

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Financial Report

For the Year Ended 30 June 2025

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Contents

For the Year Ended 30 June 2025

	Page
Statement of Income and Expenditure	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Directors' Declaration	16
Auditor's Independence Declaration	17
Independent Audit Report	18

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Statement of Income and Expenditure

For the Year Ended 30 June 2025

	Note	2025 \$	2024 \$
Income			
ReStore (retail shop) sales		680,399	701,524
Property sales		478,950	1,479,769
Philanthropic grants, donations and fundraising events		465,444	421,668
Loan 'B' payment revenue		106,000	133,513
Storm recovery program grants		-	569,304
Building construction contracts		-	87,109
Other income		20,039	26,212
Total income		1,750,832	3,419,099
Expenditure			
Employee benefits expense	2	(780,824)	(891,626)
Cost of properties sold	2	(352,133)	(1,283,782)
Rent and outgoings	2	(230,361)	(224,538)
Interest expense		(118,662)	(124,612)
Building project and storm recovery program expenses		(55,914)	(542,717)
Consultants and professional fees		(56,584)	(100,705)
Depreciation expense		(58,582)	(60,158)
Motor vehicle expenses		(40,752)	(52,943)
HFHA affiliate levy	14	(32,508)	(39,288)
Insurance expense		(20,810)	(27,699)
Other expenses		(142,581)	(159,664)
Total expenditure		(1,889,711)	(3,507,732)
Surplus/(deficit) for the year		(138,879)	(88,633)

The accompanying notes form part of these financial statements.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Statement of Financial Position

As at 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	606,514	293,404
Trade and other receivables	4	946,181	758,114
Inventories	5	1,539,797	1,545,970
Other assets	7	39,230	38,000
TOTAL CURRENT ASSETS		<u>3,131,722</u>	<u>2,635,488</u>
NON-CURRENT ASSETS			
Trade and other receivables	4	5,240,930	5,682,157
Property, plant and equipment	6	97,497	110,300
TOTAL NON-CURRENT ASSETS		<u>5,338,427</u>	<u>5,792,457</u>
TOTAL ASSETS		<u>8,470,149</u>	<u>8,427,945</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	66,635	109,259
Employee benefits	9	28,970	31,752
TOTAL CURRENT LIABILITIES		<u>95,605</u>	<u>141,011</u>
NON-CURRENT LIABILITIES			
Borrowings	10	1,670,235	1,416,906
Employee benefits	9	25,571	52,411
TOTAL NON-CURRENT LIABILITIES		<u>1,695,806</u>	<u>1,469,317</u>
TOTAL LIABILITIES		<u>1,791,411</u>	<u>1,610,328</u>
NET ASSETS		<u>6,678,738</u>	<u>6,817,617</u>
EQUITY			
Retained earnings		<u>6,678,738</u>	<u>6,817,617</u>
TOTAL EQUITY		<u>6,678,738</u>	<u>6,817,617</u>

The accompanying notes form part of these financial statements.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Statement of Changes in Equity

For the Year Ended 30 June 2025

2025

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2024	6,817,617	6,817,617
Surplus/(deficit) for the year	(138,879)	(138,879)
Balance at 30 June 2025	<u>6,678,738</u>	<u>6,678,738</u>

2024

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2023	6,906,250	6,906,250
Surplus/(deficit) for the year	(88,633)	(88,633)
Balance at 30 June 2024	<u>6,817,617</u>	<u>6,817,617</u>

The accompanying notes form part of these financial statements.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Statement of Cash Flows

For the Year Ended 30 June 2025

	2025	2024
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and donors	2,089,371	3,153,990
Payments to suppliers and employees	(1,883,438)	(2,698,750)
Interest received	1,006	1,660
Interest paid	(118,662)	(124,612)
Net cash provided by/(used in) operating activities	11 <u>88,277</u>	<u>332,288</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	39,551	22,002
Payment for property, plant and equipment	(68,047)	(1,270)
Net cash provided by/(used in) investing activities	<u>(28,496)</u>	<u>20,732</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings procured/(repaid)	253,329	(347,744)
Net cash provided by/(used in) financing activities	<u>253,329</u>	<u>(347,744)</u>
Net increase/(decrease) in cash and cash equivalents held	313,110	5,276
Cash and cash equivalents at the beginning of the year	<u>293,404</u>	<u>288,128</u>
Cash and cash equivalents at the end of the financial year	3 <u><u>606,514</u></u>	<u><u>293,404</u></u>

The accompanying notes form part of these financial statements.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policies

(a) Basis of preparation

Financial Reporting Framework

The financial report covers Habitat for Humanity Victoria (Australia) Limited as an individual entity. Habitat for Humanity Victoria (Australia) Limited is a Company limited by guarantee, incorporated under the *Corporations Act 2001*. It is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

In the opinion of the directors, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the material accounting policies disclosed below. Such accounting policies are consistent with the previous period unless otherwise stated. The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Statement of Compliance

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards, except those specifically described below, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*. The following recognition and measurement requirements of Australian Accounting Standards have not been applied:

- Financial assets classified as partner loan receivables are recognised at cost, rather than amortised cost as required by AASB 9 *Financial Instruments*. This is because the cost of these loans is the undiscounted value of estimated future cash receipts, whereas the amortised cost method requires these loans to be recognised at the value of estimated future cash receipts, discounted at the effective interest rate applicable to the loan.
- Leases (for which the Company is a lessee) are treated as short-term and/or low-value leases as outlined in AASB 16 *Leases*, without assessing whether the terms of each lease meet this criteria. Accordingly, lease payments are expensed as incurred.
- Employee benefits that are expected to be settled more than one year after the end of the financial year have been recognised at the estimated value of estimated future cash outflows to settle these obligations, but only for employees that are presently entitled to receive benefits, and for long service leave liabilities, employees have reached at least three and half years of service. As such, this treatment does not comply with AASB 119 *Employees Benefits*.
- Revenue and applicable corresponding assets have not been recognised for non-cash contributions by third-parties in accordance with AASB 1058 *Income of Not-for-profit Entities*. This relates specifically to donated goods (for sale to customers at the Company retail shops), and the provision of contributed labour and materials in the construction of residential properties (which are being developed by the Company for future sale). These contributions would otherwise give rise to the recognition of inventory assets.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policies

(a) Basis of preparation

The Company has concluded that the requirements set out in AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures* are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

Revenue, expenses and assets (except trade receivables) 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.

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

(d) Revenue

Revenue from contracts with customers

Sale of goods and properties

The Company generates revenue from contracts with customers through the operation of retail shops (ReStore), and through its development, construction, and eventual sale of residential properties.

Revenue is recognised when the control of the goods has transferred to the customer. For such transactions, this is when the products are delivered or provided to the customer. Revenue from these sales is based on the price agreed with the customer. Additionally, the following also applies to specific sales revenue:

- Revenue from the sale of donated goods is recognised on the receipt of cash in the Company's bank accounts, and therefore inventory assets (and the associated cost of sales expense) are not recognised in the financial statements.
- Revenue from the sale of properties is recognised when the property title has transferred to the customer, which usually takes place on the settlement of the contract of sale.

Loan 'A' payments

Partner families are provided a fixed-term interest-free loan as consideration for the provision of a property. Partner families agree to make regular repayments of principal against their loan and these are referred to as Loan 'A' payments. These payments are not recorded as revenue as they are repayment of a loan provided by the Company.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policies

(d) Revenue

Revenue from contracts with customers

Loan 'B' payments

If a partner family sells their home before the expiry of their loan agreement, a Loan 'B' payment will arise. The amount paid is calculated with reference to the difference between the original purchase price paid by the Partner family and the current market value of the property.

The amount is further discounted to reflect the number of years of ownership and occupancy as provided for in the financial agreement between the Company and the Partner family. The amount paid to satisfy the Loan 'B' payment is treated as revenue by the Company.

Building construction contracts

The Company also contracts to perform one-off building construction projects on land owned by other organisations. Revenue is recognised proportionately over time at each agreed milestone stage of the construction.

Grant and donations

The Company receives grants and donations from individuals, philanthropic organisations and governments to support its charitable objectives.

When the Company receives grants and donations it assesses whether a contract exists and whether that contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant, donation or bequest
- recognises a contract liability for its obligations under the contract; and
- recognises revenue as it satisfied its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the grant, donation or bequest is recognised immediately in profit or loss.

Grants provided under an enforceable agreement to enable the acquisition or construction of recognisable non-financial assets (such as property, plant and equipment or intangible assets) for beneficial ongoing use by the Company, are recognised as revenue over time as the Company satisfies its obligations to acquire or construct the applicable assets.

(e) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policies

(f) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are expensed in the period in which they are incurred, regardless of how the borrowings are applied.

(g) Leases

Lease payments are charged as expenses on a straight-line basis over the life of the lease term.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Goods sold through retail shops are usually received as donations. As such, the Company does not recognise inventory assets for donated goods.

(i) Property, plant and equipment

Property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use.

(j) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

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

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

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policies

(k) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either cost, amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

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

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Financial assets at cost

The Company's partner loan receivables are recognised at cost, less accumulated impairment losses. These loans are typically fixed-term interest-free loans. The value of these loan receivables have not been discounted in accordance with the effective interest method applicable financial assets classified at amortised cost in accordance with AASB 9 *Financial Instruments*.

Financial assets at amortised cost

The Company's financial assets measured at amortised cost comprise trade receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in income and expenditure. Gain or loss on derecognition is recognised in income and expenditure.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at cost, amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss (FVTPL).

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policies

(k) Financial instruments

Financial assets

Net gains or losses, including any interest or dividend income are recognised in income and expenditure.

Impairment of financial assets

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

- financial assets measured at cost
- financial assets measured at amortised cost

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

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

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

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

Trade receivables

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

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

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in income and expenditure.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policies

(k) Financial instruments

Financial assets

Other financial assets measured at amortised cost

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

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans.

(l) 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 for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(m) Employee benefits

Provision is made for the Company's liability for employee benefits, those 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.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the value of the estimated future cash outflows to be made for those benefits. This value is limited to employees that have met the conditions for the entitlement to receive benefits, and in the case of long service leave entitlements, employees that have reached three and half years of service or more.

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in the periods in which services are provided by employees.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Expenses

	2025	2024
	\$	\$
Cost of sales (for properties sold)		
- Property development and construction costs capitalised as inventories	345,960	428,077
- Changes in inventories of finished goods and work in progress	6,173	855,705
	<u>352,133</u>	<u>1,283,782</u>
Employee benefits expense		
- Administration staff	473,359	492,903
- Building program staff	76,253	160,963
- ReStore (retail shop) staff	231,212	237,760
	<u>780,824</u>	<u>891,626</u>
Rent and outgoings		
- Administration office	49,026	47,533
- ReStore (retail shop)	181,335	177,005
	<u>230,361</u>	<u>224,538</u>
3 Cash and Cash Equivalents		
Cash on hand	620	620
Cash at bank	603,894	285,784
Deposits held in solicitor trust account	2,000	7,000
	<u>606,514</u>	<u>293,404</u>
4 Trade and Other Receivables		
CURRENT		
Trade receivables	2,750	1,894
Partner loan receivables	940,120	756,060
Other receivables	3,311	160
	<u>946,181</u>	<u>758,114</u>
NON-CURRENT		
Partner loan receivables	5,240,930	5,682,157
	<u>5,240,930</u>	<u>5,682,157</u>

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

5 Inventories

	2025	2024
	\$	\$
CURRENT		
Land held for development and sale	742,965	894,719
Development and construction costs	796,832	651,251
	<u>1,539,797</u>	<u>1,545,970</u>

6 Property, plant and equipment

Buildings		
At cost	126,583	189,874
Accumulated depreciation	(107,593)	(123,419)
Total buildings	<u>18,990</u>	<u>66,455</u>
Plant and equipment		
At cost	207,737	234,190
Accumulated depreciation	(129,230)	(190,345)
Total plant and equipment	<u>78,507</u>	<u>43,845</u>
Total property, plant and equipment	<u><u>97,497</u></u>	<u><u>110,300</u></u>

Buildings consist of several portable homes built from shipping containers. These homes are being used as temporary accommodation for selected families that have been impacted by the 2019/20 'Black Summer' bushfires.

7 Other assets

CURRENT		
Security deposits	39,230	38,000
	<u>39,230</u>	<u>38,000</u>

8 Trade and Other Payables

CURRENT		
Trade payables	35,871	58,707
Sundry payables and accrued expenses	30,764	50,552
	<u>66,635</u>	<u>109,259</u>

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

9 Employee Benefits

	Note	2025 \$	2024 \$
CURRENT			
Provision for employee benefits		<u>28,970</u>	<u>31,752</u>
		<u>28,970</u>	<u>31,752</u>
NON-CURRENT			
Provision for employee benefits		<u>25,571</u>	<u>52,411</u>
		<u>25,571</u>	<u>52,411</u>

10 Borrowings

NON-CURRENT			
SEFA loan	(a)	<u>1,670,235</u>	<u>1,416,906</u>
		<u>1,670,235</u>	<u>1,416,906</u>

(a) SEFA loan

The Company has a borrowing facility with SEFA (Social Enterprise Finance Australia). The borrowing facility limit is \$2,000,000, and the facility matures in May 2029.

There is no specific fixed security in place over property as at 30 June 2025. Instead, a General Security Deed applies to this loan agreement, which grants the lender a general security interest in the Company's rights, property and undertakings.

11 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Surplus/(deficit) for the year		(138,879)	(88,633)
Non-cash flows in surplus/(deficit):			
- (gain)/loss on disposal of property, plant and equipment		(17,283)	(16,454)
- depreciation		58,582	60,159
Changes in assets and liabilities:			
- (increase)/decrease in trade and other receivables		253,160	(475,206)
- (increase)/decrease in inventories		6,173	855,705
- (increase)/decrease in other assets		(1,230)	(4,461)
- increase/(decrease) in trade and other payables		(42,624)	25,616
- increase/(decrease) in employee benefits		(29,622)	(24,438)
Cashflows from operations		<u>88,277</u>	<u>332,288</u>

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Notes to the Financial Statements

For the Year Ended 30 June 2025

12 Auditors' Remuneration

	2025	2024
	\$	\$
Remuneration of the auditor (fees invoiced during the financial year):		
- auditing the financial report	11,977	6,515
- taxation services	3,100	-
	<u>15,077</u>	<u>6,515</u>

13 Key Management Personnel Disclosures

Remuneration of key management personnel during the financial year has not been disclosed as the Company's charity size (as defined by the Australian Charities and Not-for-profits Commission) is medium.

Directors are not remunerated for services provided in their capacity as a director.

14 Related Parties

Habitat for Humanity Australia Ltd (HFHA) is an affiliated entity, but not a related party. The Company pays a levy to HFHA as part of its ongoing affiliation.

The Company incurred expenses with a business owned by a director that provided building construction management services. This consisted of project management fees of \$30,709 and construction costs of \$2,132 for the year ended 30 June 2025 (2024: nil).

A close family member of a member of the Company's key management personnel is employed by the Company, and receives remuneration at a similar wage rate to other employees.

There were no other transactions with related parties during the year.

15 Events after 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 Company, the results of those operations or the state of affairs of the Company in future financial years.

16 Statutory Information

The registered office and principal place of business of the company is:

Habitat for Humanity Victoria (Australia) Limited
2/128 Canterbury Road
Kilsyth VIC 3137

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Directors' Declaration


The directors declare that in the directors' opinion:

- there are reasonable grounds to believe that the Company is able to pay all of its debts, as and when they become due and payable;
- the financial report gives a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.

Director 
ALAN HARMAN (TREASURER)

Date: 3/10/25

Director 
STUART YARNALL (DIRECTOR)
3/10/2025.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Auditor's Independence Declaration to the Directors of Habitat for Humanity Victoria (Australia) Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Date: 14 October 2025

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Independent Audit Report to the members of Habitat for Humanity Victoria (Australia) Limited

Opinion

We have audited the financial report of Habitat for Humanity Victoria (Australia) Limited, which comprises the statement of financial position as at 30 June 2025, the statement of income and expenditure, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion the financial report of Habitat for Humanity Victoria (Australia) Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Company's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Habitat for Humanity Victoria (Australia) Limited

ABN 65 023 265 336

Independent Audit Report to the members of Habitat for Humanity Victoria (Australia) Limited

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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Independent Audit Report to the members of Habitat for Humanity Victoria (Australia) Limited

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



Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Date: 14 October 2025