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URBAN  
DEVELOPMENT  
INSTITUTE  
AUSTRALIA  
(VICTORIA)

# ANNUAL REPORT







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# PRESIDENT'S REPORT



**DAVID PAYES**  
INTRAPAC PROJECTS  
(PRESIDENT)

2014 was a year of change and evolution for Victoria. For the Urban Development Institute, it was a year in which we made a number of key strategic decisions that will lead the Institute in a new and exciting direction over the years to come.

At the end of 2014 the Institute farewelled its long standing Executive Officer, Tony De Domenico. Tony's service to the Institute over the past decade modernised the operations and activities of the Institute and consistently delivered value to members. Tony successfully built a strong advocacy agenda and led the Institute through a period of significant planning reform. Under his leadership the Institute grew its membership in numbers and in doing so, increased the influence of the Institute tenfold.



We thank Tony for his outstanding contribution to the urban development industry and wish him well in his new role as Chairman of Places Victoria and the Australian Housing and Urban Research Institute.



As for the future direction and focus of the Institute, the Board of Directors took a strategic look at the organisation and identified a number of opportunities for how we can better serve our existing members and also better represent the broad urban development industry. Through this process, we recognised that our existing members are no longer solely involved in either land development or apartment development, but more often than not their portfolios are diverse across all built forms. We also recognised that by limiting the majority of our advocacy work and focus to the greenfield market, we were neglecting to serve our membership base and the industry to the greatest extent possible.

In 2015 the Institute is moving forward with a renewed focus on the infill and apartment development sector in particular, while retaining a strong focus on the greenfield and broad acre markets. In an advocacy sense, this means we will be spending more time on issues such as apartment design standards, urban renewal projects including Fishermans Bend and E-Gate and infrastructure issues relevant to metropolitan Melbourne. Coupled with our already strong voice on greenfield issues, the Institute's activities in this area will significantly grow our influence with members, government stakeholders and other key decision makers.

The Board also looked closely at our overall engagement with our members on an individual level, and identified a key opportunity for growth. Through our Outlook program and other high level industry activities, our engagement with both younger industry members and those at the management end of the spectrum is strong. However we have identified a great need for improvement in our engagement with the middle-management cohort of individuals who make up the group of people who will one day be the industry's next group of leaders. In 2015 the Institute will launch a brand new program aimed at re-engaging individuals within the industry looking to grow their careers and to advance in both their professional and personal lives. This will be an innovative program unlike any of our other activities and we hope, will have a big impact on the next generation of our industry's leaders.

These initiatives are just a few examples of the new direction the Urban Development Institute is taking from 2015. The Board appointed Danni Addison as the new Chief Executive Officer in January and the Board and Danni have a big and exciting job ahead of them to propel the Institute into the next phase of its growth.

On behalf of the Board, thank you to our members for your support. We are proud to continue to represent the urban development industry in Victoria and are committed to achieving great outcomes for the industry in the years to come.



# URBAN DEVELOPMENT INSTITUTE AUSTRALIA (VICTORIA) BOARD



**DAVID PAYES**  
INTRAPAC PROJECTS  
(PRESIDENT)



**JOHN CICERO**  
BEST HOOPER  
(IMMEDIATE PAST PRESIDENT)



**DAMIEN TANGEY**  
BIRCHGROVE  
PROPERTY  
(VICE PRESIDENT)



**PETER VLITAS**  
AV JENNINGS  
(TREASURER)



**BETTINA SHEERAN**  
MADDOCKS  
(SECRETARY)



**MARC CINI**  
HALLMARC



**STEVE COPLAND**  
NATIONAL PACIFIC  
PROPERTIES



**RORY COSTELLOE**  
VILLAWOOD  
PROPERTIES



**LUKE HARTMAN**  
METRO PROPERTY  
DEVELOPMENT



**FRANK NAGLE**  
BIGGIN & SCOTT LAND



**ANDREW PERKINS**  
OLIVER HUME  
REAL ESTATE



**JASON SHAW**  
STOCKLAND

# CHIEF EXECUTIVE OFFICER'S REPORT



**DANNI ADDISON**  
CHIEF EXECUTIVE OFFICER

The Victorian Division of the Urban Development Institute of Australia ended 2014 with the departure of long standing Executive Officer Tony De Domenico, and commenced 2015 with the appointment of Danni Addison as its new Chief Executive Officer.

I am delighted to have been afforded the opportunity to represent the urban development industry as the Chief Executive Officer of the Urban Development Institute. With a strong background and solid experience in public administration, policy reform and industry associations, I feel that I am well placed to lead the Institute into its next phase of growth and evolution.

We have a great number of opportunities ahead of us, both as a business and as a peak representative body. We have the opportunity to lead the industry in new directions, to provide increased value to members through the events we run and the activities we are involved in and most of all, we have the opportunity to drive best practice within the industry we represent.




Together with the Board, the Institute has looked closely at its strengths and weaknesses and identified the need to modernise the organisation internally and to drive change in the culture of the urban development industry more broadly. This is an expansive but vitally important challenge.



This will take a number of forms and be highly visible within the Institute's focus for 2015 and its programs.

1. The Institute will expand its advocacy activities and its membership base to better represent the broad and diverse urban development industry in all of its activities. This will include an increased focus on apartment and infill development activities as well as greenfield and broadacre development.
2. The Institute will, without exception, present evidence-based solutions to policy makers through its advocacy activities. The Institute's policy committees will be more accountable and more productive and will drive the advocacy agenda on behalf of our members.
3. The Institute will increase its research activities, in particular we will deliver more and better intelligence to industry members and government stakeholders to enable them to make key business and policy decisions.
4. The Institute will continue to refine its value to our partners and sponsors through the updated event formats and increased attendance we will achieve in 2015. We will offer more events with an increased focus on hot topics, educating our members and premier networking opportunities.
5. The Institute will explore new business opportunities in particular in the education and professional development. We will address gaps in knowledge and opportunity experienced by industry members by introducing new programs which are targeted toward particular age groups and those at various stages of their career. We will invest in the industry's next generation of leaders.
6. The Institute will promote best practice within the urban development industry both in terms of our member's business activities, and their organisational successes. Our focus on gender diversity will remain strong as it is within our members' own businesses.



In an organisational sense you will also see us changing.

With fresh new offices, we are improving the way we work as a team and how we engage with our members. Our new space reflects our core values of being an open and inclusive industry association who serves its members and their needs both on an organisational and a personal level. Drop in and see us any time, we would love to see you.

We have expanded our team and created new roles that will be pivotal to our future success. We have welcomed new staff including Angela Gaedke, Business Development and Partnerships Manager and John Casey, Policy Advisor. The Institute's Victorian team will grow as we grow and I look forward to introducing you to more new faces in the months and years to come.

On all levels the Institute is evolving. We are thoroughly excited and we look forward to working closely with our members. After all, we are here for you and your businesses, because you value the work we do.

# ADVOCACY AGENDA

2014 was a year of significant reform to Victoria's planning and development systems. The former Napthine Government under Planning Minister Matthew Guy drove an ambitious reform agenda which saw the urban development and planning industries highly engaged in the effort to improve Victoria's systems.

A snapshot of some of the major policy issues of 2014 include:

- Introduction of the new Commercial and Residential Zones across Victoria;
- *Plan Melbourne* was finalised and released;
- Master planning and design for Fishermans Bend was commenced;
- Development contributions reform was significantly progressed;
- Major new growth area precinct approved increasing land supply dramatically; and
- Works in Kind Guidelines were established and released for the Growth Area Infrastructure Charge.

These and other major policy reform issues kept the Urban Development Institute busy and engaged with all areas of government in 2014. Our Planning, Infrastructure and Tax Committees in particular played a pivotal role in developing the Institute's policy positions and driving the Institute's advocacy agenda.

At the end of 2014 Victoria's government changed and the Andrews Labor Government was elected, with the Hon. Richard Wynne MP appointed as the new Planning Minister. 2015 has brought with it new challenges and opportunities in the policy and advocacy arena. As an organisation we are focused on the new Government's priorities which so far have included:

- Apartment design standards;
- Expansion of Fishermans Bend and review of master planning;
- Review of the Residential Zones and their implementation;
- Re-establishment of the Ministerial Advisory Committee to refresh Plan Melbourne;
- Introduction of foreign purchaser land tax and stamp duty surcharges; and
- Implementation of the Metropolitan Planning Permit Levy.

In addition, in 2015 we have established five priority advocacy streams which impact the wider industry, and these are to:

1. Reduce the cost of business by advocating for tax and charges reform. We will do this by establishing an evidence base which highlights the current costs and develop a comprehensive position in relation to stamp duty and first homebuyer grants.
2. Improve the development approval system by developing a case for the introduction of streamlined code assessment for certain development, demonstrating the shortcomings of the current environmental assessment system; monitoring the impact of the Residential Zones; and proposing real solutions to our members' issues.

3. Reduce the unnecessary cost and inconsistent standards of infrastructure by ensuring ongoing and vigorous dialogue with government and the Metropolitan Planning Authority, ensuring that the development contributions reform agenda remains a high priority and to draw on our members' expertise to put forward a strong position on reforming engineering standards.
4. Improve local government planning processes by measuring the impact of statutory timeframes, quantifying their effects and proposing an alternative means of operation of local government processes.
5. Promote the innovation and expertise of the industry by advocating for new construction and development methodologies, showcasing the increased diversity of development businesses and reinforcing the Urban Development Institute as the leading industry body for innovation and ideas.

Much of this work includes cooperative and in-depth discussions with government and our members and we look forward to providing further updates during 2015.

Along with the Institute's policy staff, Board and Committee members continue to be the cornerstone of our advocacy activities and our successes. The Institute thanks our active members who work tirelessly in the greater interests of the industry.



# ENVIRODEVELOPMENT

2014 proved to be a very significant year for the Institute's EnviroDevelopment program. The EnviroDevelopment Board Members, the EnviroDevelopment Professionals (EDPs), the Institute team and members pushed the environmental agenda with 91 projects certified nationally.

The biggest achievement for EnviroDevelopment during the year was the launch of the new National Technical Standards Version 2.0.

These Standards represent a major milestone for EnviroDevelopment. The review was undertaken by over 170 industry professionals which resulted in a document that is now easier to use, covers a greater range of project types and provides more guidance for the industry. Importantly, the Standards have maintained the flexibility for project teams to devise their own solutions and promotes the use of innovative approaches to meet the performance criteria in the document. Increased participation in EnviroDevelopment and the positive feedback received are reflections of the improvements in the Standards with the first industrial building and the first single dwelling being certified.

It was also a very busy year for certifications with the smallest (Mullum Creek in Donvale) to the biggest (Woodlea at Rockbank) being approved in all six elements in the same year. It was also a first for a mixed use development being certified, in Polaris at Bundoora.

Other milestones this year saw the introduction of a dedicated Institute Sustainability Committee. It was recognised by our members that many aspects of their developments now include considerations in this area. The new sustainability team includes a diverse cross section of our members from developers, engineers, architects to consultants and builders. The committee is chaired by Ben de Waard from SDC. The overarching advocacy work that is taking place with this team will undoubtedly assist developers on many fronts and encourage further take up of the EnviroDevelopment option.

Ongoing recertification's continued with 11 being approved for the year. It is relevant to note that developers see the ongoing importance of recertifying.

All of this activity and progress would not be possible without the ongoing commitment to the program by our dedicated and expert EnviroDevelopment Board. The Institute would like to thank and recognise the work of the team, they are: Professor Lyndsay Neilson (Chairman), Dr Charles Meredith, Greg Aplin, Chris Chesterfield, Michael Barlow, Professor Ray Green and Alex Fearnside; all of whom played an important role in ensuring the program continues to be transparent, consistent and in accordance with the national technical standards.

Equally as important, the program would not continue without the support of our sponsors – they are Sustainability Victoria, who has continued to support the program since its inception in Victoria, Melbourne Water was our newest Associate partner for 2014 with ongoing support continued with PwC as our first Associate partner, Quantum United as sponsor of the Community leaf, Ecology Heritage and Partners as sponsor of the Ecosystems leaf, Sustainable Development Consultants for the Energy leaf and GHD for the Water leaf.

The year closed on a high note with the annual wrap up taking place at PwCs spectacular office at freshwater place.

On behalf of the EnviroDevelopment team, we would like to thank all our supporters, board, committee members and recipients of the program for supporting this initiative. We look forward to another exciting year of growth and progress in this space.

# AWARDS FOR EXCELLENCE

In its 19th year in 2014, the UDIA Awards for Excellence has been a steadfast and longstanding platform for the industry to showcase its best projects. The Awards are considered to be among the most sought-after of their kind.

The submissions cover excellence in environment, urban renewal, high and medium density, as well as general residential and masterplanned developments. Separate Consultant, Landscape and Judges' awards – recognising a project's efforts overall – form the remainder of the accolades.

2014 saw a continuation of the changes in the types of projects the Awards for Excellence program is attracting. A diversity of product mix, along with increased recognition from infill and inner city developers is evidence that the Institute's Awards for Excellence focus on so much more than greenfield development alone.

An indication of very healthy signs for the industry, the judging panel had 24 submissions to consider. The team of five saw a high number of projects in the inner city and surrounds, with a good representation in the middle ring and growth areas.

Chairman of the Judges and partner at law firm HWL Ebsworth Mark Bartley was joined by returning judges Mike Brickell, who is an architect, town planner and developer; Kathy Mitchell, Chief Panel Member of Planning Panels Victoria (PPV) and Past President and a Fellow of the Victoria Planning and Environmental Law Association (VPELA); Bernard McNamara, principal of BMDA Development Advisory. New to the judging panel in 2014 was Karl Fender, of Architecture firm Fender Katsalidis bringing his international architectural experience to the judging.

Following on from a trend commenced the previous year, it is significant, and a reflection of the transition in the urban development industry that this year one of the largest and most contested award categories was High Density. This was matched also by Masterplanned Development.

Architect Rothe Lowman was the recipient of the Consultant Award for its involvement on a number of projects entered in the 2014 Awards for Excellence.

## 2014 WINNERS

| CATEGORY                                  | DEVELOPMENT           | DEVELOPER                                  |
|---|-----------------------|--|
| Master Planned Development – Winner       | Mernda Villages       | Stockland                                  |
| Master Planned Development – Commendation | Edgewater             | Lend Lease                                 |
| Medium Density – Winner                   | Chancellor Residences | Sunland Group Ltd                          |
| Medium Density – Commendation             | Lex South Yarra       | Kokoda Property Pty Ltd                    |
| High Density – Joint Winner               | The Quays             | MAB Corporation                            |
| High Density – Joint Winner               | Ilk                   | Little Projects Pty Ltd                    |
| High Density – Commendation               | Monarc                | Evolve Development                         |
| Environmental Excellence – Winner         | Caroline Springs      | Lend Lease                                 |
| Urban Renewal – Winner                    | Tip Top               | Little Projects Pty Ltd                    |
| Judges' Award                             | Willow Park           | Interlandi Mantesso Architects & JMC Group |
| Landscape Award                           | Chancellor Residences | Sunland Group Ltd                          |

# ANNUAL VICTORIAN STATE CONFERENCE

Speakers and delegates at the 2014 Urban Development Institute's Annual Victorian State Conference wholeheartedly embraced its theme of 'Towards 2051: Preparing for Victoria @ 10 Million.' The program's agenda focused largely on the future of property development and envisioning lasting strategies for urban design. The array of presenters offered many different perspectives on this topic and others affecting the industry.

The October event was held at the RACV Resort in Torquay, where delegates were introduced to the conference program with a combination of recreational activities from which to select including mountain bike riding, a local winery visit and a tour of developments in the region. The first day concluded with a welcome reception.

Conference Day consisted of a sharing of ideas and the discussion of pertinent industry issues while delegates networked over quality regional food. A record 140 industry professionals attended the plenary and breakout sessions, hearing from the likes of Mat Dunkley, editor of Business Day at The Age and The Sydney Morning Herald; Matt Ainsaar, Managing Director of Urban Enterprises; Brian Haratsis, Executive Chairman of Macroplan Dimasi, and; Cr Darryn Lyons, Mayor of the City of Greater Geelong.

The program considered the impact of Victoria's projected 10,000,000 residents by 2051; the implications on all aspects of infrastructure, housing affordability and social services from a regional Victorian and metropolitan Melbourne perspective. Mat Dunkley provided detailed insights into the economic state of Melbourne, particularly in relation to the Reserve Bank of Australia. The biggest concern Mat could see for Victoria's economic short term future was the end of the car industry and decline in manufacturing. Rounding out the economic and political report, Angie Zigomanis of BIS Shrapnel provided a property market overview, delivering mostly good news for the industry in the immediate years.

The broader issue of population growth was covered by Brian Haratsis who focused on the effectiveness of residential growth zones, which were hampered in part by the difficulty of acquiring land. The relationship between employment and property was explored as were the issues of the removal of stamp duty, shared equity schemes for first homeowners and negative gearing limitations.

The conference concluded with a dinner held on Thursday night where comedians 'Rusty and another guy' entertained guests with their hilarious musical comedian act. The dinner is a conference favourite as delegates get the chance to unwind and socialise as well as discuss the events of the day.

In 2015, RACV will once again play host to the Institute's Annual Victorian State Conference, this time in its luxury Healesville Resort.

Held on 7-8 October, this year the conference will examine the industry's most important issues. The state conference attracts property's biggest players - both greenfield and urban infill developers, with a growing interest from high density and inner city development organisations. Consultants to the industry including planners, lawyers and urban designers form a healthy contingent. Watch out for more details at [www.udiavic.com.au](http://www.udiavic.com.au).

# NORTHERN CHAPTER

Throughout 2014 the Northern Chapter maintained a series of bi-monthly meetings with the City of Greater Bendigo to communicate local industry issues and to discuss current strategic bodies of planning work. The City of Greater Bendigo is thanked for this ongoing opportunity and its continued membership of the Urban Development Institute.

An Industry Forum titled 'Growing Bendigo - How and Where' provided the first event which focussed on the changing demands for property in Bendigo and the ability of council to enable supply for industry to deliver under the planning framework.

In August then Premier of Victoria, the Hon Denis Napthine, travelled to the region for a discussion on 'Bendigo - Investment driving a New Golden Era'. This lunch was well attended

by the broader business community of Bendigo and it was wonderful to fill the historic town hall for this large event attended by the Mayors of both Bendigo and Ballarat.

In November an Industry Update was held with several industry stakeholders to look at broad ranging issues including development contributions, delivery of strategic planning, fire and vegetation regulations and also some innovative new concepts in sewer and water provisions.

A delegation of Northern Chapter Committee members met with the Mayor, councillors and staff of the City in late February 2015 to discuss issues with the planning permit approvals process, particularly in relation to inner urban Bendigo and the risk hurdles that currently existed in inner urban development.

Our work to date in 2015 has included several industry engagement meetings with council over the Residential Strategy Amendment. We have also prepared submissions to bodies of strategic planning work to ensure that industry views are well represented. This culminated in a comprehensive submission to the exhibition of the City of Greater Bendigo Residential Strategy in April.



We look forward to a number of functions in 2015 and welcoming an increasing number of members from other regions to contribute to the culture of the Northern Chapter.



*Damien Tangey, Birchgrove Property  
Northern Chapter Chair*

# GEELONG REGION CHAPTER

In the lead up to the Victorian State Government election, the Urban Development Institute's Geelong Region chapter hosted a series of successful events with the then Minister for Planning Matthew Guy, and the then Shadow Planning Minister Brian Tee, in collaboration with the Committee for Geelong.

In what will now become an annual event, a Developers' Forum with Cr Darryn Lyons, Mayor of the City of Greater Geelong, looked at the barriers and opportunities for business growth in the region. The Institute continues to work closely with Council to drive improvements in the area's planning and development.

The Geelong region continues to be one the fastest growing regional areas in Victoria, with significant new development fronts released in late 2014.

The Institute has participated in key strategic initiatives including:

- Central Geelong Taskforce;
- Promoting investment and the development sector;
- Plan Melbourne to ensure it has a strong regional emphasis;
- Geelong Planning Authority, and;
- Planning and process improvements.

The Urban Development Institute's Geelong Region chapter will continue to work with key organisations including local councils, G21, Committee for Geelong and Geelong Chamber of Commerce.

It will continue to deliver strong advocacy and events for the Institute's strong member base in the Geelong region in 2015 and beyond. Our thanks are offered to the Geelong Region Committee for its support.

*Kirsten Kilpatrick, Tract  
Geelong Region Chapter Chair*



# WOMEN IN PROPERTY

Since its inception 15 years ago, the Institute's Women In Property program has successfully brought together diverse groups of professionals with a view to encouraging greater engagement, representation and exposure for its participants.

The year's successful program of events commenced with the Dream Big series – now in its third year.

Speaking to the entrepreneurial spirit which is embodied in the urban development psyche, the Dream Big Breakfast brings keynote speakers whose own success and experiences in the business world can be shared with participants who can then apply them in their working lives.

Megan Quinn, founder of Net-a-Porter, spoke about the lessons learned to create an online retailing project with worldwide reach.

Each year, the Chapter runs a highly successful and educational Developments Tour, which provides participants the chance to get some practical insights into some of Melbourne's most high-profile and innovative projects, from large scale residential to inner city high density developments. Attendees travel by bus which gives the chance to fully discuss and debrief their tour experiences. Banbury Village and Williams Landing, both by Developer Cedar Woods, Lend Lease's flag ship masterplanned community Caroline Springs, and 50 Albert by Hamton were among the projects visited.



The annual ever-popular Trivia Night, raising \$1,300 for the Women's Property Initiative, which aims to securely and safely accommodate at-risk women and children, along with the Developments Tour and Minute Mentoring rounded at the year's successful event program.



In 2015, The Women In Property committee continues to evolve and refine its focus of empowering individuals to succeed in the property industry.

*Sarah Rizk, Sladen Legal  
Women In Property Chair*

## OUTLOOK

2014 saw the formation of a new committee and with renewed energy the Outlook chapter continued to thrive in the face of what proved to be an interesting year for the industry. The group consistently delivered successful and well attended events for young professionals.

Its first event was held in partnership with BIS Shrapnel where Angie Zigomanis presented his review of the Victorian property market and Dale Stokes of Spatial Economics provided an update on the Land Supply Monitoring Program outcomes for the quarter.

The launch of Plan Melbourne provided a plethora of forum opportunities for the Chapter with a discussion in June on the challenges in implementing the Plan presented by Peter Seamer, MPA and Tom Trevaskis, Lend Lease. This was complemented by August's forum on Plan Melbourne's ability to unlock residential growth within established suburbs.

The final event for the year was held in conjunction with Women in Property and delivered the Institute's first sell out 'speed' mentoring event. Held at the Hasti Bala Bar the night provided attendee's with the opportunity to meet with successful industry mentors.

Building on the hard work of 2013, the Outlook committee continued its focus on student membership and attendance to events via the implementation of a student-specific membership package and sponsored event tickets. The Chapter also worked with VPELA's young professional group YPG to organise yet another successful NEXUS ball and also had the honour of awarding the ID Land Young Professional award to Tom Faulkner of Mirvac.

Thank you to Outlook's sponsors and enthusiastic committee members.

*Niki Hendriksen, Lend Lease  
Outlook Chair*

# AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014



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**Urban Development Institute of Australia (Victoria)**  
**Directors' report**  
**31 December 2014**

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2014.

**Directors**

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr John Cicero  
Mr Mark Cini  
Mr Steve Copland  
Mr Rory Costelloe  
Mr David Payes  
Mr Andrew Perkins  
Mr Damien Tangey  
Mr Peter Vlitass  
Ms Bettina Sheeran  
Mr Jason Shaw (elected May 2014)  
Mr Luke Hartman (appointed May 2014)  
Mr Frank Nagle (appointed May 2014)

**Principal activities**

The principal activities of the Institute during the financial year comprise the formulation, promotion, maintenance, and enforcement of standards in connection to urban development issues.

There was no significant change in the nature of the Institute's activities during the year.

**Operating results**

The net result from operations after income tax for the year ended 31 December 2014 was a loss of \$53,600 (2013: loss of \$43,877).

**State of affairs**

The Institute held a number of successful conferences and conventions to ensure that the collective interests of the membership base was advanced in the areas of property development.

**Matters subsequent to 31 December 2014**

With the exception of those matters referred to in the Financial Statements, no other matter or circumstance has arisen since the end of the financial year, which has significantly affected or may significantly affect:

- (a) the operations in financial years after 31 December 2014;
- (b) the results of those operations; or
- (c) the state of affairs in the financial years after 31 December 2014.

**Environmental Issues**

The organisation's operations were not regulated by any significant environment regulation under a law of the Commonwealth or of a state or territory.

**Indemnification of officers and auditors**

The company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

**Proceedings on behalf of Organisation**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.



### **Likely developments**

The Institute will continue to represent its members in the areas of town planning and property development use and sale.

### **Particulars of directors**

| <b>Director</b>    | <b>Qualifications and Experience</b>   |
|--------------------|--|
| Mr John Cicero     | LLB (Hons) (Melb)  |
| Mr Steve Copland   | B.T.R.P. (Melb)  |
| Mr Rory Costelloe  | B.Eng (Civil) M.I.E Aust   |
| Mr David Payes     | B.Comm (Hons) (Melb), LLB (Hons) (Melb)                                      |
| Mr Andrew Perkins  | BA Economics (Latrobe), Grad Dip Property (RMIT)                             |
| Mr Peter Vlitass   | B Surv (Hons)  |
| Ms Tania Quick     | BA (Planning & Urban Design, Geography), P.GRAD DIP (Urban Planning)         |
| Ms Bettina Sheeran | BA/LLB Law/Criminology, Legal Practice Course and Professional Skills Course |
| Mr Jason Shaw      | B.Sc (Hons) (Melb), B.Plann&Des (Melb), M.Comm (Deakin)                      |
| Mr Damien Tangey   | BA Economics (Latrobe), Grad Dip (Property) (RMIT)                           |
| Mr Luke Hartman    | BA Applied Science (Land Economics)  |
| Mr Frank Nagle     | C.R.E.M.   |
| Mr Anthony Lennon  | BA, Grad Dip Bus Admin, MAICD  |
| Mr Stephen Hynes   | BA Economics (Hons), MBA (Distinction)                                       |

### **Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2014, and the number of meetings attended by each director were:

|                    | <b>Full Board</b> |             |
|--------------------|-------------------|-------------|
|                    | <b>Attended</b>   | <b>Held</b> |
| Mr John Cicero     | 7                 | 9           |
| Mr Steve Copland   | 7                 | 9           |
| Mr Rory Costelloe  | 6                 | 9           |
| Mr Jason Shaw      | 5                 | 6           |
| Mr Anthony Lennon  | 3                 | 3           |
| Mr Luke Hartman    | 6                 | 6           |
| Mr David Payes     | 6                 | 9           |
| Mr Frank Nagle     | 6                 | 6           |
| Ms Bettina Sheeran | 6                 | 9           |
| Mr Peter Vlitass   | 9                 | 9           |
| Mr Stephen Hynes   | 0                 | 3           |
| Ms Tania Quick     | 3                 | 3           |
| Mr Damien Tangey   | 8                 | 9           |
| Mr Marc Cini       | 7                 | 9           |
| Mr Andrew Perkins  | 7                 | 9           |

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

### **Directors' benefits**

No director has received or has become entitled to receive, during or since the financial year, a benefit, other than remuneration of the Executive Director, and Chief Executive Officer paid in accordance with entitlements by reason of a contract made by the Institute with a director or a firm of which the director is a member, or an entity in which a director has a substantial financial interest.

### **Contributions on winding up**

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$20 each. Honorary members are not required to contribute.

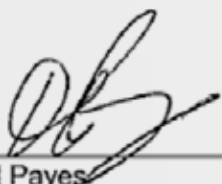
The total amount that members of the company are liable to contribute if the company is wound up is \$6,700, based on 335 current ordinary members.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 298(2) (a) of the Corporations Act 2001.

On behalf of the directors



David Payes  
President



Peter Vlitas  
Treasurer

7 May 2015  
Melbourne

## **AUDITOR'S INDEPENDENCE DECLARATION FOR THE YEAR ENDED 31 DECEMBER 2014**

As lead auditor for the audit of Urban Development Institute of Australia (Victoria) for the year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Urban Development Institute of Australia (Victoria).



**LOREN DATT**  
Registered Company Auditor  
Registration: 339204

7 May 2015

**Urban Development Institute of Australia (Victoria)**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 December 2014**

|   | <b>Note</b> | <b>2014<br/>\$</b>     | <b>2013<br/>\$</b>     |
|---|-------------|------------------------|------------------------|
| <b>Revenue</b>  | 3           | 1,587,351              | 2,645,152              |
| <b>Expenses</b>   |             |                        |                        |
| Employee benefits expense   |             | (775,888)              | (812,135)              |
| Depreciation and amortisation expense   |             | (13,502)               | (12,544)               |
| Loss on disposal of assets  |             | (3,846)                | (545)                  |
| National congress expense   |             | (13,048)               | (1,053,439)            |
| UDIA outlook  |             | (49,974)               | (53,572)               |
| Functions and entertainment   |             | (239,704)              | (266,423)              |
| Other expenses  |             | <u>(540,983)</u>       | <u>(486,496)</u>       |
| <b>Deficit before income tax expense</b>  |             | (49,594)               | (40,002)               |
| Income tax expense  | 4           | <u>(4,006)</u>         | <u>(3,875)</u>         |
| <b>Deficit after income tax expense for the year attributable to the members of Urban Development Institute of Australia (Victoria)</b> | 14          | (53,600)               | (43,877)               |
| Other comprehensive income for the year, net of tax   |             | <u>-</u>               | <u>-</u>               |
| <b>Total comprehensive income for the year attributable to the members of Urban Development Institute of Australia (Victoria)</b>       |             | <u><u>(53,600)</u></u> | <u><u>(43,877)</u></u> |

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**Urban Development Institute of Australia (Victoria)**  
**Statement of financial position**  
**As at 31 December 2014**

|                                | <b>Note</b> | <b>2014</b><br><b>\$</b> | <b>2013</b><br><b>\$</b> |
|--------------------------------|-------------|--------------------------|--------------------------|
| <b>Assets</b>                  |             |                          |                          |
| <b>Current assets</b>          |             |                          |                          |
| Cash and cash equivalents      | 5           | 412,542                  | 523,398                  |
| Trade and other receivables    | 6           | 82,279                   | 49,378                   |
| Income tax refund due          | 7           | 1,966                    | 5,344                    |
| Other                          | 8           | 1,674                    | 8,312                    |
| Total current assets           |             | <u>498,461</u>           | <u>586,432</u>           |
| <b>Non-current assets</b>      |             |                          |                          |
| Property, plant and equipment  | 9           | 73,786                   | 66,463                   |
| Intangibles                    | 10          | 3,586                    | 5,735                    |
| Total non-current assets       |             | <u>77,372</u>            | <u>72,198</u>            |
| <b>Total assets</b>            |             | <u>575,833</u>           | <u>658,630</u>           |
| <b>Liabilities</b>             |             |                          |                          |
| <b>Current liabilities</b>     |             |                          |                          |
| Trade and other payables       | 11          | 114,062                  | 96,640                   |
| Employee benefits              | 12          | 63,562                   | 113,604                  |
| Total current liabilities      |             | <u>177,624</u>           | <u>210,244</u>           |
| <b>Non-current liabilities</b> |             |                          |                          |
| Employee benefits              | 13          | 14,842                   | 11,419                   |
| Total non-current liabilities  |             | <u>14,842</u>            | <u>11,419</u>            |
| <b>Total liabilities</b>       |             | <u>192,466</u>           | <u>221,663</u>           |
| <b>Net assets</b>              |             | <u>383,367</u>           | <u>436,967</u>           |
| <b>Equity</b>                  |             |                          |                          |
| Retained surpluses             | 14          | 383,367                  | 436,967                  |
| <b>Total equity</b>            |             | <u>383,367</u>           | <u>436,967</u>           |

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Urban Development Institute of Australia (Victoria)**  
**Statement of changes in equity**  
**For the year ended 31 December 2014**

|   | <b>Retained<br/>profits<br/>\$</b> | <b>Total<br/>equity<br/>\$</b> |
|---|------------------------------------|--------------------------------|
| Balance at 1 January 2013                           | 480,844                            | 480,844                        |
| Deficit after income tax expense for the year       | (43,877)                           | (43,877)                       |
| Other comprehensive income for the year, net of tax | -                                  | -                              |
| Total comprehensive income for the year             | (43,877)                           | (43,877)                       |
| Balance at 31 December 2013                         | <u>436,967</u>                     | <u>436,967</u>                 |
|   | <b>Retained<br/>profits<br/>\$</b> | <b>Total<br/>equity<br/>\$</b> |
| Balance at 1 January 2014                           | 436,967                            | 436,967                        |
| Deficit after income tax expense for the year       | (53,600)                           | (53,600)                       |
| Other comprehensive income for the year, net of tax | -                                  | -                              |
| Total comprehensive income for the year             | (53,600)                           | (53,600)                       |
| Balance at 31 December 2014                         | <u>383,367</u>                     | <u>383,367</u>                 |

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Urban Development Institute of Australia (Victoria)**  
**Statement of cash flows**  
**For the year ended 31 December 2014**

|  | <b>Note</b> | <b>2014</b><br><b>\$</b> | <b>2013</b><br><b>\$</b> |
|--|-------------|--------------------------|--------------------------|
| <b>Cash flows from operating activities</b>                      |             |                          |                          |
| Receipts from members and sponsors (inclusive of GST)            |             | 1,573,262                | 2,440,620                |
| Payments to suppliers and employees (inclusive of GST)           |             | (1,674,271)              | (2,422,974)              |
|  |             | (101,009)                | 17,646                   |
| Interest received  |             | 13,353                   | 12,917                   |
| Income taxes paid  |             | (628)                    | (7,549)                  |
| Net cash from/(used in) operating activities                     | 18          | (88,284)                 | 23,014                   |
| <b>Cash flows from investing activities</b>                      |             |                          |                          |
| Payments for property, plant and equipment                       |             | (22,572)                 | (3,303)                  |
| Net cash used in investing activities                            |             | (22,572)                 | (3,303)                  |
| <b>Cash flows from financing activities</b>                      |             |                          |                          |
| Net cash from financing activities                               |             | -                        | -                        |
| Net increase/(decrease) in cash and cash equivalents             |             | (110,856)                | 19,711                   |
| Cash and cash equivalents at the beginning of the financial year |             | 523,398                  | 503,687                  |
| Cash and cash equivalents at the end of the financial year       | 5           | <u>412,542</u>           | <u>523,398</u>           |

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**Note 1. Significant accounting policies**

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

**New, revised or amending Accounting Standards and Interpretations adopted**

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

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

**Comparatives**

During the current year certain items have been reclassified to ensure accurate disclosure. Comparative information has been reclassified and repositioned to be consistent with current year disclosures.

**Basis of preparation**

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Urban Development Institute of Australia (Victoria). The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Urban Development Institute of Australia (Victoria).

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') 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', AASB 1031 'Materiality', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

*Income recognition*

Existing members' fees are recognised as income in the year they are received. New memberships approved in the last quarter of the year are recognised as income in the next financial year. Memberships fees received in advance are not recognised as income in the year they are received but rather are reflected in the statement of financial position as a current liability. Sponsorship income is recognised as income in the year received.

*Interest*

Interest is recognised on a proportional basis taking into account the interest rate applicable to the financial assets.

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.



**Note 1. Significant accounting policies (continued)**

**Income tax**

The income tax expense or benefit for the period is the tax payable on the period's taxable income based on the applicable income tax rate, adjusted changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses and the adjustment recognised for prior periods, where applicable. Income tax is determined by applying the principle of mutuality.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**Cash and cash equivalents**

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

**Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Other receivables are recognised at amortised cost, less any provision for impairment.

**Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

|                              |             |
|------------------------------|-------------|
| Office furniture & equipment | 7.5% - 40%  |
| Leasehold Improvements       | 2.5%        |
| Computer equipment           | 37.5% - 50% |

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

**Intangible assets**

**Software**

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

**Note 1. Significant accounting policies (continued)**

**Trade and other payables**

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

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

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

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

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

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 December 2014. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**Note 2. Critical accounting judgements, estimates and assumptions**

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

*Provision for impairment of receivables*

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors financial position.

**Note 2. Critical accounting judgements, estimates and assumptions (continued)**

*Estimation of useful lives of assets*

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

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**Note 3. Revenue**

|                             | 2014<br>\$       | 2013<br>\$       |
|-----------------------------|------------------|------------------|
| Membership fees             | 731,848          | 649,042          |
| Functions and entertainment | 360,528          | 356,492          |
| Sponsorship                 | 113,531          | 66,000           |
| Interest received           | 13,352           | 12,917           |
| National conference         | -                | 1,227,446        |
| State conference            | 149,977          | 36,700           |
| UDIA outlook                | 60,045           | 54,197           |
| Other income                | 26,854           | 8,508            |
| Research income             | 2,727            | 37,455           |
| Environmental certification | 128,489          | 196,395          |
| Revenue                     | <u>1,587,351</u> | <u>2,645,152</u> |

**Note 4. Income tax expense**

|  | 2014<br>\$      | 2013<br>\$      |
|--|-----------------|-----------------|
| <i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>  |                 |                 |
| Deficit before income tax expense  | <u>(49,594)</u> | <u>(40,002)</u> |
| Tax at the statutory tax rate of 30%   | (14,878)        | (12,001)        |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: |                 |                 |
| Tax of exempt income   | <u>18,884</u>   | <u>15,876</u>   |
| Income tax expense   | <u>4,006</u>    | <u>3,875</u>    |

**Note 5. Current assets - cash and cash equivalents**

|                 | 2014<br>\$     | 2013<br>\$     |
|-----------------|----------------|----------------|
| Cash on hand    | 100            | 100            |
| Cash at bank    | 57,654         | 181,471        |
| Cash on deposit | <u>354,788</u> | <u>341,827</u> |
|                 | <u>412,542</u> | <u>523,398</u> |

**Note 6. Current assets - trade and other receivables**

|   | 2014<br>\$    | 2013<br>\$    |
|---|---------------|---------------|
| Trade receivables                             | 88,568        | 69,385        |
| Less: Provision for impairment of receivables | (15,000)      | (27,030)      |
|   | <u>73,568</u> | <u>42,355</u> |
| Other receivables                             | 63            | -             |
| Employee loans                                | 474           | 94            |
| Deposits paid                                 | 6,929         | 6,929         |
| GST receivable                                | 1,245         | -             |
|   | <u>82,279</u> | <u>49,378</u> |

**Note 7. Current assets - income tax refund due**

|                       | 2014<br>\$   | 2013<br>\$   |
|-----------------------|--------------|--------------|
| Income tax refund due | <u>1,966</u> | <u>5,344</u> |

**Note 8. Current assets - other**

|             | 2014<br>\$   | 2013<br>\$   |
|-------------|--------------|--------------|
| Prepayments | <u>1,674</u> | <u>8,312</u> |

**Note 9. Non-current assets - property, plant and equipment**

|                                  | 2014<br>\$    | 2013<br>\$    |
|----------------------------------|---------------|---------------|
| Leasehold improvements - at cost | 31,245        | 31,245        |
| Less: Accumulated depreciation   | (5,001)       | (4,220)       |
|                                  | <u>26,244</u> | <u>27,025</u> |
| Fixtures and fittings - at cost  | 68,680        | 75,158        |
| Less: Accumulated depreciation   | (41,517)      | (41,818)      |
|                                  | <u>27,163</u> | <u>33,340</u> |
| Computer equipment - at cost     | 37,823        | 26,548        |
| Less: Accumulated depreciation   | (17,444)      | (20,450)      |
|                                  | <u>20,379</u> | <u>6,098</u>  |
|                                  | <u>73,786</u> | <u>66,463</u> |

**Urban Development Institute of Australia (Victoria)**  
**Notes to the financial statements**  
**31 December 2014**

**Note 9. Non-current assets - property, plant and equipment (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

|                             | Office Furn<br>& Equipment<br>\$ | Leasehold<br>Improvements<br>\$ | Computer<br>Equipment<br>\$ | Total<br>\$   |
|-----------------------------|----------------------------------|---------------------------------|-----------------------------|---------------|
| Balance at 1 January 2013   | 35,022                           | 27,806                          | 9,983                       | 72,811        |
| Additions                   | 3,303                            | -                               | -                           | 3,303         |
| Disposals                   | (395)                            | -                               | (150)                       | (545)         |
| Depreciation expense        | (4,590)                          | (781)                           | (3,735)                     | (9,106)       |
| Balance at 31 December 2013 | 33,340                           | 27,025                          | 6,098                       | 66,463        |
| Additions                   | -                                | -                               | 22,572                      | 22,572        |
| Disposals                   | (2,217)                          | -                               | (1,679)                     | (3,896)       |
| Depreciation expense        | (3,960)                          | (781)                           | (6,612)                     | (11,353)      |
| Balance at 31 December 2014 | <u>27,163</u>                    | <u>26,244</u>                   | <u>20,379</u>               | <u>73,786</u> |

**Note 10. Non-current assets - intangibles**

|                                | 2014<br>\$   | 2013<br>\$   |
|--------------------------------|--------------|--------------|
| Software - at cost             | 23,176       | 23,176       |
| Less: Accumulated amortisation | (19,590)     | (17,441)     |
|                                | <u>3,586</u> | <u>5,735</u> |

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

|                             | Software<br>Packages<br>\$ | Total<br>\$  |
|-----------------------------|----------------------------|--------------|
| Balance at 1 January 2013   | 9,173                      | 9,173        |
| Amortisation expense        | (3,438)                    | (3,438)      |
| Balance at 31 December 2013 | 5,735                      | 5,735        |
| Amortisation expense        | (2,149)                    | (2,149)      |
| Balance at 31 December 2014 | <u>3,586</u>               | <u>3,586</u> |



**Note 11. Current liabilities - trade and other payables**

|                            | <b>2014</b>    | <b>2013</b>   |
|----------------------------|----------------|---------------|
|                            | <b>\$</b>      | <b>\$</b>     |
| Trade payables             | 8,070          | 9,688         |
| Accrued expenses           | 24,491         | 51,042        |
| Payroll liabilities        | 58,080         | 22,671        |
| Income received in advance | 23,001         | 4,491         |
| Transfer account           | 420            | 420           |
| GST payable                | -              | 8,328         |
|                            | <u>114,062</u> | <u>96,640</u> |

**Note 12. Current liabilities - employee benefits**

|                    | <b>2014</b>   | <b>2013</b>    |
|--------------------|---------------|----------------|
|                    | <b>\$</b>     | <b>\$</b>      |
| Annual leave       | 47,645        | 80,250         |
| Long service leave | 15,917        | 33,354         |
|                    | <u>63,562</u> | <u>113,604</u> |

**Note 13. Non-current liabilities - employee benefits**

|                    | <b>2014</b> | <b>2013</b> |
|--------------------|-------------|-------------|
|                    | <b>\$</b>   | <b>\$</b>   |
| Long service leave | 14,842      | 11,419      |

**Note 14. Equity - retained surpluses**

|   | <b>2014</b>    | <b>2013</b>    |
|---|----------------|----------------|
|   | <b>\$</b>      | <b>\$</b>      |
| Retained surpluses at the beginning of the financial year | 436,967        | 480,844        |
| Deficit after income tax expense for the year             | (53,600)       | (43,877)       |
| Retained surpluses at the end of the financial year       | <u>383,367</u> | <u>436,967</u> |

**Note 15. Key management personnel disclosures**

*Directors*

The following persons were directors of Urban Development Institute of Australia (Victoria) during the financial year:

Mr Rory Costelloe  
Mr Jason Shaw  
Mr Anthony Lennon  
Mr John Cicero  
Mr Luke Hartman  
Mr David Payes  
Mr Steve Copland  
Mr Stephen Hynes  
Ms Tania Quick  
Mr Peter Vlitas  
Mr Damien Tangey  
Mr Marc Cini  
Ms Bettina Sheeran  
Mr Andrew Perkins  
Mr Frank Nagle

*Compensation*

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

|                              | 2014<br>\$     | 2013<br>\$     |
|------------------------------|----------------|----------------|
| Short-term employee benefits | 272,830        | 186,708        |
| Long-term benefits           | -              | 17,122         |
|                              | <u>272,830</u> | <u>203,830</u> |

**Note 16. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Loren Datt Audit Pty Ltd, the auditor of the company:

|  | 2014<br>\$    | 2013<br>\$    |
|--|---------------|---------------|
| <i>Audit services - Loren Datt Audit Pty Ltd</i> |               |               |
| Audit of the financial statements                | <u>11,000</u> | <u>10,000</u> |

**Note 17. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Note 18. Reconciliation of deficit after income tax to net cash from/(used in) operating activities**

|   | <b>2014</b>     | <b>2013</b>   |
|---|-----------------|---------------|
|   | <b>\$</b>       | <b>\$</b>     |
| Deficit after income tax expense for the year         | (53,600)        | (43,877)      |
| Adjustments for:                                      |                 |               |
| Depreciation and amortisation                         | 13,502          | 12,544        |
| Net loss on disposal of property, plant and equipment | 3,896           | 545           |
| Change in operating assets and liabilities:           |                 |               |
| Decrease/(increase) in trade and other receivables    | (31,656)        | 13,714        |
| Decrease in prepayments                               | 6,638           | 227,670       |
| Increase/(decrease) in trade and other payables       | 16,177          | (181,366)     |
| Increase/(decrease) in provision for income tax       | 3,378           | (3,674)       |
| Decrease in employee benefits                         | (46,619)        | (2,542)       |
| Net cash from/(used in) operating activities          | <u>(88,284)</u> | <u>23,014</u> |

**Urban Development Institute of Australia (Victoria)**  
**Directors' declaration**  
**31 December 2014**

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Urban Development Institute of Australia (Victoria);
- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 31 December 2014 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



David Payes  
President



Peter Vlitas  
Treasurer

7 May 2015  
Melbourne

## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF URBAN DEVELOPMENT INSTITUTE OF AUSTRALIA (VICTORIA)**

### **Scope**

#### **Report on the Financial Report**

We have audited the accompanying financial report of Urban Development Institute of Australia (Victoria), which comprises the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### **Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet 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 is free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity's 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### **Independence**

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Urban Development Institute of Australia (Victoria), would be in the same terms if given to the directors as at the time of this auditor's report.



### Opinion

In our opinion the financial report of Urban Development Institute of Australia (Victoria) is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's financial position as at 31 December 2014 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

### Basis of Accounting

Without modifying our opinion, 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 directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Yours faithfully



**LOREN DATT**

Registered Company Auditor  
Registration: 339204

7 May 2015



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