

Financial Statements

St Kilda Police & Citizens Youth Club Inc
ABN 68 206 026 983
For the year ended 30 June 2022

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Statement of Profit or Loss

St Kilda Police & Citizens Youth Club Inc
For the year ended 30 June 2022

	NOTES	2022	2021
Income			
Fundraising income		863,771	1,031,803
Provision of services	7	224,367	148,124
Net sales - Olive's Lane Cafe		98,537	-
Grants	5	99,737	61,081
Donations		115,282	137,994
Rental revenue		30,065	30,874
Other income	6	45,343	276,053
Total Income		1,477,102	1,685,928
Cost of Sales			
Olive's Lane Cafe		45,691	-
Gross Surplus		1,431,411	1,685,928
Expenditure			
Auditors remuneration		8,300	8,300
Bank charges		3,910	2,498
Finance costs		4,757	11,679
Software subscriptions		9,137	803
Program supplies and activities	8	36,161	23,162
Depreciation	9	46,431	39,046
Employment costs	10	765,988	689,599
Fundraising expenses		419,453	800,933
Other expenses		120,102	129,677
Total Expenditure		1,414,239	1,705,697
Current Year Surplus/ (Deficit) Before Extraordinary Items		17,172	(19,769)
Net Current Year Surplus / (Deficit)		17,172	(19,769)

The accompanying notes form part of these financial statements.

Statement of Financial Position

St Kilda Police & Citizens Youth Club Inc As at 30 June 2022

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Cash & Cash Equivalents	11	464,250	346,329
Trade and Other Receivables	12	148,075	114,970
Inventories	13	4,795	2,635
GST Receivable		1,592	16,471
Total Current Assets		618,712	480,405
Non-Current Assets			
Plant and Equipment, Vehicles	14	131,706	146,150
Land & Buildings	15	4,956,870	4,294,419
Intangibles		1,525	2,698
Total Non-Current Assets		5,090,101	4,443,267
Total Assets		5,708,813	4,923,672
Liabilities			
Current Liabilities			
Trade and Other Payables	16	163,568	194,592
Income in Advance	17	298,201	147,509
Employee Entitlements	18	53,516	42,387
Financial liabilities	19	30,429	30,429
Total Current Liabilities		545,714	414,917
Non-Current Liabilities			
Employee Entitlements	18	17,308	19,072
Financial liabilities	19	424,477	449,108
Other Payables	16	663,567	-
Total Non-Current Liabilities		1,105,352	468,180
Total Liabilities		1,651,066	883,097
Net Assets		4,057,747	4,040,575
Member's Funds			
Retained earnings		2,590,731	2,573,560
Asset revaluation surplus		1,467,016	1,467,015
Total Member's Funds		4,057,747	4,040,575

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

St Kilda Police & Citizens Youth Club Inc
For the year ended 30 June 2022

	NOTES	2022	2021
Equity			
Opening Balance		4,040,575	4,060,344
Increases			
Surplus for the Period		17,172	(19,769)
Reserves	15	-	-
Total Increases		17,172	(19,769)
Total Equity		4,057,747	4,040,575

The accompanying notes form part of these financial statements.

Statement of Cash Flows

St Kilda Police & Citizens Youth Club Inc
For the year ended 30 June 2022

	2022	2021
Cash flows from Operating Activities		
Receipts from customers	1,592,586	1,468,369
Payments to suppliers and employees	(1,458,608)	(1,822,113)
Net interest paid	(4,741)	(11,454)
Cash receipts from other operating activities	45,671	321,178
Total Cash flows from Operating Activities	174,908	(44,020)
Cash flows from Investing Activities		
Proceeds from sales of property, plant and equipment	800	10,150
Payment for property, plant and equipment	(33,155)	(73,291)
Total Cash flows from Investing Activities	(32,355)	(63,141)
Cash flows from Financing Activities		
Repayment of borrowings	(24,631)	(24,261)
Proceeds from borrowing	-	300
Total Cash flows from Financing Activities	(24,631)	(23,961)
Net increase/(decrease) in cash held	117,921	(131,122)
Cash Balances		
Opening cash balance	346,329	477,451
Closing cash balance	464,250	346,329
Movement in cash	117,921	(131,122)

Notes of the Financial Statements

St Kilda Police & Citizens Youth Club Inc For the year ended 30 June 2022

The financial statements cover St Kilda Police & Citizens Youth Club Inc as an individual entity, being a not-for-profit Association incorporated in Victoria under requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, and *Associations Incorporation Reform Act 2012* ('the Act').

The principal activities of the Association for the year ended 30 June 2022 were delivering Youth Programs in Melbourne that mentor and engage youth of all ages and backgrounds with recreational activities. Our ultimate goal is to provide support and training to develop future leaders with programs that empower youth for life.

The functional and presentation currency of St Kilda Police & Citizens Youth Club Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1. Basis of Preparation

In the opinion of the Board of Management, 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. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

Comparative Figures

Where necessary comparative figures have been reclassified to facilitate comparisons.

2. Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

3. Summary of Significant Accounting Policies

(a) Income tax

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

(b) Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

(c) Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Fundraising revenue

Fundraising revenue is recognised when the Association obtains control of the contributions, it is probable that the economic benefits comprising the contribution will flow to the Association and the amount of the contribution can be measured reliably.

The Association is one of the beneficiaries of the ongoing national PCYC Lottery (Art Union Raffle) which has provided it with recurring monetary resources. The national PCYC Lottery is promoted by PCYC NSW, holder of NSW Charitable Fundraiser License No. 11892 and managed by a third-party fundraising and lottery management service provider.

The Association is also a registered fundraiser in its own right, holding Fundraiser Registration No. FR0014689 issued by Consumer Affairs Victoria.

Revenue is recognised by the Association when the funds are raised by or on behalf of the Association.

Corresponding fundraising expenses are recognised when incurred during the period include all direct fundraising fees payable to the third-party service providers and contributions to lottery prizes.

Grant revenue

Grant revenue is recognised in the statement of profit or loss when the entity obtains control over the funds, which is generally at the time of receipt, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

Where grant monies are raised for specific purpose such as designated programs, projects and activities for the youth run by the Association, the recognition of the grant as revenue will be deferred until such funds have been expended in accordance with the specified purposes.

Donations

Donations and bequests are recognised as revenue when received where they were provided to the Association without being directed to specific purpose or projects.

Where donations are made to the Association directed to specific purpose such as designated programs, projects and activities for the youth run by the Association, the recognition of the donations as revenue will be deferred until such funds have been expended in accordance with the specified purposes.

Interest revenue

Interest revenue is recognised using the nominal interest method.

Provision of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

Deferred income

The liability for deferred income is the unutilised amounts of grants, fundraising and donations received, dedicated for specific purposes (such as specifically sponsored and featured Youth programs), or on the conditions that specified services are delivered or conditions are fulfilled. When such conditions are subsequently fulfilled in future periods, revenue will be recognised during the relevant future periods.

The services are usually provided or the conditions usually fulfilled within twelve months of receipts of the grants. Where the amount received is in respect of services to be provided over a period that exceeds twelve months after reporting date then the liability is disclosed as non-current.

(d) 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.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the standard costs basis and is net of any rebates and discounts received.

(f) Property, Plant and Equipment (PPE)

Each class of property, plant and equipment is carried at Board's valuation less, where applicable, any accumulated depreciation.

Items of property, plant and equipment are carried at the Board's valuation. Refer to Note 14 for Plant, equipment and vehicles and Note 15 for Land and Buildings for further details.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, deposits held at call with banks, and other short-term highly liquid investments which are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

(h) 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 nominal amounts expected to be paid when the liability is settled.

4. Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgment during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgments are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgments made have been described below.

Key estimates – property held at Board's valuation

The Board had valued the property (land and building) on 30 June 2020. It is the Board's intention to have an authorised valuation performed for the year ended 30 June 2023.

Note 14 and Note 15 provide information on respective inputs and techniques to determine valuation.

	2022	2021
5. Grants		
Grants towards facilities upgrading	-	5,045
Grants towards Youth programs	99,737	56,036
Total Grants	99,737	61,081

Grants revenue has been recognised in accordance with accounting policies stated in Note 3. Grants awarded to the Association during the year in advance of the designated programs or projects are deferred until such future periods when such programs or projects are fulfilled. See Note 17 for details of such deferred income.

	2022	2021
6. Other Income		
Government incentives	44,600	266,600
Other Income	743	9,453
Total Other Income	45,343	276,053

	2022	2021
7. Provision of services		
Membership and gym entry (net of discounts)	152,031	104,523
Hire of venue	52,936	29,615
Fitness classes and programs	19,146	8,150
Merchandise net sales and commission	(1,544)	(34)
Total Provision of services	222,569	142,254

	2022	2021
8. Program supplies and activities		
Youth Program supplies and activities	36,161	23,162
Total Program supplies and activities	36,161	23,162

As reflected in the figures, there has been an increase in the number of youth services offered by the Association in 2021-2022 as COVID-19 restrictions were lifted over the financial year. Remuneration costs specifically allocated to Youth Program costs are included in Note 10 and total Youth Program costs are as summarised below:

	2022	2021
Youth Program costs		
Program supplies and activities	36,161	23,162
Allocated remuneration costs (refer to note 10)	161,117	158,850
Total Youth Program costs	197,278	182,012

	2022	2021
9. Depreciation		
Gym equipment and building improvements	20,276	20,054
Office administration	14,082	15,434
Rooming house fittings	2,712	2,690
Youth Program Assets	5,812	770
Olive's Lane Cafe assets	3,549	99
Total Depreciation	46,431	39,047

	2022	2021
10. Employment Costs		
Olive's Lane Cafe	90,490	-
Gym operation	242,811	239,851
Youth programs (refer to Note 8)	161,118	158,850
Administration	253,555	205,735
Rooming house	18,014	18,193
Wage subsidies disbursement	-	66,970
Total Employment Costs	765,988	689,599

Employment costs increased during the year ended 30 June 2022 due to increased number of staff to 9.3 Full-Time Equivalent (FTE) (2021: FTE 7.7). The increased staffing requirement was attributable to the new coffee shop operation since August 2021 and the need for increased administration, finance and technology capabilities as the Association navigated through the phases of extended COVID-19 restrictions, maintaining connection with essential stakeholders and communities to the eventual re-opening phase and re-building of financial resources.

	2022	2021
11. Cash and Cash Equivalents		
Cash at bank and in hand	464,250	346,329
Total Cash and Cash Equivalents	464,250	346,329

Reconciliation of cash

Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2022	2021
Cash and Cash Equivalents		
Cash at bank	460,388	352,063
Cash and electronic funds transfer floats	12,431	3,438
Corporate credit cards	(8,569)	(9,172)
Balance as per statement of cash flows	464,250	346,329

	2022	2021
12. Trade and Other Receivables		
Trade receivables	61,770	100,639
Other receivables and prepayments	9,401	11,259
Accrued revenue	76,904	3,072
Total Trade and Other Receivables	148,075	114,970

	2022	2021
13. Inventories		
Finished goods - at cost	4,795	2,635
Total Inventories	4,795	2,635

	2022	2021
14. Plant and Equipment, Vehicles		
Plant and equipment		
Plant and equipment	287,181	289,798
Less accumulated depreciation on plant and equipment	(206,716)	(200,702)
Total Plant and equipment	80,465	89,096
Vehicles		
Motor vehicles and trailers	59,703	59,703
Less accumulated depreciation on vehicles	(8,462)	(2,649)
Total Vehicles	51,241	57,054
Total Plant and Equipment, Vehicles	131,706	146,150

(a) Asset revaluations

The Association's plant and equipment were revalued at 30 June 2015 by the Board. Certain plant and equipment that have been donated to the club have been recorded at the Board's valuation, otherwise, measured at cost.

	2022	2021
15. Land and Buildings		
Land		
Land at revaluation	3,700,000	3,700,000
Total Land	3,700,000	3,700,000
Buildings		
Buildings at revaluation	400,000	400,000
Building improvements and capital works		
Building improvements at cost	218,055	213,821
Less accumulated depreciation on building improvements	(24,752)	(19,402)
Total Building improvements and capital works	193,303	194,419
Capital Works in Progress	663,567	-
Total Buildings	1,256,870	594,419
Total Land and Buildings	4,956,870	4,294,419

Significant renovations and upgrades to the properties were in progress during the year with estimated construction costs totalling \$663,567 at 30 June 2022, payable subject to targeted fundraising initiatives up to 30 June 2024 as per an agreement with the Builders. The Association undertook to recognise the extent of in-kind contribution of costs by the Builders not covered by the total targeted funds raised by 30 June 2024.

(a) Land and Building valuation

The Association's land and buildings were revalued at 30 June 2020. The 2020 valuation was performed by the Board using the 30 June 2020 rate notice of the properties. The Board has reviewed this valuation and determined that it remained current at 30 June 2022. It is the Board's intention to have an authorised valuation performed for the year ended 30 June 2023.

(b) Land and Building as security for loans

The Association's land and buildings at 175 Inkerman Street, St Kilda VIC were provided as collateral for interest-bearing debt facilities maintained. Refer to Note 19 for Financial Liabilities.

	2022	2021
16. Trade and Other Payables		
CURRENT		
Trade payables and accruals	113,330	157,195
Superannuation payable	18,894	13,088
PAYG withholding payable	6,629	5,203
Wages payable	24,715	19,106
Total CURRENT	163,568	194,592
NON-CURRENT		
Accrued Costs of Construction Work in Progress	663,567	-
Total NON-CURRENT	663,567	-
Total Trade and Other Payables	827,135	194,592

Accrued costs of construction work in progress refers to the full estimated cost of construction of the building renovations and upgrades, payable over a 2 year period.

	2022	2021
17. Income in Advance		
CURRENT		
Youth program fundings received in advance	110,553	91,816
Membership fees received in advance	41,444	22,911
Grants received for Social Housing Feasibility	50,000	-
Deferred funding for building construction costs	75,209	29,809
Other income received in advance	20,995	2,973
Total CURRENT	298,201	147,509
Total Income in Advance	298,201	147,509

	2022	2021
18. Employee Entitlements		
CURRENT		
Provision for annual leave	39,842	42,387
Provision for long service leave	13,674	-
Total CURRENT	53,516	42,387
NON-CURRENT		
Provision for long service leave	17,308	19,072
Total NON-CURRENT	17,308	19,072
Total Employee Entitlements	70,824	61,459

	2022	2021
19. Financial Liabilities		
CURRENT		
Secured bank loans	30,429	30,429
Total CURRENT	30,429	30,429
NON CURRENT		
Secured bank loans	424,477	449,108
Total NON CURRENT	424,477	449,108
Total borrowings	454,906	479,537

The bank loans are secured by a first registered mortgage over the freehold land and buildings of St Kilda Police & Citizens Youth Club Inc.

20. Commitments

At 30 June 2022 the full expected building renovations costs have been accounted for through the Capital works in progress account reflected in the statement of financial position. No other commitments other than what is disclosed in the statement of financial position at 30 June 2022 is expected to be incurred or contracted for.

21. Contingencies

In the opinion of the Board of Management, the Association did not have any contingencies at 30 June 2022 (30 June 2021: none).

22. Events after the end of the Reporting Period

The financial report was authorised for issue on _____ 2022 by the Board.

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

23. Association Details

The registered office and principal place of the association is:

St Kilda Police & Citizens Youth Club Inc.

179 Inkerman Street

ST KILDA VIC 3182

Tel: 03 9534 7584

Statement by Members of the Board

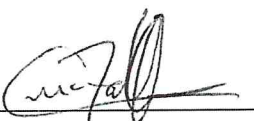
St Kilda Police & Citizens Youth Club Inc For the year ended 30 June 2022

The Board has determined that the Association is not a reporting entity and that this special financial report should be prepared in accordance with the accounting policies outlined in Note 3 of the financial statements.

In the opinion of the Board the financial report as set out on pages 1 - 15:

1. Presents fairly the financial position of St Kilda Police & Citizens Youth Club Inc as at 30 June 2022 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that St Kilda Police & Citizens Youth Club Inc will be able to pay its debts as and when they fall due.

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

President 

Treasurer 

Dated this 25th day of October 2022

Auditor's Independence Declaration

St Kilda Police & Citizens Youth Club Inc
For the year ended 30 June 2022

Independent Audit Report

St Kilda Police & Citizens Youth Club Inc
For the year ended 30 June 2022

Certificate by Members of Board

St Kilda Police & Citizens Youth Club Inc
For the year ended 30 June 2022

Annual statements give true and fair view of financial performance and position of incorporated association

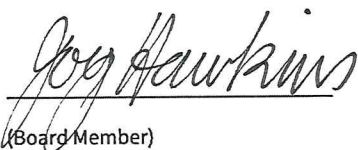
We, Joy Hawkins and Dennis Edkin, being members of the Board of the St Kilda Police & Citizens Youth Club Inc, certify that -

The statements attached to this certificate give a true and fair view of the financial performance and position of St Kilda Police & Citizens Youth Club Inc during and at the end of the financial year of the Association ending on 30 June 2022.

Dated 26 / 10 / 2022



(Board Member)



(Board Member)