

# **Brisbane Youth Service Inc.**

ABN: 83 967 756 338

## ***Financial report***

For the year ended 30 June 2024

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**BRISBANE YOUTH SERVICE INC.**  
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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 \$	2023 \$
<b>Revenue and other income</b>			
Grant revenue	3	15,773,526	10,419,172
Other revenue	4	1,128,225	901,295
Other income	4	<u>332,509</u>	<u>151,359</u>
		<u>17,234,260</u>	<u>11,471,826</u>
<b>Less: expenses</b>			
Employee benefits expense	5	(10,531,960)	(8,116,236)
Client support services expense		(3,010,992)	(1,401,666)
IT costs		(540,124)	(382,382)
Property expenses		(563,044)	(337,360)
Depreciation expense	5	(265,080)	(175,959)
Motor vehicle and travel expenses		(175,891)	(148,795)
Audit, legal and consultancy fees		(241,511)	(208,563)
Insurance expense		(110,764)	(112,358)
Finance costs	5	(20,214)	(5,371)
Other operating costs		<u>(701,693)</u>	<u>(476,961)</u>
		<u>(16,161,273)</u>	<u>(11,365,651)</u>
<b>Surplus before income tax expense</b>		1,072,987	106,175
Income tax expense		<u>-</u>	<u>-</u>
<b>Surplus for the year</b>		<u>1,072,987</u>	<u>106,175</u>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit and loss</i>			
Revaluation of property, plant and equipment, net of tax	17	820,000	100,000
Net change in fair value of financial assets designated at fair value through other comprehensive income, net of tax	17	<u>(8,142)</u>	<u>51,228</u>
<b>Other comprehensive income for the year</b>		<u>811,858</u>	<u>151,228</u>
<b>Total comprehensive income</b>		<u>1,884,845</u>	<u>257,403</u>

The accompanying notes form part of these financial statements.

**BRISBANE YOUTH SERVICE INC.**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

	Note	2024 \$	2023 \$
<b>Current assets</b>			
Cash and cash equivalents	8	6,496,004	2,917,884
Receivables	9	231,041	222,162
Other assets		<u>59,384</u>	<u>94,541</u>
<b>Total current assets</b>		<u><b>6,786,429</b></u>	<u><b>3,234,587</b></u>
<b>Non-current assets</b>			
Receivables	9	141,430	68,227
Other financial assets	10	3,267,607	3,089,887
Lease assets	12	384,006	93,135
Property, plant and equipment	11	<u>2,488,446</u>	<u>2,455,268</u>
<b>Total non-current assets</b>		<u><b>6,281,489</b></u>	<u><b>5,706,517</b></u>
<b>Total assets</b>		<u><b>13,067,918</b></u>	<u><b>8,941,104</b></u>
<b>Current liabilities</b>			
Payables	13	1,305,404	625,439
Lease liabilities	12	127,395	100,143
Provisions	15	842,813	637,060
Contract liabilities	16	<u>1,370,194</u>	<u>496,649</u>
<b>Total current liabilities</b>		<u><b>3,645,806</b></u>	<u><b>1,859,291</b></u>
<b>Non-current liabilities</b>			
Lease liabilities	12	255,799	-
Borrowings	14	391,000	238,000
Provisions	15	<u>221,676</u>	<u>175,021</u>
<b>Total non-current liabilities</b>		<u><b>868,475</b></u>	<u><b>413,021</b></u>
<b>Total liabilities</b>		<u><b>4,514,281</b></u>	<u><b>2,272,312</b></u>
<b>Net assets</b>		<u><b>8,553,637</b></u>	<u><b>6,668,792</b></u>
<b>Equity</b>			
Reserves	17	1,647,949	1,575,502
Accumulated surplus		<u>6,905,688</u>	<u>5,093,290</u>
<b>Total equity</b>		<u><b>8,553,637</b></u>	<u><b>6,668,792</b></u>

The accompanying notes form part of these financial statements.

**BRISBANE YOUTH SERVICE INC.**  
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**STATEMENT OF CHANGES IN MEMBERS FUNDS  
FOR THE YEAR ENDED 30 JUNE 2024**

	Reserves \$	Accumulated surplus \$	Total equity \$
<b>Balance as at 1 July 2022</b>	1,424,274	4,987,115	6,411,389
Surplus for the year	-	106,175	106,175
Other comprehensive income for the year	<u>151,228</u>	<u>-</u>	<u>151,228</u>
<b>Total comprehensive income/(loss) for the year</b>	<u>151,228</u>	<u>106,175</u>	<u>257,403</u>
<b>Balance as at 30 June 2023</b>	<u>1,575,502</u>	<u>5,093,290</u>	<u>6,668,792</u>
<b>Balance as at 1 July 2023</b>	<b>1,575,502</b>	<b>5,093,290</b>	<b>6,668,792</b>
Surplus for the year	-	1,072,987	1,072,987
Other comprehensive income for the year	<u>811,858</u>	<u>-</u>	<u>811,858</u>
<b>Total comprehensive income for the year</b>	<u>811,858</u>	<u>1,072,987</u>	<u>1,884,845</u>
Transfer to retained earnings on disposal of property	<u>(739,411)</u>	<u>739,411</u>	<u>-</u>
<b>Balance as at 30 June 2024</b>	<u>1,647,949</u>	<u>6,905,688</u>	<u>8,553,637</u>

The accompanying notes form part of these financial statements.

**BRISBANE YOUTH SERVICE INC.**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2024 \$	2023 \$
<b>Cash flow from operating activities</b>			
Receipts from grantors, donors and tenants		19,361,165	12,244,981
Payments to suppliers and employees		(16,533,431)	(12,293,103)
Dividends received		43,196	120,011
Interest received		81,338	22,270
Finance costs		<u>(20,214)</u>	<u>(5,371)</u>
<b>Net cash provided by operating activities</b>		<u><b>2,932,054</b></u>	<u><b>88,788</b></u>
<b>Cash flow from investing activities</b>			
Proceeds from sale of property, plant and equipment		1,107,811	-
Proceeds from sale of investments		1,028,962	173,976
Payment for property, plant and equipment		(303,855)	(44,200)
Payment for investments		<u>(984,629)</u>	<u>(261,473)</u>
<b>Net cash provided by / (used in) investing activities</b>		<u><b>848,289</b></u>	<u><b>(131,697)</b></u>
<b>Cash flow from financing activities</b>			
Payment for lease liabilities		<u>(202,223)</u>	<u>(103,488)</u>
<b>Net cash used in financing activities</b>		<u><b>(202,223)</b></u>	<u><b>(103,488)</b></u>
<b>Reconciliation of cash</b>			
Cash at beginning of the financial year		2,917,884	3,064,281
Net increase / (decrease) in cash held		<u>3,578,120</u>	<u>(146,397)</u>
<b>Cash at end of financial year</b>	8	<u><u><b>6,496,004</b></u></u>	<u><u><b>2,917,884</b></u></u>

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024

**NOTE 1: BASIS OF PREPARATION**

**General information**

The financial report is a general purpose financial report that has been prepared in accordance with the *Associations Incorporation Act 1981* and the *Australian Charities and Not-for-profits Commission Act 2012*, and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial report covers Brisbane Youth Service Inc. as an individual entity. Brisbane Youth Service Inc. is an association, formed and domiciled in Australia. Brisbane Youth Service Inc. is a not-for-profit entity for the purpose of preparing the financial statements.

The principal activities of the association is to support homeless and vulnerable young people, and their children, to secure and maintain housing, address physical and mental health issues, establish successful relationships and support networks, and access pathways to education and employment.

The financial report was approved by the committee on the date of signing this report.

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

*Fair value measurement*

For financial reporting purposes, 'fair value' is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants (under current market conditions) at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, the entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

*Economic dependency*

The association is dependant on government funding to operate. As at the date of this report the committee has no reason to believe the government will not continue to support the organisation.

*Income Tax*

No provision for income tax has been raised as the association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

*Significant accounting estimates and judgements*

The preparation of the financial report requires the use of certain estimates and judgements in applying the association's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

**Accounting policies**

Accounting policies applied in the preparation of this financial report are disclosed throughout the notes to the financial statements together with the associated transactions or balances.

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

In the process of applying the association's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the association's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

*Fair value of financial assets and land and buildings*

The association fair values its land and buildings and investment in managed investment funds and equity securities in accordance with the fair value hierarchy discussed in note 1. Refer to note 10 and 11 for the fair value methods.

	2024	2023
	\$	\$
<b>NOTE 3: GRANT REVENUE</b>		
Grant revenue	<u>15,773,526</u>	<u>10,419,172</u>

**Accounting policy**

*Operating grants*

Grants under arrangements that contain enforceable and sufficiently specific performance obligations are initially recognised as a liability (unspent grants funds), and subsequently recognised as income as, or when, the association satisfies the conditions under the grant agreement. The liability is unwound when the costs are incurred on the grant. Assets arising under arrangements that do not contain enforceable and sufficiently specific performance obligations are recognised at fair value in income when the association obtains control of the asset.

**Revenue by type of customer:**

- Federal Government	638,593	645,892
- State Government	13,858,255	9,052,455
- Local Government	150,000	150,000
- Other	<u>1,126,678</u>	<u>570,825</u>
	<u>15,773,526</u>	<u>10,419,172</u>

**Revenue by Department or Other:**

- QLD Department of Communities, Housing and Digital Economy	12,518,275	7,725,471
- QLD Department of Children, Youth Justice and Multicultural Affairs	885,365	840,378
- Partners 4 Health Ltd trading as Brisbane North Primary Health Network	638,593	645,892
- Hand Heart Pocket	538,201	356,325
- Brisbane City Council	150,000	150,000
- QLD Department of Justice and Attorney-General	197,530	243,223
- QLD Department of Health	257,085	243,383
- Perpetual	300,000	120,000
- Community	124,500	94,500
- Other funding sources	<u>163,977</u>	<u>-</u>
	<u>15,773,526</u>	<u>10,419,172</u>



**BRISBANE YOUTH SERVICE INC.**  
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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 4: OTHER REVENUE AND OTHER INCOME</b>		
<b>Other revenue</b>		
Dividend income	183,156	120,011
Interest income	81,338	22,270
Donation revenue	474,135	457,917
Medicare revenue	67,998	57,834
Rental revenue	<u>321,598</u>	<u>243,263</u>
	<u><u>1,128,225</u></u>	<u><u>901,295</u></u>
<b>Other income</b>		
Profit on sale of property, plant and equipment	87,811	-
Financial asset fair value gain	230,195	123,101
Other income	<u>14,503</u>	<u>28,258</u>
	<u><u>332,509</u></u>	<u><u>151,359</u></u>
<b>NOTE 5: OPERATING PROFIT</b>		
Surplus/(loss) before income tax has been determined after:		
<b>Finance costs:</b>		
- Interest expense on lease liabilities	<b>20,214</b>	5,371
<b>Employee benefits expense:</b>		
- Short term benefits	<b>9,402,186</b>	7,183,763
- Superannuation guarantee contributions	<b>978,836</b>	726,704
- Other employee benefits	<u><b>150,938</b></u>	<u>205,769</u>
	<b>10,531,960</b>	8,116,236
Loss on fair value of borrowings	<b>153,000</b>	-
<b>Depreciation:</b>		
- Motor vehicles	<b>63,461</b>	65,338
- Plant and equipment	<b>7,216</b>	-
- Lease assets	<u><b>194,403</b></u>	<u>110,621</u>
	<b>265,080</b>	175,959
<b>NOTE 6: REMUNERATION OF AUDITORS</b>		
Audit and assurance services		
- Audit of the financial report	<b>21,000</b>	18,000
Other services		
- Compilation of the financial report	<b>3,250</b>	3,000
- Grant acquittal audits	<u><b>9,000</b></u>	<u>9,240</u>
	<u><b>33,250</b></u>	<u>30,240</u>
<b>NOTE 7: KEY MANAGEMENT PERSONNEL COMPENSATION</b>		
Total compensation paid or payable to key management personnel	<u><u>782,514</u></u>	<u><u>537,865</u></u>

**BRISBANE YOUTH SERVICE INC.**  
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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

	2024	2023
	\$	\$

**NOTE 8: CASH AND CASH EQUIVALENTS**

**(a) Reconciliation of cash**

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

Cash at bank	<u>6,496,004</u>	<u>2,917,884</u>
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**(b) Non-cash financing and investing activities**

During the year, the association entered into the following non-cash investing and financing transactions (which are not included in the Statement of Cash Flows):

The association commenced new leases of premises and vehicles during the financial year, resulting in the recognition of additional lease assets of \$485,274 (2023: \$67,944) and a corresponding lease liability of \$485,274 (2023: \$67,944).

**NOTE 9: RECEIVABLES**

**CURRENT**

Trade receivables	169,276	184,682
Other receivables	<u>61,765</u>	<u>37,480</u>
	<u>231,041</u>	<u>222,162</u>

**NON-CURRENT**

Other receivables	<u>141,430</u>	<u>68,227</u>
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**NOTE 10: OTHER FINANCIAL ASSETS**

**NON-CURRENT**

*Financial assets at fair value through profit or loss*

Investment in managed investment funds	2,888,704	2,360,719
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*Financial assets at fair value through other comprehensive income*

Investment in equity securities	<u>378,903</u>	<u>729,168</u>
	<u>3,267,607</u>	<u>3,089,887</u>

**Accounting policy**

*Financial assets*

Financial assets are measured at either amortised cost or fair value on the basis of the association's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

*Investment in managed funds*

The association holds investments in managed funds which are puttable financial instruments as the right to redeem the units directly with the issuer creates an obligation for the managed fund to repurchase or redeem that instrument for cash or another financial asset.

Puttable financial instruments are accounted for at fair value through profit or loss in accordance with the relevant criteria in AASB 9.

**BRISBANE YOUTH SERVICE INC.**  
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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>NOTE 10: OTHER FINANCIAL ASSETS (CONTINUED)</b>		
<i>Long-term equity instruments</i>		
<p>Long-term equity instruments comprise ordinary shares in listed entities that are not held for trading. On initial recognition, investments identified by the association as longterm equity instruments are irrevocably designated (and measured) at fair value through other comprehensive income. This election has been made as the directors' believe that to otherwise recognise changes in the fair value of these investments in profit or loss would be inconsistent with the objective of holding the investments for the long term.</p>		
<b>Basis of determining fair value</b>		
Investments in managed investment funds and equity securities are valued using a level 1 fair value measurement, being the quoted market price at the reporting date.		
<b>Net change in fair value of financial assets recognised in other comprehensive income</b>		
The net change in fair value recognised in other comprehensive income for the financial year in relation to financial assets designated at fair value through other comprehensive income was an unrealised loss of \$56,796 (2023: unrealised gain of \$51,228).		
The net change in fair value recognised in the profit or loss for the financial year in relation to financial assets designated at mandatorily designated at fair value through profit or loss was an unrealised gain of \$179,399 (2023: unrealised gain of \$131,140).		
 <b>NOTE 11: PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land and buildings</b>		
Land and buildings at fair value	2,075,000	2,275,000
Accumulated depreciation	<u>-</u>	<u>-</u>
	<u>2,075,000</u>	<u>2,275,000</u>
 <b>Leasehold improvements</b>		
Leasehold improvements at cost	61,498	140,027
Accumulated depreciation	<u>(18,896)</u>	<u>(140,027)</u>
	<u>42,602</u>	<u>-</u>
Total land and buildings	<u>2,117,602</u>	<u>2,275,000</u>
 <b>Plant and equipment</b>		
Motor vehicles at cost	487,799	686,707
Accumulated depreciation	<u>(370,992)</u>	<u>(506,439)</u>
	116,807	180,268
Office equipment at cost	23,230	401,470
Accumulated depreciation	<u>(12,597)</u>	<u>(401,470)</u>
	10,633	-
Furniture, fixtures and fittings at cost	-	45,188
Accumulated depreciation	<u>-</u>	<u>(45,188)</u>
	-	-
Works in progress	<u>243,404</u>	<u>-</u>
Total plant and equipment	<u>370,844</u>	<u>180,268</u>
Total property, plant and equipment	<u>2,488,446</u>	<u>2,455,268</u>

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**2024**                      **2023**  
\$                                      \$

**NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

**Accounting policy**

Each class of property, plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Properties that are held for strategic purpose or to provide a social service and generate cash inflows where the rental revenue is incidental to the purpose for holding the property. Properties do not meet the definition of investment properties and are classified as properties in accordance with AASB 116.

*Property*

Freehold land and buildings are measured at revalued amounts, being the fair value at the date of the revaluation, less any subsequent accumulated depreciation and any accumulated impairment losses. At each reporting date the carrying amount of each asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date. Where necessary, the asset is revalued to reflect its fair value.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in equity. To the extent that the increase reverses a decrease of the same class of asset previously recognised in profit or loss, the increase is recognised in profit or loss. Decreases that offset previous increases of the same class of asset are recognised in other comprehensive income; all other decreases are recognised in profit or loss.

*Plant and equipment*

Plant and equipment is measured on the cost basis.

*Depreciation*

Land is not depreciated. The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset was held ready for use.

<b>Class of fixed asset</b>	<b>Useful lives</b>	<b>Depreciation basis</b>
Leasehold improvements at cost	4 years	Straight line
Motor vehicles at cost	4-5 years	Straight line
Office equipment at cost	4 years	Straight line

**(a) Valuations**

The fair value of freehold land and buildings has been determined with an effective date of 30 June 2024. An internal valuation assessment was conducted by assessing external advice on the potential sales price of the land and buildings. The fair value was determined using comparable sales for suburbs in which the properties are owned. Such valuations are determined using a level 3 fair value measurement, being the amounts for which the assets could be exchanged between market participants in an arm's length transaction at the valuation date.

**(b) Reconciliations**

*Land and buildings*

Opening carrying amount	2,275,000	2,175,000
Net revaluation increments	820,000	100,000
Disposals	<u>(1,020,000)</u>	<u>-</u>
Closing carrying amount	<u>2,075,000</u>	<u>2,275,000</u>

**BRISBANE YOUTH SERVICE INC.**  
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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>		
<b>(b) Reconciliations (Continued)</b>		
<i>Leasehold improvements</i>		
Additions	47,501	-
Depreciation expense	<u>(4,899)</u>	<u>-</u>
Closing carrying amount	<u><u>42,602</u></u>	<u><u>-</u></u>
<i>Motor vehicles</i>		
Opening carrying amount	180,268	201,406
Additions	-	44,200
Depreciation expense	<u>(63,461)</u>	<u>(65,338)</u>
Closing carrying amount	<u><u>116,807</u></u>	<u><u>180,268</u></u>
<i>Office equipment</i>		
Opening carrying amount	-	-
Additions	12,950	-
Depreciation expense	<u>(2,317)</u>	<u>-</u>
Closing carrying amount	<u><u>10,633</u></u>	<u><u>-</u></u>
<i>Work in progress</i>		
Opening carrying amount	-	-
Additions	<u>243,404</u>	<u>-</u>
Closing carrying amount	<u><u>243,404</u></u>	<u><u>-</u></u>
<b>NOTE 12: LEASE ASSETS AND LEASE LIABILITIES</b>		
<b>(a) Lease assets</b>		
Land and buildings under lease	433,702	313,711
Accumulated depreciation	<u>(369,510)</u>	<u>(220,576)</u>
	64,192	93,135
Motor vehicles under lease	365,283	-
Accumulated depreciation	<u>(45,469)</u>	<u>-</u>
	<u>319,814</u>	<u>-</u>
Total carrying amount of lease assets	<u><u>384,006</u></u>	<u><u>93,135</u></u>
<b>Reconciliations</b>		
<i>Land and buildings</i>		
Opening carrying amount	93,135	135,812
Additions	119,991	67,944
Depreciation	<u>(148,934)</u>	<u>(110,621)</u>
Closing carrying amount	<u><u>64,192</u></u>	<u><u>93,135</u></u>
<i>Motor vehicles</i>		
Opening carrying amount	-	-
Additions	365,283	-
Depreciation	<u>(45,469)</u>	<u>-</u>
Closing carrying amount	<u><u>319,814</u></u>	<u><u>-</u></u>

**BRISBANE YOUTH SERVICE INC.**  
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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**NOTE 12: LEASE ASSETS AND LEASE LIABILITIES (CONTINUED)**

**(b) Lease liabilities**

CURRENT		
Lease liabilities	<u>127,395</u>	<u>100,143</u>
NON-CURRENT		
Lease liabilities	<u>255,799</u>	<u>-</u>

**(c) Maturity analysis of future lease payments**

- Not later than 1 year	151,406	100,143
- Later than 1 year and not later than 5 years	<u>288,365</u>	<u>-</u>
Total future lease payments at the reporting date	<u><u>439,771</u></u>	<u><u>100,143</u></u>

The lease of land and buildings is for a average term of 2 years, with an average effective interest rate of 7.64% per annum. The final lease ends on 25 June 2025.

Motor vehicles leases are for an average term of 5 years, with an average effective interest rate of 7.64% per annum. The final lease ends on 20 May 2029.

**NOTE 13: PAYABLES**

CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	226,028	36,407
GST payables	435,886	134,747
Sundry creditors and accruals	<u>643,490</u>	<u>454,285</u>
	<u><u>1,305,404</u></u>	<u><u>625,439</u></u>

Trade payables are non-interest bearing and are generally due for payment within 30 days of the invoice date.

**NOTE 14: BORROWINGS**

NON-CURRENT		
<i>Secured liabilities</i>		
Mortgage loans	<u>391,000</u>	<u>238,000</u>

**Accounting policy**

Borrowings are measured at amortised cost.

The association is party to a mortgage agreement with the Department of Public Works and Housing ("the Department"). The association is required to repay the mortgage if it is in default of the terms of the agreement and/or the property has been sold. The agreement is in effect until it is either terminated by the Department or repaid in full.

The repayment amount is equal to 68% of the market value/sale value of the property. The movement in the value of the mortgage is recognised as income or expense in the period to which it relates. No interest is attached to the mortgage.

**BRISBANE YOUTH SERVICE INC.**  
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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>NOTE 15: PROVISIONS</b>		
<b>CURRENT</b>		
Annual leave	621,941	462,200
Long service leave	211,885	167,569
Other employee entitlements	<u>8,987</u>	<u>7,291</u>
	<u><b>842,813</b></u>	<u><b>637,060</b></u>
<b>NON-CURRENT</b>		
Long service leave	<u>221,676</u>	<u>175,021</u>

**NOTE 16: CONTRACT LIABILITIES**

<b>CURRENT</b>		
Unspent grant funds	<u>1,370,194</u>	<u>496,649</u>

**Accounting policy**

*Contract liabilities*

A contract liability represents the association's obligation to transfer services under contractual arrangements that contain enforceable and sufficiently specific performance obligations for which the association has received consideration (or an amount of consideration is due) in advance of those services being provided. Amounts recorded as contract liabilities are subsequently recognised as revenue as performance obligations are satisfied. Services are generally provided by the association within the term of the grant agreement.

**NOTE 17: RESERVES**

Asset revaluation reserve	17(a)	<b>1,603,427</b>	1,522,838
Financial assets at fair value through other comprehensive income reserve	17(b)	<u><b>44,522</b></u>	<u>52,664</u>
		<u><b>1,647,949</b></u>	<u><b>1,575,502</b></u>

**(a) Asset revaluation reserve**

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

*Movements in reserve*

Opening balance	<b>1,522,838</b>	1,422,838
Revaluation of property, plant and equipment, net of tax	<b>820,000</b>	100,000
Transfer to retained earnings on disposal of property	<u><b>(739,411)</b></u>	<u>-</u>
Closing balance	<u><b>1,603,427</b></u>	<u><b>1,522,838</b></u>

**(b) Financial assets at fair value through other comprehensive income reserve**

The financial assets at fair value through other comprehensive income reserve is used to record changes in the fair value of financial assets classified or designated at fair value through other comprehensive income.

*Movements in reserve*

Opening balance	<b>52,664</b>	1,436
Net change in fair value of financial assets designated at fair value through other comprehensive income	<u><b>(8,142)</b></u>	<u>51,228</u>
Closing balance	<u><b>44,522</b></u>	<u><b>52,664</b></u>

**BRISBANE YOUTH SERVICE INC.  
83 967 756 338**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2024**

**NOTE 18: RELATED PARTY TRANSACTIONS**

**(a) Transactions with key management personnel of the entity**

The association is not party to any related party transactions except for those disclosed in note 7.

**NOTE 19: COMMITMENTS**

**(a) Capital expenditure commitments contracted for:**

- Refurbishment of property	2,190,634	-
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**(b) Amounts payable under managed services contracts:**

- not later than one year	21,460	16,620
- later than one year and not later than five years	<u>22,267</u>	<u>31,855</u>
	<u>43,727</u>	<u>48,475</u>

**NOTE 20: CONTINGENT LIABILITIES**

The company had no contingent liabilities as at 30 June 2024 and 2023.

**NOTE 21: EVENTS SUBSEQUENT TO REPORTING DATE**

There has been no matter or circumstance, which has arisen since 30 June 2024 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2024, of the association, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2024, of the association.

**NOTE 22: ASSOCIATION DETAILS**

The registered office of the association is:

Brisbane Youth Service Inc.  
42 McLachlan Street  
Fortitude Valley QLD 4006



BRISBANE YOUTH SERVICE INC.  
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STATEMENT BY MEMBERS OF THE COMMITTEE

The committee of the association declare that:

1. In the committee's opinion, the financial statements and notes thereto, as set out on pages 1 - 14, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
  - (b) giving a true and fair view of the financial position as at 30 June 2024 and performance for the year ended on that date of the association.
2. In the committee's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

President:   
Mark Wheatley

Dated this 26<sup>th</sup> day of September 2024

## **Independent Auditor's Report to the Members of Brisbane Youth Service Inc.**

### **Report on the Audit of the Financial Report**

#### *Opinion*

We have audited the financial report of Brisbane Youth Service Inc. (the "Registered Entity"), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in members funds and statement of cash flows for the year then ended, notes to the financial statements including a summary of material accounting policies, and the directors' declaration.

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

- (a) giving a true and fair view of the Registered Entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

#### *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 Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not for-profits Commission Act 2012* "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "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 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 the Registered Entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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 Members and Those Charged with Governance for the Financial Report.*

The Members of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the Registered Entity'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 the responsible entities either intends to liquidate the Registered Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Registered 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 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement 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 Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entity'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 Registered 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 Registered 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 those charged with governance 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.

*Independence*

In conducting our review, we have complied with the independence requirement of the ACNC Act. We confirm that the independence declaration required by the ACNC Act, which has been given to the directors of Brisbane Youth Service Inc. would be in the same terms if given to the responsible entities as at the time of this auditor's report.

*Pitcher Partners*

**PITCHER PARTNERS**



**CHERYL MASON**

Partner

Brisbane, Queensland  
26 September 2024