

**CANBERRA POLICE COMMUNITY YOUTH
CLUB INCORPORATED
ABN 71 012 467 609**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2024**

REPORT BY THE BOARD

The Board present this report on the Association for the financial year ended 30 June 2024.

Members of the Board

The members of Board during the financial year were:

Peter McFarlane - President

Stella Conroy – Vice President

Helen Badger - Member

Graciete Ferreira - Member

Dean Chapman - Member

AFP Representative

Cheryl O'Donnell - Secretary/Chief Executive Officer.

Objective

The Association is a public benevolent institution and is registered for charitable purposes under the *Charitable Collections Act (2003)* and its principal object is to provide a means for the community to assist ACT Policing in the delivery of community policing services to young people, which object is to be achieved by:

1. The implementation of community-based policing programs;
2. Bringing to the notice of the community and police their responsibilities towards young people in the community;
3. Providing an interface between ACT Policing and ACT community especially young people and their families, which fosters mutual respect and understanding;
4. Providing educational programs pertaining to the maintenance of law and order, such programs to be consistent with the operational strategies of ACT Policing;
5. To promote and encourage the training of leaders of youth clubs and other persons interested in the welfare of young people;
6. To provide facilities enabling young people, including those in difficult circumstances, to participate in any activity or youth club;

REPORT BY THE BOARD

7. Establishing clubs, facilities and outreach products and services where relevant in suitable localities throughout the ACT.

Summary on the financial report

The Association incurred a deficit of \$426,320 for the year ended 30 June 2024 (2023: deficit \$130,457).

The Board notes the following reasons which contributed to the current year loss:

- A reduction of \$222,626 in PCYC lottery income from previous year with a commensurate reduction in fundraising expenses
- A reduction of fee for service program income from previous year
- A reduction in current year *Other Income* notably due to the receipt of a significant one-off bequest received in the 2023 year
- Increases in salaries and wages and the associated superannuation paid
- An increase in the costs of insurance, principally from higher premiums for workers compensation.

The Board also acknowledge the receipt of \$100,000 from the Borer Foundation during the financial year to assist with funding the redevelopment of the Turner site. At 30 June 2024 the amount has been treated as unearned income as the performance obligations associated with the funding were yet to be met.

DECLARATION BY THE BOARD

The Board of the Association declare that the financial statements:

1. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the Association in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.
3. Satisfy the requirements of the *Australian Charities and Not-for-profit Commission Act 2012* and Australian Charities and Not-for-profit Commission Regulation 2022.

This declaration is made in accordance with subsection 60.15(2a) of the Australian Charities and Not-for-profit Commission Regulation 2022.



Board Member



Chief Executive Officer

Dated this 7th day of January 2025.



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**AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 60.40 OF THE
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE
COMMITTEE OF CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**

I declare that, to the best of my knowledge and belief, during the year ended
30 June 2024 there have been:

- (a) no contraventions of the auditors' independence requirements as set out in
the *Australian Charities and Not-for-profits Commission Act 2012* in relation
to the audit, and
- (b) no contraventions of any applicable code of professional conduct in relation
to the audit.

AccountAbility

Anthony Wilson
Registered Company Auditor
Canberra, ACT
7 January 2025

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 \$	2023 \$
INCOME			
Grants		2,072,993	1,416,364
Fundraising		17,346	312,118
Fee for service programs		318,484	585,424
Other revenue	2	568,356	785,839
Gain on disposal of assets		4,577	-
		<hr/>	<hr/>
Total income		2,981,756	3,099,745
EXPENSES			
Accounting and audit		7,000	7,000
Amenities & office supplies		51,985	57,221
Asset/bad debt write-off		227	5,322
Communication		35,469	16,515
Computer & software		15,468	1,723
Consulting & bookkeeping		60,431	75,348
Depreciation		149,262	150,383
Depreciation – Right of Use Assets		88,457	89,603
Donations & sponsorships		3,520	2,160
Employee expenses	3	2,565,844	2,214,189
Fundraising		33	125,058
General		53,395	100,683
Insurance		108,349	107,901
Interest expense		25,909	32,181
Legal fees		11,874	-
Meetings & conferences		13,861	18,003
Motor vehicle expenses		126,870	114,523
Program costs		65,968	93,267
Rent and other occupation expenses		24,154	19,122
		<hr/>	<hr/>
Total expenses		3,408,076	3,230,202
		<hr/>	<hr/>
(Deficit) from operating activities		(426,320)	(130,457)
<i>Other comprehensive income</i>		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		<u>(426,320)</u>	<u>(130,457)</u>

The accompanying notes form part of these financial statements

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	NOTE	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	969,498	1,444,074
Trade and other receivables		247,060	118,220
Held to investment maturities		179,087	177,960
Other assets		135,467	75,829
TOTAL CURRENT ASSETS		1,531,112	1,816,083
NON-CURRENT ASSETS			
Property, plant and equipment	5	2,800,199	2,809,962
Right of use assets		206,720	295,177
TOTAL NON-CURRENT ASSETS		3,006,919	3,105,139
TOTAL ASSETS		4,538,031	4,921,222
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	296,521	254,044
Lease liabilities	7	103,175	91,287
Unearned income		569,046	477,002
Provisions	8	144,205	151,298
TOTAL CURRENT LIABILITIES		1,112,947	973,631
NON-CURRENT LIABILITIES			
Lease liabilities	7	142,198	238,385
TOTAL NON-CURRENT LIABILITIES		142,198	238,385
TOTAL LIABILITIES		1,255,145	1,212,016
NET ASSETS		3,282,886	3,709,206
EQUITY			
Retained earnings		1,540,503	1,966,823
Asset revaluation reserve		1,742,383	1,742,383
TOTAL EQUITY		3,282,886	3,709,206

The accompanying notes form part of these financial statements

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED
ABN 71 012 467 609

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Asset revaluation reserve	Retained earnings	Total
	\$	\$	\$
Balance at 1 July 2022	1,742,383	2,097,280	3,839,663
(Deficit) for the year	-	(130,457)	(130,457)
Other comprehensive income	-	-	-
Transfers between reserves	-	-	-
Balance at 30 June 2023	<hr/> 1,742,383	<hr/> 1,966,823	<hr/> 3,709,206
(Deficit) for the year	-	(426,320)	(426,320)
Other comprehensive income	-	-	-
Transfers between reserves	-	-	-
Balance at 30 June 2024	<hr/> <hr/> 1,742,383	<hr/> <hr/> 1,540,503	<hr/> <hr/> 3,282,886

The accompanying notes form part of these financial statements

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 \$	2023 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and others		909,101	1,766,321
Grant funding and other assistance		2,264,877	1,888,865
Payments to suppliers and employees		(3,439,399)	(3,194,799)
Interest & investment income		1,652	494
		<hr/>	<hr/>
Net cash generated by/(used in) operating activities	9	(263,769)	460,881
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of held to maturity investments		(1,127)	(71)
Purchase of property, plant and equipment		(160,381)	(131,939)
Proceeds from sale of assets		35,000	-
		<hr/>	<hr/>
Net cash generated by/(used in) investing activities		(126,508)	(132,010)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(84,299)	(82,759)
		<hr/>	<hr/>
Net cash generated by/(used in) financing activities		(84,299)	(82,759)
<i>Net increase/(decrease) in cash held</i>		(474,576)	246,113
Cash at beginning of the financial year		1,444,074	1,197,961
Cash at end of the financial year	4	<hr/> 969,468 <hr/>	<hr/> 1,444,074 <hr/>

The accompanying notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION

The financial report is for Canberra Police Community Youth Club Incorporated as an individual entity, incorporated and domiciled in Australia. The Association is a Public Benevolent Institution registered with the Australian Charities and Not-for-profits Commission (ACNC).

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, Interpretations of the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*.

The functional and presentation currency of the Canberra Police Community Youth Club Incorporated is Australian dollars.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

A number of new or revised Australian Accounting Standards are effective for the first time in the current financial year. These standards have had no material impact on the Association.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial statements.

The accounting policies have been consistently applied, unless otherwise stated. Comparatives are consistent with prior years, unless otherwise stated. When required by Accounting Standards, comparative figures are adjusted to conform with changes in presentation for the current financial year.

(a) Revenue

Revenue recognised under AASB 15 is measured at the amount which the Association expects to receive in consideration for satisfying performance obligations to a customer. A performance obligation is the distinct good or service defined within the contract with a customer. The transaction price is allocated to one or more performance obligations contained within the contract, with revenue being recognised as or when the performance obligation is satisfied.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Timing of Revenue Recognition

Revenue is recognised either at a point in time or over time, when (or as) the entity satisfies performance obligations by transferring the promised goods or services to its customers.

If the entity satisfies a performance obligation before it receives the consideration, the entity recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Any income billed but not received at year end is recorded as part of trade receivables. Amounts unbilled and accrued at year end are recognised as contract assets and recorded as part of accrued income. When income is received prior to the provision of services, a contract liability is recognised in the statement of financial position as unearned income.

	2024	2023
	\$	\$
Revenue recognised at a point in time	667,380	1,597,212
Revenue recognised over time	2,314,376	1,502,533
	<u>2,981,756</u>	<u>3,099,745</u>

(b) Taxation

No provision for income tax has been raised as the entity is exempt from income tax under Division 50-5 of the *Income Tax Assessment Act 1997*.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the Statement of financial position are shown inclusive of GST.

Cash flows are presented in the Statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(c) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year are measured at the net present value.

The Association's obligations for long term employee benefits are presented as non-current employee provisions on the Statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(d) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(e) 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.

(f) Property, plant and equipment

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

Land and buildings

Land and buildings are carried at cost or fair value based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation and impairment losses where applicable. In periods when the land and buildings are not subject to an independent valuation, the Board members conduct internal valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the asset revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading 'change in fair value of land and buildings'. All other decreases are recognised in profit and loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Depreciation and amortisation

The depreciable amount of all fixed and intangible assets are depreciated or amortised on a diminishing value basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The depreciation/amortisation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.0%
Exercise, plant and equipment	10.0 – 100.0%
Motor vehicles	12.5%
Office furniture and equipment	10 – 33.3%

The assets' residual values and useful lives are reviewed by Board, and adjusted if appropriate, at each reporting date.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(g) Leases

At inception of a contract, the Association assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the entity the right to control the use of an identified asset over a period of time in return for consideration. Where a contract or arrangement contains a lease, the Association recognises a right-of-use asset (lease asset) and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the Association is reasonably certain to exercise and incorporate the Association's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$10,000 or less) are recognised as an expense as incurred in the statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(h) Financial instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method. The subsequent measurement depends on the classification of the financial instrument as described below.

Financial assets

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

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(h) Financial instruments (Continued)

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the above, the Association may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Association may irrevocably elect to present subsequent changes in fair value of an equity instrument in other comprehensive income if certain criteria are met; and
- the Association may irrevocably designate a financial asset that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The entity recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated based on the entity's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the future direction of conditions at the reporting date, including time value of money where appropriate.

(i) Comparative figures

When required by Australian Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Comparative balances in the Statement of comprehensive income have been re-stated to align with reporting categories used by the Association for internal reporting purposes. This restatement did result in a minor adjustment to the reported loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(j) Impairment of tangible and intangible assets

At each reporting date, Board reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset class, the Association estimates the recoverable amount of the cash-generating unit to which the class of asset belongs.

(k) Critical accounting estimates and judgements

The Board evaluate estimates and judgements incorporated in to the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key estimates – Impairment

The Association assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(l) Application of new accounting standards

The Association has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Association in either the current or prior financial reporting periods.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

	2024	2023
	\$	\$
NOTE 2. OTHER REVENUE		
Lawn mowing - net	164,816	274,417
Café sales - net	165,286	98,401
COVID support	-	291
Parking fees	40,754	39,767
Facility hire	75,361	64,751
Donations	43,845	15,946
Subsidies received	67,181	5,000
Other	9,461	6,772
Interest	1,652	494
Bequests	-	280,000
	<u>568,356</u>	<u>785,839</u>

NOTE 3. EMPLOYEE EXPENSES

Wages & salaries	2,167,278	1,908,361
Superannuation expense	229,809	188,906
Annual leave	(12,257)	(11,096)
Long service leave	38,413	30,285
Employee amenities	-	255
Workers' compensation	126,337	78,535
Training & education	16,264	18,943
	<u>2,565,844</u>	<u>2,214,189</u>

NOTE 4. CASH ON HAND AND AT BANK

Operating account	22,281	98,327
Other cash balances	947,217	1,345,747
	<u>969,498</u>	<u>1,444,074</u>

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED
ABN 71 012 467 609

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 5. NON-CURRENT ASSETS

	Land *	Buildings *	Exercise	Program	Motor	Office &	Works in	TOTAL
	\$		Equipment	Equipment	Vehicles	Computer	Progress	\$
			\$	\$	\$	Equipment	\$	
Opening cost	775,000	2,046,670	62,265	154,885	501,145	89,754	-	3,629,719
Less: Accumulated depreciation	-	(329,840)	(53,809)	(50,250)	(324,616)	(61,261)	-	(819,777)
Opening written down value	775,000	1,716,830	8,473	104,635	176,529	28,493	-	2,809,962
Additions	-	12,956	-	-	11,891	47,790	87,743	160,381
Revaluation recognised in other comprehensive income	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(129,012)	(654)	-	(129,665)
Reclassifications	-	-	-	-	-	-	10,488	10,488
Depreciation	-	(67,715)	(1,912)	(24,224)	(38,004)	(17,406)	-	(149,262)
Writeback on disposal	-	-	-	-	98,530	30	-	98,560
Closing cost	775,000	2,059,626	62,265	154,885	384,025	136,891	98,231	3,670,921
Less: Accumulated depreciation	-	(397,556)	(55,721)	(74,475)	(264,049)	(78,902)	-	(870,722)
Closing written down value	775,000	1,661,071	6,541	80,411	119,956	57,989	98,231	2,800,199

- a formal valuation of land and buildings was undertaken by Herron Todd White in 2019 utilising current market values. The increments in values were recorded in 2019 as *Other comprehensive income* and a credit made to the Asset Revaluation Reserve. Improvements to building undertaken since the formal valuation was conducted are carried at cost. While the aggregate value of each site is considered reasonable, a change in the composition of the value may have occurred since the valuation.
- the Association has commence work for the future utilisation of the Turner site costs for which are disclosed as Works in Progress.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

	2024	2023
	\$	\$
NOTE 6. TRADE AND OTHER PAYABLES		
Trade creditors	18,867	45,471
Premium funding	168,573	75,829
Accrued expenses	7,800	7,800
GST payable	40,049	87,505
Payroll liabilities	61,232	37,439
	<u>296,521</u>	<u>254,044</u>

NOTE 7. LEASE LIABILITIES

Current	103,175	91,287
Non-current	142,198	238,385
	<u>245,373</u>	<u>329,672</u>

Movement of lease liabilities for the year

Balance at beginning of the financial year	329,672	412,431
New lease liabilities	-	-
Lease payments	(110,208)	(108,137)
Interest expense	25,909	25,378
Adjustments to lease balance	-	-
Balance at end of the financial year	<u>245,373</u>	<u>329,672</u>

NOTE 8. PROVISIONS

	Long Service Leave	Annual Leave
Provisions		
Opening balance as at 1 July 2023	8,080	143,218
Net movement in balance	5,164	(12,257)
Balance as at 30 June 2024	<u>13,244</u>	<u>130,961</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

		2024 \$	2023 \$
NOTE 9. CASH FLOW RECONCILIATION			
<i>Cash as per:</i>			
Statement of financial position	6	969,498	1,444,074
Statement of cash flows		<u>969,498</u>	<u>1,444,074</u>
<i>Reconciliation of surplus/(deficit) from operating activities to net cash provided by / (used in) operating activities</i>			
(Deficit) from ordinary activities		<u>(426,320)</u>	<u>(130,457)</u>
<i>Adjustments for non-cash & other items</i>			
Depreciation		237,719	239,986
Adjustment made to asset values		(9,614)	-
(Gain)/Loss on disposal		(4,576)	5,322
<i>Movements in assets and liabilities</i>			
Decrease/(increase) in receivables		(129,499)	(57,669)
Decrease/(increase) in other assets		(59,649)	(20,491)
Increase/(decrease) in creditors		43,219	63,167
Increase/(decrease) in unearned income		92,044	372,661
Increase/(decrease) in employee provisions		(7,093)	(11,638)
		<u>(263,769)</u>	<u>460,881</u>

NOTE 10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short and long term investments, accounts receivable and payable.

The totals for each category have been presented above and are measured in accordance with applicable Australian Accounting Standards as detailed in the accounting policies detailed at Note 1.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Specific financial risk exposures and management

The main risks the Association is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and equity price risk.

Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Association.

The Association does not have any material credit risk exposure as its major source of revenue is the receipt of subscriptions, funding for specific activities and Government funding.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets (net of any provision) are presented in the Statement of Financial Position. Trade and other receivables that are neither past due or impaired are considered to be of high credit.

The Association has no significant concentration of credit risk exposure to any single counterparty.

Credit risk related to balances with banks and other financial institutions are managed in accordance with Association policy and is monitored by the Board.

Liquidity risk

Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Association manages this risk through the following mechanisms:

- Preparing forward looking cash flow analysis in relation to operational, investing and financing activities;
- Managing credit risk related to financial assets;
- Only investing surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profiles of financial assets.

Market risk

Market risk arises from the following:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

- Interest rate risk – where a future change in interest rates will affect future cash flows or the fair value of the fixed asset; and
- Price risk – where a change in market prices of securities affect the future cash flows.

Net fair values

Fair values are those amounts at which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair values of financial assets and liabilities are the same as the net carrying values presented in the Statement of financial position.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cashflow analysis and other valuation techniques commonly used by market participants. Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Association. Most of these instruments which are carried at amortised cost (i.e. trade receivables and borrowings) are to be held until maturity and the net fair value figures calculated bear little relevance to the Association.

NOTE 11. EVENTS AFTER THE BALANCE DATE

There has not been any matter or circumstance that has arisen since the end of the financial year which has significantly affected, or may significantly affect, the operations of the Association or the results of those operations, or the state of the Association in future financial years.

NOTE 12. CONTINGENT ASSETS AND LIABILITIES

The Board believe there are no contingent liabilities or assets as at 30 June 2024 which require disclosure in the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 13. KEY MANAGEMENT PERSONNEL AND RELATED PARTIES

Key management personnel is defined by AASB 124 "Related Party Disclosures" as those persons having authority and responsibility for planning, directing and controlling the activities of the Association directly or indirectly.

Members of the Board are not remunerated for undertaking this role. The names of each person holding the position of Board Member of Canberra Police Community Youth Club Incorporated during the 2024 financial year are detailed in the Report by the Board.

The total remuneration paid to other key management personnel of the Association is \$320,866 (2023: \$321,728).

In addition to the above compensation, the Association has paid insurance premiums for Association Liability insurance which incorporates directors' and officers' liability insurance. It is not practical to obtain the details of the components of the insurance premium that relate to key management personnel.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

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

NOTE 14. CAPITAL MANAGEMENT

The Board controls the capital of the Association to ensure that adequate cash flows are generated to fund operations. The Board is responsible for the overall risk management strategy.

The Association's capital consists of financial liabilities, supported by financial assets.

The Board effectively manages the Association's capital by assessing the Association's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

The Association does not have a formal policy on capital management and gearing ratios.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

NOTE 15. STATUTORY INFORMATION

The registered office for the Association is:

Canberra Police Community Youth Club Incorporated
5 Richmond Avenue
Canberra Airport ACT 2609.

NOTE 16. SEGMENT INFORMATION

The Association operates in a single business segment and principally in the Australian Capital Territory.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Canberra Police Community Youth Club Incorporated, which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the Declaration by the Committee.

In my opinion the financial report of Canberra Police Community Youth Club Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the registered entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2022.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of Canberra Police Community Youth Club Incorporated 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the *Code*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Committee for the Financial Report

The Committee of Canberra Police Community Youth Club Incorporated are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Committee determines is necessary to enable the preparation of the 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 Canberra Police Community Youth Club Incorporated's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate Canberra Police Community Youth Club Incorporated or to cease operations, or has no realistic alternative but to do so.

The Committee is responsible for overseeing Canberra Police Community Youth Club Incorporated's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

I 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 my 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 Canberra Police Community Youth Club Incorporated's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Canberra Police Community Youth Club Incorporated.
- Conclude on the appropriateness of Canberra Police Community Youth Club Incorporated'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 Canberra Police Community Youth Club Incorporated's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Canberra Police Community Youth Club Incorporated 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.

I communicate with Canberra Police Community Youth Club Incorporated regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including when considered necessary any significant deficiencies in internal control that I identify during my audit.

AccountAbility



Anthony Wilson
Registered Company Auditor
Canberra, ACT
7 January 2025