

Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

Financial Statements

For the Year Ended 31 December 2019

Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

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For the Year Ended 31 December 2019

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Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

Balance Sheet

As At 31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash & cash equivalents	3	974,739	529,989
Prepayments		19,265	18,177
Trade and other receivables	4	312,210	357,599
TOTAL CURRENT ASSETS		1,306,214	905,765
NON-CURRENT ASSETS			
Plant and equipment	5	38,604	48,793
TOTAL NON-CURRENT ASSETS		38,604	48,793
TOTAL ASSETS		1,344,818	954,558
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	49,057	52,772
Employee benefits	8	128,900	93,235
Income received in advance		484,940	301,878
General accruals		21,031	34,906
Tax payable	7	16,451	18,740
TOTAL CURRENT LIABILITIES		700,379	501,531
NON-CURRENT LIABILITIES			
Employee benefits	8	13,487	20,445
TOTAL NON-CURRENT LIABILITIES		13,487	20,445
TOTAL LIABILITIES		713,866	521,976
NET ASSETS		630,952	432,582
CHARITABLE FUNDS			
Retained earnings		432,582	434,118
Surplus / (deficit) for the year		198,370	(1,536)
TOTAL CHARITABLE FUNDS HELD		630,952	432,582

The accompanying notes form part of these financial statements.

Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

Statement of Profit or Loss**For the Year Ended 31 December 2019**

	2019	2018
	\$	\$
Income		
Training income	426,719	437,201
Fundraising income	1,637,473	1,429,193
Grants received	623,731	496,037
Interest income	1,335	2,181
Sundry income	78,520	1,149
Total Income	2,767,778	2,365,761
Expenditure		
Material expenses	235,941	334,610
Venue expenses	172,060	41,888
Communication expenses	44,948	24,089
Accounting fees	6,224	10,800
Depreciation expenses	19,917	20,087
Rental expenses	48,836	48,309
Travel expenses	53,678	61,354
Utilities expenses	66,102	52,461
Administration expenses	37,182	26,299
Repairs and maintenance	7,386	6,752
Bank charges	5,072	3,435
Vehicle expenses	15,340	15,837
Allowances	19,127	13,334
Salary and wages	1,612,362	1,570,514
Annual leave expenses	124,587	115,770
Long service leave expenses	7,935	8,132
Other payroll expenses	41,565	1,026
Staff training and development	31,143	3,460
General expenses	20,003	9,140
Total Expenditure	2,569,408	2,367,297
Surplus / (deficit) for the year	198,370	(1,536)
Charitable funds held at the beginning of the financial year	432,582	434,118
Charitable funds held at the end of the financial year	630,952	432,582

The accompanying notes form part of these financial statements.

Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

Statement of Changes in Equity

For the Year Ended 31 December 2019

2019

	Charitable Funds	Total
	\$	\$
Balance at 1 January 2019	432,582	432,582
Suprlus for the year	198,370	198,370
Balance at 31 December 2019	<u>630,952</u>	<u>630,952</u>

2018

	Charitable Funds	Total
	\$	\$
Balance at 1 January 2018	434,118	434,118
Deficit for the year	(1,536)	(1,536)
Balance at 31 December 2018	<u>432,582</u>	<u>432,582</u>

The accompanying notes form part of these financial statements.

Youth Opportunities Association (SA) Inc

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Statement of Cash Flows

For the Year Ended 31 December 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,811,832	2,191,864
Payments to suppliers and employees	(2,356,400)	(2,182,683)
Interest received	1,335	2,181
Income taxes paid	(2,289)	(1,985)
Net cash provided by operating activities	11 <u>454,478</u>	<u>9,377</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(9,728)</u>	(10,900)
Net cash provided used in investing activities	<u>(9,728)</u>	(10,900)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by/(used in) financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	444,750	(1,523)
Cash and cash equivalents at beginning of year	<u>529,989</u>	531,512
Cash and cash equivalents at end of financial year	3 <u><u>974,739</u></u>	<u><u>529,989</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2019

1 Basis of Preparation

The financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profit Commission Act 2012. In the opinion of the board of directors, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs.

The financial statements have been prepared in accordance with the recognition and measurement requirements of Australian Charities and Not-for-profit Commission Act 2012 and the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 110 *Events after Balance Sheet Date*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031 *Materiality*, AASB 16 *Leases* and AASB 1054 *Australian Additional Disclosures*.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Plant and Equipment

Each class of plant and equipment is carried at cost, independent or director's valuation, where applicable, any accumulated depreciation and impairment of losses.

(b) Trade & other receivables

All trade receivables are recognised at the amounts receivable as they are generally due for settlement within normal commercial trading terms. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for impairment of trade receivables is raised when some doubt as to collection exists.

(c) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(d) Revenue and other income

The Association has applied AASB 15 : Revenue from Contracts with Customers (AASB 15) and AASB 1058 : Income of Not-for-Profit Entities (AASB 1058) using the cumulative effective method as an adjustment to the opening balance of equity at 1 January 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118 : Revenue and AASB 1004 : Contributions.

When the Association receives training revenue or grant revenue, it assesses whether there is an enforceable contract that has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Association:

- identifies each performance obligation relating to the revenue;

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies continued

(d) Revenue and other income continued

- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Association:

- recognises income immediately in profit or loss.

If a contract liability is recognised as a related amount above, the Association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Donation income is recognised when it is received, except for scholarship donation income which is recognised on provision of the associated scholarship expense. Until the scholarship expense is consumed, income will be deferred to income in advance.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

(e) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(f) Trade & other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within normal commercial trading terms.

(g) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the balance sheet if the Association does not have an

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies continued

unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(h) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(i) Leases

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(j) Comparative Amounts

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

Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Cash and cash equivalents

	2019	2018
	\$	\$
Cash at bank	974,608	529,364
Petty cash	131	625
	<u>974,739</u>	<u>529,989</u>

4 Trade and other receivables

Trade debtors	296,298	357,599
Sundry debtors	15,912	-
	<u>312,210</u>	<u>357,599</u>

5 Plant and equipment

Plant & equipment	46,668	36,939
Accumulated depreciation	(36,138)	(22,777)
	<u>10,530</u>	<u>14,162</u>
Motor vehicles	52,254	52,254
Accumulated depreciation	(24,180)	(17,623)
	<u>28,074</u>	<u>34,631</u>
Total plant & equipment	<u>38,604</u>	<u>48,793</u>

6 Trade and other payables

CURRENT		
Trade creditors	35,626	33,115
Sundry creditors	150	-
Superannuation payable	10,240	10,417
WorkCover payable	3,041	2,594
Other payable	-	6,646
	<u>49,057</u>	<u>52,772</u>

7 Tax payable

CURRENT		
GST payable	2,439	3,572
PAYG payable	14,012	15,168
	<u>16,451</u>	<u>18,740</u>

Notes to the Financial Statements

For the Year Ended 31 December 2019

8 Employee Benefits

	2019	2018
	\$	\$
CURRENT		
Provision for annual leave	68,797	48,026
Provision for long service leave	60,103	45,209
	<u>128,900</u>	<u>93,235</u>
NON-CURRENT		
Provision for long service leave	13,487	20,445
	<u>13,487</u>	<u>20,445</u>

9 Contingencies

In the opinion of the board of directors, the Association did not have any contingencies at 31 December 2019 (31 December 2018: None).

10 Related Parties

(a) Transactions with related parties

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

The following transactions occurred with related parties:

	2019
	\$
Brand Insights (Nicky Brand)	
Contract Labour	53,176
Marshman Foundation (Peter Marshman)	
Resource Materials	121,500
Licence Fees	9,759
Contract Labour	26,120

Notes to the Financial Statements

For the Year Ended 31 December 2019

11 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2019	2018
	\$	\$
Profit/(loss) for the year	198,370	(1,536)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- Depreciation	19,917	20,087
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	45,389	(171,716)
- increase in other other debtors	(1,088)	(2,997)
- increase/(decrease) in trade and other payables	(3,715)	7,585
- decrease in PAYG/GST Payable	(2,289)	(1,985)
- decrease in income in advance	183,062	150,361
- (decrease)/increase in accrued expenses	(13,875)	24,292
- increase/(decrease) in employee benefits	28,707	(14,714)
Cashflows from operations	454,478	9,377

12 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

13 Association Details

The registered office of the Association is:
 Youth Opportunities Association (SA) Inc
 35A Oaklands Road
 Somerton Park SA 5044

Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

Director's Report

31 December 2019

Your board of directors submit the financial reports of the Youth Opportunities Association (SA) Incorporated for the financial year ended 31 December 2019.

Board of Directors

The names of board of directors throughout the year and at the date of this report are:

Dennis Laundy - Chairman
Peter Marshman OAM
Conrad Guerra
Rebecca Adams - Treasurer
Suzanne McMillan
Melanie Champion de Crespigny (Resigned)

Nikki Brand - Vice Chairman
Matthew Fisher
Michael Whiting
Darren Steele
Ric Bierbaum (Retired)

Principal activities

The principal activities of the Association during the financial year were as follows:

1. To improve the opportunities of young South Australians who are disadvantaged in the community through poverty, misfortune or disability;
2. To assist young South Australians in securing and maintaining employment;
3. To assist young South Australians with career choices and career development;
4. To seek help from government and organizations for young people and cooperate with and contribute money to any other organization which assists in any of (1), (2) and (3) above; and
5. To raise funds and do anything or enter into any transaction which the Association considers necessary for, or incidental to, the carrying of its objects as set out in these rules.

Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

The surplus of the Association for the financial year amounted to \$ 198,370 (2018 deficit: \$1,536).

Signed in accordance with a resolution of the board of directors:

Chairman:



Deputy Chairman:



Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

Director's Report

31 December 2019

Dated this6th..... day ofApril..... 2020.

Youth Opportunities Association (SA) Inc

ABN 84 615 401 812

Statement by Board of Directors

The board of directors have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the board of directors the financial report as set out on pages 1 to 8:

1. Presents fairly the results of the operations of Youth Opportunities Association (SA) Inc as at 31 December 2019 and the state of its affairs for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Youth Opportunities Association (SA) Inc will be able to pay its debts as and when they fall due.
3. Aside from the amounts listed in Note 10, no member of the Association has received directly or indirectly from the Association any payment or other benefit of a pecuniary value other than remuneration on normal commercial terms for services provided during the year ended 31 December 2019.

This statement is made in accordance with a resolution of the board of directors and is signed for and on behalf of the board of directors by:

Chairman.....

Deputy Chairman.....

Dated this 6th day of April 2020.

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT FOR PROFITS
COMMISSION ACT 2012**

To the Members of Youth Opportunities Association (SA) Incorporated:

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2019, there have been:

- + no contraventions of the independence requirements of the ACNC Act 2012 in relation to the audit; and
- + no contraventions of any applicable code of professional conduct in relation to the review.

ACCRU+ HARRIS ORCHARD



**BEN WILLINGTON
DIRECTOR**

Dulwich, 7 April 2020

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF YOUTH OPPORTUNITIES ASSOCIATION (SA) INCORPORATED**

Opinion

We have audited the financial report of Youth Opportunities Association (SA) Incorporated (the Entity), which comprises the Balance Sheet as at 31 December 2019, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, Notes to the Financial Statements, Director's Report and Statement by Board of Directors.

In our opinion the accompanying financial report has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- + giving a true and fair view of the registered entity's financial position as at 31 December 2019 and of its financial performance for the year ended on that date; and
- + complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity 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 and the independence requirements of Division 60-40 of the Australian Charities and Not-for-profits Commission Act 2012.

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

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Committee of Management for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- + Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- + Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- + Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- + Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- + Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ACCURU⁺ HARRIS ORCHARD



BEN WILLINGTON
DIRECTOR

Dulwich, 7 April 2020