

YOUTH INSEARCH FOUNDATION (AUST) INCORPORATED

A.B.N. 31 886 363 881

FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2014

# YOUTH INSEARCH FOUNDATION (AUST) INCORPORATED

## CONTENTS

Committee's Report	1
Statement by Members of the Committee	3
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Chairman's Declaration	18
Auditors' Report	19
Statement of Income and Expenditure	20

**COMMITTEE'S REPORT**

Your committee members submit the financial report of Youth Insearch Foundation (Aust) Inc for the financial year ended 30 June 2014.

**Committee Members**

The names of the committee members throughout the year and at the date of the report are:

NAME:	POSITION:
Garry Rothwell	Chairman (appointed September 2012)
Malcolm McPherson	Secretary (appointed September 2012)
Andrew Gregory	Treasurer (appointed September 2012)
William Gill	Member (appointed September 2012)
Alberto Donati	Member (appointed June 2013)
Jared Goodwin	Member (appointed November 2013)
Alan Kuczynski	Member (appointed May 2014)
Robert Smith	Member (appointed May 2014)

**Principal Activities**

The Principal activity of the Foundation during the financial period has been organising and holding youth programs and the furtherance of youth welfare.

**Significant Changes**

No significant change in the nature of this activity occurred during the year.

**Operating Result**

The surplus from ordinary activities was \$32,338.

**Subsequent Events**

There has not been any matter or circumstance other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

**Future Developments**

Disclosure of information regarding likely developments in the operations of the entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the association. Accordingly, this information has not been disclosed in this report.

**Committee Members' Emoluments**

No Committee Member has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the association, controlled entity or a related body corporate with the committee member, a firm of which the committee member is a member or an entity in which the member has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by the committee members shown in the association's accounts or the fixed salary and associated on-costs of a full-time employee of the association controlled entity or related body corporate.

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

Proceedings on behalf of the association

The association has not, during or since the financial period, apart from the circumstances listed below in respect of any person who is or has been an officer or auditor of the association or a related body corporate.

- a) Indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- b) Paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

Youth Insearch as part of its overall insurance holds Directors' and Officers' Liability & Company Reimbursement Insurance for its Committee members and officers.

This report is made in accordance with a resolution of the committee and is signed for and on behalf of the committee.

---

Garry Rothwell  
Chairman

---

Andrew Gregory  
Treasurer

Dated this            day of September 2014

**YOUTH INSEARCH FOUNDATION (AUST) INCORPORATED**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

In the opinion of the committee:

- 1           The financial statements and notes, as set out on pages 1 to 21 present fairly the association's financial position as at 30 June 2014 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations); and
- 2           At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

---

Garry Rothwell  
Chairman

---

Andrew Gregory  
Treasurer

Dated this           day of September 2014

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

	Note	2014	2013
Revenue	3	794,733	799,679
Expenses			
Camp expenses		(157,789)	(75,255)
Depreciation		(6,516)	(11,456)
Employee benefits expense		(431,750)	(248,770)
Travel and accommodation		(4,879)	(23,165)
Other expenses from ordinary activities		(161,461)	(227,029)
Total expenses		<u>(762,395)</u>	<u>(585,675)</u>
Surplus/(Deficit) for the year		<u>32,338</u>	<u>214,004</u>

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2014**

	Note	2014	2013
Current assets			
Cash assets	5	1,051,501	999,338
Receivables	6	10,471	6,140
Other	7	18,254	29,418
Total Current Assets		<u>1,080,226</u>	<u>1,034,896</u>
Non Current Assets			
Property, equipment and motor vehicles	8	265,700	239,294
Investments	9	5,811	5,413
Total Non Current Assets		<u>271,511</u>	<u>244,707</u>
TOTAL ASSETS		<u>1,351,737</u>	<u>1,279,603</u>
Current liabilities			
Payables	10	36,362	18,139
Provisions	11	27,854	15,655
Other	12	57,715	48,740
Total Current Liabilities		<u>121,931</u>	<u>82,534</u>
TOTAL LIABILITIES		<u>121,931</u>	<u>82,534</u>
NET ASSETS		<u>1,229,806</u>	<u>1,197,069</u>
Accumulated funds			
Accumulated funds at the end of the financial year	13	1,229,806	1,197,069
TOTAL ACCUMULATED FUNDS		<u>1,229,806</u>	<u>1,197,069</u>

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	Share Revaluation Reserve	Accumulated Funds	Total
<b>Balance at 1 July 2012</b>	<b>\$1,526</b>	<b>\$979,588</b>	<b>\$981,114</b>
Profit attributable to members	\$0	\$214,004	\$214,004
Unrealised revaluation gain	\$1,951	\$0	\$1,951
<b>Balance at 30 June 2013</b>	<b>\$3,477</b>	<b>\$1,193,592</b>	<b>\$1,197,069</b>
Profit attributable to members	\$0	\$32,338	\$32,338
Unrealised revaluation gain	\$399	\$0	\$399
<b>Balance at 30 June 2014</b>	<b>\$3,876</b>	<b>\$1,225,930</b>	<b>\$1,229,806</b>



**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

	Note	2014	2013
Cash flows from operating activities			
Cash receipts in the course of operations		766,287	1,020,434
Cash payments in the course of operations		705,236	(1,109,504)
Interest payments		(81)	(6,150)
Interest received		24,115	27,159
Net cash provided by (used in) operating activities	20(b)	<u>85,085</u>	<u>(68,061)</u>
Cash flows from investing activities			
Proceeds from sales of property, equipment and motor vehicles		-	1,175,186
Purchase of property, equipment and motor vehicles		(32,922)	(1,258)
Net cash provided by (used in) investing activities		<u>(32,922)</u>	<u>1,173,928</u>
Cash flows from financing activities			
(Repayment of) / Proceeds from borrowings		-	(267,029)
Net cash provided by (used in) financing activities		<u>-</u>	<u>(267,029)</u>
Net increase (decrease) in cash and cash equivalents		52,163	838,838
Cash and cash equivalents at the beginning of the financial year		999,338	160,500
Cash and cash equivalents at the end of the financial year	20(a)	<u>1,051,501</u>	<u>999,338</u>

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Views and other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the Associations Incorporation Act 2009 and the NSW Charitable Fundraising Act and Regulations. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report covers Youth Insearch Foundation (Australia) Inc. as an association incorporated in New South Wales under the Associations Incorporation Act 2009.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(A) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

**(B) COMPARATIVE AMOUNTS**

Where required by accounting standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**(C) DISTRIBUTION OF SURPLUS**

Annual surplus: the rules and regulations of the entity prohibit the distribution of any surplus to members. All income must be applied solely towards the promotion of the objects of the Association.

**(D) EMPLOYEE ENTITLEMENTS**

Wages and salaries

A liability is recognised and is measured as the amount unpaid at the year end date at current pay rates in respect of employees' service up to the year end date.

Annual and long service leave

Provision is made for the association's liability for employee entitlements arising from services rendered by employees to the year end date.

Employee entitlements expected to be settled within one year, have been measured at the nominal amount. Other employee entitlements payable later than one year have not been discounted and have been measured at nominal amounts.

Contributions are made by the association to superannuation funds nominated by employees and are treated as expenses when incurred.

**(E) FUNDRAISING ACTIVITIES**

Charitable Fundraising Act 1991

This Act and supporting Charitable Fundraising Regulations prescribe the manner in which fundraising appeals are conducted, controlled and reported in NSW. The amounts shown in Note 16 are in accordance with Authority Condition 7, which is issued to the Association under section 19 of the Act.

Donations and bequests are returned as income as and only when received at the Association's administrative offices or deposited into the Association's bank account. As specified in the Act, unsolicited donations, members' donations and bequests are not treated as fundraising income when determining information required under the Act. They are treated as gifts under the tax legislation and deposited in the Fundraising bank account.

Cost of Fundraising: Costs used in Note 16 include direct fundraising costs. The inclusion of indirect costs is discretionary. Indirect costs which have been excluded, include overheads such as the time spent by accounting of office staff administering appeals, printing, postage and stationery, travel expenses and insurance. Exclusion of the indirect costs decreases the cost of fundraising and increases the margins from fundraising shown in Note 16.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

**(F) GOVERNMENT GRANTS**

Government grants are assistance by the government in the form of cash to the Association for the requirement of the Association to use the funds within the community. Government grants relating to income are recognised as income over the periods necessary to match them with the related costs. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Association with no future related costs are recognised as income in the period in which it becomes receivable. Government grants relating to assets are treated as deferred income and recognised in profit and loss over the expected useful lives of the assets concerned.

**(G) INTANGIBLE ASSETS**

Trademarks

Trademarks are recorded at cost.

**(H) PAYABLES**

Trade Payables and other accounts payable are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services,

**(I) PROPERTY, EQUIPMENT AND MOTOR VEHICLES**

Property, equipment and motor vehicles are brought to account at cost less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, equipment and motor vehicles is reviewed annually by the Committee to ensure that it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash values have not been discounted to present values in determining recoverable amounts.

Depreciation: The depreciable amount of all fixed assets excluding buildings and freehold land, is depreciated on straight line or diminishing value basis over their estimated useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Straight line	Diminishing Value
	Depreciation Rate	Depreciation Rate
Equipment	7.5 % - 33%	7.5% - 22.5%
Motor Vehicles	12.5% - 15%	18.75%

**(J) REVENUE**

Government Grants

Government Grants are recognised in the period to which the funding agreement relates.

Interest Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Rendering of Services

Revenue from the rendering of a service is recognised upon the delivery of the service to the client.

Dividend Revenue

Dividend revenue is recognised and brought to account when the right to receive a dividend has been established.

Donations, bequests and fundraising

Donations, bequests and fundraising income are recognised and brought to account on receipt of the funds at the Association's offices or direct deposited into its bank account.

When donations, bequests and fundraising income received is conditional upon the happening of a future event, these funds are recorded as income received in advance under current liabilities in the statement of financial position. These funds are recognised and treated as income in the statement of comprehensive income when all conditions have been satisfied.

All revenue is stated net of the amount of GST.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

**(K) RESTRICTED/UNRESTRICTED FUNDS**

Restricted Funds are funds received or reserves held that must be spent on the purpose for which they were received or are held.

They comprise:

- (i) Government funding must be spent in accordance with the terms of the funding agreement.
- (ii) Donations and bequests where the donor indicates a preference for the use to which the funds are to be used;
- (iii) Donations received in response to specific purpose appeals.
- (iv) Provisions for statutory entitlements due to employees.

All other funds are unrestricted in that the Committee has discretion to spend them on purposes for which the charity is established.

**(L) TAXES**

**Income Tax:** Under the New Tax System, the Foundation was endorsed on 1 July 2000 by the ATO as an exempt charity.

**Fringe benefits tax:** The Foundation as a public benevolent institution, was exempt from fringe benefits tax under Section 57A, Fringe Benefits Tax Assessment Act 1986. The grossed up value of specified fringe benefits to individual employees has been included on each employee's Statement of Earnings as required by law. From 1 April 2001 this exemption ceased for certain fringe benefits paid to employees in excess of \$30,000 grossed up value for each employee.

**Capital Gains Tax:** The Foundation as a public benevolent institution is exempt from capital gains tax under Section 50-5, Income Tax Assessment Act 1997.

**Payroll Tax:** The Foundation as a public benevolent institution is exempt from payroll tax under Section 10(1)(a2), Payroll Tax Act 1971.

**Land Tax:** The Foundation as a public benevolent institution is exempt from land tax under Section 10(d), Land Tax Act.

**Goods and Services Tax:** The Foundation as a public benevolent institution is registered for the goods and services tax (GST) applicable from 1 July 2000. The tax is paid on commercial activities and sponsorship. Revenues, costs and assets are recognised net of the amount of GST except:

- (i) where the amount of GST incurred is not recoverable from the ATO, it is recognised as part of the cost of acquisition of an asset or as part of an item of cost; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

For details of GST amounts receivable or payable at 30 June 2014 please refer to Note 10.

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

**NOTE 2: DONATED SERVICES**

Various services are donated to the Foundation. No assessment of the value of those services is included in the accounts.

**NOTE 3: REVENUE**

	Unrestricted Funds	Restricted Funds	2014	2013
Operating activities				
Major				
- Donations, bequests, and fundraising	212,332	53,000	265,332	244,842
- Camp fees	89,580	-	89,580	72,530
- Membership fees	240	-	240	300
- Government funding	-	406,390	406,390	402,340
- Sundry income	7,046	-	7,046	52,279
Minor				
- Interest received	24,115	-	24,115	27,159
- Dividends received	378	-	378	229
- Sale of Vehicles	1,651	-	1,651	-
	<u>335,342</u>	<u>459,390</u>	<u>794,732</u>	<u>799,679</u>

**NOTE 4: SURPLUS/DEFICIT FROM ORDINARY ACTIVITIES**

Operating Surplus/Deficit from ordinary activities has been determined after the following:

**Expenses**

Depreciation of non current assets

Furniture, fittings & equipment

Motor Vehicles

Total depreciation

2,097	3,634
4,419	7,822
<u>6,516</u>	<u>11,456</u>

Auditor's remuneration

Audit Fee

Total remuneration

6,730	10,000
<u>6,730</u>	<u>10,000</u>

Rental expense on operating leases

Lease of equipment

Total operating leases

1,138	4,090
<u>1,138</u>	<u>4,090</u>

**NOTE 5: CASH ASSETS**

Cash on hand

Undeposited Funds

Cash at bank - Working Account

Cash at bank - Cheque and Cash Accounts

153	103
12,480	47,490
1,325	200,601
<u>1,037,543</u>	<u>751,144</u>
<u>1,051,501</u>	<u>999,338</u>

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

	2014	2013
<b>NOTE 6: RECEIVABLES</b>		
Trade Debtors	10,471	6,140
	<u>10,471</u>	<u>6,140</u>
<b>NOTE 7: OTHER CURRENT ASSETS</b>		
Prepayments	18,254	29,418
	<u>18,254</u>	<u>29,418</u>
<b>NOTE 8: PROPERTY, EQUIPMENT AND MOTOR VEHICLES</b>		
Freehold land and buildings at cost	233,612	233,612
Total freehold land and buildings	<u>233,612</u>	<u>233,612</u>
Furniture, fittings and equipment at cost	29,881	27,255
Less: Accumulated depreciation	(23,894)	(21,796)
Total furniture, fittings and equipment	<u>5,987</u>	<u>5,459</u>
Motor vehicles at cost	61,566	31,269
Less: Accumulated depreciation	(35,465)	(31,046)
Total Motor Vehicles	<u>26,101</u>	<u>223</u>
Total property, equipment and motor vehicles	<u>265,700</u>	<u>239,294</u>

Movements in carrying amounts

	Freehold Land and Buildings	Improve- ments	Furniture, Fittings & Equipment	Motor Vehicles	Total
Balance, beginning of year	233,612	-	5,459	223	239,294
Additions	-	-	2,625	30,287	32,912
Disposals	-	-	-	-	-
Depreciation expense	-	-	(2,097)	(4,419)	(6,387)
Carrying amount at end of year	<u>233,612</u>	<u>-</u>	<u>5,987</u>	<u>26,101</u>	<u>265,700</u>
				<b>2014</b>	<b>2013</b>

Freehold land and buildings at cost		
Yarramundi at cost	233,612	233,612
	<u>233,612</u>	<u>233,612</u>

**Yarramundi Property**

The Yarramundi property is owned by Youth Insearch and is carried in the financial statements at cost.

At 8<sup>th</sup> October 2011, Sydney Wide Valuations determined the market value of the Yarramundi property to be \$400,000.

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

	2014	2013
<b>NOTE 9: INVESTMENTS</b>		
Shares		
995 shares in Insurance Australia Group Limited (IAG)	<u>5,811</u>	<u>5,413</u>
<b>NOTE 10: CURRENT PAYABLES</b>		
Sundry creditors and accrued expenses	22,305	16,748
GST Payable	2,458	(3,873)
PAYG Payable	3,657	3,376
Superannuation Payable	7,942	1,888
	<u>36,362</u>	<u>18,139</u>
<b>NOTE 11: CURRENT PROVISIONS</b>		
Employee benefits (refer to note 14)	<u>27,854</u>	<u>15,655</u>
<b>NOTE 12: OTHER CURRENT LIABILITIES</b>		
Income received in advance	53,000	45,000
Specific purpose funds received	4,715	3,740
	<u>57,715</u>	<u>48,740</u>

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

2014                      2013

**NOTE 13: ACCUMULATED FUNDS**

Accumulated funds at the beginning of the year	1,197,069	981,114
Share Revaluation	399	1,951
Surplus/(Deficit) for the year	32,338	214,004
Accumulated funds at the end of the financial year	<u>1,229,806</u>	<u>1,197,069</u>

**NOTE 14: EMPLOYEE BENEFITS**

The aggregate amount of employee benefit liability recognised and included in the financial statements is as follows:

Provision for employee benefits:		
Current provision (refer to note 11)	27,854	15,655
	<u>27,854</u>	<u>15,655</u>
Number of employees at the end of the financial year	<u>7</u>	<u>5</u>

**NOTE 15: INSURANCE COVER**

Insurance premiums paid		
Workers compensation insurance	18,760	12,647
Comprehensive motor vehicle	2,256	2,349
Property, business, interruption, personal	20,768	23,542
	<u>41,784</u>	<u>38,538</u>

With the exception of workers' compensation insurance and motor vehicle third party insurance where the rates are set externally, the extent and value of the cover is reviewed every year.

**NOTE 16: FUNDRAISING INCOME AND EXPENSES**

Details of aggregate gross income and total expenses in fundraising appeals for the year ended 30 June 2014 are as follows:

FUNDRAISING EVENT	GROSS	DIRECT EXPENSES	NET SURPLUS AFTER DIRECT EXPENSES
24 Hour Bike Ride - 2013	105	-	105
June 2013 Appeal	3,665	-	3,665
Christmas 2013 Appeal	23,155	908	22,247
March 2014 Appeal	6,880	-	6,880
June 2014 Appeal	32,630	1,229	31,401
TOTAL	<u>66,435</u>	<u>2,137</u>	<u>64,298</u>

Results of all appeals during the year were accounted for in line with guidelines prescribed by the Charitable Fundraising Act. The Statement of Significant Accounting Policies, Note 1, provides further details on the accounting policies adopted.

The net result of fundraising activities has been applied to furthering the principal activities of the association for the benefit of youth welfare as a whole.



**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

**NOTE 17: GOVERNMENT GRANT**

During the financial year Youth Insearch Foundation (Aust) Inc has received three government grants totalling \$406,390. These amounts have been deposited in separate specific bank accounts.

**NOTE 18: MEMBERS**

**2014                  2013**

Membership fees (excludes initial fees)

240                  300

There were 12 registered members at 30 June 2014 (30 June 2013: 15). All members pay an annual subscription fee of \$20 (2013: \$20).

**NOTE 19: REMUNERATION TO EMPLOYEES**

Staff are employed in terms of individual management contracts, or under awards. Superannuation is paid in accordance with awards, management contracts or the superannuation guarantee legislation. During the year, a car was provided under the management contract with 1 staff member and was predominantly used for work purposes. Individual staff have entered into salary sacrifice arrangements in accordance with the Fringe Benefits Tax Assessment Act 1986. The effect of the salary sacrifice payments is to make salary packages to staff more comparable to equivalent remuneration of staff employed in commercial organisations.

The number of contract and award employees (permanent and casual) whose total actual remuneration including superannuation and retirement payments, but excluding the effect of salary sacrifice arrangements, fell within the following bands:

Remuneration Band	2014 Number	2013 Number
\$60,000+	3	1
\$50,000-\$59,999	-	1
\$40,000-\$49,999	1	-
\$30,000-\$39,999	1	-
\$20,000-\$29,999	2	2
\$10,000-\$19,999	-	-
\$0 - \$9,999	5	3
Total number of employees	<u>12</u>	<u>7</u>
Total: remuneration to these employees	<u>\$385,399</u>	<u>\$205,649</u>

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

2014                      2013

**NOTE 20: CASH FLOW INFORMATION**

**(a) RECONCILIATION OF CASH**

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, Cash at the *end* of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

Cash on hand	12,633	47,593
Cash at bank	1,038,868	951,745
Cash at the end of the financial year	<u>1,051,501</u>	<u>999,338</u>

**(b) RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES WITH OPERATING SURPLUS**

Operating Surplus	32,338	214,004
Non-cash flows in operating surplus		
Depreciation	6,516	11,456
(Profit)/Loss on sale of fixed assets	-	52,016
Changes in assets and liabilities		
(Increase)/ decrease in current receivables	(4,331)	(4,680)
(Increase)/ decrease in other assets	11,165	(28,741)
Increase/ (decrease) in creditors and accruals	18,223	(40,640)
Increase/ (decrease) in provision for employee entitlements	12,199	(320,216)
Increase/ (decrease) in income received in advance	8,975	48,740
Net cash provided by/ (used in) operating activities	<u>85,085</u>	<u>(68,061)</u>

**NOTE 21: ASSOCIATION DETAILS**

The principal place of business of the association is:

Unit 7

9 Hudson Avenue

Castle Hill NSW 2154

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

**NOTE 22: FINANCIAL INSTRUMENTS**

The association's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk.

The association's overall risk management program focuses on the unpredictability of financial markets, and seeks to minimise potential adverse effects on the financial performance of the association.

Management is carried out by the Finance department under policies approved by the Committee. The association held the following financial instruments:

	2014	2013
Financial Assets		
Cash and cash equivalents	1,051,501	999,338
Trade and other receivables	10,471	6,140
Investments	5,811	5,413
	<u>1,067,783</u>	<u>1,010,891</u>
Financial Liabilities		
Trade and other payables	36,362	18,139
	<u>36,362</u>	<u>18,139</u>

(a) Market risk

(i) Interest rate risk

The association monitors interest rate risk on an ongoing basis. At the balance sheet date there were no significant exposures to interest rate risk. Trade payables were calculated based on their notional value, which the Committee have deemed to be fair value. The Committee has determined that the effect of the discounting is not material.

(b) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations and result in a financial loss to the association. Credit risk can also arise from cash and cash equivalents. The maximum exposure to credit risk as at reporting date is illustrated in the table above. For banks, only independently rated banks and financial institutions are accepted, with a minimum rating of A. For receivables, the notional value is deemed to reflect the fair value, with the effect of discounting not being material. At balance sheet date, there were no significant exposures to credit risk.

(c) Liquidity Risk

The ultimate responsibility for liquidity risk management rests with the Committee, who have built an appropriate liquidity risk management framework for the management of the association's funding requirements. The company manages liquidity by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows. The association has no derivative financial liabilities at year end.

(d) Fair value of financial instruments

The fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with references to quoted market prices.

The fair value of receivables and payables are deemed to be their carrying values less any impairment. The effect of discounting has been determined by the Committee as not being material.

(e) Financial instrument composition and maturity analysis

The association's exposure to interest risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and liabilities is as follows:

Financial Assets	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest bearing
	2014	2013	2014	2013	2014
Cash at bank	2.35%	2.71%	1,051,501	999,338	
Receivables					10,471
Investments					5,811
Total Financial Assets			<u>1,051,501</u>	<u>999,338</u>	<u>16,282</u>
Financial Liabilities					
Trade and sundry payables					36,362
Total Financial Liabilities					<u>36,362</u>

## **YOUTH INSEARCH FOUNDATION (AUST) INCORPORATED**

### **CHAIRMAN'S DECLARATION**

I, Garry Rothwell, Chairman of the Youth Insearch Foundation (Aust) Incorporated declare that in my opinion:

- a) The financial statements give a true and fair view of all income and expenditure of the Youth Insearch Foundation (Aust) Incorporated with respect to fundraising appeals;
- b) The Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeals;
- c) The provisions of the Charitable Fundraising Act 1991, the Regulations under the Act and the conditions attached to the authority have been complied with by the organisation; and
- d) The internal controls exercised by the Youth Insearch Foundation (Aust) Incorporated are appropriate and effective in accounting for all income received and applied by Youth Insearch Foundation (Aust) Incorporated from any of its fundraising appeals.

---

Garry Rothwell

Chairman

Dated this            day of September 2014

# **INDEPENDENT AUDITOR'S REPORT**

## **TO THE MEMBERS OF YOUTH INSEARCH FOUNDATION (AUST) INCORPORATED**

### **Report on the Financial Report**

We have audited the accompanying financial report of Youth Insearch Foundation (Aust) Incorporated (the association), which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the Chairman's declaration.

### **Committee's Responsibility for the Financial Report**

The Committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Associations Incorporation Act 2009 (NSW). The committee's responsibility also includes such internal controls as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 auditors' judgment, 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the requirements under the Association's constitution. We disclaim any assumption of responsibility for any reliance on this audit 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 is 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 Australian professional ethical pronouncements.

### **Auditors' Opinion**

In our opinion, the financial report of Youth Insearch Foundation (Aust) Incorporated is in accordance with the requirements of the Associations Incorporation Act 2009 including:

- i. giving a true and fair view of the financial position of the association as at 30 June 2014 and of its performance and cash flows for the year then ended.
- ii. Complying with Australian Accounting Standards

Name of Firm: MBP Auditors Pty Ltd  
Chartered Accountants

Name of Director: Lawrence Myers

Address: Level 12, 130 Pitt Street SYDNEY NSW 2000

---

Dated this                      day of September 2014

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

	2014	2013
<b>Revenue</b>		
Camp (Program) Fees	89,580	72,530
Donations, Bequests & Fundraising	265,332	244,843
Government Grants	406,390	402,340
Interest Received	24,115	27,159
Other Income		
Membership Fees	240	300
Dividends	378	229
Other Income	7,046	28,795
Workers Compensation Receipts	1,651	23,483
Profit on Sale of Vehicle		-
	<u>794,732</u>	<u>799,679</u>
<b>Expenses</b>		
General Administration Expenses		
Assets written off under \$100	164	103
Bank Charges	792	4,867
Depreciation	2,097	3,634
Interest Expense	81	2,133
Merchant Fees	1,079	1,692
Business Expenses		
Advertising	219	244
Audit & Accounting Fees	7,720	15,073
Bookkeeping	11,013	41,195
Business Insurance	15,162	23,542
Consultancy Fees	22,545	9,995
Government Fees	190	423
Legal Fees	8,533	11,551
Membership/Subscriptions	3,893	1,960
Office Expenses		
Computer Expenses	5,216	2,749
Lease- Equipment	1,138	4,090
Office Supplies	1,192	228
Printing & Stationery	3,610	3,489
Communication Expenses		
Communication Other	300	-
Postage	2,573	2,049
Telephone & Internet	9,092	5,098
Website Charges	350	475
Premises		
Cleaning & Waste Removal	2,242	4,833
Rates	2,153	3,034
Rent	33,533	19,483
Repairs/Maintenance	535	74
Security	468	425
Utilities	3,511	5,177
Program, Promotion & Development		
Accommodation	680	4,483
Airmiles	1,722	10,417
Meals & Entertainment	524	1,505
Parking/Train/Taxis	1,283	2,180
Program Promotional Material	7,072	1,875
Promotional Functions	3,023	16
Travel Other	219	1,878
Vehicle Hire	451	2,702
Employment Expenses		
Annual Leave Expense	12,199	10,921
Staff Uniforms	45	-
Staff Amenities	376	330
Staff Expenses Other	761	-
Staff Recruitment	1,260	900
Staff Training	6,614	390
Superannuation	32,380	17,933
Wages & Salaries	354,109	205,649
Workers Compensation	24,006	12,647

**YOUTH INSEARCH FOUNDATION (AUST) INC**  
**ABN 31 886 363 881**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED**  
**30 JUNE 2014**

	2014	2013
Motor Vehicle Expenses		
Registration & Insurance	4,799	3,562
Fuel	3,609	2,083
Service/Repair	2,107	2,074
Depreciation	4,419	7,822
Tolls	3,375	1,362
Trailer Expenses	172	59
Programs		
Program Airfares	8,069	2,647
Program Bus/Vehicle Hire	4,096	2,942
Program Fees Waived	3,273	370
Program Fuel Re-imbursed	586	1,487
Program Meals While Travelling	506	495
Program Supplies	1,859	1,002
Program training/Activities	47,586	469
Program Venue Hire (non Camp)	1,155	-
Program Weekend Accommodation	90,659	65,843
Total Expenses from Operating Activities	762,394	533,659
Loss on Sale of Fixed Assets	-	52,016
Total Expenses	762,394	585,675
Net Profit/Loss	32,338	214,004