

Brisbane Youth Service Inc.

ABN: 83 967 756 338

Financial report

For the year ended 30 June 2025

TABLE OF CONTENTS

Financial report

Statement of profit or loss and other comprehensive income	1
Statement of financial position	2
Statement of changes in members funds	3
Statement of cash flows	4
Notes to financial statements	5 - 14
Statement by members of the committee	15
Independent auditor's report	16 - 18

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
Revenue and other income			
Grant revenue	3	25,722,112	15,773,526
Other revenue	4	918,513	1,128,225
Other income	4	<u>533,878</u>	<u>332,509</u>
		<u>27,174,503</u>	<u>17,234,260</u>
Less: expenses			
Employee benefits expense	5	(14,733,126)	(10,531,960)
Client support services expense		(7,231,876)	(3,010,992)
Property expenses		(1,291,971)	(563,044)
IT costs		(864,185)	(540,124)
Depreciation expense	5	(501,685)	(265,080)
Audit, legal and consultancy fees		(150,391)	(241,511)
Insurance expense		(145,760)	(110,764)
Motor vehicle and travel expenses		(120,095)	(175,891)
Finance costs	5	(40,285)	(20,214)
Other operating costs		<u>(1,215,733)</u>	<u>(701,693)</u>
		<u>(26,295,107)</u>	<u>(16,161,273)</u>
Surplus before income tax expense		879,396	1,072,987
Income tax expense		<u>-</u>	<u>-</u>
Surplus for the year		<u>879,396</u>	<u>1,072,987</u>
Other comprehensive income			
<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
Net change in fair value of financial assets designated at fair value through other comprehensive income, net of tax	17	<u>7,891</u>	<u>(8,142)</u>
Other comprehensive income for the year		<u>7,891</u>	<u>811,858</u>
Total comprehensive income		<u><u>887,287</u></u>	<u><u>1,884,845</u></u>

The accompanying notes form part of these financial statements.

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
Current assets			
Cash and cash equivalents	8	6,725,426	6,496,004
Receivables	9	845,514	231,041
Other assets		<u>36,420</u>	<u>59,384</u>
Total current assets		<u>7,607,360</u>	<u>6,786,429</u>
Non-current assets			
Receivables	9	216,104	141,430
Other financial assets	10	3,582,549	3,267,607
Lease assets	12	651,424	384,006
Property, plant and equipment	11	<u>4,744,051</u>	<u>2,488,446</u>
Total non-current assets		<u>9,194,128</u>	<u>6,281,489</u>
Total assets		<u>16,801,488</u>	<u>13,067,918</u>
Current liabilities			
Payables	13	2,939,216	1,305,404
Lease liabilities	12	270,564	127,395
Provisions	15	1,062,980	842,813
Contract liabilities	16	<u>1,972,800</u>	<u>1,370,194</u>
Total current liabilities		<u>6,245,560</u>	<u>3,645,806</u>
Non-current liabilities			
Lease liabilities	12	368,436	255,799
Borrowings	14	391,000	391,000
Provisions	15	<u>355,568</u>	<u>221,676</u>
Total non-current liabilities		<u>1,115,004</u>	<u>868,475</u>
Total liabilities		<u>7,360,564</u>	<u>4,514,281</u>
Net assets		<u>9,440,924</u>	<u>8,553,637</u>
Equity			
Reserves	17	1,652,701	1,647,949
Accumulated surplus		<u>7,788,223</u>	<u>6,905,688</u>
Total equity		<u>9,440,924</u>	<u>8,553,637</u>

The accompanying notes form part of these financial statements.

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

**STATEMENT OF CHANGES IN MEMBERS FUNDS
FOR THE YEAR ENDED 30 JUNE 2025**

	Reserves \$	Accumulated surplus \$	Total equity \$
Balance as at 1 July 2023	1,575,502	5,093,290	6,668,792
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>
Total comprehensive income for the year	<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>
Balance as at 30 June 2024	<u>1,647,949</u>	<u>6,905,688</u>	<u>8,553,637</u>
Balance as at 1 July 2024	1,647,949	6,905,688	8,553,637
Surplus for the year	-	879,396	879,396
Other comprehensive income for the year	<u>7,891</u>	<u>-</u>	<u>7,891</u>
Total comprehensive income for the year	<u>7,891</u>	<u>879,396</u>	<u>887,287</u>
Transfers to retained earnings, upon disposal of financial assets at fair value through other comprehensive income	<u>(3,139)</u>	<u>3,139</u>	<u>-</u>
Balance as at 30 June 2025	<u>1,652,701</u>	<u>7,788,223</u>	<u>9,440,924</u>

The accompanying notes form part of these financial statements.

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
Cash flow from operating activities			
Receipts from grantors, donors and tenants		29,376,517	19,361,165
Payments to suppliers and employees		(26,600,347)	(16,533,431)
Dividends received		180,514	43,196
Interest received		144,341	81,338
Finance costs		<u>(40,285)</u>	<u>(20,214)</u>
Net cash provided by operating activities		<u>3,060,740</u>	<u>2,932,054</u>
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment		153,841	1,107,811
Proceeds from sale of investments		184,564	1,028,962
Payment for property, plant and equipment		(2,472,958)	(303,855)
Payment for investments		<u>(400,821)</u>	<u>(984,629)</u>
Net cash provided by / (used in) investing activities		<u>(2,535,374)</u>	<u>848,289</u>
Cash flow from financing activities			
Payment for lease liabilities		<u>(295,944)</u>	<u>(202,223)</u>
Net cash used in financing activities		<u>(295,944)</u>	<u>(202,223)</u>
Reconciliation of cash			
Cash at beginning of the financial year		6,496,004	2,917,884
Net increase in cash held		<u>229,422</u>	<u>3,578,120</u>
Cash at end of financial year	8	<u><u>6,725,426</u></u>	<u><u>6,496,004</u></u>

The accompanying notes form part of these financial statements.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

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 2025**

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.

	2025	2024
	\$	\$
NOTE 3: GRANT REVENUE		
Grant revenue	<u>25,722,112</u>	<u>15,773,526</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	676,776	638,593
- State Government	24,238,945	13,858,255
- Local Government	150,000	150,000
- Other	<u>656,391</u>	<u>1,126,678</u>
	<u>25,722,112</u>	<u>15,773,526</u>

Revenue by Department or Other:

- QLD Department of Communities, Housing and Digital Economy	20,281,050	12,518,275
- QLD Department of Child Safety, Seniors and Disability Services	3,448,147	885,365
- Partners 4 Health Ltd trading as Brisbane North Primary Health Network	676,776	638,593
- Hand Heart Pocket	192,661	538,201
- Brisbane City Council	150,000	150,000
- QLD Department of Justice and Attorney-General	242,532	197,530
- QLD Department of Health	267,216	257,085
- Perpetual	-	300,000
- Communitify	270,316	124,500
- Other funding sources	<u>193,414</u>	<u>163,977</u>
	<u>25,722,112</u>	<u>15,773,526</u>

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 4: OTHER REVENUE AND OTHER INCOME		
Other revenue		
Dividend income	40,554	183,156
Interest income	144,341	81,338
Donation revenue	310,991	474,135
Medicare revenue	36,799	67,998
Rental revenue	<u>385,828</u>	<u>321,598</u>
	<u>918,513</u>	<u>1,128,225</u>
Other income		
Profit on sale of property, plant and equipment	153,841	87,811
Financial asset fair value gain	99,533	230,195
Other income	<u>280,504</u>	<u>14,503</u>
	<u>533,878</u>	<u>332,509</u>
NOTE 5: OPERATING PROFIT		
Surplus/(loss) before income tax has been determined after:		
Finance costs:		
- Interest expense on lease liabilities	40,285	20,214
Employee benefits expense:		
- Short term benefits	13,014,938	9,402,186
- Superannuation guarantee contributions	1,398,456	978,836
- Other employee benefits	<u>319,732</u>	<u>150,938</u>
	14,733,126	10,531,960
Loss on fair value of borrowings	-	153,000
Depreciation:		
- Motor vehicles	53,245	63,461
- Plant and equipment	164,108	7,216
- Lease assets	<u>284,332</u>	<u>194,403</u>
	501,685	265,080
NOTE 6: REMUNERATION OF AUDITORS		
Audit and assurance services		
- Audit of the financial report	25,000	21,000
Other services		
- Assembly of the financial report	3,500	3,250
- Grant acquittal audits	<u>12,500</u>	<u>9,000</u>
	<u>41,000</u>	<u>33,250</u>
NOTE 7: KEY MANAGEMENT PERSONNEL COMPENSATION		
Total compensation paid or payable to key management personnel	<u>857,077</u>	<u>782,514</u>

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025	2024
	\$	\$

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>6,725,426</u>	<u>6,496,004</u>
--------------	------------------	------------------

(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 \$551,750 (2024: \$485,274) and a corresponding lease liability of \$551,750 (2024: \$485,274).

NOTE 9: RECEIVABLES

CURRENT

Trade receivables	782,235	169,276
Other receivables	<u>63,279</u>	<u>61,765</u>
	<u>845,514</u>	<u>231,041</u>

NON-CURRENT

Other receivables	<u>216,104</u>	<u>141,430</u>
-------------------	----------------	----------------

NOTE 10: OTHER FINANCIAL ASSETS

NON-CURRENT

Financial assets at fair value through profit or loss

Investment in managed investment funds	3,167,144	2,888,704
--	-----------	-----------

Financial assets at fair value through other comprehensive income

Investment in equity securities	<u>415,405</u>	<u>378,903</u>
	<u>3,582,549</u>	<u>3,267,607</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.
ABN: 83 967 756 338

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$

NOTE 10: OTHER FINANCIAL ASSETS (CONTINUED)

Long-term equity instruments

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.

Basis of determining fair value

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.

Net change in fair value of financial assets recognised in other comprehensive income

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 \$7,891 (2024: unrealised loss of \$8,142).

The net change in fair value recognised in the profit or loss for the financial year in relation to financial assets mandatorily designated at fair value through profit or loss was an unrealised gain of \$99,533 (2024: unrealised gain of \$179,399).

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

Land and buildings

Land and buildings at fair value	2,075,000	2,075,000
Accumulated depreciation	<u>-</u>	<u>-</u>
	<u>2,075,000</u>	<u>2,075,000</u>

Leasehold improvements

Leasehold improvements at cost	2,588,525	61,498
Accumulated depreciation	<u>(163,180)</u>	<u>(18,896)</u>
	<u>2,425,345</u>	<u>42,602</u>
Total land and buildings	<u>4,500,345</u>	<u>2,117,602</u>

Plant and equipment

Motor vehicles at cost	279,406	487,799
Accumulated depreciation	<u>(215,844)</u>	<u>(370,992)</u>
	63,562	116,807
Office equipment at cost	98,421	23,230
Accumulated depreciation	<u>(26,009)</u>	<u>(12,597)</u>
	72,412	10,633
Furniture, fixtures and fittings at cost	114,144	-
Accumulated depreciation	<u>(6,412)</u>	<u>-</u>
	107,732	-
Works in progress	<u>-</u>	<u>243,404</u>
Total plant and equipment	<u>243,706</u>	<u>370,844</u>
Total property, plant and equipment	<u>4,744,051</u>	<u>2,488,446</u>

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2025 **2024**
\$ **\$**

NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Accounting policy

Property

Freehold land and buildings are measured at revalued amounts, reflecting its fair value at the date of the revaluation. Increases in the carrying amount of freehold land are recognised in other comprehensive income and accumulated in equity.

Plant and equipment

Plant and equipment is measured at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation

Land is not depreciated. All other property, plant and equipment is depreciated over their estimated useful lives.

Leasehold improvements

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

Class of fixed asset	Useful lives	Depreciation basis
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
Furniture, fixtures and fittings at cost	10 years	Straight line

(a) Valuations

The fair value of freehold land and buildings has been determined with an effective date of 30 June 2025. 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	2,075,000	2,275,000
Net revaluation increments	-	820,000
Disposals	-	(1,020,000)
Closing carrying amount	<u>2,075,000</u>	<u>2,075,000</u>

Leasehold improvements

Opening carrying amount	42,602	-
Additions	40,636	47,501
Transfers	2,486,391	-
Depreciation expense	(144,284)	(4,899)
Closing carrying amount	<u>2,425,345</u>	<u>42,602</u>

Motor vehicles

Opening carrying amount	116,807	180,268
Depreciation expense	(53,245)	(63,461)
Closing carrying amount	<u>63,562</u>	<u>116,807</u>

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 11: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
(b) Reconciliations (Continued)		
<i>Office equipment</i>		
Opening carrying amount	10,633	-
Additions	7,995	12,950
Transfers	67,196	-
Depreciation expense	<u>(13,412)</u>	<u>(2,317)</u>
Closing carrying amount	<u><u>72,412</u></u>	<u><u>10,633</u></u>
<i>Furniture, fixtures and fittings</i>		
Opening carrying amount	-	-
Additions	443	-
Transfers	113,701	-
Depreciation expense	<u>(6,412)</u>	<u>-</u>
Closing carrying amount	<u><u>107,732</u></u>	<u><u>-</u></u>
<i>Work in progress</i>		
Opening carrying amount	243,404	-
Additions	2,423,884	243,404
Transfers	<u>(2,667,288)</u>	<u>-</u>
Closing carrying amount	<u><u>-</u></u>	<u><u>243,404</u></u>
NOTE 12: LEASE ASSETS AND LEASE LIABILITIES		
(a) Lease assets		
Land and buildings under lease	722,921	433,702
Accumulated depreciation	<u>(547,308)</u>	<u>(369,510)</u>
	175,613	64,192
Motor vehicles under lease	627,813	365,283
Accumulated depreciation	<u>(152,002)</u>	<u>(45,469)</u>
	<u>475,811</u>	<u>319,814</u>
Total carrying amount of lease assets	<u><u>651,424</u></u>	<u><u>384,006</u></u>
Reconciliations		
<i>Land and buildings</i>		
Opening carrying amount	64,192	93,135
Additions	289,220	119,991
Depreciation	<u>(177,799)</u>	<u>(148,934)</u>
Closing carrying amount	<u><u>175,613</u></u>	<u><u>64,192</u></u>
<i>Motor vehicles</i>		
Opening carrying amount	319,814	-
Additions	262,530	365,283
Depreciation	<u>(106,533)</u>	<u>(45,469)</u>
Closing carrying amount	<u><u>475,811</u></u>	<u><u>319,814</u></u>

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 12: LEASE ASSETS AND LEASE LIABILITIES (CONTINUED)		
(b) Lease liabilities		
CURRENT		
Lease liabilities	<u>270,564</u>	<u>127,395</u>
NON-CURRENT		
Lease liabilities	<u>368,436</u>	<u>255,799</u>
(c) Maturity analysis of future lease payments		
- Not later than 1 year	306,861	151,406
- Later than 1 year and not later than 5 years	<u>408,905</u>	<u>288,365</u>
Total future lease payments at the reporting date	<u><u>715,766</u></u>	<u><u>439,771</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 28 July 2026.

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 15 March 2030.

NOTE 13: PAYABLES

CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	1,249,363	226,028
GST payables	450,753	435,886
Sundry creditors and accruals	<u>1,239,100</u>	<u>643,490</u>
	<u><u>2,939,216</u></u>	<u><u>1,305,404</u></u>

NOTE 14: BORROWINGS

NON-CURRENT		
<i>Secured liabilities</i>		
Mortgage loans	<u>391,000</u>	<u>391,000</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.
ABN: 83 967 756 338

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 15: PROVISIONS		
CURRENT		
Annual leave	829,194	621,941
Long service leave	211,431	211,885
Other employee entitlements	<u>22,355</u>	<u>8,987</u>
	<u>1,062,980</u>	<u>842,813</u>
NON-CURRENT		
Long service leave	<u>355,568</u>	<u>221,676</u>

NOTE 16: CONTRACT LIABILITIES

CURRENT		
Unspent grant funds	<u>1,972,800</u>	<u>1,370,194</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)	1,603,427	1,603,427
Financial assets at fair value through other comprehensive income reserve	17(b)	<u>49,274</u>	<u>44,522</u>
		<u>1,652,701</u>	<u>1,647,949</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	1,603,427	1,522,838
Revaluation of property, plant and equipment, net of tax	-	820,000
Transfer to retained earnings on disposal of property	<u>-</u>	<u>(739,411)</u>
Closing balance	<u>1,603,427</u>	<u>1,603,427</u>

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 17: RESERVES (CONTINUED)		
(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.		
<i>Movements in reserve</i>		
Opening balance	44,522	52,664
Net change in fair value of financial assets designated at fair value through other comprehensive income	7,891	(8,142)
Transfers to retained earnings, upon disposal of financial assets designated at fair value through other comprehensive income	<u>(3,139)</u>	<u>-</u>
Closing balance	<u><u>49,274</u></u>	<u><u>44,522</u></u>

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: CONTINGENT LIABILITIES

The company had no contingent liabilities as at 30 June 2025 and 2024.

NOTE 20: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2025 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2025, of the Association, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2025, of the Association.

NOTE 21: ASSOCIATION DETAILS

The registered office of the Association is:

Brisbane Youth Service Inc.
518 Brunswick Street
Fortitude Valley QLD 4006

BRISBANE YOUTH SERVICE INC.
ABN: 83 967 756 338

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 2025 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: _____

m. Wade

Michelle Wade

Dated this

21st

day of

October

2025

Level 38, 345 Queen Street
Brisbane, QLD 4000

Postal address
GPO Box 1144
Brisbane, QLD 4001

+61 7 3222 8444

pitcher.com.au

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 2025, 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 including a summary of material accounting policies, and the director's 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 2025 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Registered Entity's annual report for the year ended 30 June 2025, 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 responsible entities 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



CHERYL MASON

Partner

Brisbane, Queensland
21 October 2025