CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

A.B.N. 71 012 467 609

COMMITTEE REPORT

The Committee present their report on the financial statements of the Association for the year ended 30 June 2016.

The names of Committee members at any time during the financial year, or at the date of this report, are:

PCYC CEO:	Stephen Imrie (Acting CEO) (From 5/15 until 12/15)
PCYC CEO:	Tony Campbell (Interim Exec Manager) (12/15 until 8/16)
PCYC Executive Manager	Cheryl O'Donnell (appointed 8/16)
AFP representative:	Andrea Quinn (From 6/15 until 10/16)
AFP representative:	Rob Wilson (From 10/16)

Community Appointments:

President:	David McLean (appointed 11/14)
Vice President:	Peter Askew (appointed 11/15)
Treasurer:	Steve Merenda (appointed 6/16)
Committee Member:	Tony Campbell (appointed 11/15, resigned 9/16)
Community Member:	Jayson Hinder (appointed 11/15)
Community Member:	Michael Costigan (appointed 11/15, resigned 11/16)
Community Member:	Lukasz Jajiello (appointed 11/15)

Principal Activities for the Association for the year ended 30 June 2016

During the financial year the Club's principal activities were in accordance with the Objects and Purposes listed in Part II of the Canberra Police Community Youth Club Incorporated Constitution. There has been no significant change in the nature of those activities during this financial year.

Results

The Canberra Police Community Youth Club Incorporated had a surplus of $237,870 for the year ended 30 June 2016 (2015: deficit $82,260).

Register of Members

In accordance with Section 67 of the *Associations Incorporations Act 1991*, the registers of members for the Canberra Police Community Youth Club Incorporated are available for inspection by members at reasonable times.

Erindale Centre Register

Erindale PCYC
Gratton Court
Erindale ACT 2903

LUKASZ JAGIELLO

Signed at ERINDALE CENTRE this 20 day of JANUARY ~~2016~~ 2017

On behalf of the Club

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

A.B.N. 71 012 467 609

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 $	2015 $
Grant income		1,182,058	1,195,868
Fundraising		487,630	520,800
Fee for service program income		97,972	142,615
Other income		129,231	91,117
REVENUE	2	**1,896,891**	**1,950,400**
Accounting and auditing fees		25,810	26,760
General expenses		45,731	31,993
Computer and software		8,820	5,155
Meetings and conferences		2,885	5,452
Amenities and office supplies		65,733	63,091
Depreciation		115,704	75,399
Asset write off		-	50,307
Communication		22,974	28,529
Insurance		37,457	19,775
Legal fees		1,669	61,561
Program costs		16,848	38,173
Rent		101,457	98,977
Employee expenses		917,800	984,873
Motor vehicle expense		35,441	50,058
In-kind expense		-	3,000
Doubtful debt expense		-	6,018
Fundraising expense		256,649	319,094
Other expenses		4,043	161,214
TOTAL EXPENSES		**1,659,021**	**2,029,429**
Current year Surplus / (Deficit) before income tax		237,870	(79,029)
Income tax expense		-	-
Current Year Surplus / (Deficit)		**237,870**	**(79,029)**
Other Comprehensive Income			
Revaluation of land and buildings		-	946,071
Total Comprehensive Income for the Period		**237,870**	**867,042**

The accompanying notes form part of these financial statements.

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

A.B.N. 71 012 467 609

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 $	2015 $
CURRENT ASSETS			
Cash assets	3	344,178	153,412
Held-to-maturity investments	4	180,369	133,704
Receivables	5	4,695	8,050
Other assets	6	23,591	16,860
TOTAL CURRENT ASSETS		**552,833**	**312,026**
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,492,179	2,560,702
Intangibles	8	-	-
TOTAL NON-CURRENT ASSETS		**2,492,179**	**2,560,702**
TOTAL ASSETS		**3,045,012**	**2,872,728**
CURRENT LIABILITIES			
Payables	9	73,002	16,968
Other liabilities	10	79,111	97,417
Unearned income	11	100	39,236
Financial liabilities	12	19,013	34,246
Provisions	13	37,642	89,359
TOTAL CURRENT LIABILITIES		**208,868**	**277,226**
NON-CURRENT LIABILITIES			
Financial liabilities	12	-	459
TOTAL NON-CURRENT LIABILITIES		**-**	**459**
TOTAL LIABILITIES		**208,868**	**277,685**
NET ASSETS		**2,836,144**	**2,595,043**
EQUITY			
Reserves		1,389,089	1,389,089
Retained surplus		1,447,055	1,205,954
TOTAL EQUITY		**2,836,144**	**2,595,043**

The accompanying notes form part of these financial statements.

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

A.B.N. 71 012 467 609

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Retained surplus	Asset revaluation reserve	Total
	$	$	$
Balance at 1 July 2014	**1,288,214**	**443,018**	**1,731,232**
Operating deficit for the year	(79,029)	-	(82,260)
Revaluation increment	-	946,071	946,071
Balance at 30 June 2015	**1,209,185**	**1,389,089**	**2,595, 043**
Balance at 1 July 2015	**1,209,185**	**1,389,089**	**2,598,274**
Operating surplus for the year	237,870	-	237,870
Revaluation increment	-	-	-
Balance at 30 June 2016	**1,447,055**	**1,389,089**	**2,836,144**

The accompanying notes form part of these financial statements.

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATION

A.B.N. 71 012 467 609

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 $	2015 $
CASH FLOW FROM OPERATING ACTIVITIES			
Grants received		1,142,822	1,354,691
Revenue		246,310	263,871
Fundraising		487,630	520,800
Payments to customers, suppliers and employees		(1,567,161)	(1,994,009)
Interest received		6,335	6,240
Net cash provided by operating activities	14	**315,936**	**151,593**
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for assets		(44,641)	(34,040)
Proceeds from sale of assets		-	4,600
Net cash (used in) investing activities		**(44,641)**	**(29,440)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Transfers to investments		(46,075)	(124,477)
Repayments from borrowings		(35,145)	(77,009)
Proceeds from borrowings		-	54,075
Net cash (used in) financing activities		**(81,220)**	**(147,411)**
Net increase/(decrease) in cash held		190,074	(25,258)
Cash at the beginning of the year		153,412	178,670
Cash at the end of the year	3	**343,486**	**153,412**

The accompanying notes form part of these financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report of Canberra Police Community Youth Club Incorporated (PCYC) for the year ended 30 June 2016 was authorised for issue in accordance with a resolution of the directors in January 2016 .

The following significant policies have been adopted in the preparation of this financial report.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB), and the *Associations Incorporated Act (ACT) 1991*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial report has also been prepared on a historical basis.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

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

The financial report is presented in Australian dollars unless otherwise stated.

Accounting Policies

a) Income Tax

The Association is a tax exempt body under relevant provisions of the Income Tax Assessment Act, 1997.

b) Property, Plant and Equipment

Property

Property is carried at fair value less, where applicable, any accumulated depreciation and impairment losses. Land and Buildings are revalued every three to five years.

Plant and equipment

Plant and equipment are measured on the cost basis and are 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 and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed within the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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 as expenses in profit or loss during the financial period in which they are incurred.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Property, Plant and Equipment (continued)

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a diminishing basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they occur. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained surplus.

c) Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Where the 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 determined as the depreciated replacement cost of an asset.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

d) Employee Provisions

Defined contribution plans

Obligations for contributions to defined contribution superannuation plans are recognised as an expense in the statement of comprehensive income as incurred.

Long service leave benefits

Long service leave benefits included in the provision for employee benefits represent the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date. The provision is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history. When material, the benefit is discounted to determine its present value.

Wages, salaries and annual leave

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

g) Revenue and Other Income

Non-reciprocal grant revenue is recognised in profit or loss when the association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

h) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Goods and Services Tax (GST)

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 (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

j) Comparative Figures

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

k) Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

l) Provisions

Provisions are recognised when the association 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.

m) Key Estimates

(i) *Impairment*

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using historical knowledge and current available information.

n) Key Judgements

(i) *Provision for impairment of receivables*

The committee believes that receivables will be paid within 12 months and therefore no provision for impairment has been made.

(ii) *Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the association expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the association believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) New standards and interpretations issued but not yet effective

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

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 30 June 2016. The incorporated association's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the incorporated association, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The incorporated association will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the incorporated association.

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

o) New standards and interpretations issued but not yet effective (continued)

Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The incorporated association will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the incorporated association.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The incorporated association will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the incorporated association.

NOTE 2. REVENUE AND OTHER INCOME

	2016	2015
	$	$
Grant income	1,182,058	1,195,868
Fundraising	487,630	520,800
Fee for service	97,972	142,615
Parking fees	71,792	31,182
Membership	11,587	7,020
In kind	-	3,000
Interest received	6,335	6,240
Other income	39,517	43,675
TOTAL REVENUE	**1,896,891**	**1,950,400**

NOTE 3. CASH AND CASH EQUIVALENTS

	2016	2015
Cash on hand	-	100
Bendigo Bank accounts	343,702	152,393
Westpac Art Union account	475	919
	344,178	**153,412**

NOTE 4. HELD-TO-MATURITY INVESTMENTS

	2016	2015
	$	$
3 month term deposit	40,173	20,948
6 month term deposits	140,196	112,756
	180,369	**133,704**

NOTE 5. ACCOUNTS RECEIVABLE

Accounts receivable	5,095	14,068
Less: Provision for doubtful debt	(400)	(6,018)
	4,695	**8,050**

NOTE 6. OTHER CURRENT ASSETS

Prepayments	16,934	7,571
Other debtors	107	2,104
Interest income accrual	550	1,185
Rental bond	6,000	6,000
	23,591	**16,860**

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

Erindale Property – At valuation		
Land	110,000	110,000
Building	1,270,000	1,270,000
Accumulated depreciation	(50,800)	-
	1,329,200	**1,380,000**
Turner Property – At valuation		
Land	380,000	380,000
Building	710,000	710,000
Accumulated depreciation	(28,400)	-
	1,061,600	**1,090,000**
Gym equipment		
At cost	42,108	34,426
Accumulated depreciation	(34,118)	(27,378)
	7,990	**7,048**

Revaluation
The buildings were revalued upwards to $1,980,000 as at 30 June 2015. Land was revalued upwards to $490,000 as at 30 June 2015. The valuation amounts were based on current market value. The independent valuation was carried out by Herron Todd White.

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

A.B.N. 71 012 467 609

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2016 $	2015 $
Motor vehicles		
At cost	228,793	228,793
Accumulated depreciation	(183,814)	(167,445)
	44,979	**61,348**
Office plant and equipment		
At cost	68,821	65,781
Accumulated depreciation	(55,121)	(49,641)
	13,700	**16,140**
Rockwall		
At cost	54,010	54,010
Accumulated depreciation	(54,010)	(47,844)
	-	**6,166**
EC office development		
At cost	36,459	-
Accumulated depreciation	(1,749)	-
	34,710	-
	2,492,179	**2,560,702**

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

	Land & Buildings $	Gym Equipment $	Motor Vehicles $	Office Plant & Equipment $	EC Office Development $	Rockwall $	Total $
Balance at 1 July 2015	**2,470,000**	**6,548**	**61,348**	**16,640**	-	**6,166**	**2,560,702**
Additions	-	8,182	-	-	36,459	-	44,641
Depreciation expense	(79,200)	(6,740)	(16,369)	(5,480)	(1,749)	(6,166)	(115,704)
Balance at 30 June 2016	**2,390,800**	**7,990**	**44,979**	**11,160**	**34,710**	**0**	**2,489,639**

- The fair value of properties classified as 'Land' has been taken to be the market value (level 2 inputs), of similar properties as determined by an independent valuer; and
- The fair value of buildings has been taken to be depreciated replacement cost. The buildings held for specialised purposes and where there is no readily available market price has been taken to be Fair Value- Highest and Best Use (level 3 inputs), as determined by an independent valuer.

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

NOTE 8. INTANGIBLE ASSETS

	2016	2015
Trademarks	$	$
Other	14,825	14,825
Impairment of intangible assets	3,071	3,071
	(17,896)	(17,896)
	-	-

NOTE 9. TRADE AND OTHER PAYABLES

Trade creditors		
	73,002	16,968
	73,002	**16,968**

NOTE 10. OTHER PAYABLES

Audit fee		
Superannuation payable	11,330	10,400
GST payable	6,601	3,321
Deposits held	17,741	9,544
Payroll liabilities	2,900	3,500
	40,538	70,742
	79,111	**97,507**

NOTE 11. UNEARNED INCOME

Unexpended grant		
Income received in advance	-	39,236
	100	-
	100	**39,236**

NOTE 12. FINANCIAL LIABILITIES

CURRENT		
Macquarie insurance loan		
Overdraft loan	-	13,267
Bank loan	440	5,443
Premium funding insurance	-	15,536
	18,574	-
	19,013	**34,246**
NON CURRENT		
Overdraft loan		
	-	459
	-	**459**

NOTE 13. EMPLOYEE PROVISIONS

	2016 $	2015 $
CURRENT		
Annual leave	37,642	61,306
Long service leave – Portable	-	3,080
Long service leave – Non portable	-	2,021
Provision for redundancy	-	22,952
	37,642	**89,359**

NOTE 14. CASH FLOW INFORMATION

Reconciliation of cash		
Cash on hand	-	100
Cash at bank	344,178	153,312
	344,178	**153,412**

Reconciliation of cash flows from operations after income tax		
Profit / (Loss) after income tax	237,870	(79,029)
Non-cash flows in result		
Depreciation	115,704	75,399
Net (gain) / loss on disposal of property, plant and equipment	-	53,702
Impairment of assets	-	23,913
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Increase / (Decrease) in employee provisions	(52,176)	(20,507)
Increase / (Decrease) in creditors, accruals and tax liabilities	17,914	74,566
Decrease / (Increase) in receivables and prepayments	(3,376)	23,548
Total cash flows from operations	**315,936**	**151,592**

NOTE 15. FUTURE COMMITMENTS

Future minimum rentals payable under non-cancellable operating leases are as follows:

Within one year	66,931	70,917
After one year but not more than five years	364,500	356,431
After more than five years	-	75,000
	431,431	**502,348**

PCYC leases office space, and office equipment under non-cancellable operating leases expiring from one year to six years.

Leases generally provide PCYC with a right to renewal at which time all terms are negotiated.

NOTE 16: RELATED PARTIES

The names of each person holding the position of director of Canberra Police Community Youth Club during the financial year were:

- Stephen Imrie
- Cheryl O'Donnell
- Rob Wilson
- Peter Askew
- Jayson Hinder
- Lukasz Jajiello
- Tony Campbell
- Andrea Quinn
- David McLean
- Steve Merenda
- Michael Costigan

Staff Member Stephen Imrie is also a Director of Youth Coalition of the ACT. During the financial year, transactions with Youth Coalition amounted to $350 for a PCYC membership fee. Canberra Police Community Youth Cluc (CPCYC) received the membership at usual market price.

Committee Member Peter Askew also owns Tuggeranong Business Park, an office rental property that CPCYC rents for admin space. The property is managed by Advanced Business Connections, also part owned by Peter Askew. During the financial year, transactions with Advanced Business Connections amounted to $78,651.02 inclusive of GST, including outgoings. All transactions were made on normal commercial terms and conditions.

Committee member Jayson Hinder is also owner of Jayson Hinder & Associates, a law firm that CPCYC utilises for legal services. Jayson provides pro bono services for CPCYC, and occasionally provides paid services. During the financial year, transactions with Jayson Hinder & Associates amounted to $736.00 inclusive of GST. All paid transactions were made on normal commercial terms and conditions and at market rates.

Committee Member Jayson Hinder is also a Director at Bendigo Bank. Bendigo Bank is a previous sponsor of the company, and CPCYC's main banking institute. Transactions with Bendigo Bank outside of usual business banking was zero.

Committee Member Tony Campbell is also Director at Supportlink. Support link have provided in kind support to CPCYC by way of provision of client management resource and technical support for client management resource. This has been valued at $3,000.00. Further to this, Tony Campbell was employed by the CPCYC Committee as an Executive consultant and was paid $44,927.75 for work conducted in the financial year 2015/2016.

Committee member David McLean is also a staff member at Australian Federal Police. David's presidential role in PCYC is separate to AFP involvement.

Committee Member Commander Andrea Quinn is a member of the Australian Federal Police. Commander Quinn's role in CPCYC is appointed by the AFP in her position as Deputy Chief Police Officer as per CPCYC's constitution.

Committee Member Superintendent Robert Wilson is a member of the Australian Federal Police. Superintendent Wilson's role in CPCYC is appointed by AFP in his position as Superintendent (Family Violence & Community Safety) as per CPCYC's constitution.

NOTE 17. KEY MANAGEMENT PERSONNEL

The directors and key management personnel compensations during the year ended 30 June 2016 was:

	Short term benefits	Long term benefits	Post-retirement benefits	Termination Benefits
2016				
Total compensation	**167,092**	**-**	**15,759**	**5,501**
2015				
Total compensation	116,005	-	8,324	-

NOTE 18. EVENTS AFTER THE REPORTING PERIOD

The committee is not aware of any significant events since the end of the reporting period.

NOTE 19. FINANCIAL RISK MANAGEMENT

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

NOTE 20. ECONOMIC DEPENDENCY

PCYC is dependent on contributions and other revenue received from its grants. The grant funding is received from Australian Federal Police and Community Services Directorate.

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

A.B.N. 71 012 467 609

STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the Committee:

- The attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements;
- The attached financial statements and notes give a true and fair view of Canberra Police Community Youth Club Incorporated's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
- There are reasonable grounds to believe that Canberra Police Community Youth Club Incorporated will be able to pay its debts as and when they become due and payable.

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

____________________ LUKASZ JAGIELLO

Signed at ERINDALE CENTRE this 20 day of JANUARY ~~2016~~ 2017

On behalf of the Association

RSM Australia Pty Ltd

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

CANBERRA POLICE COMMUNITY YOUTH CLUB

We have audited the accompanying financial report of Canberra Police Community Youth Club Incorporated (Canberra PCYC), which comprises the statement of financial position as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statements by the members of the committee.

Committee's Responsibility for the Financial Report

The committee members of the association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act (ACT) 1991*, and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Canberra PCYC as at 30 June 2016 and its financial performance for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act (ACT) 1991*.

RSM Australia Partners

RSM Australia Pty Ltd

RODNEY MILLER
Director

Canberra, Australian Capital Territory
Dated: 30th January 2017