

**BRISBANE YOUTH SERVICE INC.**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2018**

**BRISBANE YOUTH SERVICE INC.**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b><u>Note</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Revenue	2	6,985,765	6,585,840
Other Income	2	181,982	143,568
Employee benefits expense		5,077,617	4,711,502
Depreciation and amortisation expense		49,750	67,705
Insurance		50,435	59,201
Motor vehicle and travel expenses		149,542	149,982
Property expenses		446,579	462,474
Staff training and development expenses		171,081	68,749
Audit, legal and consultancy fees		56,142	29,088
Client support services expense		378,280	316,972
Other operating costs		500,331	539,789
		<hr/>	<hr/>
<b>Current year surplus before income tax</b>		287,990	323,946
Income tax expense		-	-
		<hr/>	<hr/>
<b>Net current year surplus</b>		287,990	323,946
		<hr/>	<hr/>
<b>Other comprehensive income</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		\$287,990	\$323,946
		<hr/>	<hr/>
<b>Total comprehensive income attributable to members of the entity</b>		\$287,990	\$323,946
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The accompanying notes form part of these financial statements.

**BRISBANE YOUTH SERVICE INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b><u>Note</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash on Hand		2,013	2,009
Cash at Bank	3	462,863	720,737
Debtors ,Prepayments & Deposits	4	211,377	135,792
<b>Total Current Assets</b>		<b>676,253</b>	<b>858,538</b>
<b>Investments</b>	5	<b>3,798,665</b>	<b>3,718,866</b>
<b>Fixed Assets</b>	6	<b>2,730,113</b>	<b>2,668,204</b>
<b>TOTAL ASSETS</b>		<b>\$7,205,031</b>	<b>\$7,245,608</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Creditors & Accruals	7	630,132	646,428
Employee Provisions	8	727,054	840,048
Income Received & Unexpended	9	-	199,277
<b>Total Current Liabilities</b>		<b>1,357,186</b>	<b>1,685,753</b>
<b>Non-Current Liabilities</b>			
Borrowings	10	522,000	522,000
<b>Total Non-Current Liabilities</b>		<b>522,000</b>	<b>522,000</b>
<b>TOTAL LIABILITES</b>		<b>1,879,186</b>	<b>2,207,753</b>
<b>NET ASSETS</b>		<b>\$5,325,845</b>	<b>\$5,037,855</b>
<b>MEMBERS FUNDS</b>			
Retained Surplus		5,325,845	5,037,855
<b>TOTAL MEMBERS FUNDS</b>		<b>\$5,325,845</b>	<b>\$5,037,855</b>

The accompanying notes form part of these financial statements.

**BRISBANE YOUTH SERVICE INC.**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b><u>Retained Surplus</u></b>	<b><u>Revaluation Surplus</u></b>	<b><u>Financial Assets Reserve</u></b>	<b><u>Total</u></b>
<b>Balance at 1 July 2016</b>	\$3,367,535	\$1,346,374	\$NIL	\$4,713,909
<b>Comprehensive Income</b>				
Surplus for the year attributable to members of the entity	323,946	-	-	323,946
<b>Total comprehensive income attributable to members of the entity</b>	323,946	-	-	323,946
<b>Balance at 30 June 2017</b>	\$3,691,481	\$1,346,374	\$NIL	\$5,037,855
<b>Balance at 1 July 2017</b>	\$3,691,481	\$1,346,374	\$NIL	\$5,037,855
<b>Comprehensive Income</b>				
Surplus for the year attributable to members of the entity	287,990	-	-	287,990
<b>Total comprehensive income attributable to members of the entity</b>	287,990	-	-	287,990
<b>Balance at 30 June 2018</b>	\$3,979,471	\$1,346,374	\$NIL	\$5,325,845

The accompanying notes form part of these financial statements.

**BRISBANE YOUTH SERVICE INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Grant Funding	6,426,394	6,320,425
Interest	122,465	124,943
Other Income	407,029	472,038
<b>Payments</b>		
Wages & Salaries & Other Supplies	7,047,042	6,309,490
<b>Net cash provided by (used in) operating activities</b>	<u>(\$91,154)</u>	<u>\$607,916</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for purchase of plant & equipment	(115,099)	(19,488)
Receipt for sale of plant & equipment	28,182	-
<b>Net cash provided by (used in) investing activities</b>	<u>(\$86,917)</u>	<u>(\$19,488)</u>
<b>CASH FLOWS FROM FINANCIAL ACTIVITIES</b>		
Net increase/(decrease) in cash held	(178,071)	588,428
Cash at beginning of the reporting period	4,441,612	3,853,184
<b>Cash at end of the reporting period</b>	<u>\$4,263,541</u>	<u>\$4,441,612</u>
<b>Reconciliation of Net Surplus/Deficit to Net Cash Provided by (Used in) Operating Activities</b>		
Operating Result	287,990	323,946
- Depreciation	49,750	67,705
- Profit/Loss on sale of Asset	(24,742)	-
- Increase/(Decrease) in Payables	(16,296)	109,286
- Increase/(Decrease) in Provisions	(112,994)	(81,019)
- (Increase)/Decrease in Deposits & Debtors	(75,585)	51,520
- Increase/(Decrease) in Grants Unexpended	(199,277)	136,478
<b>Net cash provided by (used in) operating activities</b>	<u>(\$91,154)</u>	<u>\$607,916</u>

The accompanying notes form part of these financial statements.

**BRISBANE YOUTH SERVICE INC.**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirement of the Associations Incorporated Act (Qld) and Australian Charities and Not-for-Profits Commission Act 2012. The committee has determined that the association is not a reporting entity.

The report is also prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**(a) Fixed Assets - Depreciation**

No depreciation is charged on land and buildings.

Depreciation is charged on all other Fixed Assets on the Prime Cost Method and is brought to account over the estimated economic lives of all Assets.

**(b) Comparative Figures**

Comparative figures, where necessary, have been reclassified in order to comply with the presentation adopted in the figures reported for the current financial year.

**(c) Employee Entitlements**

Liabilities for Wages & Salaries and Annual Leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

**(d) Income Tax**

The Association is exempted from tax under section 50-10 of the Income Tax Assessment Act 1997.

**(e) Economic Dependence**

The Brisbane Youth Service Inc. is dependant on government funding to operate. As at the date of the report the committee has no reason to believe the government will not continue to support the organisation.

**BRISBANE YOUTH SERVICE INC.**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(f) Land & Buildings**

All properties have been included as assets of Brisbane Youth Service Inc. in the accounts at Note 5 and are valued at committee's valuation.

**(g) Borrowings**

The organisation signed a new Mortgage Agreement during last year.

The borrowings amount reflects the non-interest loan as per Mortgage Agreement with The Department of Public Works and Housing.

**BRISBANE YOUTH SERVICE INC.**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<u>2018</u>	<u>2017</u>
<b>2. REVENUE AND OTHER INCOME</b>		
<b>Revenue</b>		
<b>Revenue from Government Grants</b>		
Department of Housing and Public Works	4,806,953	4,592,131
Department of Child Safety, Youth and Women	712,434	675,688
Department of Social Services	71,666	71,666
Department of Health & Ageing	663,352	633,166
Queensland Health	318,763	178,828
	6,573,168	6,151,479
<b>Other Revenue</b>		
Non-Recurrent Funding	52,502	76,854
Interest	122,465	124,943
Medicare	47,881	46,713
Rent	189,749	185,851
	6,985,765	6,585,840
<b>TOTAL REVENUE</b>		
<b>Other Income</b>		
Donations	156,287	132,193
Disposal of Assets	24,742	-
Sundry Income	953	11,375
	181,982	143,568
<b>TOTAL OTHER INCOME</b>		
<b>TOTAL REVENUE AND OTHER INCOME</b>		
	\$7,167,747	\$6,729,408
<b>3. CASH AT BANK</b>		
Operating Account	176,355	512,821
Donation Account	128,466	78,071
Rental Account - 1	147,898	129,481
Community Grant Account	9,779	-
Other Accounts	365	364
	\$462,863	\$720,737
<b>4. DEBTORS, PREPAYMENTS &amp; DEPOSITS</b>		
Deposits & Bonds	5,710	5,710
Debtors & Prepayments	205,667	130,082
	\$211,377	\$135,792



**BRISBANE YOUTH SERVICE INC.**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<u>2018</u>	<u>2017</u>
<b>5. INVESTMENTS</b>		
Term Deposit	2,200,000	2,200,000
Cash Management Account	16,741	32,460
Business Cash Maximiser	1,138,387	632,593
Business Websaving	-	415,622
Premier Investment Account	421,343	416,643
Premier Cecilia Kilkeary	22,194	21,548
	<hr/>	<hr/>
	\$3,798,665	\$3,718,866
	<hr/>	<hr/>
<b>6. FIXED ASSETS</b>		
Land & Buildings - at Committee Valuation	2,550,000	2,550,000
Motor Vehicles	523,922	479,753
Less Accumulated Depreciation	368,181	396,089
	<hr/>	<hr/>
	155,741	83,664
Office Furniture	31,050	31,050
Less Accumulated Depreciation	31,050	31,050
	<hr/>	<hr/>
	NIL	NIL
Office Equipment	407,437	403,257
Less Accumulated Depreciation	396,606	390,729
	<hr/>	<hr/>
	10,831	12,528
Leasehold Improvements	140,027	140,027
Less Accumulated Depreciation	126,486	118,015
	<hr/>	<hr/>
	13,541	22,012
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	\$2,730,113	\$2,668,204
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<b>7. CREDITORS &amp; ACCRUALS</b>		
Trade Creditors & Accruals	385,429	403,426
PAYG Withholding	97,635	86,917
Salary Sacrifice Liabilities	-	1,258
GST Liabilities	85,226	103,310
Superannuation Payable	61,842	51,517
	<hr/>	<hr/>
	\$630,132	\$646,428
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**BRISBANE YOUTH SERVICE INC.**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<u>2018</u>	<u>2017</u>
<b>8. GRANT INCOME RECEIVED &amp; UNEXPENDED</b>		
Brisbane City Council	-	11,775
Department of Housing & Public Works	-	13,997
Department of Health	-	23,599
Cecilia Kilkeary Foundation	-	15,151
Department of Communities	-	6,092
Queensland Health	-	128,663
	<u>\$NIL</u>	<u>\$199,277</u>
 <b>9. PROVISION FOR LEAVE ENTITLEMENTS</b>		
Provision for Annual Leave	265,243	310,906
Provision for Long Service Leave	345,509	374,195
Provision for Sick Leave	110,363	154,494
Provision for On Costs	5,939	453
	<u>\$727,054</u>	<u>\$840,048</u>
 <b>10. BORROWINGS</b>		
Mortgage - Department of Public Works and Housing	522,000	522,000
	<u>\$522,000</u>	<u>\$522,000</u>

The accompanying notes form part of these financial statements.

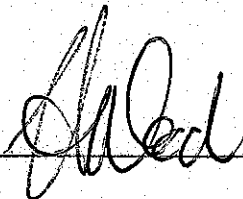
**BRISBANE YOUTH SERVICE INC.**

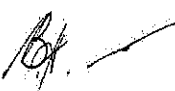
**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial Statements.

1. In the opinion of the committee the financial report as set out on pages 1 to 9 are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:
  - (i) Comply with the Australian Accounting Standards applicable to the entity; and
  - (ii) Give a true and fair view of the association's financial position as at 30 June 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. At the date of this statement, there are reasonable grounds to believe that Brisbane Youth Service Inc. will be able to pay its debts as and when they fall due.

This Declaration is signed in accordance with Subs 60.15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Treasurer

21 | 09 | 2018

Date

11.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

**BRISBANE YOUTH SERVICE INC.**

**Report on the Audit of the Financial Report**

***Opinion***

We have audited the financial report of Brisbane Youth Service Inc., which comprises the statement of financial position as at 30 June 2018, the statement of profit & loss and other comprehensive income, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report of Brisbane Youth Service Inc. has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD).

- 1) Giving a true and fair view of the associations financial position as at 30 June 2018 and of its performance for the year then ended; and
- 2) Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the Australian Charities and Not-for-Profits Commission Regulation 2013.

***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 Auditor Independence Requirements of the ACNC Act and ethical requirements of the Accounting Professional and Ethical Standards Board's APES110: 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.

***Emphasis of Matter – Basis of Accounting***

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD). As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

***Responsibilities of the Committee for the Financial Report***

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the Associations Incorporation Act (QLD), and for such internal control as the committee 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, the committee 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 the committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

## 12.

### ***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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee'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 the committee 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.



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PETER GESCH  
HAYWARDS CHARTERED ACCOUNTANTS  
Level 1 / 488 Lutwyche Road  
LUTWYCHE QLD 4030

Dated this 21<sup>st</sup> day of September 2018

