

Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Financial Statements
For the Year ended 30 June 2015

Association of Ukrainians in Victoria (A.U.V.)

**Annual Report
for the Year Ended 30 June 2015**

<i>Contents</i>	<i>Page</i>
Directors' Report	2
Statement of Comprehensive Income	5
Departmental Trading, Profit & Loss Statement	6
Consolidated Trading, Profit & Loss Statement	12
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flow	16
Notes to the Accounts	18
Directors Declaration	33
Independent Auditor's Report	34

Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Directors Report
for the Year Ended 30 June 2015

Your directors present their report on the company and its controlled entity for the financial year ended 30 June 2015.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Michael Moravski
Stefan Romaniw
George Leon Makohon
Roman Rozek
Tatiana Zachariak
Irena Andreeva
Taras Moravski
Roman Varenica
Anna Chalabarczuk

Directors have been in office since the start of the financial year to the date of this report unless stated otherwise.

Review of Operations

The consolidated profit of the consolidated group for the financial year after providing for income tax amounted to \$1,371,248.

A review of the operations of the consolidated group during the financial year and the results of those operations are as follows:

The company's operations during the year performed as expected in the opinion of the directors.

The Directors have endeavoured to collect all data and documents to prepare the audited consolidated accounts. Due to various constants the Noble Park and St Albans Branch activities have not been recorded, in addition the comparative figures for Noble Park have not been reported. The Directors have an obligation to make these financial statements readily available.

Significant Changes in the State of Affairs

No significant changes in the consolidated group's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the consolidated group during the financial year were:

Promote Ukrainian Culture

No significant change in the nature of these activities occurred during the year.

Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Directors Report
for the Year Ended 30 June 2015

Events Subsequent to the End of the Reporting Period

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

Likely Developments and Expected Results of Operations

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

The consolidated group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

Dividends paid or declared since the start of the financial year are as follows:

- a) There were no dividends paid during the year.
- b) There were no dividends or distributions recommended or declared for payment to members during the year that have not been paid or credited to the member throughout the year.

No options over issued shares or interests in the company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

Proceedings on Behalf of the Company

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

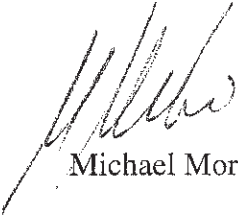
The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included with the financial statements.

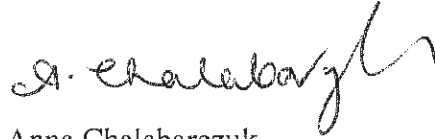
Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Directors Report
for the Year Ended 30 June 2015

This directors' report is signed in accordance with a resolution of the Board of Directors:



Michael Moravski

Director



Anna Chalabarczuk

Director

Dated this.....^{20th}.....day of.....~~NOVEMBER~~.....2015

Association of Ukrainians in Victoria (A.U.V.)

ABN 20 004 319 126

Statement of Comprehensive Income

For the Year ended 30 June 2015

	Note	2015 \$	2014 \$
Revenue	2	1,840,545	345,094
Expenses excluding Finance Costs	3	424,278	359,663
Finance Costs	4	45,019	20,518
Profit Attributable to Members of the Company		<u>1,371,248</u>	<u>(35,087)</u>
Other Comprehensive Income:			
<u>General Reserve</u>			
Asset Revaluation 13 - 15 Russell Street Essendon		2,199,305	-
Asset Revaluation 57 Pakington Street Geelong West		2,268,868	-
Asset Revaluation 16 – 21 Monastery Court Lovely Banks		1,200,000	-
Asset Revaluation 26 Chandler Road Noble Park		1,675,000	-
Asset Revaluation 16 Alexina Street St Albans		460,000	-
Asset Revaluation 3 Hunt Street Wodonga		180,000	-
Asset Revaluation 20 Balfour Street Newborough		180,000	-
Asset Revaluation 3 – 11 Russell Street Essendon		4,125,447	-
Asset Revaluation 19 – 21 Russell Street Essendon		1,545,364	-
Asset Revaluation 17 Russell Street Essendon		532,458	-
		<u>14,366,442</u>	-
Total Comprehensive Income		<u>15,737,690</u>	<u>(35,087)</u>

The accompanying notes form part of these financial statements.

Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Head Office		
Income		
- Club	4,385	3,074
- Postup	3,497	25,261
	7,882	28,335
Less Cost of Goods Sold		
Opening Stock	4,959	4,959
- Club	20,783	21,171
	25,742	26,130
Closing Stock	-	4,959
	25,742	21,171
	(17,860)	7,164
Gross Loss from Trading		
Expenditure		
Advertising & Promotion	8,709	7,168
Auditor's Remunerations	2,600	1,623
Bank Charges	148	6,513
Bookkeeping Fees	9,997	8,644
Cleaning	3,523	9,373
Computer Expenses	2,595	3,038
Conferences and Seminars	109	-
Depreciation	8,248	8,248
Donations	1,000	-
Filing Fees	-	336
Flowers & Decorations	72	-
Fundraising Event Expenses	22,259	13,640
General Expenses	307	-
Hire of Plant & Equipment	8,859	8,701
Insurance	15,764	4,503
Interest	45,019	20,518
Land Tax	29,486	51,808
Legal Costs	30,000	6,630
Licences, Registration & Fees	397	602
Electricity & Gas	17,691	16,530
Long Service Leave	-	6,021
Postage	309	1,037

The accompanying notes form part of these financial statements.

Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Printing & Stationery	3,163	4,827
Rates & Taxes	23,616	19,012
Repairs & Maintenance	12,028	3,440
Security Costs	1,020	1,559
Subscriptions	152	299
Superannuation Contributions	8,003	4,051
Telephone & Internet	2,020	1,355
Travelling Expenses	2,521	-
Wages	89,241	57,279
Waste Disposal	1,754	2,198
Water Expenses	11,332	8,463
Workcover	1,168	1,179
	363,110	278,595
Other Income		
Hiring Charges	57,426	55,974
Interest Received	4,648	2,344
Donations	60,019	1,253
Fundraising Events	12,661	27,273
Other Revenue	1,505,283	1,434
Government Grants	87,982	83,518
Membership Fees	8,433	6,716
Profit on Rental Operations	-	7,200
	1,736,452	185,712
Profit before Income Tax	1,355,482	(85,719)

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Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Geelong Branch		
Income		
- Club	12,995	23,226
Less Cost of Goods Sold		
- Club	6,223	9,887
	6,223	9,887
	6,223	9,887
Gross Profit from Trading	6,772	13,339
Expenditure		
Advertising & Promotion	-	2,092
Bank Charges	-	10
Cleaning	2,962	3,347
Donations	1,300	1,400
Fundraising Event Expenses	18,342	12,720
Hire of Plant & Equipment	-	5,452
Insurance	8,220	-
Land Tax	3,802	-
Legal Costs	2,625	-
Licences, Registration & Fees	1,075	1,177
Electricity & Gas	9,097	10,574
Postage	115	-
Printing & Stationery	783	1,059
Rates & Taxes	6,138	3,607
Repairs & Maintenance	7,596	-
Security Costs	818	805
Telephone & Internet	1,525	1,469
Travelling Expenses	240	-
Waste Disposal	2,360	2,367
Water Expenses	1,426	2,224
	68,424	48,303

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Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Other Income		
Sponsorship Received	1,200	-
Hiring Charges	29,026	25,045
Interest Received	1,140	1,217
Donations	210	185
Fundraising Events	24,584	18,951
Other Revenue	7,311	1,335
Government Grants	1,540	20,601
Membership Fees	2,574	2,153
Profit on Rental Operations	11,237	12,011
	78,822	81,498
Loss before Income Tax	17,170	46,534

The accompanying notes form part of these financial statements.

Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Wodonga Branch		
Expenditure		
Cleaning	86	-
Donations	100	880
Fundraising Event Expenses	474	617
Insurance	1,651	-
Land Tax	321	-
Licences, Registration & Fees	211	215
Electricity & Gas	1,560	1,509
Printing & Stationery	100	443
Rates & Taxes	258	327
Repairs & Maintenance	536	1,912
Sundry Expenses	50	-
Water Expenses	451	482
	5,798	6,385
Other Income		
Hiring Charges	3,770	3,550
Interest Received	203	289
Donations	10	120
Other Revenue	261	119
Membership Fees	150	140
	4,394	4,218
Loss before Income Tax	(1,404)	(2,167)

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Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Departmental Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
St Albans Branch		
Expenditure		
Bank Charges	-	15
Fines	-	375
Fundraising Event Expenses	-	859
Electricity & Gas	-	3,479
Long Service Leave	-	81
Printing & Stationery	-	801
Repairs & Maintenance	-	4,634
Subscriptions	-	603
Wages	-	4,993
	-	15,840
Other Income		
Hiring Charges	-	3,555
Interest Received	-	7,288
Donations	-	710
Other Revenue	-	695
Government Grants	-	9,767
Membership Fees	-	90
	-	22,105
Profit before Income Tax	-	6,265

The accompanying notes form part of these financial statements.

Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Consolidated Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Income		
- Club	17,380	26,300
- Postup	3,497	25,261
	20,877	51,561
Less Cost of Goods Sold		
Opening Stock	4,959	4,959
- Club	27,006	31,058
	31,965	36,017
Closing Stock	-	4,959
	31,965	31,058
Gross Loss from Trading	(11,088)	20,503
Expenditure		
Advertising & Promotion	8,709	9,260
Auditor's Remunerations	2,600	1,623
Bank Charges	148	6,538
Bookkeeping Fees	9,997	8,644
Cleaning	6,571	12,720
Computer Expenses	2,595	3,038
Conferences and Seminars	109	-
Depreciation	8,248	8,248
Donations	2,400	2,280
Fines	-	375
Filing Fees	-	336
Flowers & Decorations	72	-
Fundraising Event Expenses	41,075	27,836
General Expenses	307	-
Hire of Plant & Equipment	8,859	14,153
Insurance	25,635	4,503
Interest	45,019	20,518
Land Tax	33,609	51,808
Legal Costs	32,625	6,630
Licences, Registration & Fees	1,683	1,994
Electricity & Gas	28,348	32,092
Long Service Leave	-	6,102
Postage	424	1,037
Printing & Stationery	4,046	7,130

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Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Consolidated Trading, Profit and Loss Statement
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Rates & Taxes	30,012	22,946
Repairs & Maintenance	20,160	9,986
Security Costs	1,838	2,364
Subscriptions	152	902
Sundry Expenses	50	-
Superannuation Contributions	8,003	4,051
Telephone & Internet	3,545	2,824
Travelling Expenses	2,761	-
Wages	89,241	62,272
Waste Disposal	4,114	4,565
Water Expenses	13,209	11,169
Workcover	1,168	1,179
	437,332	349,123
Other Income		
Sponsorship Received	1,200	-
Hiring Charges	90,222	88,124
Interest Received	5,991	11,138
Donations	60,239	2,268
Fundraising Events	37,245	46,224
Other Revenue	1,512,855	3,583
Government Grants	89,522	113,886
Membership Fees	11,157	9,099
Profit on Rental Operations	11,237	19,211
	1,819,668	293,533
Profit before Income Tax	1,371,248	(35,087)

The accompanying notes form part of these financial statements.

Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Statement of Financial Position
As at 30 June 2015

	Note	2015 \$	2014 \$
Current Assets			
Cash and Cash Equivalents	6	345,255	301,391
Trade and Other Receivables	7	1,522,318	78,746
Inventories	8	-	4,959
Total Current Assets		<u>1,867,573</u>	<u>385,096</u>
Non-Current Assets			
Financial Assets	9	226,323	162,524
Property, Plant and Equipment	10	18,691,385	4,254,605
Total Non-Current Assets		<u>18,917,708</u>	<u>4,417,129</u>
Total Assets		<u>20,785,281</u>	<u>4,802,225</u>
Current Liabilities			
Trade and Other Payables	11	271,255	135,282
Provisions	13	24,116	24,116
Total Current Liabilities		<u>295,371</u>	<u>159,398</u>
Non-Current Liabilities			
Financial Liabilities	12	1,778,887	1,745,334
Total Non-Current Liabilities		<u>1,778,887</u>	<u>1,745,334</u>
Total Liabilities		<u>2,074,258</u>	<u>1,904,732</u>
Net Assets		<u>18,711,023</u>	<u>2,897,493</u>
Equity			
Contributed Equity	14	1,968,110	1,968,110
Reserves	15	14,598,609	232,167
Retained Profits	16	2,144,304	697,216
Total Equity		<u>18,711,023</u>	<u>2,897,493</u>

The accompanying notes form part of these financial statements.

Association of Ukrainians in Victoria (A.U.V.)

ABN 20 004 319 126

Statement of Changes in Equity
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Opening Balance	929,383	746,264
Retained Earnings		
Profit Attributable to Shareholders	1,371,248	(35,087)
	<u>1,330,115</u>	<u>(35,087)</u>
Other Comprehensive Income		
General Reserve	14,366,442	-
	<u>14,366,442</u>	<u>-</u>
Closing Balance	<u><u>16,667,073</u></u>	<u><u>711,177</u></u>
Reconciliation of Retained Earnings		
Opening Balance	697,216	514,097
Profit Attributable to Shareholders	1,371,248	(35,087)
Closing balance	<u>2,068,464</u>	<u>479,010</u>
Reconciliation of Reserves		
General Reserve		
Opening Balance for the year	232,167	232,167
Other Comprehensive Income	14,366,442	-
Closing Balance	<u>14,598,609</u>	<u>232,167</u>

The accompanying notes form part of these financial statements.

Association of Ukrainians in Victoria (A.U.V.)
Statement of Cash Flows
For the Year ended 30 June 2015

	Note	2015 \$	2014 \$
Cash Flow from Operating Activities			
Receipts from government grants and community services		334,555	333,954
Payments to suppliers and employees		(379,161)	(316,326)
Interest received		5,991	11,138
Borrowing costs		(45,019)	(20,518)
Net cash provided by operating activities		(83,634)	8,248
Cash Flow from Investing Activities			
Proceeds from Development 13 – 21 Russell Street Essendon		181,818	-
Property, plant and equipment purchases		(3,188)	(113,238)
Capital Improvements		(41,132)	-
Net cash provided by investing activities		137,498	(113,238)
Cash Flow from Financing Activities			
Introduction of Branch Bank Accounts		-	97,964
Proceeds from borrowings		-	1,138,648
Repayment of borrowings		(10,000)	(1,106,777)
Net cash provided by financing activities		(10,000)	129,835
Net increase (decrease) in cash held		43,864	24,845
Cash at beginning of year		301,391	276,546
Cash at end of year	6	345,255	301,391
Reconciliation of Cash			
Undeposited Funds		2,889	304
Deposits at Call		-	90,000
ANZ Building Fund A/c No 1		36	36
ANZ Building Fund A/c No 2		-	1,317
Everyday Savings Noble Park		334	-
Everyday Access Noble Park		2,279	-
Cheque Account		154,475	90,562
Dnister - On Call		9,388	12,606
Dnister - Social Welfare		83,996	27,631
Dnister - Malanka		33,437	18,358
Dnister - Postup		11,080	24,914
Dnister - Venue		12,738	1,336
Dnister- The Free Thought		90	90
ANZ Business Management A/c		33,250	33,250
Petty Cash and Cash Drawer		1,263	987
		<u>345,255</u>	<u>301,391</u>

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Cash Flow Information		
Reconciliation of Cash flow from Operations with profit from Ordinary Activities		
Profit / (Loss) from ordinary activities	1,371,244	(35,088)
Non – cash flows in profit from ordinary activities		
Depreciation	8,248	8,248
Plant & Equipment Written Off	-	-
Cash flows in profit from ordinary activities		
Transfer to Investing Activities	(181,818)	-
Changes in assets and liabilities		
(Increase)/ decrease in receivables	(1,443,57	(20,121)
(Increase)/ decrease in inventories		-
Increase/ (decrease) in payables	25,707	48,426
Increase/ (decrease) in provisions	-	(6,102)
Increase/ (decrease) in provision for GST	131,598	(4,904)
Increase/ (decrease) in liabilities	-	17,789
Cash flow from operations	(83,634)	8,248

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board. The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs, except for the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated. Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

(b) 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.

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

(c) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(d) Employee Benefits

Provision is made for the company'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.

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

Employee benefits expected to be settled more than twelve months after the end of the reporting period have 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. Cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

(e) **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. Costs 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

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

In the periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct valuations to ensure the land and buildings' carrying amount is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in members' equity. Decreases that offset previous increases of the same asset are recognised against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

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

Plant and Equipment

Plant and equipment are measured using the cost model.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a straight line method from the date that management determine that the asset is available for use.

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

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

Fixed Asset Class	Useful Life
Plant and Equipment	7 - 11 years
Furniture, Fixtures and Fittings	4 - 10 years
Computer Equipment	5 - 7 years

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

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.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

(f) **Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(g) **Investments and Other Financial Assets**

Recognition

Financial assets are initially measured at cost of trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Available for Sale Financial Assets

All investments are classified as available for sale financial assets. Available for sale financial assets are reflected at fair value unless their fair value cannot be reliably measured. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Fair Value

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

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

(h) **Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first in first out basis and are net of any rebates and discounts received.

(i) **Investment Property**

Investment property is held to generate long term rental yields and capital growth. Investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the statement of comprehensive income as other income/expenses.

(j) **Leases**

Operating Leases

The minimum rental revenue of operating leases with fixed rental increases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised on a straight line basis.

Revenue from other leases is recognised in accordance with the lease agreement, which is considered to best represent the pattern of service rendered through the provision of the leased asset.

(k) **Financial Instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

Financial Assets at Fair Value through Profit and Loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Held-to-Maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Impairment of Financial Assets

At the end of each reporting period the company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial Assets at Amortised Cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Available-for-Sale Financial Assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

(l) **Revenue and Other Income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

Sale of Goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest Revenue

Interest is recognised using the effective interest method.

Rental Income

Investment property 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.

Other Revenue

Other revenue is recognised when the entity is entitled to the funds.

(m) **Goods and Services Tax (GST)**

Revenues, 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 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 net 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 operating cash flows.

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

(n) **Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated. Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

(o) **Critical Accounting Estimates and Judgments**

The directors make estimates and judgements 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 the estimates. The significant estimates and judgements made have been described below.

Key Judgments - 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 Judgments - Provision for Inventories

At the year end management do not believe there is any need for an obsolescence provision for inventory. The inventory held is reviewed on a monthly basis to determine whether there is any old, damaged or obsolete stock or any other stock items which need to be written down to NRV.

(p) **New Accounting Standards for Application in Future Periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The company has decided not to early adopt any of new and amended pronouncements and that it would not have any material effect on the company's financial statements.

(q) **Changes in Accounting Errors**

The application of AASB 108 requires accounting estimates and errors to be corrected. Prior period errors occurred from omitted land and buildings. The revaluation of all land and buildings has been conducted. It is impracticable to determine the period – specific effects of the error on comparative information for one or more prior periods. Retrospective restatement is impracticable.

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
2. Revenue		
Sales Revenue		
Sale of Goods	20,877	51,561
Sponsorship Received	1,200	-
	22,077	51,561
Other Income		
Hiring Charges	90,222	88,124
Interest Received	5,991	11,138
Donations	60,239	2,268
Fundraising Events	37,245	46,224
Other Revenue	1,512,855	3,583
Government Grants	89,522	113,886
Membership Fees	11,157	9,099
Rent Received	11,237	19,211
	1,818,468	293,533
	1,840,545	345,094
3. Expenses		
Decrease in Inventories of Finished Goods or Wip	4,959	-
Raw Materials, Purchases and Consumables Used	27,006	31,058
Employee Benefits Expense	97,244	66,323
Depreciation and Amortisation	8,248	8,248
Advertising & Promotion	8,709	9,260
Bank Charges	6,661	6,538
Insurance	25,635	4,503
Electricity & Gas	28,348	32,092
Postage	424	1,037
Printing & Stationery	4,046	7,130
Rates & Taxes	30,012	22,946
Repairs & Maintenance	20,160	9,986
Telephone & Internet	3,545	2,824
Other Expenses	159,281	157,718
	424,278	359,663
	424,278	359,663

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
4. Finance Costs		
Loans - Secured		
Interest Expense	45,019	20,518
	45,019	20,518
	45,019	20,518
5. Profit for the Year		
Profit before income tax expense from continuing operations includes the following specific expenses:		
Charging as Expense		
Cost of Goods Sold	31,965	31,058
Finance Costs	45,019	20,518
Movements in Provisions		
Depreciation		
- Depreciation of Property, Plant and Equipment	8,248	8,248
Other Provisions:-		
- Employee Benefits	-	6,102
Net Expenses Resulting from Movement in Provisions	8,248	14,350
Remuneration of the Auditor:-		
- Audit & review of financial statements	6,084	1,623
	6,084	1,623
Crediting as Income:		
Interest from :		
- Term Deposits	5,991	11,138
Total Interest Revenue	5,991	11,138
	5,991	11,138

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
6. Cash and Cash Equivalents		
Undeposited Funds	2,889	304
Deposits at Call	-	90,000
ANZ Building Fund A/c No 1	36	36
ANZ Building Fund A/c No 2	-	1,317
Everyday Savings Noble Park	334	-
Everyday Access Noble Park	2,279	-
Cheque Account	154,475	90,562
Dnister - On Call	9,388	12,606
Dnister - Social Welfare	83,996	27,631
Dnister - Malanka	33,437	18,358
Dnister - Postup	11,080	24,914
Dnister - Venue	12,738	1,336
Dnister- The Free Thought	90	90
ANZ Business Management A/c	33,250	33,250
Petty Cash and Cash Drawer	1,263	987
	<u>345,255</u>	<u>301,391</u>
Reconciliation of Cash		
Cash and Cash Equivalents	345,255	301,391
	<u>345,255</u>	<u>301,391</u>
7. Trade and Other Receivables		
Current		
Trade Debtors	1,515,164	71,592
Amounts Receivable from Subsidiaries	7,154	7,154
	<u>1,522,318</u>	<u>78,746</u>
Total Trade and Other Receivables	<u>1,522,318</u>	<u>78,746</u>

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
8. Inventories		
Current		
Stock on Hand	-	4,959
	<u>-</u>	<u>4,959</u>
Total Inventories	<u>-</u>	<u>4,959</u>
9. Financial Assets		
Non-Current		
ANZ Building Fund A/c 2	-	(131)
Term Deposits	226,323	162,655
	<u>226,323</u>	<u>162,524</u>
Total Financial Assets	<u>226,323</u>	<u>162,524</u>
10. Property, Plant and Equipment		
Land and Buildings		
3 - 11 Russell Street Essendon		
- Purchase Price	2,000,000	2,000,000
- Capitalised interest 2015	29,553	-
- Valuation adjustment 2015	4,125,447	-
	<u>6,155,000</u>	<u>2,000,000</u>
19 - 21 Russell Street Essendon		
- Purchase Price	820,000	820,000
- Stamp Duty	44,860	44,860
- Other costs including adjustments, legal fees etc	37,968	37,968
- Other	71,808	71,808
- Valuation adjustment 2015	1,545,364	-
	<u>2,520,000</u>	<u>974,636</u>
17 Russell Street Essendon		
- Purchase Price	510,000	510,000
- Stamp Duty	26,260	26,260
- Capitalised interest on borrowings	130,938	130,938
- Adjustments as per Statement of Adjustments	654	654
- Other	59,690	59,690
- Valuation adjustment 2015	532,458	-
	<u>1,260,000</u>	<u>727,542</u>

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
13 - 15 Russell Street Essendon		
- CMW Design and Construct (Vic) Pty Ltd	35,746	35,746
- CB Richards Ellis Pty Ltd	6,000	6,000
- Clement Stone Town Planner	3,885	3,885
- Moonee Valley City Council - Town Planning	5,303	5,303
- Traffix Group	5,165	5,165
- Stonewall Holdings	2,439	2,439
- Burns Hamilton & Partners	8,310	8,310
- Stokes Perna	2,400	2,400
- W H Jowers & Associates	1,125	1,125
- Hall & Wilcox	13,344	13,344
- VCAT	321	321
- Watson Young	1,553	1,553
- Bruce Rae Plumbing	5,646	5,646
- Various Structural Improvements	2,500	2,500
- Capitalised interest on borrowings	211,777	211,777
- Capitalised land tax	66,799	66,799
- Other	1,227	1,227
- Capitalised Interest	88,421	88,421
- Legal Fees	18,737	18,737
- Valuation adjustment 2015	2,199,305	-
	2,680,003	480,698
16 – 21 Monastery Court Lovely Banks		
- Valuation adjustment 2015	1,200,000	-
	1,200,000	-
57 Pakington Street Geelong West		
- Consulting Fees 2015	41,132	-
- Valuation adjustment 2015	2,268,868	-
	2,310,000	-
3 Hunt Street Wodonga		
- Valuation adjustment 2015	180,000	-
	180,000	-
16 Alexina Street St Albans		
- Valuation adjustment 2015	460,000	-
	460,000	-
26 Chandler Road Noble Park		
- Valuation adjustment 2015	1,675,000	-
	1,675,000	-
20 Balfour Street Newborough		
- Valuation adjustment 2015	180,000	-
	180,000	-

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
Property Improvements	53,355	48,642
Less Accumulated Depreciation	<u>12,402</u>	<u>9,484</u>
	40,953	39,158
Total Land and Buildings	<u>18,660,956</u>	<u>4,222,034</u>
Plant and Equipment		
Plant & Equipment	267,494	264,306
Less Accumulated Depreciation	<u>241,648</u>	<u>237,300</u>
	25,846	27,006
Office Furniture & Equipment	22,334	22,334
Less Accumulated Depreciation	<u>20,694</u>	<u>20,343</u>
	1,640	1,991
Furniture & Fittings	10,756	10,756
Less Accumulated Depreciation	<u>7,813</u>	<u>7,182</u>
	2,943	3,574
Total Plant and Equipment	<u>30,429</u>	<u>32,571</u>
Total Property, Plant and Equipment	<u>18,691,385</u>	<u>4,254,605</u>
11. Trade and Other Payables		
Current		
Accrued Expenses	5,808	5,808
Trade Creditors	62,790	101,899
Other Creditors	66,471	22,129
Provision for GST	<u>136,186</u>	<u>5,446</u>
	271,255	135,282
Total Trade and Other Payables	<u>271,255</u>	<u>135,282</u>
12. Financial Liabilities		
Non-Current		
Loan Mimivic Pty Ltd	1,103,077	1,103,077
Loan Australian Federation of Ukrainian Organisation	675,810	642,257
	<u>1,778,887</u>	<u>1,745,334</u>
Total Financial Liabilities	<u>1,778,887</u>	<u>1,745,334</u>

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
13. Provisions		
Current		
Provision for Long Service Leave	24,116	24,116
	<u>24,116</u>	<u>24,116</u>
Total Provisions	<u>24,116</u>	<u>24,116</u>
14. Contributed Equity		
Issued Capital		
Members Capital	1,968,110	1,968,110
	<u>1,968,110</u>	<u>1,968,110</u>
<p>(a) A.U.V. does not pay any dividends to Members. On winding up of the Company, the net assets are to be distributed in accordance with Memorandum No 8 of A.U.V. Constitution. At Members' General Meetings each Member is entitled to one vote when a poll is called, or via a show of hands.</p>		
15. Reserves		
General Reserve	14,598,609	232,167
	<u>14,598,609</u>	<u>232,167</u>
Movements during the year		
General Reserve		
Asset Revaluation 13 - 15 Russell Street Essendon	2,199,305	
Asset Revaluation 57 Pakington Street Geelong West	2,268,868	-
Asset Revaluation 16 – 21 Monastery Court Lovely Banks	1,200,000	-
Asset Revaluation 26 Chandler Road Noble Park	1,675,000	-
Asset Revaluation 16 Alexina Street St Albans	460,000	-
Asset Revaluation 3 Hunt Street Wodonga	180,000	-
Asset Revaluation 20 Balfour Street Newborough	180,000	-
Asset Revaluation 3 - 11 Russell Street Essendon	4,125,447	-
Asset Revaluation 19 - 21 Russell Street Essendon	1,545,364	-
Asset Revaluation 17 Russell St Essendon	532,458	-
	<u>14,437,127</u>	<u>-</u>

Association of Ukrainians in Victoria (A.U.V.)
Notes to the Financial Statements
For the Year ended 30 June 2015

	2015	2014
	\$	\$
16. Retained Earnings		
Retained Earnings at the Beginning of the Financial Year	773,056	732,303
Add		
Net profit attributable to members of the company	1,371,248	-
Less		
Net loss attributable to members of the company	-	35,087
Retained Earnings at the End of the Financial Year	2,144,304	697,216

17. Auditors Remuneration

Krammers Accountants were the auditors of Association of Ukrainians in Victoria (A.U.V.)

- Audit & review of financial statements	2,600	1,623
	2,600	1,623

18. Directors Remuneration

Total remuneration received or due and receivable by Directors of Association of Ukrainians in Victoria (A.U.V.)	-	-
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19. Company Details

The registered office of the company is:
Association of Ukrainians in Victoria (A.U.V.)
3 -11 Russell Street Essendon Vic 3040

The principal place of business is:
Association of Ukrainians in Victoria (A.U.V.)
3 -11 Russell Street Essendon Vic 3040

The principal activities of the business include:
Promote Ukrainian Culture

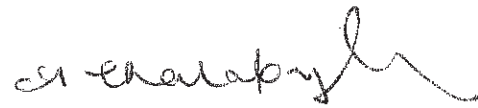
Association of Ukrainians in Victoria (A.U.V.)
ABN 20 004 319 126
Directors Declaration
for the Year Ended 30 June 2015

The directors of the company declare that:

1. The financial statements and notes, as set out in the financial statements, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the company.
2. 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 declaration is made in accordance with a resolution of the Board of Directors.


Michael Moravski
Director


Anna Chalabarczuk
Director

Dated this 20th day of NOVEMBER 2015

KRAMMERS ACCOUNTANTS

ABN : 17 510 441 635

All correspondence to :

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Email : wkrammer@bigpond.net.au

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Tel: (03) 9326 0211 Fax: (03) 9370 0759

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Sunbury :Rear of 36 Macedon Street, Sunbury, 3429 . Tel / Fax : (03) 8746 9890

Consulting only :

City : Basement, 316 Queen Street, Melbourne, Vic 3000

ASSOCIATION OF UKRAINIANS IN VICTORIA (A.U.V)

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Report

I have audited the accompanying financial report of Association of Ukrainians in Victoria (A.U.V), which comprises the Balance Sheet as at 30th June 2015, Profit & Loss Statement, Cash Flow Statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entities and the directors declaration.

Responsible Entities' Responsibility for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and for such internal control as the responsible entities 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

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the responsible entities' preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the responsible entities, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

The attached financial statements reflect the investments through the Essendon, Geelong, Wodonga and Newborough Branches of the Associations. I believe there are other transactions handled by the St Albans and Noble Park Branches which are not recorded in these statements as the branches refuse to provide any details by the required time.

AUV failed to retain a receipt book which documents money received by the Association during the financial year as required by section 55-5 of the ACNC Act for the period ending 30th June 2015. I have no way of knowing what may have been recorded in that book or whether the money was, in fact, banked.

Subject to the foregoing qualifications.

In my opinion the financial report of the Association of Ukrainians of Victoria has been prepared in accordance with division 60 the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2015 and of its financial performance and cash flows for the year 2015 ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

WILLIAM FRANCIS KRAMMER – FIPA
REGISTERED AUDITOR NO: 1689


DATED: 22nd November 2015