

Youth Coalition of the ACT

ABN: 59 552 254 521

Financial Statements

For the Year Ended 30 June 2018

Youth Coalition of the ACT

ABN: 59 552 254 521

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For the Year Ended 30 June 2018

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Youth Coalition of the ACT

ABN: 59 552 254 521

**Committee's Report
30 June 2018**

In accordance with the requirements of Section 73 (1) (c) of the Associations Incorporation Act 1991, the committee members submit the financial report of the Association for the financial year ended 30 June 2018.

General information

Committee members

The names of committee members throughout the year and at the date of this report are:

Michelle Vaessen - McLean	President
Ryan Harris	Vice President (Resigned May 2018)
Kevin Lu	Treasurer (Appointed June 2018)
Suella Jarvis	Treasurer (Resigned June 2018)
Ari Wright	Member
Sarah Wilson	Member
Shaun Hodson	Member
Sophie Hope	Member (Resigned July 2017)
Katie Peek	Member (Appointed Jan 2018)
Kieran Purves	Staff Liaison/Member
Hannah Watts	Acting Director (Resigned 31 January 2018)
Justin Barker	Executive Director (Appointed 14 February 2018)

Principal activities

The principal activities of the Association during the financial year ended 30 June 2018 were to promote the wellbeing and aspirations of young people in the ACT, particularly with respect to their economic, cultural, political, spiritual, educational and social development.

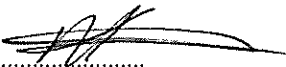
Significant changes

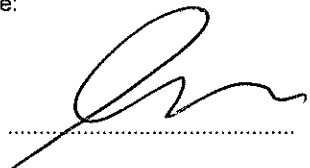
No significant change in the nature of these activities occurred during the year.

Operating result

The profit of the Association for the financial year amounted to \$58,778 (2017: \$ 37,926).

Signed in accordance with a resolution of the Members of the Committee:

Michelle Vaessen - McLean: 
President

Kevin Lu: 
Treasurer

Dated this 9th day of October 2018

Youth Coalition of the ACT

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2018

		2018	2017
	Note	\$	\$
Revenue	4	457,598	563,459
Other revenue	4(a)	17,872	20,138
Employee benefits expense		(334,501)	(458,825)
Depreciation and amortisation expense		(1,294)	(1,361)
Board/ Governance		(209)	(37)
Other operating expenses	5	(80,688)	(85,447)
Profit before income tax		58,778	37,927
Income tax expense		-	-
Profit for the year		58,778	37,927

The accompanying notes form part of these financial statements.

Youth Coalition of the ACT

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Statement of Financial Position

30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	299,273	154,914
Trade and other receivables	7	8,725	47,298
Other assets	8	4,384	4,689
TOTAL CURRENT ASSETS		312,382	206,901
NON-CURRENT ASSETS			
Property, plant and equipment	9	30,827	6,823
TOTAL NON-CURRENT ASSETS		30,827	6,823
TOTAL ASSETS		343,209	213,724
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	46,155	47,409
Employee benefits	11	18,589	17,532
Other financial liabilities	12	73,239	-
TOTAL CURRENT LIABILITIES		137,983	64,941
NON-CURRENT LIABILITIES			
Employee benefits	11	388	2,723
TOTAL NON-CURRENT LIABILITIES		388	2,723
TOTAL LIABILITIES		138,371	67,664
NET ASSETS		204,838	146,060
EQUITY			
Retained earnings		204,838	146,060
TOTAL EQUITY		204,838	146,060

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2018

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2017	146,060	146,060
Net Surplus for the year	58,778	58,778
Balance at 30 June 2018	204,838	204,838

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2016	108,673	108,673
Net Surplus for the year	37,927	37,927
Prior period adjustments	(540)	(540)
Balance at 30 June 2017	146,060	146,060

The accompanying notes form part of these financial statements.

Youth Coalition of the ACT

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Statement of Cash Flows For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers & government	575,619	537,852
Payments to suppliers and employees	(407,046)	(575,465)
Interest received	1,084	1,192
Net cash provided by/(used in) operating activities	<u>169,657</u>	<u>(36,421)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(25,298)	(1,260)
Net cash used by investing activities	<u>(25,298)</u>	<u>(1,260)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	144,359	(37,681)
Cash and cash equivalents at beginning of year	154,914	192,595
Cash and cash equivalents at end of financial year	6 <u>299,273</u>	<u>154,914</u>

The accompanying notes form part of these financial statements.

Youth Coalition of the ACT

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Notes to the Financial Statements

For the Year Ended 30 June 2018

The financial statements cover Youth Coalition of the ACT as an individual entity. Youth Coalition of the ACT is a not-for-profit Association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* ('the Act').

The functional and presentation currency of Youth Coalition of the ACT is Australian dollars.

1 Basis of Preparation

The financial statements are general purpose - Reduced Disclosure Regime that have been prepared in accordance with the Australian Accounting Standards and the Act.

2 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the period in which they occur.

(c) Revenue and other income

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

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

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

Sale of goods

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

Interest revenue

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

Grant income

Grants are treated according to the specifications of the grant funding deeds. Grant income and expenses are recognised as specified by each grant funding deed. Grants required to be returned to the funding provider due to specific circumstances are treated as unexpended grants which form part of the liabilities in the balance sheet at the end of the financial year.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(c) **Revenue and other income**

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(d) **Goods and services tax (GST)**

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

Receivables and payables are stated inclusive of GST.

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.

(e) **Property, plant and equipment**

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

Plant and equipment is measured on the cost basis and is therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount.

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

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use

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

Fixed asset class	Depreciation rate
Furniture & Fittings	2.5% - 20%
Computer and Office Equipment	5% - 33%

(f) **Financial instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Notes to the Financial Statements For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial Assets

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

- loans and receivables;

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

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

The Association's trade and other receivables fall into this category of financial instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Association uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Association's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

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

Financial assets at amortised cost

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

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

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(h) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(i) Economic dependence

Youth Coalition of the ACT is dependent on the ACT Health for the majority of its revenue used to operate the business. At the date of this report the committee members have no reason to believe the ACT Health will not continue to support Youth Coalition of the ACT.

3 Critical Accounting Estimates and Judgements

The committee members make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

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

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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Notes to the Financial Statements For the Year Ended 30 June 2018

4 Revenue and Other Income

	2018	2017
	\$	\$
Funding & membership		
- Grant funding	451,609	548,769
- Registration/Training Fee/Membership	4,905	13,498
Finance income		
- Interest received	1,084	1,192
Total Revenue	<u>457,598</u>	<u>563,459</u>
(a) Other Income Breakup		
- Rental income	4,625	3,505
- Publication sales	44	49
- Recoupment (inc FACT)	13,203	16,585
Total Other income	<u>17,872</u>	<u>20,139</u>
	<u>475,470</u>	<u>583,598</u>

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Notes to the Financial Statements For the Year Ended 30 June 2018

5 Other operating expenses

	2018	2017
	\$	\$
Advertising	2,353	3,694
Accounting & auditing expenses	7,402	10,010
Bank charges	111	222
Cleaning	8,969	8,652
Computer expenses	8,838	4,118
Conference/seminar costs	2,520	2,067
Consultants	17,473	22,000
Equipment	2,845	2,478
Fees and permits	720	83
Hire	-	738
Insurance	7,506	7,874
Training & staff development	4,141	3,309
Other expenses	2,478	5,270
Postage	313	423
Printing and stationery	2,630	2,045
Motor vehicle expenses	1,425	1,653
Staff amenities	1,273	742
Subscriptions	714	1,082
Telephone and fax	4,525	4,161
Travel & accommodation	846	1,539
Utilities	3,606	3,287
Total of Operating expenses	80,688	85,447

6 Cash and Cash Equivalents

Bank balances	276,557	132,306
Cash at bank	276,557	132,306
Short-term deposits	22,532	22,532
Petty cash	184	76
	299,273	154,914

7 Trade and Other Receivables

CURRENT		
Trade receivables	8,725	47,298
	8,725	47,298

8 Other Assets

CURRENT		
Prepayments	4,384	4,654
Accrued income	-	35
	4,384	4,689

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Notes to the Financial Statements For the Year Ended 30 June 2018

9 Property, plant and equipment

	2018	2017
	\$	\$
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	25,773	16,879
Depreciation	(12,221)	(11,868)
	<u>13,552</u>	<u>5,011</u>
Office equipment		
At cost	131,896	115,492
Depreciation	(114,621)	(113,680)
	<u>17,275</u>	<u>1,812</u>
Total property, plant and equipment	<u><u>30,827</u></u>	<u><u>6,823</u></u>

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Furniture, Fixtures and Fittings	Office Equipment	Total
	\$	\$	\$
Year ended 30 June 2018			
Balance at the beginning of year	5,011	1,812	6,823
Additions	8,894	16,404	25,298
Depreciation expense	(353)	(941)	(1,294)
Balance at the end of the year	<u><u>13,552</u></u>	<u><u>17,275</u></u>	<u><u>30,827</u></u>

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Notes to the Financial Statements For the Year Ended 30 June 2018

10 Trade and Other Payables

	2018	2017
	\$	\$
Current		
Trade payables	9,582	1,518
GST payable	7,990	17,696
Accrued expenses	5,720	5,456
Superannuation payable	8,594	9,493
LSL payable	1,035	1,592
Other payables	13,234	11,654
	<u>46,155</u>	<u>47,409</u>

11 Employee Benefits

Current liabilities		
Provision for annual leave	18,589	17,532
	<u>18,589</u>	<u>17,532</u>
Non-current liabilities		
Provision for long service leave	388	2,723
	<u>388</u>	<u>2,723</u>

12 Other Financial Liabilities

CURRENT		
Amounts received in advance	73,239	-
	<u>73,239</u>	<u>-</u>

13 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Association is \$ 150,360 (2017: \$ 77,946).

14 Contingencies

As at the end of the reporting period the association has no known contingent liabilities or contingent assets.

15 Related Parties

Key management personnel - refer to Note 13.

(a) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Youth Coalition of the ACT

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Notes to the Financial Statements For the Year Ended 30 June 2018

16 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 Association, the results of those operations or the state of affairs of the Association in future financial years.

17 Statutory Information

Principal place of business of the association is:

Youth Coalition of the ACT
46 Clianthus St.
O'Connor ACT 2602

Youth Coalition of the ACT

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Statement by Members of the Committee

In the opinion of the Committee of the Youth Coalition of the ACT the financial report:

1. Presents fairly the financial position of Youth Coalition of the ACT as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Youth Coalition of the ACT will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

Michelle Vaessen - McLean
President

Kevin Lu.....
Treasurer

Dated this 9th day of October 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

YOUTH COALITION OF THE ACT

Opinion

We have audited the financial report of Youth Coalition of ACT (the Association), which comprises the statement of financial position as at 30 June 2018, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and managements' assertion statement.

In our opinion, the financial report of Youth Coalition of ACT:

- a) gives a true and fair view of the Association's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
- b) is in accordance with the accounting policies described in Note 1, and the provisions of the *Associations Incorporation Act 1991*.

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 Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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 the 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association'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 Association 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.

We communicate with those charged with governance 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

MCS Audit Pty Ltd



Phillip Miller CA
Director

Canberra, 9 October 2018