for the year	-	(1,282,152)	768,471	-	-	(513,681)
<b>Total comprehensive income for the year</b>	575,048	(1,282,152)	768,471	-	-	61,367
Transfer to/from Reserves	(229,484)	-	-	176,495	52,989	-
Realised gain(FVTOCI)	107,279	-	(107,279)	-	-	-
<b>Balance at 31 December 2023</b>	<b>27,875,084</b>	<b>5,340,756</b>	<b>3,773,976</b>	<b>3,829,126</b>	<b>53,636,573</b>	<b>94,455,515</b>

2022

	Unrestricted Fund	Asset Revaluation Reserve (PPE)	Financial Asset Revaluation Reserve	Specific Ministry Reserves	Restricted Funds	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 January 2022</b>	28,713,943	6,622,908	4,435,350	3,538,163	52,929,912	96,240,276
Deficit for the year	(764,285)	-	-	-	-	(764,285)
Other comprehensive income for the year	-	-	(1,081,843)	-	-	(1,081,843)
<b>Total comprehensive income for the year</b>	(764,285)	-	(1,081,843)	-	-	(1,846,128)
Transfer to/from Reserves	(768,140)	-	-	114,468	653,672	-
Realised gain(FVTOCI)	240,723	-	(240,723)	-	-	-
<b>Balance at 31 December 2022</b>	<b>27,422,241</b>	<b>6,622,908</b>	<b>3,112,784</b>	<b>3,652,631</b>	<b>53,583,584</b>	<b>94,394,148</b>

The accompanying notes form part of these financial statements.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Statement of Cash Flows

For the Year Ended 31 December 2023

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers and others		3,549,188	3,619,889
Payments to suppliers and employees		(5,704,033)	(5,846,044)
Dividends received		854,734	1,035,634
Donations received		745,309	479,855
Interest received		1,173,533	603,787
Interest paid		(873,975)	(287,860)
Receipt from grants		238,564	93,609
Other receipts		347,652	1,098,540
<b>Net cash provided by/(used in) operating activities</b>	10	<b>330,972</b>	<b>797,410</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Redemption (Placement) of term deposits		(3,153,450)	6,502,631
Payment for investment securities		(3,301,513)	(2,887,185)
Proceeds from sale of investment securities		2,101,062	2,196,205
Payment for property, plant and equipment		(78,106)	(93,562)
Loans Advanced (Repaid)		3,342	22,294
<b>Net cash provided by/(used in) investing activities</b>		<b>(4,428,665)</b>	<b>5,740,383</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Trust funds procured (repaid)		(865,400)	(3,056,482)
<b>Net cash provided by/(used in) financing activities</b>		<b>(865,400)</b>	<b>(3,056,482)</b>
Net increase/(decrease) in cash and cash equivalents held		(4,963,093)	3,481,311
Cash and cash equivalents at beginning of year		6,422,538	2,941,227
<b>Cash and cash equivalents at end of financial year</b>	2	<b>1,459,445</b>	<b>6,422,538</b>

The accompanying notes form part of these financial statements.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### Basis of Preparation

The principal activity of the Baptist Union of Victoria (the Union) during the financial year is to empower leaders of Victorian Baptist churches for mission. Accordingly, the Union does not aim to generate a surplus from its operations, other than that which may be required to enable it to carry out its mission among the churches. No material change in those activities has occurred during the year.

The Union is trustee under various beneficiary trusts, and holds funds generated from the sale of church properties on behalf of those churches. It invests and disburses funds in accordance with the provisions of the appropriate deed, or trust instruments.

This financial report is a special purpose financial report prepared for use by the Council and for distribution to the member churches of the Baptist Union of Victoria in order to satisfy the financial reporting requirements of The Baptist Union of Victoria Incorporation Act 1930, the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulations 2022. The Council has determined that the Union is not a reporting entity.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012 and the significant accounting policies disclosed below, which the Committee members have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial report excludes the financial data relating to the financial information of the BUV Agencies (refer note 11).

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

### Statement of Compliance

The financial statements have been prepared in accordance with the recognition and measurement requirements specified by all applicable Australian Accounting Standards, 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 and AASB 1054 Australian Additional Disclosures:

The Council members of the Union have not formally assessed if the requirements of AASB 10 and AASB 128 would be applicable and have not quantified the impact of these accounting standards in these special purpose financial statements.

## 1 Summary of Material Accounting Policies

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

### (a) Comparative Figures

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

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 1 Summary of Material Accounting Policies

#### (b) Income Tax

The Baptist Union of Victoria is a non-profit entity registered as a religious charitable organisation and, as such, is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### (c) Capacity as trustee

The Baptist Union of Victoria acts in the capacity as trustee, holding assets, in the following situations:

1. Wills and trusts where the Baptist Union of Victoria is the recipient.
2. Proceeds where a member church sells property (land and buildings)

The Union, acting as trustee, also holds properties, where these are land and buildings, on behalf of its member churches and various other associated entities. As beneficial ownership is held by the individual Churches for certain purposes these properties are not recorded in the Financial Statements of Baptist Union Victoria.

All investments (funds held for Churches) are formally held in the name of the Baptist Union of Victoria, the carrying value of these assets is allocated in the accompanying liability accounts to the various trust and other funds administered by the Union based on the capital of the particular fund.

Income earned by the fund is credited to individual trust funds on the basis of their identified investments or the overall pool rate, whichever is applicable.

#### (d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits 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.

Cash balances in term deposits with banks or financial institutions, and investments in money market instruments are classified as financial instruments where maturity is longer than 3 months.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 1 Summary of Material Accounting Policies

#### (e) Revenue and other income

##### Revenue from contracts with customers

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 Union 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 Union have any significant financing terms as there is 12 months or less between receipt of funds and satisfaction of performance obligations.

Interest and other investment revenues are recognised on a proportional basis taking into account the investment rates applicable to the financial assets.

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

Investment property lease revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Constituent membership contributions are recognised on a straight-line basis over the period of the membership year.

Insurance administration fee was recognised on a straight-line basis over the period of the insurance year. From 1 October 2023, the administration in BUV insurance scheme has been transferred to Baptist Insurance Services (BIS). Contribution from BIS is recognised on receipt.

Grant revenue is recognised in the statement of income and expenditure when the Union satisfies the performance obligations of the grant. Majority of grant income relates to the reimbursement of project staff costs and are recognised over time either based on expenditure incurred during the reporting period or the rendering of project services.

Donations, bequests and legacies are recognised as revenue when received.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 1 Summary of Material Accounting Policies

#### (e) Revenue and other income

Revenues from the rendering of a service are recognised upon the delivery of the service provided. All revenue is stated net of the amount of goods and services tax (GST).

Other income includes Advancement fund properties transferred to the Union at fair value, in accordance with Schedule B to the Baptist Union of Victoria Incorporation Act 1930. As at this point in time beneficial ownership is transferred to The Baptist Union of Victoria.

#### (f) Financial instruments

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Trade receivables are initially measured at the transaction price.

##### Financial assets

###### *Amortised cost*

The Union's financial assets measured at amortised cost comprise trade and other receivables, investments in bank bills and term deposits, first mortgages, and Advancement fund loan receivables. These assets are carried at amortised cost using the effective interest rate method less provision for impairment.

###### *Fair value through other comprehensive income*

###### Equity instruments

The Union has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Union has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

###### *Financial assets through profit or loss*

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL. Net gains or losses, including any interest or dividend income are recognised in profit or loss. These assets include various investments in managed investment schemes and funds.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 1 Summary of Material Accounting Policies

#### (f) Financial instruments

##### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Union considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Union's historical experience and informed credit assessment and including forward looking information.

The Union uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Union uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to The Union in full, without recourse to The Union to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to The Union in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

##### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Union has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 1 Summary of Material Accounting Policies

#### (f) Financial instruments

##### Financial liabilities

The Union measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Union comprise trade payables, Constituent trust funds, and LSL Savings Scheme.

#### (g) Impairment of non-financial assets

At the end of each reporting period the Union determines whether there is an evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

The recoverable amount of an asset is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset. Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

#### (h) Investment property

Investment property is carried at fair value, determined bi-annually by independent valuers. Changes to fair value are recorded in the statement of income and expenditure and other comprehensive income as other income/expenses. Investment properties are not depreciated. This excludes properties listed under land and buildings. The latest independent valuations were obtained at the end of 2023.

#### (i) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or at independent valuation less, where applicable, accumulated depreciation or amortisation.

##### Land and buildings

Freehold land and buildings are measured using the revaluation model. This excludes properties listed under Investment Properties. Independent market valuations are obtained every two years. The latest independent valuations were obtained at the end of 2023.

Where BUV Agencies erected buildings on freehold land, the costs of the buildings and any associated accumulated depreciation are recorded in the accounts of the Agency.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 1 Summary of Material Accounting Policies

#### Plant and equipment

Plant and equipment are measured using the cost model.

#### Depreciation

Plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Union, commencing when the asset is ready for use.

The estimated useful lives used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Useful life - years</b>
Buildings	40
Plant and Equipment	5
Furniture, Fixtures and Fittings	15
Motor Vehicles	7

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of income and expenditure.

#### (j) Provisions

##### (i) Provision for unreported liability claims

Provision is made for unknown future claims against the Baptist Union of Victoria. As at the 19 October 2018 Delegates Assembly, it was resolved that the BUV opt in to the Federal Government's ten year National Redress Scheme beginning on 1 July 2018.

As at the current reporting period, the BUV has established a Redress Support Fund (the fund) out of funds previously contributed under the BIS contingency reserves for uninsured claims, to provide assistance to participating constituents in meeting Redress claims.

##### (ii) Provision for uninsured claims

Provision is made for unreported claims against the Baptist Union of Victoria, where the self-funded claims loss provision has been closed off by the Scheme's national board.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 1 Summary of Material Accounting Policies

#### (j) Provisions

##### (iii) The BUV Long Service Leave (LSL) Savings Scheme

The BUV LSL Savings Scheme was established to provide a savings mechanism to assist constituent churches in meeting the financial requirements of Long Service Leave for Pastors and to provide opportunity for Pastors to accumulate continued service across more than one church.

The scheme has been classified as current liability as described in note 7 as despite the low probability that these funds will be claimed within the next 12 months, discretion to withdraw funds contributed to the scheme resides with relevant ministers and churches based on meeting conditions set out in the Scheme Rules.

##### (iv) Trust Funds

The Funds held in trust for churches have been classified as current liability as described in Note 7, as despite the low probability that these funds will be withdrawn within the next 12 months, discretion to withdraw funds held in trust resides with the constituent churches based on meeting certain conditions.

#### (k) Employee benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits expected to be settled more than one year after the reporting period has been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 2 Cash and Cash Equivalents

	2023	2022
	\$	\$
Bank balances	1,389,445	6,322,538
Short-term deposits	70,000	100,000
	<u>1,459,445</u>	<u>6,422,538</u>

### 3 Trade and Other Receivables

#### CURRENT

Trade receivables	335,515	262,320
Provision for doubtful debts	(50,000)	(17,440)
	<u>285,515</u>	<u>244,880</u>
Other debtors and prepayments	304,174	214,058
Interest and imputation credits receivable	302,460	410,770
	<u>892,149</u>	<u>869,708</u>

### 4 Other Financial Assets

#### CURRENT

Unsecured loans	45,425	47,862
Bank bills and term deposits	14,144,118	10,991,068
First mortgages	571,815	571,415
Provision for impairment of first mortgages	(571,415)	(571,415)
	<u>14,189,943</u>	<u>11,038,930</u>

#### NON-CURRENT

Unsecured loans	199,575	200,480
Equity investments - FVOCI	12,650,458	11,617,820
Other investments - FVTPL	17,085,219	15,134,630
Capital contribution - Baptist Financial Services	3,250,000	3,250,000
	<u>33,185,252</u>	<u>30,202,930</u>
	<u>47,375,195</u>	<u>41,241,860</u>

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 5 Investment Properties

	2023	2022
	\$	\$
NON-CURRENT		
Balance at beginning of year	53,671,381	53,671,381
Additions	2,430,000	-
Fair value adjustments	(3,111,553)	-
<b>Balance at end of year</b>	<b>52,989,828</b>	<b>53,671,381</b>

During the year, the Union brought on three properties from wound-up churches as investment properties for a total value \$2,430,000 as the additions to the investment properties.

Also, the Union has undertaken a revaluation on the rest of the investment properties, which led to a \$3,111,553 decline on property value.

### 6 Property, plant and equipment

#### LAND AND BUILDINGS

Freehold land		
At Executive Council valuation	10,245,000	12,506,807
Buildings		
At Executive Council valuation	5,574,192	4,841,619
Accumulated depreciation	-	(121,040)
Total buildings	5,574,192	4,720,579
Total land and buildings	15,819,192	17,227,386

#### PLANT AND EQUIPMENT

Plant and equipment		
At cost	2,467,767	2,390,584
Accumulated depreciation	(978,842)	(801,800)
Total plant and equipment	1,488,925	1,588,784
Motor vehicles		
At cost	324,752	322,933
Accumulated depreciation	(227,072)	(186,829)
Total motor vehicles	97,680	136,104
Total plant and equipment	1,586,605	1,724,888
<b>Total property, plant and equipment</b>	<b>17,405,797</b>	<b>18,952,274</b>

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 6 Property, plant and equipment

#### (a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land	Buildings	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
<b>Year ended 31 December 2023</b>					
Balance at the beginning of year	12,506,807	4,720,579	1,588,784	136,104	18,952,274
Additions	-	-	81,290	1,816	83,106
Depreciation expense	-	(121,040)	(181,149)	(40,242)	(342,431)
Revaluation decrease	(2,261,807)	-	-	-	(2,261,807)
Revaluation increase	-	974,655	-	-	974,655
<b>Balance at the end of the year</b>	<b>10,245,000</b>	<b>5,574,194</b>	<b>1,488,925</b>	<b>97,678</b>	<b>17,405,797</b>
<b>Year ended 31 December 2022</b>					
Balance at the beginning of year	12,506,807	4,841,619	1,671,616	176,073	19,196,115
Additions	-	-	92,840	722	93,562
Depreciation expense	-	(121,040)	(175,672)	(40,691)	(337,403)
<b>Balance at the end of the year</b>	<b>12,506,807</b>	<b>4,720,579</b>	<b>1,588,784</b>	<b>136,104</b>	<b>18,952,274</b>

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 7 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	318,973	367,697
Unearned income	62,213	354,772
Accrued expense	96,942	117,607
The BUV LSL Savings Scheme	2,031,217	1,977,733
Funds held in trust for churches	21,298,351	22,163,751
	<u>23,807,696</u>	<u>24,981,560</u>

### 8 Provisions

CURRENT		
Annual leave	315,551	328,071
Long service leave	212,916	179,735
	<u>528,467</u>	<u>507,806</u>
NON-CURRENT		
Provision for unreported liability claims	1,199,162	1,146,682
Provision for unknown litigation costs	100,000	100,000
Long service leave	31,574	27,565
	<u>1,330,736</u>	<u>1,274,247</u>

### 9 Auditors' Remuneration

Remuneration of the auditor (Saward Dawson), for:

- audit of the financial statements	24,500	23,600
- other services	2,000	2,000
<b>Total</b>	<u>26,500</u>	<u>25,600</u>

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 10 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
Surplus for the year	575,048	(764,285)
Non-cash flows in surplus:		
- depreciation	342,431	337,403
- provision for doubtful debts	32,560	-
- movement in fair value of financial assets	(332,752)	1,450,598
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(55,001)	(125,746)
- increase/(decrease) in trade and other payables	(255,984)	(72,420)
- increase/(decrease) in provisions	24,670	(28,140)
Cashflows from operations	<u>330,972</u>	<u>797,410</u>

### 11 Related Parties

Transactions with related parties of the Baptist Union of Victoria, whose accounts are not included in these financial statements, include:

#### a) Baptist Churches

The Union provides resources and advice to its member churches, pastors and leaders. The Union also holds property on trust and funds on behalf of its member churches for certain purposes. During the year, the Union received a total of \$1,535,855 (2022: \$1,521,500) in ministry contribution fees from the Baptist churches of Victoria.

#### b) Baptist Agencies:

*Baptcare Ltd - a company limited by guarantee*

Throughout the year, the Union rented office space to Baptcare Ltd. \$898,116 (2022: \$861,853) was received for rent and related building expenses from this arrangement. A \$150,000 grant was received from Baptcare Ltd during the year.

*Whitley College - The Baptist College of Victoria - an unincorporated entity*

Throughout the year, the Union received \$2,494 (2022: \$4,725) for conference and professional development fees from Whitley College. Total funds held in trust by the Baptist Union of Victoria on behalf of Whitley College as at 31 December 2023 amounts to \$2,594,779 (2022: \$2,752,969).

The Baptist Union of Victoria is currently seeking legal clarity on the terms of ownership and control over proceeds from the previous sale of the property at Royal Parade, Parkville. Funds in excess of \$20M are currently held by Whitley College pertaining to the sale.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 11 Related Parties

*Strathcona Baptist Girls' Grammar School Ltd - a company limited by guarantee*

No transactions occurred between the Union and Strathcona Baptist Girls' Grammar School Ltd during the year. Refer to note 13 for details on bank guarantee.

*Kilvington Grammar School Ltd - a company limited by guarantee*

No transactions occurred between the Union and Kilvington Grammar School Ltd during the year. Refer to note 13 for details on bank guarantee.

*Baptist Camping Victoria - an incorporated entity*

The Union owns Camp Wilkin where Baptist Camping Victoria operates. The campsite is provided to Baptist Camping Victoria for no rent. The Union paid Baptist Camping Victoria \$12,971 (2022: \$15,335) for services during the year. Refer to note 13 for details on bank guarantee.

*Surrey Hills Baptist Children's Centre Inc - an incorporated entity*

Throughout the year, the Union rented space to Surrey Hills Baptist Children's Centre Inc. \$172,750 (2022: \$176,000) was received for rent from this arrangement. The Union received \$38,250 (2022: \$56,100) from Surrey Hills Baptist Children's Centre Inc from a management fee arising from administration work undertaken by the Union on behalf of Surrey Hills Baptist Children's Centre Inc. A grant of \$42,000 (2022: \$40,000) was provided to Surrey Hills Baptist Children's Centre Inc.

#### c) Legal Fees

The Union paid legal fees of \$19,970 (2022: \$100,534) to a law firm where a board member is currently the managing director.

#### d) Key Management Personnel

Interest free loans of \$14,940 (2022: \$22,988) was provided to key management personnel during the year.

Refer to note 12 for details of remuneration paid to key management personnel.

### 12 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 463,543 (2022: \$ 414,375).

Directors are not remunerated for their services.

# Baptist Union of Victoria

ABN: 67 934 884 236

## Notes to the Financial Statements

For the Year Ended 31 December 2023

### 13 Contingent Liabilities

The Union has signed a letter of acknowledgement in relation to the borrowing facilities provided by the Commonwealth Bank of Australia to Kilvington Grammar School Ltd. The Union's maximum exposure is capped at \$4,020,000.

The Union has also provided a guarantee in relation to borrowing facilities provided by the National Australia Bank [NAB] to Strathcona Baptist Girls Grammar School Ltd. The Union's maximum exposure is capped at \$13,000,000 (2022: \$4,000,000) and is further limited to the amount recovered by NAB on enforcement of any security granted to NAB in respect of the property. A number of Strathcona properties have been provided as security for the facility.

The Union has also provided a guarantee in relation to a loan of \$100,000 provided by Baptist Financial Services Australia Ltd to Now And Not Yet Inc.

The Union has also provided a guarantee in relation to an overdraft of \$300,000 provided by Baptist Financial Services Australia Ltd to Baptist Camping Victoria Inc.

### 14 Events after the end of the Reporting Period

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations or the state of affairs of the Union in future financial years.

### 15 Statutory Information

The registered office and principal place of business is:

Baptist Union of Victoria  
1193 Toorak Rd  
Camberwell VIC 3124

# Baptist Union of Victoria

ABN: 67 934 884 236

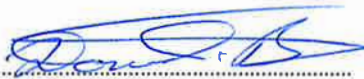
## Councillors' Declaration

The Councillors of the Union declare that:

1. The financial report and notes as set out on pages 9 - 28 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and *The Baptist Union of Victoria Incorporation Act 1930*;
2. The financial statements give a true and fair view of the financial position of the Union as at 31 December 2023 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
3. As at the date of this statement, there are reasonable grounds to believe that the Baptist Union of Victoria will be able to pay its debts as and when they fall due.

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

Responsible person



Director of Ministries

Responsible person



Chair of Audit & Risk Committee

Dated

23/04/2024

## **Baptist Union of Victoria**

### **Independent Audit Report to the members of Baptist Union of Victoria**

#### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the accompanying financial report, being a special purpose financial report of Baptist Union of Victoria (the Union), which comprises the statement of financial position as at 31 December 2023, the statement of income and expenditure and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the responsible entity declaration.

In our opinion, the accompanying financial report of Baptist Union of Victoria has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Union's financial position as at 31 December 2023 and of its financial performance and cash flows for the year ended on that date; and
- (ii) *complying with Australian Accounting Standards to the extent described in Note 1 to the financial report and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2022.*

#### **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 Union in accordance with the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 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 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Baptist Union of Victoria for the purpose of fulfilling the Councillors' financial reporting responsibilities under the ACNC Act and the needs of the members. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

## **Baptist Union of Victoria**

### **Independent Audit Report to the members of Baptist Union of Victoria**

#### **Responsibilities of Councillors for the Financial Report**

The Councillors of the Union are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Baptist Union Incorporation Act 1930*, the ACNC Act and is appropriate to meet the needs of the members. The Councillors' responsibility also includes such internal control as the Councillors determine necessary to enable the preparation of a 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 Councillors are responsible for assessing the Union'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 the Councillors either intend to liquidate the Union 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 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 the 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 Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.

## **Baptist Union of Victoria**

### **Independent Audit Report to the members of Baptist Union of Victoria**

- Conclude on the appropriateness of the responsible entities' 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 Union'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 Union 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 those charged with governance 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.

  
**Saward Dawson**



Jeffrey Tulk  
Partner

Blackburn VIC  
Dated: 23 May 2024