

**St.Kilda Police & Citizens Youth
Club Inc.**

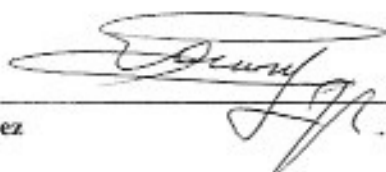
Financial Statements
For the year ended 30 June 2015

St.Kilda Police & Citizens Youth Club Inc.
Statement by Members of the Committee
For the year ended 30 June 2015

In the opinion of the Committee the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and Notes to the Financial Statements:

1. Presents fairly the financial position of St.Kilda Police & Citizens Youth Club Inc. as at 30 June 2015 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

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



Ramon G Lopez
President



Russell Kaaden
Committee Member

St.Kilda Police & Citizens Youth Club Inc.
Independent Auditor's Report to the Members

Report on the Financial Report

We have audited the accompanying financial report of St.Kilda Police & Citizens Youth Club Inc. (the association), which comprises the Statement by Members of the Committee, the Statement of Profit and loss and Comprehensive Income, the Balance Sheet, Statement of Cash Flows, Statement of Changes In Equity, a summary of significant accounting policies and other explanatory notes for the financial year ended 30 June 2015.

Committee's Responsibility for the Financial Report

The Committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Reform Act 2012, and for such internal control as the committee determines is necessary to enable the preparation and fair presentation 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, as well as evaluating the overall presentation of the financial report.

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

In our opinion, the financial report of St.Kilda Police & Citizens Youth Club Inc. is in accordance with the requirements of the Associations Incorporation Reform Act 2012, including:

- (i) giving a true and fair view of the association's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards.

Signed on :

Andrew Townsend, FCA

Miles Townsend Pty Ltd

1 Redwood Drive, Notting Hill, Vic., 3168

St.Kilda Police & Citizens Youth Club Inc.
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
Revenue	2	<u>1,564,825</u>	<u>1,309,697</u>
Gross profit		1,564,825	1,309,697
Marketing		(16,371)	(391)
Computer expenses		(8,802)	(3,033)
Administration expenses		(1,185,718)	(932,165)
Finance Costs		<u>(58,812)</u>	<u>(36,135)</u>
Profit before income tax		295,122	337,973
Income tax (credit) expense		<u> </u>	<u> </u>
Profit for the year		<u><u>295,122</u></u>	<u><u>337,973</u></u>
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Total other comprehensive income for the year, net of tax		<u> </u>	<u> </u>
Total comprehensive income for the year		<u><u>295,122</u></u>	<u><u>337,973</u></u>

The accompanying notes form part of these financial statements.

St.Kilda Police & Citizens Youth Club Inc.
Balance Sheet as at 30 June 2015

	Note	2015 \$	2014 \$
Assets			
Current Assets			
Cash assets	6	301,515	24,016
Current tax assets		13,063	154,550
Total Current Assets		314,578	178,566
Non-Current Assets			
Property, plant and equipment	4	3,207,977	2,752,665
Total Non-Current Assets		3,207,977	2,752,665
Total Assets		3,522,555	2,931,231
Liabilities			
Current Liabilities			
Payables		295	4,715
Financial liabilities	5	102,033	
Provisions		8,844	20,856
Total Current Liabilities		111,172	25,571
Non-Current Liabilities			
Financial liabilities	5	754,465	950,221
Total Non-Current Liabilities		754,465	950,221
Total Liabilities		865,637	975,792
Net Assets		2,656,918	1,955,439
Members' Funds			
Reserves	3	395,765	
Retained profits		2,261,153	1,955,439
Total Members' Funds		2,656,918	1,955,439

The accompanying notes form part of these financial statements.

St.Kilda Police & Citizens Youth Club Inc.
Statement of Changes in Equity for the year ended 30 June 2015

	Notes	Retained Earnings	Asset Revaluation Reserve	Total
Balance at 01/07/2013		1,617,466		1,617,466
Comprehensive income				
Profit attributable to the members		337,973		337,973
Other comprehensive income for the year				
Total comprehensive income for the year attributable to members of the entity		337,973		337,973
Balance at 30/06/2014		1,955,439		1,955,439
Comprehensive income				
Profit attributable to the members		295,122		295,122
Write back of salary sacrifice entitlements not previously expensed	9	10,592		10,592
Asset revaluation reserve	3		395,765	395,765
Other comprehensive income for the year				
Total comprehensive income for the year attributable to members of the entity		305,714	395,765	701,479
Balance at 30/06/2015		2,261,153	395,765	2,656,918

The accompanying notes form part of these financial statements.

St.Kilda Police & Citizens Youth Club Inc.
Statement of Cash Flows
For the year ended 30 June 2015

	2015	2014
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	1,564,783	1,255,599
Payments to Suppliers and employees (Note 8)	(1,019,779)	(1,087,128)
Interest received	42	2,618
Interest and other costs of finance	(58,812)	(36,135)
Other revenue	51,479	51,479
Net cash provided by (used in) operating activities	<u>486,234</u>	<u>186,433</u>
Cash Flow From Investing Activities		
Payments for property and equipment	<u>(125,604)</u>	<u>(1,312,711)</u>
	<u>(125,604)</u>	<u>(1,312,711)</u>
Cash Flow From Financing Activities		
Proceeds of borrowings		950,221
Repayment of borrowings	<u>(93,723)</u>	<u>950,221</u>
	<u>(93,723)</u>	<u>950,221</u>
Net increase (decrease) in cash held	266,907	(176,057)
Write back of salary sacrifice entitlements incorrectly recorded last financial year (Note 9)	10,592	
Cash at the beginning of the year	<u>24,016</u>	<u>200,073</u>
Cash at the end of the year	<u><u>301,515</u></u>	<u><u>24,016</u></u>

The accompanying notes form part of these financial statements.

St.Kilda Police & Citizens Youth Club Inc.

Notes to the Financial Statements

For the year ended 30 June 2015

Note 1: Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Reform Act of Victoria. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Property, Plant and Equipment (PPE)

Land and buildings have been valued by the Committee to what they have determined to be market value.

Property plant, equipment and vehicles have been revalued by the Committee following a detailed review and listing of all items held and are now depreciated over the useful lives of the assets as determined by the Committee. Buildings have been revalued by the Committee and are now depreciated annually, which is a change in accounting policy. It is the intention of the Committee to carry out independent valuations of land and buildings from time to time.

(b) Impairment of Assets

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

(c) 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 have been measured at the amounts expected to be paid when the liability is settled.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate 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.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

St.Kilda Police & Citizens Youth Club Inc.**Notes to the Financial Statements****For the year ended 30 June 2015****(f) 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 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 assets and liabilities statement are shown inclusive of GST.

(g) Trade and Other Payables

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

(h) Financial Liabilities

The Club has long term borrowing with the Commonwealth Bank maturing in October 2028. The loan facility is at a variable interest rate, currently 6.62% per annum. The loan is secured by the land and buildings owned by the Club..

(i) Comparative Figures

Where necessary comparative figures have been adjusted to conform with changes in presentation for the financial year.

St.Kilda Police & Citizens Youth Club Inc.
Notes to the Financial Statements
For the year ended 30 June 2015

2015

2014

Note 2: Revenue and Other Income**Revenue:**

Interest revenue	42	2,618
Grants	178,989	105,314
Donations	13,651	134,061
Memberships & Fees	417,498	345,798
Other	1,578	22,354
Art Union Raffle	908,067	648,073
Rent received	45,000	51,479
	<u>1,564,825</u>	<u>1,309,697</u>

Note 3: Reserves

Balance at the beginning of the reporting period	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
Increase (decrease) in reserves during the reporting period:		
Asset Revaluation Reserve	<u>395,765</u>	<u> </u>
	<u>395,765</u>	<u> </u>
Balance at the reporting date		
Asset Revaluation Reserve	<u>395,765</u>	<u> </u>
	<u>395,765</u>	<u> </u>

St.Kilda Police & Citizens Youth Club Inc.
Notes to the Financial Statements
For the year ended 30 June 2015

2015**2014****Note 4: Property, Plant and Equipment**

Freehold land:

- At cost		1,323,216
- At Committee valuation	2,200,000	
	<u>2,200,000</u>	<u>1,323,216</u>

Buildings:

- At cost		1,051,653
- At Committee valuation	850,000	
- Less: Accumulated depreciation	<u>(21,250)</u>	<u></u>
	<u>828,750</u>	<u>1,051,653</u>

Plant and equipment:

- At cost		314,715
- Less: Accumulated depreciation	<u></u>	<u></u>
	<u></u>	<u>314,715</u>

Other plant and equipment:

- At Committee valuation	189,034	
- Less: Accumulated depreciation	<u>(37,807)</u>	<u></u>
	<u>151,227</u>	<u></u>

Motor vehicles:

- At cost		63,081
- At Committee valuation	35,000	
- Less: Accumulated depreciation	<u>(7,000)</u>	<u></u>
	<u>28,000</u>	<u>63,081</u>
	<u>3,207,977</u>	<u>2,752,665</u>

St.Kilda Police & Citizens Youth Club Inc.
Notes to the Financial Statements
For the year ended 30 June 2015

2015

2014

Note 5: Borrowings**Current****Secured*:**

- Bank loans

102,033

102,033**Non-Current****Secured*:**

- Bank loans

754,465

754,465

950,221

950,221*** Total Current and Non-Current Secured Liabilities**

Bank loans

856,498

856,498

950,221

950,221

St.Kilda Police & Citizens Youth Club Inc.
Notes to Financial Statements
For the year ended 30 June 2015

2015

2014

Note 6: Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank	90,364	4,186
Cash At Bank	252	538
Cash At Bank	197,335	19,240
Cash At Bank	52	52
Rental Account	13,512	
	<u>301,515</u>	<u>24,016</u>

Note 7: Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Operating profit (loss) after tax	295,122	337,973
Depreciation and amortisation	66,057	
Changes in assets and liabilities :		
(Increase) /decrease in other assets	141,487	(137,541)
Increase (decrease) in trade payables	(4,420)	3,929
Increase (decrease) in employee entitlements	(12,012)	(17,928)
Net cash provided by operating activities	<u>486,234</u>	<u>186,433</u>

Note 8: Restatement of Cash Flows

The Statement of Cash Flows in 2014 incorrectly represented Payments to Suppliers and Employees as \$949,587 instead of \$1,087,128. A format keying error was detected when preparing 2015 financial statements. Accordingly 2014 comparative figures have been adjusted to reflect this correction.

St.Kilda Police & Citizens Youth Club Inc.
Notes to Financial Statements
For the year ended 30 June 2015

2015

2014

Note 9: Write Back of Salary Sacrifice Expenditure

Following a review of the 2014 financial statements it became apparent that an amount of \$10,592 should not have been contained in the provisions figure of \$20,856. This amount was accrued salary sacrifice expenses that were in fact paid during the 2014 financial year. The Committee has determined to disclose this correction as a separate line item in the 2015 financial statements.