

**YMCA OF PERTH YOUTH AND  
COMMUNITY SERVICES (INC)  
ANNUAL FINANCIAL REPORT  
30 JUNE 2009**

# **YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)**

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YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
 Income Statement  
 FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009 \$	2008 \$
<b>Continuing Operations</b>			
Revenue	3(a)	1,707,106	1,671,435
Expenses	3(b)	(2,088,380)	(1,717,830)
Finance costs		(527)	(8,121)
Contribution received from YMCA OF PERTH (INC)		192,818	372,785
Profit (Loss) for the year		<u>(188,983)</u>	<u>318,269</u>

The above Income Statement should be read in conjunction with the accompanying notes

YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
 Balance Sheet  
 AS AT 30 JUNE 2009

	Notes	2009 \$	2008 \$
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents	4	3,824	2,143
Trade and other receivables	5	53,640	280,253
Inventories	6	1,238	1,653
Prepayments		1,327	19,948
Total Current Assets		<u>60,029</u>	<u>303,997</u>
Non-Current Assets			
Property, plant and equipment	7	333,381	264,284
Total non-current assets		<u>333,381</u>	<u>264,284</u>
<b>TOTAL ASSETS</b>		<u><b>393,410</b></u>	<u><b>568,281</b></u>
<b>LIABILITIES</b>			
Current Liabilities			
Trade payables and other payables	8	90,444	65,007
Provisions	9	41,761	59,406
Unexpended funds	10	103,351	106,869
Total current liabilities		<u>235,556</u>	<u>231,282</u>
Non-current liabilities			
Provisions	9	14,487	4,649
Total non-current liabilities		<u>14,487</u>	<u>4,649</u>
<b>TOTAL LIABILITIES</b>		<u><b>250,042</b></u>	<u><b>235,931</b></u>
<b>NET ASSETS</b>		<u><b>143,367</b></u>	<u><b>332,350</b></u>
<b>EQUITY</b>			
Retained earnings	11	143,367	332,350
<b>TOTAL EQUITY</b>		<u><b>143,367</b></u>	<u><b>332,350</b></u>

The above Balance Sheet should be read in conjunction with the accompanying notes

YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
Cash Flow Statement  
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
Cash flows from operating activities:			
Receipts from customers		649,501	749,196
Payment to suppliers and employees		(1,772,528)	(1,861,344)
Receipts of grants & funding		1,280,701	1,227,186
Net cash inflows from (used in) operating activities	4(b)	<u>157,674</u>	<u>115,039</u>
Cash flows from investing activities:			
Proceeds from sale of property, plant and equipment		22,071	-
Purchase of property, plant and equipment		(178,063)	(120,328)
Net cash outflows from(used in) investing activities		<u>(155,992)</u>	<u>(120,328)</u>
Net increase/(decrease) in cash and cash equivalents		1,681	(5,289)
Cash and cash equivalents at beginning of period		2,143	7,432
Cash and cash equivalents at end of period	4(a)	<u>3,825</u>	<u>2,143</u>

The above Cash Flow Statement should be read in conjunction with the accompanying notes

YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
Statement of Changes in Equity  
FOR THE YEAR ENDED 30TH JUNE 2009

	Retained Earnings \$	Other Reserves \$	Total \$
At 30 June 2007	14,081	-	14,081
Transfer of surpluses	-	-	-
Total income and expense for the year recognised directly in equity	14,081	-	14,081
Profit for the year	318,269	-	318,269
Total income and expense for the year	332,350	-	332,350
At 30 June 2008	332,350	-	332,350
Total income and expense for the year recognised directly in equity	332,350	-	332,350
Profit for the year	(188,983)	-	(188,983)
Total income and expense for the year	143,367	-	143,367
At 30 June 2009	143,367	-	143,367

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

**YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2009**

**1 CORPORATE INFORMATION**

The financial report of YMCA of Perth Youth and Community Services (The Association) was authorised for issue in accordance with a resolution of the management committee on 7<sup>th</sup> of September 2009.

YMCA of Perth Youth and Community Services (Inc) is a not for profit association incorporated and domiciled in Australia.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation and new accounting standards and interpretations**

The financial report is a special-purpose financial report, which has been prepared in accordance with the requirements of the Associations Incorporation Act 1987 and applicable Australian Accounting Standards as disclosed below. The financial report has also been prepared on a historical cost basis. Both the currency and functional currency of the Association is Australian dollars.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The YMCA'S assessment of the impact of these new standards and interpretations is that the YMCA has not adopted the standards early and that application of the standards will not materially affect any of the amounts recognised in the financial statements but will impact the type of information disclosed in relation to the YMCA'S financial instruments.

**Going concern basis**

The financial statements have been prepared on a going concern basis. The management committee believe that the Association will be able to pay its debts as and when they fall due and that continued funding will be provided by YMCA of PERTH (Inc) to the Association.

**(b) Statement of compliance**

The financial report complies in material respects with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS') and specifically AASB 101, AASB 107, AASB 108, AASB 110, AASB 117, AASB 116 and AASB 1031.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report.

**(c) Accounts Payable**

Amounts recorded in the financial report as accounts payable (amounts due and payable by the Association) represent the principal amounts outstanding at balance date.

**(d) Cash**

Cash in the balance sheet comprise cash at bank and in hand. For the purposes of the Cash Flow Statement, cash is net of outstanding bank overdrafts.

**(e) Comparative Figures**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. The changes do not materially affect the accounts.

**(f) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the

**YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

**(g) Grants & funding**

Grants and funding are recognised at their fair value where there is reasonable assurance that the grants and funding will be received and all attaching conditions will be complied with.

When the grants and funding relate to an expense item, it is recognised as income over the periods necessary to match the grant and funding on a systematic basis to the costs that it is intended to compensate.

Where the grant and funding relates to an asset, the fair value is credited to a deferred income amount and is released to the income statement over the expected useful life of the relevant asset by equal annual instalments.

**(h) Income Tax**

The Association is exempt from income tax under Division 50 Section 50-5 item 1.1 of the Income Tax Assessment Act (1997). (Corresponding to Section 23(e) of the Income Tax Assessment Act (1936).)

**(i) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**(j) Leases**

Finance leases, which transfer to the Association substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same base as the lease income.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

**(k) Plant and Equipment**

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment - over 3 to 10 years

*Impairment*

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. The assessment of value in use for the organisation is the depreciated replacement cost of an

YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2009

asset. The organisation assesses whether the asset is expected to generate future benefits, and, if deprived of the asset, would be required to replace the asset in excess of those future economic benefits.

Impairment losses are recognised in the income statement.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

(l) **Provisions**

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Association expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(m) **Trade and other receivables**

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

Collectibility of trade receivables is reviewed on an ongoing basis. A provision for impairment is established when there is objective evidence that organisation will not be able to collect all amounts due according to the original terms of the receivables. An estimate for doubtful debts is made when collection of the full amount is no longer probable by reducing the carrying amount of the receivable and the loss is recognised in the income statement. When a trade receivable is uncollectible (bad debt) it is written off against any allowance for doubtful debts and any subsequent recovery of amounts previously written off are credited in the income statement.

(n) **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*Grant & funding income*

Grant & funding income is recognised on a proportional basis taking into account the terms of the grant & funding and in particular the length of the grant & funding project and the expenditure brought to account.

*Fees & Services*

Fees & services income is recognised in the period in which the services are held.

*Café*

Café income is recognised in the period in which the sales are made.

*Interest*

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

**YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
NOTES TO THE FINANCIAL STATEMENTS  
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**(o) Economic dependency**

YMCA of Perth Youth and Community Services (Inc) is economically dependent upon YMCA of Perth (Inc) for contributions of funding provided for any deficits incurred.

**(p) Impairment of Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Throughout each financial year frequent reviews of these assets are made in order to gauge if any materially significant impairment has resulted. Other assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount in the accounts may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount in the balance sheet exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Value in use is the discounted present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Non-financial assets other than goodwill that suffered impairment are reviewed for a potential reversal of the impairment at each financial year-end.

**(q) Borrowings & Associated Costs**

Where borrowings have been material they are initially recognized at fair value, net of transaction cost incurred and are subsequently measured at amortised cost. Any difference between the net proceeds and the redemption amount is recognized in the income statement over the period of the borrowings using the effective interest method.

Fees that are material, paid on the establishment of loan facilities which are not an incremental cost relating to the draw down of the facility are recognized as intangibles and amortised on a straight line basis over the term of the facility.

Borrowings are removed from the balance sheet when an obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in impairment of intangible assets.

Material borrowings are classified as current liabilities.

**(r) Employee Benefits**

**(1) Wages, Salaries and Non-Monetary Benefits**

Liabilities for wages, salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognized in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are to be settled.

**(2) Long Service Leave**

The liability for long service leave is recognized in the provision for employee benefits and measured as a present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible estimated future cash flows.

**(s) Unexpended Funds**

These amounts are recognised as a liability on receipt and upon incurring the expenses for the funds purpose the amounts are recognised in the income statements.

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YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2009

(t) **Critical Accounting Estimates and Judgements**

The organization continually undertakes estimates, judgements and conducts scenario assessments based on historical experience including expectations of future events that are likely to have a material financial impact on the organization.

Any judgements, estimates and assumptions concerning the future will seldom equate to actual results and have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities for following financial years. There are no material matters relative to the financial report for this year.

YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2009

	2009 \$	2008 \$
<b>3 REVENUE AND EXPENSES</b>		
<b>(a) Revenue</b>		
Café	55,221	55,736
Donation	14,620	177
Fees & Services	395,367	455,205
Grants & funding	1,234,126	1,160,317
Profit on disposal	7,772	0
	<u>1,707,106</u>	<u>1,671,435</u>
<b>(b) Expenses</b>		
Café	25,589	28,626
Depreciation	86,895	83,626
Insurance	22,225	20,527
Motor vehicle	63,009	86,869
Printing & Stationery	11,179	18,241
Programmes	154,920	120,949
Rent	13,962	0
Repairs & maintenance	11,740	8,082
Salaries & wages	1,479,086	1,197,428
Telephone	33,262	27,388
Travel, Training & recruitment	52,307	50,739
Utilities	17,397	13,918
Other	116,810	61,437
	<u>2,088,380</u>	<u>1,717,830</u>
<b>4 CASH AND CASH EQUIVALENTS</b>		
<b>(a) Cash at bank and in hand</b>	<u>3,824</u>	<u>2,143</u>
Cash at bank and in hand earns interest at floating rates based on daily bank rates.		
The fair value of cash and cash equivalents is \$3,824 (2008: \$2,143).		
<b>(b) Reconciliation from the net profits to the net cash flows from operations</b>		
Net profit/ (Loss)	(188,983)	318,269
Adjustments for:		
Depreciation	86,895	83,626
Net (profit)/loss on disposal of plant and equipment	-	-
Changes in assets and liabilities:		
(Increase) decrease in inventories	415	308
(Increase) decrease in trade and other receivables	226,613	(135,015)
(Increase) decrease in prepayments	18,622	(18,989)
Increase (decrease) in trade and other payables	17,630	(200,030)
Increase (decrease) in grants & funding	(3,518)	66,870
Net cash from operating activities	<u>157,674</u>	<u>115,039</u>

**YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**Non cash operating activities**

During the year the Association received a non cash contribution of \$192,818 (2008 - \$372,785) from YMCA Of Perth (Inc). The non-cash contribution is off-set against other related party loans resulting in a nil net payable balance as disclosed in note 8 below.

<b>5</b>	<b>TRADE RECEIVABLES AND OTHER RECEIVABLES (CURRENT)</b>	2009	2008
		\$	\$
	Trade debtors	48,645	172,296
	Accrued Income	4,995	107,957
		<u>53,640</u>	<u>280,253</u>

Trade receivables are non-interest bearing and are generally on 30-day terms.

<b>6</b>	<b>INVENTORIES</b>		
	Stock on hand (at cost)	<u>1,238</u>	<u>1,653</u>

<b>7</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>				
		<i>Software and Hardware</i>	<i>Furniture and equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
		\$	\$	\$	\$
	<b>Year ended 30 June 2009</b>				
	At 1 July 2008				
	Net of accumulated depreciation	9,388	34,268	220,628	264,284
	Additions	2,792	9,623	165,648	178,063
	Disposals	0	0	(22,071)	(22,071)
	Depreciation charge for the year	(4,216)	(9,509)	(73,170)	(86,895)
	Net of accumulated depreciation	<u>7,964</u>	<u>34,382</u>	<u>291,035</u>	<u>333,381</u>
	<b>Year ended 30 June 2008</b>				
	Cost	10,788	147,392	532,740	690,920
	Accumulated depreciation	(1,400)	(113,124)	(312,112)	(426,636)
	Net carrying amount	<u>9,388</u>	<u>34,268</u>	<u>220,628</u>	<u>264,284</u>
	<b>At 30 June 2009</b>				
	Cost	13,580	157,015	497,741	846,912
	Accumulated depreciation	(5,616)	(122,633)	(206,706)	(513,531)
	Net carrying amount	<u>7,964</u>	<u>34,382</u>	<u>291,035</u>	<u>333,381</u>

<b>8</b>	<b>TRADE PAYABLES AND OTHER PAYABLES (CURRENT)</b>		
	Trade payables	22,827	9,271
	Other payables	67,617	55,736
	Related party payables	-	-
		<u>90,444</u>	<u>65,007</u>

Trade payables are non-interest bearing and are normally settled on 30-day terms. Other payables are non-interest bearing and have an average term of 3 months.

The net of GST payable and GST receivable is remitted to the appropriate tax body on a quarterly basis.

At the completion of the financial year the Board of The YMCA of Perth Inc resolved to forgive a loan due to them from the Association for the sum of \$192,818.

YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2009

<b>9</b>	<b>PROVISIONS</b>	2009	2008
		\$	\$
	Current		
	Provision for employee benefits	41,761	59,406
	Non-current		
	Provision for employee benefits	14,487	4,649
	Aggregate employee entitlement liability	56,248	64,055
<b>10</b>	<b>UNEXPENDED FUNDS</b>		
	Balance of unexpended portion of grants and funding received for various youth programs. Refer accounting policy (note 2 n)	103,351	106,869
<b>11</b>	<b>RETAINED PROFITS</b>		
	Balance at beginning of year	332,350	14,081
	Net Profit/(Loss) for the year	(188,983)	318,269
	Transfer of surplus from related party	-	-
	Balance at end of year	143,366	332,350

**12 FINANCE FACILITIES AVAILABLE**

*At reporting date, the following financing facilities had been negotiated and were available:*

Facilities unused at reporting date:

Credit card facility	5,000	5,253
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**13 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Association's principal financial instruments comprise cash and trade debtors and creditors, which arise directly from its operations.

It is, and has been throughout the period under review, the Association's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Association's financial instruments are interest rate risk, liquidity risk and credit risk. The Committee of Management reviews and agrees policies for managing each of these risks and they are summarised below.

The Association also monitors the market price risk arising from all financial instruments. The magnitude of this risk that has arisen over the year is discussed in note 14.

*Interest risk*

The Association has no long term debt subject to interest rate changes.

*Credit risk*

The association trades only with recognised, creditworthy third parties.

It is the Association's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Association's exposure to bad debts is not significant.

With respect to credit risk arising from the other financial assets of the Association which comprise cash and cash equivalents, the Association's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

There are no significant concentrations of credit risk within the Association.

*Liquidity risk*

The association's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and hire purchase contract.

YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30TH JUNE 2009

14 FINANCIAL INSTRUMENTS

*Fair values*

There is no difference between the fair value and the carrying value of the association's financial instruments.

*Interest rate risk*

The following table sets out the carrying amount, by maturity, of the financial instruments that are exposed to interest rate risk:

	<i>Weighted Average Interest Rate</i>	<i>Floating Rate</i>	<i>Fixed rate &lt;1 year</i>	<i>Total \$</i>
<b>2009</b>				
Floating rate	1.55	3,824	-	3,824
Cash assets				
<b>2008</b>				
Floating rate				
Cash assets	3.3	2,143	-	2,143

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year.

The other financial instruments of the Association that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

15 RELATED PARTY DISCLOSURE

YMCA of Perth (Inc) and YMCA of Perth Youth & Community Services (Inc) operate under separate but similar license agreements with YMCA Australia. YMCA of Perth (Inc) is a registered charity but which operates its benevolent activities through YMCA of Perth Youth & Community Services (Inc).

Because of the nature of the activities of YMCA of Perth Youth & Community Services (Inc), it is not in a position to operate without the support of YMCA of Perth (Inc). YMCA of Perth (Inc) recognises this and provides ongoing funding to YMCA of Perth Youth & Community Services (Inc) to ensure it can pay its debts as and when they fall due and for working capital. This funding is provided by way of a contribution and unsecured interest free loans repayable on demand.

The Board of The YMCA of Perth (Inc) resolved to forgive the debt owed to it by YMCA of Perth Youth and Community Services (Inc) in the sum of \$192,818 in the form of a non-cash contribution which has been recorded in income as revenue received as a contribution from The YMCA of Perth (Inc).

Balance outstanding at year end - -

The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year.

YMCA Of Perth (Inc)		
Contribution received	192,818	372,785

**KEY MANAGEMENT PERSONNEL COMPENSATION**

Key management personnel comprise Committee of Management and other persons having authority and responsibility for planning, directing and controlling the activities of the YMCA of Perth (Inc).

**SUMMARY**

Short-term employee benefits	191,170	188,711
Post-employment benefits	14,670	14,634
	<u>205,840</u>	<u>203,345</u>

**YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2009**

**16 EVENTS SUBSEQUENT TO BALANCE DATE**

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the Association or results of its operations.

**17 AUDITORS REMUNERATION**

Audit fees are paid by the YMCA of Perth (Inc).

**18 SEGMENT REPORTING**

The Association operates in Western Australia and is primarily involved in youth and community work.

**19 ASSOCIATION DETAILS**

The principal place of business of the Association is:  
YMCA of Perth Youth and Community Services (Inc)  
201 Star Street  
CARLISLE WA 6101

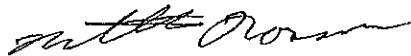
# **YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC) RESOLUTION OF MANAGEMENT COMMITTEE**

In accordance with a resolution of the Management Committee of YMCA of Perth Youth and Community Services (Inc) I state that:

In the opinion of the Committee:

- (a) the financial statements and notes of the Association are in accordance with the Associations Incorporation Act 1987, including:
  - (i) giving a true and fair view of the Association's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards; and
- (b) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

On behalf of the Board



**Matthew Rosser**  
**PRESIDENT**



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE YMCA OF PERTH YOUTH AND COMMUNITY SERVICES (INC)**

**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of YMCA of Perth Youth and Community Services (Inc), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the President's declaration.

*The Responsibility of the Management Committee for the Financial Report*

The Management Committee of the Association are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the constitution and are appropriate to meet the needs of the members. The Management Committee's responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the reasonableness of accounting estimates made by the Management Committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Management Committee's financial reporting requirements under the constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

*Independence*

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

*Auditor's Opinion*

In our opinion, the financial report presents fairly, in all material respects, the financial position of YMCA of Perth Youth and Community Services (Inc) as of 30 June 2009 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

**Material Uncertainty Regarding Continuation as a Going Concern**

Without qualification to the opinion expressed above, we draw attention to Note 2 (a) to the financial statements which states that the Committee believe that YMCA of Perth Youth & Community Service (Inc) will receive continued financial support from the YMCA of Perth (Inc) to pay debts as and when they fall due for payment. Should the financial support not continue, there is significant doubt about the Association's ability to continue as a going concern and realize its assets and extinguish its liabilities in the ordinary course of business.

**BDO Kendalls Audit & Assurance (WA) Pty Ltd**

BDO Kendalls



**Chris Burton**

Director

Dated this 7<sup>th</sup> day of September 2009  
Perth, Western Australia