

# Financial statements

These financial statements are consolidated financial statements of the Group consisting of Australian Unity Limited and its subsidiaries. The financial statements are presented in the Australian currency.

Australian Unity Limited is a company limited by shares and guarantee, however no shares have been issued. The Company is incorporated and domiciled in Australia and its registered office and principal place of business is:

Level 15, 271 Spring Street  
Melbourne VIC 3000

A description of the nature of the consolidated entity's operations and its principal activities is included in the directors' report on pages 19 to 29 which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 28 August 2019.

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## Consolidated statement of comprehensive income

For the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
<b>Continuing operations</b>			
<b>Revenue and other income</b>	2	<b>1,608,670</b>	1,486,662
Expenses, excluding finance costs	3	<b>(1,493,658)</b>	(1,484,142)
Operating profit		<b>115,012</b>	2,520
Finance costs	3	<b>(17,739)</b>	(20,543)
Share of net loss of joint ventures		<b>(44)</b>	(121)
<b>Profit/(loss) before income tax</b>		<b>97,229</b>	(18,144)
Income tax benefit/(expense)	4	<b>(44,228)</b>	2,826
<b>Profit/(loss) from continuing operations</b>		<b>53,001</b>	(15,318)
Discontinued operations			
Profit from discontinued operation		-	66,860
<b>Profit after income tax</b>		<b>53,001</b>	51,542
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss		-	-
Cash flow hedges	17(a)	<b>(4,202)</b>	841
Income tax relating to this item	17(a)	<b>1,522</b>	(252)
<i>Items that will not be reclassified to profit or loss</i>		-	-
Remeasurements of post-employment benefit obligations	17(a)	<b>202</b>	451
<b>Other comprehensive income for the year, net of tax</b>		<b>(2,478)</b>	1,040
<b>Total comprehensive income for the year</b>		<b>50,523</b>	52,582
<b>Profit for the year is attributable to:</b>			
Members of Australian Unity Limited		<b>53,001</b>	51,542
<b>Total comprehensive income for the year is attributable to:</b>			
Members of Australian Unity Limited		<b>50,523</b>	52,582
Total comprehensive income for the year attributable to members of Australian Unity Limited arises from:			
Continuing operations		<b>50,523</b>	(14,278)
Discontinued operation		-	66,860
		<b>50,523</b>	52,582

The above Consolidated statement of comprehensive income should be read in conjunction with the accompanying notes, specifically the allocation of the consolidated income statement between Members' Funds and Benefit Funds outlined in note 25.

## Consolidated balance sheet

As at 30 June 2019

	Notes	2019 \$'000	2018 \$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	944,767	1,011,024
Trade and other receivables		111,821	136,489
Loans and advances	6	14,977	11,929
Financial assets at fair value through profit or loss	7	1,982,707	1,784,580
Other financial assets at amortised cost	8	56,904	61,744
Other current assets		31,316	23,898
<b>Total current assets</b>		<b>3,142,492</b>	<b>3,029,664</b>
<b>Non-current assets</b>			
Loans and advances	6	725,820	643,535
Financial assets at fair value through profit or loss	7	21,446	30,521
Investments in associates and joint ventures		15,409	27,431
Investment properties	12	1,327,551	1,169,437
Property, plant and equipment	13	250,568	217,280
Intangible assets	14	323,764	329,004
Other non-current assets		9,566	9,912
<b>Total non-current assets</b>		<b>2,674,124</b>	<b>2,427,120</b>
<b>Total assets</b>		<b>5,816,616</b>	<b>5,456,784</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		190,409	134,705
Borrowings	9	815,568	738,843
Current tax liabilities		19,457	31,786
Provisions	16	119,929	118,117
Other current liabilities	10	1,275,843	1,204,001
Benefit fund policy liabilities	33	364,276	320,395
<b>Total current liabilities</b>		<b>2,785,482</b>	<b>2,547,847</b>
<b>Non-current liabilities</b>			
Borrowings	9	303,285	300,021
Deferred tax liabilities	15	86,048	66,702
Provisions		4,825	4,524
Other non-current liabilities		6,042	2,164
Benefit fund policy liabilities	33	1,912,541	1,861,969
<b>Total non-current liabilities</b>		<b>2,312,741</b>	<b>2,235,380</b>
<b>Total liabilities</b>		<b>5,098,223</b>	<b>4,783,227</b>
<b>Net assets</b>		<b>718,393</b>	<b>673,557</b>
<b>EQUITY</b>			
Members' balances		255,919	255,919
Reserves	17(a)	2,931	5,409
Retained earnings	17(b)	459,543	412,229
Equity attributable to members of Australian Unity Limited		718,393	673,557
<b>Total equity</b>		<b>718,393</b>	<b>673,557</b>

The above Consolidated balance sheet should be read in conjunction with the accompanying notes.

## Consolidated statement of changes in equity

For the year ended 30 June 2019

	Notes	Members' balances \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 July 2017</b>		255,919	4,369	360,687	620,975
Profit for the year		-	-	51,542	51,542
Other comprehensive income					
- Cash flow hedges	17(a)	-	589	-	589
- Post-employment benefits	17(a)	-	451	-	451
<b>Total comprehensive income</b>		-	1,040	51,542	52,582
<b>Balance at 30 June 2018</b>		255,919	5,409	412,229	673,557
<b>Balance at 1 July 2018</b>		<b>255,919</b>	<b>5,409</b>	<b>412,229</b>	<b>673,557</b>
Adjustment on adoption of AASB 15, net of tax	36	-	-	(5,687)	(5,687)
Profit for the year		-	-	53,001	53,001
Other comprehensive income					
- Cash flow hedges	17(a)	-	(2,680)	-	(2,680)
- Post-employment benefits	17(a)	-	202	-	202
<b>Total comprehensive income</b>		-	(2,478)	47,314	44,836
<b>Balance at 30 June 2019</b>		<b>255,919</b>	<b>2,931</b>	<b>459,543</b>	<b>718,393</b>

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

## Consolidated statement of cash flows

For the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)		1,324,918	1,372,336
Payments to suppliers and employees (inclusive of goods and services tax)		(710,458)	(727,431)
Health insurance claims and benefits paid		(543,268)	(599,742)
Life investment contracts - Contributions received		343,957	324,725
Life investment contracts - Withdrawals		(363,348)	(314,606)
Life insurance - Premiums received		258	270
Life insurance - Policy claims paid		(1,061)	(8,878)
Net receipts/(payments) of loans asset		(85,989)	43,368
Net receipts/(payments) of deposits liability		99,611	(49,832)
Interest received		39,599	37,545
Dividends and distributions received		12,616	8,285
Interest and finance charges paid		(29,135)	(30,996)
Income tax refunds/(payments)		(26,453)	21,683
<b>Net cash inflow from operating activities</b>	18	<b>61,247</b>	<b>76,727</b>
<b>Cash flows from investing activities</b>			
Payments for business combination, net of cash receipt		(9,310)	(4,858)
Payments for investments		(934,433)	(855,796)
Payments for investment properties		(118,480)	(90,371)
Payments for property, plant and equipment		(29,157)	(43,185)
Payments for intangible assets		(17,179)	(10,272)
Payments for investments in associates and joint ventures		(2,850)	(3,749)
Receipts from investments		928,156	850,163
Proceeds from sale of a subsidiary, net of cash held by the subsidiary		-	81,609
Receipts from joint venture's capital returns		7,436	-
Dividends received from joint ventures		767	530
<b>Net cash outflow from investing activities</b>		<b>(175,050)</b>	<b>(75,929)</b>
<b>Cash flows from financing activities</b>			
Receipts from borrowings		11,058	7,405
Payments of borrowings		(32,022)	(15,425)
Receipts from refundable lease deposits and resident liabilities		68,510	124,521
<b>Net cash inflow from financing activities</b>		<b>47,546</b>	<b>116,501</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(66,257)</b>	<b>117,299</b>
Cash and cash equivalents at the beginning of the year		1,011,024	893,725
<b>Cash and cash equivalents at the end of the year</b>	5	<b>944,767</b>	<b>1,011,024</b>
<b>Cash flows from discontinued operation</b>		<b>-</b>	<b>82,938</b>

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