

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**

**A.B.N. 71 012 467 609**

**Financial report for the year ended 30 June 2015**

**COMMITTEE REPORT**

The Committee present their report on the financial statements of the Association for the year ended 30 June 2015.

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)
AFP representative:	Robert Wilson

**Community Appointments:**

President:	David McLean
Vice President:	Peter Askew
Treasurer:	[Vacant]
Committee Member:	Tony Campbell
Community Member:	Jayson Hinder
Community Member:	Rachel Harris

**Principal Activities for the Association for the year ended 30 June 2015**

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 deficit of (\$79,029) for the year ended 30 June 2015 (2014: profit \$1,869).

**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

Signed at

ERINDALE

this 2<sup>ND</sup> day of

NOVEMBER 2016

On behalf of the Club

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
Grant Income		1,195,868	1,220,506
Fundraising		520,800	546,084
Fee for Service Program Income		142,615	196,370
Other Income		91,117	121,370
<b>REVENUE</b>	<b>2</b>	<b>1,950,400</b>	<b>2,084,330</b>
Accounting & Auditing Fees		26,760	23,844
General Expenses		31,993	15,830
Computer and Software		5,155	5,843
Meetings and Conferences		5,452	11,368
Amenities & Office Supplies		63,091	80,642
Depreciation		75,399	32,551
Asset Write Off		50,307	-
Communication		28,529	34,143
Insurance		19,775	53,608
Legal Fees		61,561	5,786
Program Costs		38,173	50,779
Rent		98,977	99,185
Employee Expenses		984,873	1,108,272
Motor Vehicle Expense		50,058	67,677
In Kind Expense		3,000	-
Doubtful Debt Expense		6,018	-
Fundraising Expense		319,094	429,357
Other Expense		164,445	63,549
<b>TOTAL EXPENSES</b>		<b>2,032,660</b>	<b>2,082,434</b>
<b>Current year (Deficit) / Surplus before income tax</b>		<b>(82,260)</b>	<b>1,896</b>
Income tax expense		-	-
<b>Current Year (Deficit) / Surplus</b>		<b>(82,260)</b>	<b>1,896</b>
<b>Other Comprehensive Income</b>			
Revaluation of Land and Buildings		946,071	-
<b>Total Comprehensive Income for the Period</b>		<b>863,811</b>	<b>1,896</b>

The accompanying notes form part of these financial statements.

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>CURRENT ASSETS</b>			
Cash assets	3	153,412	178,670
Held-to-maturity investments	4	133,704	-
Receivables	5	8,050	13,469
Other assets	6	16,860	34,987
<b>TOTAL CURRENT ASSETS</b>		<b>312,026</b>	<b>227,126</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	2,560,702	1,730,177
Intangibles	8	-	17,896
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,560,702</b>	<b>1,748,073</b>
<b>TOTAL ASSETS</b>		<b>2,872,728</b>	<b>1,975,199</b>
<b>CURRENT LIABILITIES</b>			
Payables	9	16,968	7,500
Other Liabilities	10	97,417	68,324
Unearned Income	11	39,236	-
Financial Liabilities	12	34,246	57,638
Provisions	13	89,359	110,505
<b>TOTAL CURRENT LIABILITIES</b>		<b>277,226</b>	<b>243,967</b>
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities	12	459	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>459</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>277,685</b>	<b>243,967</b>
<b>NET ASSETS</b>		<b>2,595,043</b>	<b>1,731,232</b>
<b>EQUITY</b>			
Reserves		1,389,089	443,018
Retained profits		1,205,954	1,288,214
<b>TOTAL EQUITY</b>		<b>2,595,043</b>	<b>1,731,232</b>

The accompanying notes form part of these financial statements.

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Retained Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2013	1,286,936	443,018	1,729,954
Prior year adjustment	(618)	-	(618)
Net surplus for the year	1,896	-	1,896
<b>Balance at 30 June 2014</b>	<b>1,288,214</b>	<b>443,018</b>	<b>1,731,232</b>
 Balance at 1 July 2014	 1,288,214	 443,018	 1,731,232
Operating deficit for the year	(82,260)	-	(82,260)
Revaluation increment	-	946,071	946,071
<b>Balance at 30 June 2015</b>	<b>1,205,954</b>	<b>1,389,089</b>	<b>2,595, 043</b>

The accompanying notes form part of these financial statements.

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Grants received		1,354,691	1,356,501
Revenue		73,303	321,013
Fundraising		520,800	546,083
Payments to customers, suppliers and employees		(1,994,009)	(2,046,847)
Interest received		6,240	3,861
<b>Net cash provided by/(used in) operating activities</b>	<b>14</b>	<b>151,592</b>	<b>180,611</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for assets		(34,040)	-
Proceeds from sale of assets		4,600	-
<b>Net cash provided by/(used in) investing activities</b>		<b>(29,440)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Transfers to investments		(124,477)	-
Repayments from borrowings		(77,009)	(79,499)
Proceeds from borrowings		54,075	-
<b>Net cash provided by/(used in) financing activities</b>		<b>(147,411)</b>	<b>(79,499)</b>
Net increase/(decrease) in cash held		(25,259)	101,112
Cash at the beginning of the year		178,670	77,558
<b>Cash at the end of the year</b>	<b>3</b>	<b>153,411</b>	<b>178,670</b>

The accompanying notes form part of these financial statements.



# CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

### 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 2015 was authorised for issue in accordance with a resolution of the directors on 2 November 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.

###### **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.

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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.

**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



**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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.

**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



**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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 Judgments**

**(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.

**o. New standards and interpretations issued but not yet effective**

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 2014-4	<i>Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation</i>	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset, and to clarify that revenue is generally presumed to be an inappropriate basis for that purpose.	1 January 2016	Minimal Impact
AASB 2015-1	<i>Amendments to Australian Accounting</i>	The Standard makes amendments to various Australian Accounting Standards arising from the IASB's	1 January 2016	Minimal Impact

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

	<i>Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle</i>	Annual Improvements process, and editorial corrections.		
AASB 2015-2	<i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101</i>	The Standard makes amendments to AASB 101 <i>Presentation of Financial Statements</i> arising from the IASB's Disclosure Initiative project.	1 January 2016	Disclosures Only
AASB 2015-6	<i>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</i>	The amendments specify consistent related party disclosure requirements for the Australian Government, State Governments, local councils and other not-for-profit public sector entities.	1 July 2016	Minimal Impact
AASB 15	<i>Revenue from Contracts with Customers</i>	This Standard establishes principles (including disclosure requirements) for reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.	1 January 2017	Minimal Impact
AASB 9	<i>Financial Instruments</i>	This Standard supersedes both AASB 9 (December 2010) and AASB 9 (December 2009) when applied. It introduces a "fair value through other comprehensive income" category for debt instruments, contains requirements for impairment of financial assets, etc.	1 January 2018	Minimal Impact
AASB 2014-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i>	Consequential amendments arising from the issuance of AASB 9	1 January 2018	Minimal Impact

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

<b>NOTE 2: REVENUE AND OTHER INCOME</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>		
Grant Income	1,195,868	1,220,506
Fundraising	520,800	546,084
Fee for Service	142,615	196,370
Parking Fees	31,182	26,982
Membership	7,020	12,288
In Kind	3,000	-
Interest Received	6,240	3,861
Other Income	43,675	78,239
<b>TOTAL REVENUE</b>	<b>1,950,400</b>	<b>2,084,330</b>

**NOTE 3: CASH AND CASH EQUIVALENTS**

Cash on Hand	100	-
Term Deposits	-	124,478
Bendigo Bank Accounts	152,393	47,438
Westpac Art Union Account	919	1,754
Legal Fee's Trust Account	-	5,000
	<b>153,412</b>	<b>178,670</b>

**NOTE 4: HELD-TO-MATURITY INVESTMENTS**

3 Month Term Deposit	20,948	-
6 Month Term Deposits	112,756	-
	<b>133,704</b>	<b>-</b>

**NOTE 5: ACCOUNTS RECEIVABLE**

Accounts Receivable	14,068	13,469
Less: Provision for Doubtful Debt	(6,018)	-
	<b>8,050</b>	<b>13,469</b>

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 6: OTHER CURRENT ASSETS**

	2015	2014
	\$	\$
Prepayments	7,571	17,487
Other Debtors	2,104	-
Interest Income Accrual	1,185	-
Rental Bond	6,000	17,500
	<u>16,860</u>	<u>34,987</u>

**NOTE 7: PROPERTY, PLANT AND EQUIPMENT**

Erindale Property – At Valuation

Land	110,000	-
Building	1,270,000	1,470,000
	<u>1,380,000</u>	<u>1,470,000</u>

Turner Property – At Valuation

Land	380,000	-
Building	710,000	129,906
Accumulated Depreciation	-	(45,570)
	<u>1,090,000</u>	<u>84,336</u>

**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.

Gym Equipment

At cost	34,426	144,410
Accumulated Depreciation	(27,378)	(106,765)
	<u>7,048</u>	<u>37,645</u>

Motor Vehicles

At cost	228,793	250,679
Accumulated Depreciation	(167,445)	(168,299)
	<u>61,348</u>	<u>82,380</u>

Office Plant & Equipment

At cost	65,781	436,857
Accumulated Depreciation	(49,641)	(388,794)
	<u>16,140</u>	<u>48,063</u>

Rock wall

At cost	54,010	54,010
Accumulated Depreciation	(47,844)	(46,257)
	<u>6,166</u>	<u>7,753</u>

**TOTAL PROPERTY, PLANT AND EQUIPMENT**

<u>2,560,702</u>	<u>1,730,177</u>
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**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 7: PROPERTY, PLANT AND EQUIPMENT**

	Land & Buildings	Gym Equipt	Motor Vehicles	Office Plant & Equipt	Rockwall	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2014	1,554,336	37,645	82,380	48,063	7,753	1,730,177
Additions	-	22,000	-	12,040	-	34,040
Disposals	-	(132,496)	(21,874)	(385,626)	-	(539,996)
Revaluation	870,094	-	-	-	-	870,094
Depreciation expense	(36,761)	(6,840)	(20,539)	(7,808)	(1,587)	(73,535)
Depreciation addback on disposals	-	86,239	21,381	349,971	-	457,591
Depreciation add back revaluation	82,331	-	-	-	-	82,331
Carrying amount 30 June 2015	<u>2,470,000</u>	<u>6,548</u>	<u>61,348</u>	<u>16,640</u>	<u>6,166</u>	<u>2,560,702</u>

**NOTE 8: INTANGIBLE ASSETS**

	2015	2014
	\$	\$
Trademarks	14,825	14,825
Other	3,071	3,071
Impairment of Intangible Assets	(17,896)	-
	<u>-</u>	<u>17,896</u>

**NOTE 9: ACCOUNTS PAYABLE**

Trade Creditors	16,968	7,500
	<u>16,968</u>	<u>7,500</u>

**NOTE 10: OTHER LIABILITIES**

Audit Fee	10,400	-
Superannuation Payable	3,321	-
GST Payable	9,544	14,519
Deposits held	3,500	1,500
Payroll Liabilities	70,742	52,305
	<u>97,417</u>	<u>68,324</u>

**NOTE 11: UNEARNED INCOME**

Unexpanded Grant	39,236	-
	<u>39,236</u>	<u>-</u>

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
<b>NOTE 12: FINANCIAL LIABILITIES</b>		
<b>CURRENT</b>		
Macquarie Insurance Loan	13,267	-
Overdraft Loan	5,443	-
Bank Loan	15,536	57,638
	<u>34,246</u>	<u>57,638</u>
<b>NON CURRENT</b>		
Overdraft Loan	459	-
	<u>459</u>	<u>-</u>
	<u>34,705</u>	<u>57,638</u>

**NOTE 13: EMPLOYEE PROVISIONS**

<b>CURRENT</b>		
Annual Leave	61,306	103,955
Long Service Leave – Portable	3,080	6,550
Long Service Leave – Non Portable	2,021	-
Provision for Redundancy	22,952	-
	<u>89,359</u>	<u>110,505</u>

**NOTE 14: CASH FLOW INFORMATION**

**RECONCILIATION OF CASH**

Cash on hand	100	-
Cash at bank	153,312	178,670
	<u>153,412</u>	<u>178,670</u>

**RECONCILIATION OF CASH FLOWS FROM OPERATIONS AFTER INCOME TAX**

Profit / (Loss) after income tax	(79,029)	1,896
<i>Non-cash flows in result</i>		
Depreciation	75,399	32,551
Net (gain) / loss on disposal of property, plant and equipment	53,702	-
Impairment of assets	23,913	-
<i>Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries</i>		
Increase / (Decrease) in employee provisions	(20,507)	(12,929)
Increase / (Decrease) in creditors, accruals and tax liabilities	74,566	108,133
Decrease / (Increase) in receivables and prepayments	23,548	50,960
<i>Total cash flows from operations</i>	<u>151,592</u>	<u>180,611</u>

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
<b>NOTE 15: FUTURE COMMITMENTS</b>		
Future minimum rentals payable under non-cancellable operating leases are as follows:		
Within One Year	70,917	74,030
After One Year but not more than Five Years	356,431	362,848
After more than Five Years	75,000	150,000
	<u>502,348</u>	<u>586,878</u>

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:

David McLean	Peter Askew
Tony Campbell	Jayson Hinder
Rachel Harris	Justin Barry
David Pryce	

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 PCYC received the membership at usual market price.

Director Peter Askew also owns Tuggeranong Business Park, an office rental property that PCYC 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 \$93,425. All transactions were made on normal commercial terms and conditions and at market rates.

Director Jayson Hinder is also owner of Jayson Hinder & Associates, a law firm that PCYC utilises for legal services. Jayson provides pro bono services for PCYC, and occasionally provides paid services. During the financial year, transactions with Jayson Hinder & Associates amounted to \$43,379. All paid transactions were made on normal commercial terms and conditions and at market rates.

Director Jayson Hinder is also a Director at Bendigo Bank. Bendigo Bank is a previous sponsor of the company, and PCYC's main banking institute. In the Current financial year, all transactions were within the consideration of normal business banking and no additional funding was received from Bendigo bank.

Director Anthony Campbell is also Director at Supportlink. Support link have provided in kind support to PCYC by way of provision of client management resource and technical support for client management resource. This has been valued at \$3,000.00.

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

Director Andrea Quinn is also a staff member at Australian Federal Police. Andrea's role in PCYC is appointed by AFP as per PCYC's constitution.

**CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 17: KEY MANAGEMENT PERSONNEL**

The directors and key management personnel compensations during the year ended 30 June 2015 was:

	Short term benefits	Long term benefits	Post-retirement benefits	Total
<b>2015</b>				
Total Compensation	116,005	-	8,324	<b>124,329</b>
<b>2014</b>				
Total Compensation	121,742	-	9,911	<b>131,653</b>

**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 2015 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 the Committee by:

  
\_\_\_\_\_

  
\_\_\_\_\_

Signed at *Emdale*

this *2nd* day of *November* 2016

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 INCORPORATED**

We have audited the accompanying financial report of Canberra Police Community Youth Club Incorporated ("the entity"), which comprises the balance sheet as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and cash flow statement for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by Members of the Committee.

*Responsibility for the Financial Report*

The Committee members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Associations Incorporation Act 1991, and for such internal control as the committee members 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. Those 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 committee 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 qualified audit opinion.

### *Independence*

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

### *Bases for qualified opinion*

#### *Opening Balance Qualification*

The financial report of Canberra Police Community Youth Club Incorporated for the year ended 30 June 2014 has been audited, however we are unable to place reliance on the work completed by the previous auditor. We were appointed as auditors of the company on 11 September 2015. We were unable to satisfy ourselves by alternative means concerning the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2014, disclosed as corresponding figures. As a result, we have been unable to determine whether adjustments to these amounts might have been necessary.

### *Qualified Opinion*

In our opinion, except for the effects of the matters described in the Bases for Qualified Opinion paragraphs, the financial report presents fairly, in all material respects, the financial position of Canberra Police Community Youth Club Incorporated as at 30 June 2015, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Associations Incorporation Act 1991.

*RSM Australia Partners*

**RSM Australia Pty Ltd**



**RODNEY MILLER**  
Director

Canberra, ACT  
Dated: 23<sup>rd</sup> November 2016