

**VICTORY GRACE CHURCH OF
AUSTRALIA**

ABN 68 144 176 334

Financial Statements
For the year ended 30 June 2023

Kennedy Tax & Business Services Pty Ltd
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VICTORY GRACE CHURCH OF AUSTRALIA

ABN 68 144 176 334

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Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2023.

Directors

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

Nathan KUKU
Gum MATHEN
Doun BENJAMIN

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

Operating Result

The profit of the company for the financial year after providing for income tax amounted to:

Year ended	Year ended
30 June 2023	30 June 2022
\$	\$
8,481.37	6,004.48

Principal Activities

The principal activities of the company during the course of the year were .

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

Significant Changes in the State of Affairs

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

After Balance Date Events

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

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

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Directors' Report

Dividends

No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

Share Options

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

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of 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.

Signed in accordance with a resolution of the Board of Directors:



Nathan KUKU
Director



Gum MATHEN
Director

Dated:

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	2	98,921.00	87,945.18
Gross profit		98,921.00	87,945.18
Marketing			(166.10)
Administration expenses		(90,439.63)	(81,774.60)
Profit before income tax		8,481.37	6,004.48
Income tax (credit) expense			
Profit for the year		8,481.37	6,004.48
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Total other comprehensive income for the year, net of tax			
Total comprehensive income for the year		8,481.37	6,004.48

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report of Kennedy Tax & Business Services Pty Ltd.

VICTORY GRACE CHURCH OF AUSTRALIA

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Statement of Financial Position as at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current Assets			
Cash assets	3	147,655.69	154,314.10
Current tax assets		797.00	
Total Current Assets		148,452.69	154,314.10
Non-Current Assets			
Property, plant and equipment		1,168.18	1,168.18
Total Non-Current Assets		1,168.18	1,168.18
Total Assets		149,620.87	155,482.28
Liabilities			
Current Liabilities			
Provisions		3,675.00	3,385.23
Total Current Liabilities		3,675.00	3,385.23
Total Liabilities		3,675.00	3,385.23
Net Assets		145,945.87	152,097.05
Equity			
Reserves		32,746.33	47,378.88
Retained profits		113,199.54	104,718.17
Total Equity		145,945.87	152,097.05

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VICTORY GRACE CHURCH OF AUSTRALIA

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Statement of Cash Flows

For the year ended 30 June 2023

	2023	2022
	\$	\$
<hr/>		
Cash Flow From Operating Activities		
Receipts from customers	98,675.00	87,916.07
Payments to Suppliers and employees	(90,946.86)	(83,375.70)
Interest received	246.00	29.11
Net cash provided by (used in) operating activities (note 2)	<u>7,974.14</u>	<u>4,569.48</u>
Net increase (decrease) in cash held	7,974.14	4,569.48
Cash at the beginning of the year	<u>154,314.10</u>	<u>128,733.15</u>
Cash at the end of the year (note 1)	<u><u>162,288.24</u></u>	<u><u>133,302.63</u></u>

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

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Statement of Cash Flows

For the year ended 30 June 2023

2023

2022

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash @bank	3,756.92	4,256.01
Cash At Bank- NAB savings account	143,898.77	150,058.09
	<u>147,655.69</u>	<u>154,314.10</u>

Report is out of balance by :-

Cash at the end of the year per Cash Flow Statement	162,288.24	133,302.63
Closing balances of Cash (bank) accounts	147,655.69	154,314.10
	<u>(14,632.55)</u>	<u>21,011.47</u>

As this report is out of balance you should check/do the following:

Check that the suspense account is cleared.

Ensure that closing stock amounts have been entered for all stock accounts and for all periods up to the last period for which reports are required.

Check to ensure that purchases of assets have been recorded as cash transactions

Check to ensure that modifications made to the report instructions have not caused one or more account balances to be excluded or included more than once in the report.

Check that the client setup where prior year comparatives have been input is set to YES.
(must be NO where transaction data was entered in the prior year)

Check that the database transactions verify correctly

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Statement of Cash Flows

For the year ended 30 June 2023

	2023	2022
Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit		
Operating profit (loss) after tax	8,481.37	6,004.48
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
Increase (decrease) in employee entitlements	289.77	(399.00)
Increase (decrease) in sundry provisions	(797.00)	(1,036.00)
Net cash provided by operating activities	7,974.14	4,569.48

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

VICTORY GRACE CHURCH OF AUSTRALIA

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Notes to the Financial Statements

For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies

VICTORY GRACE CHURCH OF AUSTRALIA is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on ***Insert the date the Directors Report was signed on: View > Notes to the Financial Statements*** by the directors of the company.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001.

The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations, and the disclosure requirements that are mandatory under the Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of the statements are as follows:

Accounting Policies

(a) Fair Value of Assets

The company measures some of its assets at fair value. Fair value is the price the company would receive to sell an asset in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

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(b) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event that the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. An assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
----------------------	-------------------

Please enter classes of fixed asset and depreciation rates here

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

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(c) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in paragraph 63 of AASB 15: Revenue from Contracts with Customers.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies
- held for trading or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term
- part of a portfolio where there is an actual pattern of short-term profit taking or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

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Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk to other comprehensive income enlarges or creates an accounting mismatch, these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost
- fair value through other comprehensive income or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The company initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases

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– it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis and

– it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial measurement of financial instruments at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Company makes an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investments will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the company's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred
- all risk and rewards of ownership of the asset have been substantially transferred and
- the company no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

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On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity that the company elected to classify as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The company recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income
- lease receivables
- contract assets (e.g. amount due from customers under contracts)
- loan commitments that are not measured at fair value through profit or loss and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The company uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach
- the simplified approach
- the purchased or originated credit-impaired approach and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the company assesses whether the financial instruments are credit-impaired, and:

- if the credit risk of the financial instrument has increased significantly since initial recognition, the company measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses and
- if there has been no significant increase in credit risk since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to ***Please enter number of months***-month expected credit losses.

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For the year ended 30 June 2023

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of AASB 15: Revenue from Contracts with Customers, and which do not contain a significant financing component and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit-impaired approach

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the company measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower
- a breach of contract (e.g. default or past due event)
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the company assumes that the credit risk has not increased significantly since initial recognition and, accordingly, it can continue to recognise a loss allowance of ***Please enter number of months***-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the company applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(d) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

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

Impairment testing is performed annually for intangible assets with indefinite lives.

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(e) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(g) Revenue and Other Income

Revenue generated by the Company is categorised into the following reportable segments:

- manufacturing segment;
 - sale of electronic equipment
 - after-sale maintenance support services
- sale of goods: customer loyalty programme.

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For the year ended 30 June 2023

Manufacturing segment

Sale of electronic equipment

The company manufactures and sells widgets, casings and other electrical components for the computer and motor vehicle manufacturing industries. Revenue is recognised when control of the products has transferred to the customer. For such transactions, this is when the products are delivered to the customers. Volume discounts could be provided with the sale of these items, depending on the volume of aggregate sales made to eligible customers over every ***Please enter number of months***-month period. Revenue from these sales is based on the price stipulated in the contract, net of the estimated volume discounts. The volume discounts are estimated using historical experience, and applying the expected value method. Revenue is then only recognised to the extent that there is a high probability of no significant reversal of revenue occurring.

The products are sold under standard warranty terms. These terms may require the company to provide a refund for faulty products. The company's obligation to provide a refund for these faulty products is recognised as a provision in accordance with AASB 137: Provisions, Contingent Liabilities and Contingent Assets.

Where it is expected that volume discounts will be payable to customers for sales made until the end of the reporting period, a contract liability is recognised.

A receivable is recognised when the goods are delivered. The company's right to consideration is deemed unconditional at this time, as only the passage of time is required before payment of that consideration is due. There is no significant financing component because sales (which include those with volume discounts) are made within a credit term of ***Please enter number of days*** – ***Please enter number of days*** days.

Customers have a right to return products within ***Please enter number of days*** days, as stipulated in the current contract terms. At the point of sale, a refund liability is recognised based on an estimate of the products expected to be returned, with a corresponding adjustment to revenue for these products.

Consistent with the recognition of the refund liability, the company further has a right to recover the product when customers exercise their right of return. Consequently, the company recognises a right-to-returned-goods asset and a corresponding adjustment is made to cost of sales.

Historical experience of product returns is used to estimate the number of returns on a portfolio level, using the expected value method. It is considered highly probable that significant reversal in the cumulative revenue will not occur given the consistency in the rate of return presented in the historical information.

After-sale maintenance support services

The company provides after-sale maintenance support services to customers, with contract duration ranging from two to three years. After-sale maintenance support services are recognised as a distinct performance obligation in contracts that provide both sale of equipment and after-sale maintenance support services. Customers can benefit from the after-sale maintenance support services separately from the purchase of electronic equipment.

For a contract that includes both the sale of equipment and the sale after-sale maintenance support services, the transaction price is allocated between the two distinct performance obligations based on their relative stand-alone selling prices.

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For the year ended 30 June 2023

During the contract term the company stands ready to provide the after-sale maintenance support services to customers, with revenue recognised on a straight-line basis over time.

Sale of goods: customer loyalty programme

The company operates a customer loyalty programme called "Get points". Under this programme, points are awarded to customers for purchases made, and these points allow a discount on future purchases. Revenue is recognised when the points are redeemed.

A separate performance obligation is recognised for the discount granted on future purchases when the points are redeemed, because the customers would not have received the discounted price for future purchases without entering into the original purchase contract.

The transaction price is allocated to the product and, where relevant, to the after-sale maintenance support and the points on a relative stand-alone selling price basis. The stand-alone selling price per point is estimated on the basis of the discount granted when the points are redeemed and on probability of redemption (based on historical experience).

A contract liability is recognised at the point of sale for the revenue relating to the loyalty points.

Other revenue

Interest income is recognised using the effective interest method.

(h) Goods and Services Tax (GST)

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

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Comparative Figures

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

VICTORY GRACE CHURCH OF AUSTRALIA

ABN 68 144 176 334

Notes to the Financial Statements

For the year ended 30 June 2023

(j) Critical Accounting Estimates and Judgements

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

Key estimates

Impairment – general

The company assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

With respect to cash flow projections for plant and equipment based in Australia, growth rates of ***Please enter percentage*** have been factored into valuation models for the next ***Please enter number of years*** years on the basis of management's expectations around the company's continued ability to capture market share from competitors. Cash flow growth rates of ***Please enter percentage*** subsequent to this period have been used as this reflects historical industry averages. Cash flow projections used for non-monetary assets outside Australia have been based on growth rates of ***Please enter percentage***. The rates used incorporate an allowance for inflation. Pre-tax discount rates of ***Please enter percentage*** have been used in all models.

Please enter entity specific key estimates

Key judgements

Provision for impairment of receivables

Included in trade receivables at the end of the reporting period is an amount receivable from sales made to ***Please enter company name*** during the current financial year amounting to \$***Please enter amount***. ***Please enter company name*** went into liquidation in ***Please enter date***. While there is inherent uncertainty in relation to the repayment of the entire amount, it is believed that the full amount of the debt is recoverable and therefore no provision for impairment has been made.

Investments in equity instruments designated as at fair value through other comprehensive income

The company maintains a portfolio of securities with a carrying amount of \$***Please enter amount*** at the end of the reporting period. Certain individual investments have declined in value recently by up to ***Please enter percentage***. It is believed this decline does not constitute a significant or prolonged decline below cost at this stage and hence no impairment has been recognised. Should share values decline to a level which is in excess of ***Please enter percentage*** below cost or should prices remain at levels below cost for a period in excess of 12 months, it has been determined that such investments will be considered impaired in the future.

Please enter entity specific key judgements

VICTORY GRACE CHURCH OF AUSTRALIA

ABN 68 144 176 334

Notes to the Financial Statements

For the year ended 30 June 2023

2023

2022

Note 2: Revenue and Other Income

Revenue:

Interest revenue*	246.00	29.11
Assessable gov. industry paymt		20,088.00
Members Contribution	98,055.00	67,608.07
Events Income	620.00	220.00
	<u>98,921.00</u>	<u>87,945.18</u>

*Interest from:

[ENTER DETAILS OF INTEREST RECEIVED
FROM EACH CLASS OF RELATED PARTY]

[ENTER DETAILS OF INTEREST RECEIVED
FROM EACH CLASS OF RELATED PARTY]

[ENTER DETAILS OF INTEREST RECEIVED
FROM NON-RELATED SOURCES]

<u>246.00</u>	<u>29.11</u>
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Note 3: Cash assets

Bank accounts:

Cash @bank	3,756.92	4,256.01
Cash At Bank- NAB savings account	143,898.77	150,058.09
	<u>147,655.69</u>	<u>154,314.10</u>

Reconciliation of Cash:

Cash at the end of the financial year as shown in
the statement of cash flows is reconciled to items
in the statement of financial position as follows:

- Cash	147,655.69	154,314.10
	<u>147,655.69</u>	<u>154,314.10</u>

VICTORY GRACE CHURCH OF AUSTRALIA

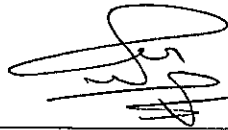
ABN 68 144 176 334

Directors' Declaration

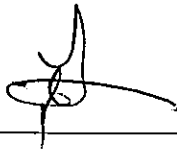
The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year ended on that date;
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.



Nathan KUKU
Director



Gum MATHEN
Director

Dated:

VICTORY GRACE CHURCH OF AUSTRALIA

ABN 68 144 176 334

Compilation Report to VICTORY GRACE CHURCH OF AUSTRALIA

We have compiled the accompanying general purpose financial statements of VICTORY GRACE CHURCH OF AUSTRALIA, which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Position as at 30 June 2023, a summary of significant accounting policies and other explanatory notes. These have been prepared in accordance with the financial reporting framework described in Note 1 to the financial statements.

The Responsibility of the Directors

The directors of VICTORY GRACE CHURCH OF AUSTRALIA of VICTORY GRACE CHURCH OF AUSTRALIA are solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

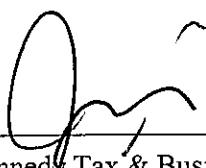
On the basis of information provided by the directors, we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.



Kennedy Tax & Business Services Pty Ltd
4/207 Barkly St
Footscray, VIC

14 July, 2023

VICTORY GRACE CHURCH OF AUSTRALIA

ABN 68 144 176 334

Trial Balance as at 30 June 2023

		2023 \$ Dr	2023 \$ Cr
	Income		
0563	Members Contribution		98,055.00
0575	Interest received		246.00
0604	Events Income		620.00
	Expenses		
1510	Accountancy	1,543.00	
1545	Bank Fees And Charges	12.00	
1655	Electricity	1,783.00	
1660	Entertainment	754.00	
1715	General expenses	6,544.00	
1716	Hall Hire	11,179.00	
1755	Insurance	1,345.00	
1800	Materials & supplies	6,177.00	
1804	M/V car - Fuel & oil	1,418.00	
1809	M/V car - Other	25.63	
1840	Printing & stationery	641.00	
1855	Rent on land & buildings	21,909.00	
1865	Repairs & maintenance	158.00	
1880	Salaries - ordinary	32,200.00	
1915	Staff amenities	199.00	
1940	Telephone	1,796.00	
1950	Travel, accom & conference	2,756.00	
	Current Assets		
2000	Cash @bank	3,756.92	
2002	Cash At Bank- NAB savings account	143,898.77	
	Non Current Assets		
2900	Other assets	1,168.18	
	Current Liabilities		
3350	Employee Superannuation entitlements		3,675.00
3380	GST payable control account	797.00	

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

VICTORY GRACE CHURCH OF AUSTRALIA

ABN 68 144 176 334

Trial Balance as at 30 June 2023

		2023 \$ Dr	2023 \$ Cr
	Equity		
4199	Retained Profits		104,718.17
4380	General reserve		32,746.33
		<u>240,060.50</u>	<u>240,060.50</u>
	Net Profit		8,481.37

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.