

# **VICTORIAN COUNCIL OF CHURCHES INC.**

**Registration Number A0036552E**

## **FINANCIAL REPORT**

**For the Year Ended 31 December 2024**

# VICTORIAN COUNCIL OF CHURCHES INC.

## TABLE OF CONTENTS

### Financial Report

Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Standing Committee Declaration	13
Auditor's Review Report	14

### General information

The financial statements cover Victorian Council of Churches Inc. as an individual entity. The financial statements are presented in Australian dollars, which is Victorian Council of Churches Inc.'s functional and presentation currency.

Victorian Council of Churches Inc. is a not-for-profit incorporated association, incorporated and domiciled in Australia.

**VICTORIAN COUNCIL OF CHURCHES INC.**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>Note</b>	<b>2024 \$</b>	<b>2023 \$</b>
<b>Revenue</b>	5	205,236	224,269
<b>Expenses</b>			
Audit Fees and Related Services	12	2,500	3,500
Bank Charges		13	15
Bookkeeping Fees		3,000	3,000
Casual Staff Expenses		-	2,904
Conferences & Special Events		7,345	3,450
Contractors		-	3,000
Dues & Subscriptions		536	1,612
Hospitality		301	809
Insurance		6,408	6,025
Legal Expenses		-	950
General Expenses		1,000	2,012
Photocopying & Printing		109	-
Recruitment		-	1,568
Rent		2,924	3,820
Salary & Wages		92,140	84,738
Superannuation		10,486	8,903
Employee Annual Leave		2,247	8,200
Software Costs		1,253	982
Stationery		1,313	164
Travel		301	4,905
Website & Telecommunications		419	21
Work Cover Premiums		2,056	203
<b>Total Operating Expenses</b>		<b>134,351</b>	<b>140,781</b>
<b>Operating profit for the year</b>		<b>70,885</b>	<b>83,488</b>
<b>Other Comprehensive Income:</b>			
Gain on the revaluation of investment portfolio		266,464	147,380
<b>Total Comprehensive income for the year</b>		<b>337,349</b>	<b>230,868</b>

The accompanying notes forms part of these financial statements

**VICTORIAN COUNCIL OF CHURCHES INC.**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

	Note	2024 \$	2023 \$
<b>Current assets</b>			
Cash and cash equivalents	6	57,711	87,488
Trade and other receivables	7	43,498	588
<b>Total current assets</b>		<b>101,209</b>	<b>88,076</b>
<b>Non-current assets</b>			
Other financial assets	8	1,811,249	1,484,785
<b>Total non-current assets</b>		<b>1,811,249</b>	<b>1,484,785</b>
<b>Total assets</b>		<b>1,912,458</b>	<b>1,572,861</b>
<b>Current liabilities</b>			
Trade and other payables	9	2,500	2,500
Provisions – annual leave		15,471	13,223
<b>Total current liabilities</b>		<b>17,971</b>	<b>15,723</b>
<b>Total liabilities</b>		<b>17,971</b>	<b>15,723</b>
<b>Net Assets</b>		<b>1,894,487</b>	<b>1,557,138</b>
<b>Equity</b>			
Asset revaluation reserve		413,844	147,380
Retained surplus		1,480,643	1,409,758
<b>Total equity</b>		<b>1,894,487</b>	<b>1,557,138</b>

The accompanying notes forms part of these financial statements

**VICTORIAN COUNCIL OF CHURCHES INC.**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>Asset Revaluation Reserve \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b><u>2023</u></b>			
<b>Balance at 1 January 2023</b>	-	1,326,270	1,326,270
Net profit for the year	-	83,488	83,488
Other comprehensive income	147,380	-	147,380
<b>At 31 December 2023</b>	<b>147,380</b>	<b>1,409,758</b>	<b>1,557,138</b>
	<b>Asset Revaluation Reserve \$</b>	<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b><u>2024</u></b>			
<b>Balance at 1 January 2024</b>	147,380	1,409,758	1,557,138
Net profit for the year	-	70,885	70,885
Other comprehensive income	266,464	-	266,464
<b>At 31 December 2024</b>	<b>413,844</b>	<b>1,480,643</b>	<b>1,894,487</b>

The accompanying notes forms part of these financial statements

**VICTORIAN COUNCIL OF CHURCHES INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>Note</b>	<b>2024 \$</b>	<b>2023 \$</b>
<b>Cash flow from operating activities</b>			
Cash receipts in the course of operations		119,107	151,364
Interest and distributions		86,129	73,405
Cash payments in the course of operations		(175,013)	(157,405)
		<hr/>	<hr/>
<b>Net cash flow from operating activities</b>	<b>10</b>	<b>30,223</b>	<b>67,364</b>
		<hr/>	<hr/>
<b>Cash flow from investing activities</b>			
Transfers to investments		(60,000)	-
		<hr/>	<hr/>
<b>Net cash flow used in investing activities</b>		<b>(60,000)</b>	<b>-</b>
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents		(29,777)	67,364
Cash and cash equivalents at the beginning of the financial year		87,488	20,124
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>6</b>	<b>57,711</b>	<b>87,488</b>
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes forms part of these financial statements

# **VICTORIAN COUNCIL OF CHURCHES INC.**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **NOTE 1: REPORTING ENTITY**

This general purpose financial report is prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012 (Victoria) and the Australian Charities and Not-for-profits Commission Act 2012. The Standing Committee has determined that the Victorian Council of Churches Inc. ("Council") is a reporting entity.

The Council gathers together in pilgrimage Churches which confess the Lord Jesus Christ as God and Saviour according to the Scriptures; seeks to fulfil together their common calling to the glory of the one God, Father, Son and Holy Spirit; and commit themselves:

- (a) to deepen their relationship with each other in order to express more visibly the unity willed by Christ for his Church; and
- (b) to work together towards the fulfilment of their common mission of witness, proclamation and service.

### **NOTE 2: BASIS OF PREPARATION**

#### **(a) Statement of compliance**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASB's") – Simplified Disclosures including Australian Interpretations adopted by the Australian Accounting Standards Board ("AASB").

#### **(b) Basis of measurement**

The financial report has been prepared on an accruals basis and is based on historical cost convention and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

#### **(c) Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### **(d) New or amended Accounting Standards and Interpretations adopted**

The Council has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## VICTORIAN COUNCIL OF CHURCHES INC.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### NOTE 3: MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Revenue

Revenue from voluntary donations and bequests is recognised when received.

If Government grants are received with conditions attached, that must be satisfied before the Association is eligible to the contribution, the recognition of the grant is deferred until those conditions are satisfied.

##### (b) Income Tax

The Council is a tax-exempt entity for the purposes of Division 50 of the Income Tax Assessment Act 1997. In addition, the Council is a rebateable employer for the purposes of section 65J of the Fringe Benefits Assessment Act 1986.

##### (c) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

##### (d) Trade and Other Receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

##### (e) Property, Plant and Equipment

Property, plant and equipment are only recognised where the Council holds ownership of the asset or has legal rights to control the asset's future use. Each class of asset is stated at historical cost less depreciation at a rate of 25.00%. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Council. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

##### (f) Investments and other financial assets

Investments and other financial assets, other than investments in associates, are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

##### *Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

##### *Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

##### (g) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.



## VICTORIAN COUNCIL OF CHURCHES INC.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### NOTE 3: MATERIAL ACCOUNTING POLICY INFORMATION (continued)

##### (h) Provisions

###### Annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

###### Long service leave

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### (i) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

#### NOTE 4: CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

##### *Estimation of useful lives of assets*

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

**VICTORIAN COUNCIL OF CHURCHES INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Note 5. Revenue**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Member Contributions	118,672	137,527
Affiliation Fees	-	2,350
Donations	135	200
Distributions from Investments	86,129	73,405
Grants Received	-	8,000
Other income	300	2,787
	<hr/>	<hr/>
	205,236	224,269

**Note 6. Cash and Cash Equivalents**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Community Fee Saver	36,711	87,488
Bendigo Bank Transaction Account	20,000	-
Bendigo Bank Debit Card	1,000	-
	<hr/>	<hr/>
	57,711	87,488

**Note 7. Trade and Other Receivables**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Trade Debtors	43,000	-
GST Receivable	498	588
	<hr/>	<hr/>
	43,498	588

**Note 8. Other Financial Assets**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Investment – Enhanced Income Trust	10,196	10,022
Investment – Growth Portfolio	831,388	729,612
Investment – International Equities Trust	969,665	745,151
	<hr/>	<hr/>
	1,811,249	1,484,785

**VICTORIAN COUNCIL OF CHURCHES INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Note 9. Trade and Other Payables**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Accrued Expenses	2,500	2,500
	<u>2,500</u>	<u>2,500</u>

**Note 10. Cash Flow Information**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliation of operating result to net cash from operating activities</b>		
Net Surplus	70,885	83,488
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(42,910)	1,114
Increase/(decrease) in payables	-	(7,938)
Increase/(decrease) in advanced contributions received	-	(17,500)
Increase/(decrease) in provisions	2,248	8,200
<b>Net cash (used in) / from operating activities</b>	<b><u>30,223</u></b>	<b><u>67,364</u></b>

**VICTORIAN COUNCIL OF CHURCHES INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Note 11. Key Management Personnel Disclosures**

**Compensation**

The aggregate compensation made to officers and other members of key management personnel of the Council is set out below:

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Aggregated compensation	107,145	101,914

**Note 12: Remuneration of Auditors**

During the financial year the following fees were paid or payable for services provided by DFK Kidsons Partnership, the auditor of the Council:

Review of the financial statements	2,500	2,000
Preparation of the financial statements	-	1,500
	<b>2,500</b>	<b>3,500</b>

**Note 13: Contingent Liabilities and Contingent Assets**

The Council had no contingent liabilities and contingent assets as at 31 December 2024 and 31 December 2023

**Note 14: Events after the reporting period**

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Council's operations, the results of those operations, or the Council's state of affairs in future financial years.

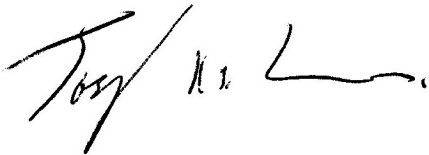
## **VICTORIAN COUNCIL OF CHURCHES INC.**

### **STANDING COMMITTEE DECLARATION**

In the opinion of the Standing Committee the financial report as set out on pages 3 to 12:

1. Presents a true and fair view of the financial position of Victorian Council of Churches Inc. as at 31 December 2024 and its performance for the financial year ended on that date in accordance with Australian Accounting Standards – Simplified Disclosures, the Associations Incorporation Reform Act 2012 (Victoria), the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements; and
2. At the date of this declaration, there are reasonable grounds to believe that Victorian Council of Churches Inc. will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Standing Committee and is signed for and on behalf of the Standing Committee by:

A handwritten signature in black ink, appearing to read 'Joseph Leach', written in a cursive style.

Deacon Joseph Leach  
President

19 March 2025

## INDEPENDENT REVIEW REPORT TO THE MEMBERS OF THE VICTORIAN COUNCIL OF CHURCHES INC.

### **Conclusion**

We have reviewed the accompanying financial report of Victorian Council of Churches Inc., which comprises the Statement of Financial Position as at 31 December 2024, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, material accounting policy information and other explanatory notes and the declaration by the Standing Committee.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Victorian Council of Churches Inc. does not give a true and fair view of the Council's financial position as at 31 December 2024 and of its performance for the year then ended on that date in accordance with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

### **Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our review of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### **Standing Committee's Responsibility for the Financial Report**

The Standing Committee is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and for such internal control as management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including: giving a true and fair view of the Council's financial position as at 31 December 2024 and its performance for the year ended on that date and complying with Australian Accounting Standards – Simplified Disclosures.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**DFK KIDSONS PARTNERSHIP**  
Chartered Accountants

19 March 2025  
Melbourne



**M L Port**  
Partner