

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 2018.

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

PCYC Executive Manager: Cheryl O'Donnell (appointed 8/16)
PCYC General Manager: Stephen Imrie

AFP representative: Rob Wilson (From 10/16)
AFP representative: Mark Walters (From 10/16)
AFP representative: James Bellicanta March 2018

Community Appointments:
President: Rob Wilson (acting) from Jan 2018
President: Peter Askew (acting) from Dec 16 til Dec 2017
Vice President: Peter Askew (appointed 11/15, Acting-President from 12/16)
Treasurer: Steve Merenda (appointed 6/16)
Community Member: Helen Badger Secretary (appointed 3/17)

Principal Activities for the Association for the year ended 30 June 2018

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 \$541,788 for the year ended 30 June 2018 (2017: surplus \$186,595).

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



16.11.18

Signed at _____ this _____ day of _____ 2018

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 2018

	2018	2017
Note	\$	\$
Grant income	1,423,281	1,426,349
Fundraising	424,156	512,486
Fee for service program income	134,977	87,749
Other income	2 741,725	112,972
TOTAL REVENUE	<u>2,724,139</u>	<u>2,139,556</u>
Accounting and auditing fees	16,920	13,015
Amenities and office supplies	49,212	57,969
Bad debts	40,682	-
Communication	26,259	27,096
Computer and software	3,067	1,290
Consulting and bookkeeping fees	38,966	98,277
Depreciation	110,273	121,110
Employee expenses	1,302,913	1,069,282
Fundraising expense	238,860	259,382
General expenses	49,152	35,062
Insurance	30,137	26,879
Legal fees	4,262	1,200
Meetings and conferences	5,925	5,448
Motor vehicle expense	59,191	51,893
Other expenses	1,071	1,347
Program costs	82,703	70,535
Rent	122,758	113,176
TOTAL EXPENSES	<u>2,182,351</u>	<u>1,952,961</u>
Current year Surplus / (Deficit) before income tax	<u>541,788</u>	<u>186,595</u>
Income tax expense	-	-
Current Year Surplus / (Deficit)	<u>541,788</u>	<u>186,595</u>
Other Comprehensive Income	<u>-</u>	<u>-</u>
Total Comprehensive Income for the Period	<u>541,788</u>	<u>186,595</u>

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
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash assets	3	1,119,965	395,023
Held-to-maturity investments	4	146,871	143,026
Receivables	5	147,245	184,989
Other assets	6	34,520	28,849
TOTAL CURRENT ASSETS		1,448,601	751,887
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,358,009	2,463,509
Intangibles	8	-	-
TOTAL NON-CURRENT ASSETS		2,358,009	2,463,509
TOTAL ASSETS		3,806,610	3,215,396
CURRENT LIABILITIES			
Payables	9	77,104	30,669
Other liabilities	10	86,578	68,746
Unearned income	11	-	200
Financial liabilities	12	26,509	18,547
Provisions	13	51,892	74,495
TOTAL CURRENT LIABILITIES		242,083	192,657
TOTAL LIABILITIES		242,083	192,657
NET ASSETS		3,564,527	3,022,739
EQUITY			
Reserves		1,389,089	1,389,089
Retained surplus		2,175,438	1,633,650
TOTAL EQUITY		3,564,527	3,022,739

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 2018**

	Retained surplus	Reserves	Total
	\$	\$	\$
Balance at 1 July 2016	1,447,055	1,389,089	2,836,144
Operating surplus for the year	186,595	-	186,595
Balance at 30 June 2017	<u>1,633,650</u>	<u>1,389,089</u>	<u>3,022,739</u>
Balance at 1 July 2017	1,633,650	1,389,089	3,022,739
Operating surplus for the year	541,788	-	541,788
Balance at 30 June 2018	<u>2,175,438</u>	<u>1,389,089</u>	<u>3,564,527</u>

The accompanying notes form part of these financial statements.

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED
A.B.N. 71 012 467 609

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Grants received		1,603,153	1,294,349
Revenue		883,902	166,040
Fundraising		424,156	512,486
Payments to suppliers and employees		(2,184,094)	(1,870,265)
Interest received		6,443	5,872
Net cash provided by operating activities		<u>733,560</u>	<u>108,482</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for assets		(4,773)	(94,980)
Net cash (used in) investing activities		<u>(4,773)</u>	<u>(94,980)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Transfers to investments		(3,845)	37,343
Net cash provided by/(used in) financing activities		<u>(3,845)</u>	<u>37,343</u>
Net increase in cash held		724,942	50,845
Cash at the beginning of the year		395,023	344,178
Cash at the end of the year	3	<u>1,119,965</u>	<u>395,023</u>

The accompanying notes form part of these financial statements.

CANBERRA POLICE COMMUNITY YOUTH CLUB INCORPORATED
A.B.N. 71 012 467 609

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers Canberra Police Community Youth Club Incorporated (PCYC) as an individual entity. Canberra Police Community Youth Club Incorporated (PCYC) is an association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991*.

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

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'), the Australian Capital Territory legislation and the *Australian Charities and Not-for-profits Commission Act 2012*, and associated regulations, as appropriate for not-for-profit oriented entities.

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 1(m).

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.

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 2018

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. Expected Useful lives as follows:

Buildings	50 years
Exercise Equipment	8 years
Fixture, fittings and furniture Fitout	5 - 20 years
Motor vehicle	8 Years
Office furniture and equipment	3-10 years

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 comprehensive income 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 (e.g. 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.

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 2018

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.

f) 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.

g) 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.

h) 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.

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 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Goods and Services Tax (GST) (Continued)

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.

i) Comparative Figures

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

j) 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.

k) 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.

l) 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.

m) 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.

o) 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.

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 2018

	2018	2017
	\$	\$
NOTE 2. REVENUE AND OTHER INCOME		
Parking fees	63,054	75,850
Membership	16,448	6,476
Insurance claim proceeds	598,855	-
Interest received	6,443	5,872
Other income	56,925	24,774
TOTAL REVENUE	<u>741,725</u>	<u>112,972</u>
 NOTE 3. CASH AND CASH EQUIVALENTS		
Cash on hand	140	308
Bendigo Bank accounts	1,119,825	394,715
	<u>1,119,965</u>	<u>395,023</u>
 NOTE 4. HELD-TO-MATURITY INVESTMENTS		
6 month term deposits	33,627	143,026
12 month term deposits	113,244	-
	<u>146,871</u>	<u>143,026</u>
 NOTE 5. ACCOUNTS RECEIVABLE		
Accounts receivable	147,645	185,389
Less: Provision for doubtful debt	(400)	(400)
	<u>147,245</u>	<u>184,989</u>
 NOTE 6. OTHER CURRENT ASSETS		
Other debtors	27	792
Prepayments	34,493	28,057
	<u>34,520</u>	<u>28,849</u>

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 2018**

	2018 \$	2018 \$
NOTE 7. PROPERTY, PLANT AND EQUIPMENT		
Erindale Property – At valuation		
Land	110,000	110,000
Building	1,270,000	1,270,000
Accumulated depreciation	(146,386)	(99,568)
	<u>1,233,614</u>	<u>1,280,432</u>
Turner Property – At valuation		
Land	380,000	380,000
Building	710,000	710,000
Accumulated depreciation	(81,836)	(55,664)
	<u>1,008,164</u>	<u>1,034,336</u>
Gym equipment		
At cost	50,591	45,818
Accumulated depreciation	(38,963)	(36,669)
	<u>11,628</u>	<u>9,149</u>
Motor vehicles		
At cost	275,546	275,546
Accumulated depreciation	(222,812)	(205,220)
	<u>52,734</u>	<u>70,326</u>
Office plant and equipment		
At cost	102,179	102,179
Accumulated depreciation	(80,400)	(69,039)
	<u>21,779</u>	<u>33,140</u>
Rockwall		
At cost	54,010	54,010
Accumulated depreciation	(54,010)	(54,010)
	<u>-</u>	<u>-</u>
EC office development		
At cost	45,078	45,078
Accumulated depreciation	(14,988)	(8,952)
	<u>30,090</u>	<u>36,126</u>
	<u>2,358,009</u>	<u>2,463,509</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.

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 2017	2,314,768	9,149	70,326	33,140	36,126	-	2,463,509
Additions	-	4,773	-	-	-	-	4,773
Depreciation expense	(72,992)	(2,294)	(17,591)	(11,360)	(6,036)	-	(110,273)
Balance at 30 June 2018	<u>2,241,776</u>	<u>11,628</u>	<u>52,735</u>	<u>21,780</u>	<u>30,090</u>	<u>-</u>	<u>2,358,009</u>

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 2018

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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.

	2018 \$	2017 \$
NOTE 8. INTANGIBLE ASSETS		
Trademarks	14,825	14,825
Other	3,071	3,071
Impairment of intangible assets	(17,896)	(17,896)
	<u>-</u>	<u>-</u>
NOTE 9. TRADE PAYABLES		
Trade creditors	<u>77,104</u>	<u>30,669</u>
NOTE 10. OTHER PAYABLES		
Audit fee	12,850	12,500
GST payable	39,265	16,091
Deposits held	2,800	3,100
Payroll liabilities	28,443	24,784
Other creditors	3,220	12,271
	<u>86,578</u>	<u>68,746</u>
NOTE 11. UNEARNED INCOME		
Income received in advance	<u>-</u>	<u>200</u>
NOTE 12. FINANCIAL LIABILITIES		
Premium funding insurance	<u>26,509</u>	<u>18,547</u>
NOTE 13. EMPLOYEE PROVISIONS		
Annual leave	<u>51,892</u>	<u>74,495</u>

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 2018**

	2018 \$	2017 \$
NOTE 14. CASH FLOW INFORMATION		
<i>Reconciliation of cash</i>		
Cash on hand	140	308
Cash at bank	1,119,825	394,715
3	<u>1,119,965</u>	<u>395,023</u>
<i>Reconciliation of cash flows from operations after income tax:</i>		
Profit / (Loss) after income tax	541,788	186,595
<i>Non-cash flows in result</i>		
Depreciation	110,273	121,110
<i>Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:</i>		
Increase / (Decrease) in employee provisions	(22,603)	36,853
Increase / (Decrease) in creditors, accruals and tax liabilities	72,029	(53,064)
Decrease / (Increase) in receivables and prepayments	32,073	(185,552)
Total cash flows from operations	<u>733,560</u>	<u>105,942</u>

NOTE 15. FUTURE COMMITMENTS

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

Within one year	115,851	104,550
After one year but not more than five years	232,038	420,552
After more than five years	115,851	40,087
	<u>463,740</u>	<u>565,189</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:

Rob Wilson is a committee member of Canberra PCYC and a member of the AFP
 Peter Askew was a committee member of Canberra PCYC and a director of Beyond Business Connections
 Steve Merenda is a committee member of Canberra PCYC
 Helen Badger is a committee member of Canberra PCYC
 Lise Angus was a committee member of Canberra PCYC
 Mark Walters is a committee member of Canberra PCYC and a member of the AFP
 James Bellicanta is a committee member of Canberra PCYC and a member of the AFP

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 \$73,829.56 inclusive of GST, including outgoings. All transactions were made on normal commercial terms and conditions.

Former Committee Member Jayson Hinder was 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.

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 2018

NOTE 16: RELATED PARTIES (CONTINUED)

Former 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 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 2017 was:

	Short term benefits	Long term benefits	Post- retirement benefits	Total
2018				
Total compensation	221,083	562	19,291	240,936
2017				
Total compensation	186,567	-	17,577	204,144

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

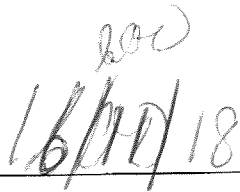
STATEMENT BY MEMBERS OF THE COMMITTEE

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 2018 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





Signed at _____ this _____ day of _____ 2018

On behalf of the Association

RSM Australia Pty Ltd

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 2000 Canberra ACT 2601

T +61 (0) 2 6217 0300


F +61 (0) 2 6217 0401

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of the Canberra Police Community Youth Club Incorporated for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not for profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten signature in dark ink, appearing to read 'RSM', positioned above the printed name.**RSM Australia Pty Ltd**A handwritten signature in dark ink, appearing to read 'Rodney Miller', positioned above the printed name.**RODNEY MILLER**
Director

Canberra, Australian Capital Territory
Date: 21 November 2018

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

RSM Australia Pty Ltd

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61(0) 2 6217 0300

F +61(0) 2 6217 0401

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

CANBERRA POLICE COMMUNITY YOUTH CLUB INC.

Opinion

We have audited the financial report of Canberra Police Community Youth Club Incorporated (PCYC), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the members of the committee.

In our opinion, the financial report of Canberra Police Community Youth Club Incorporated (PCYC) has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and *Associations Incorporation Act (ACT) 1991*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards – Reduced Disclosure Requirements. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Canberra Police Community Youth Club Incorporated's annual report for the year ended 30 June 2018, but does not include the financial report and the auditor's report thereon.

THE POWER OF BEING UNDERSTOOD **AUDIT | TAX | CONSULTING**

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The management of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and *Associations Incorporation Act (ACT) 1991* and for such internal control as the management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management are 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 management either intends to liquidate Canberra Police Community Youth Club Incorporated or to cease operations, or has no realistic alternative but to do so.


Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



RSM Australia Pty Ltd



RODNEY MILLER
Director

Canberra, Australian Capital Territory
Date: 21 November 2018