

Youth Action & Policy Assoc (NSW) Inc. Annual Report (Audited)

YOUTH ACTION POLICY ASSN NSW INC
For the year ended 30 June 2021

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Officer's Report

YOUTH ACTION POLICY ASSN NSW INC For the year ended 30 June 2021

Officer's Report

The officers present their report, together with the financial statements, on the incorporated association for the financial year ended 30 June 2021.

Committee Members

The following persons were committee members of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Committee Member	Position	Appointed	Resigned
Penny Lamaro	Chairperson	November 2020	
Tamika Worrell	Chairperson		November 2020
Frances Dreyer	Deputy Chairperson		June 2021
Todd Pinkerton	Treasurer		
Lakin Agnew	Secretary		
Ordinary Members			
Peter Hope			
Tilly South			
Rowena Tran			November 2020
Jane Choi			
Lisa Lewis		November 2020	
Jack Whitney		November 2020	
Erin Wilson		April 2021	

Principal Activities

During the financial year the principal continuing activities of the incorporated association consisted of:

- to work in the interests of young people and the youth sector in New South Wales.

Significant Changes

No significant changes in the nature of the activity occurred during the year.

Events Subsequent to the End of Reporting Period

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

Transactions with Board Members

In the opinion of the Members of the Board of Youth Action & Policy Association Inc.:

During this financial year, no:

- Officer of the Association;
 - Firm of which the officer is a member; or
 - Body corporate in which the officer has a substantial financial interest,
- has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the Association.

During the financial year, no officer of the Association received directly or indirectly from the Association any payment or other benefit of a pecuniary value.

Employees

During the financial year, the association had 7 full-time employees, 2 part-time employees and 2 short-term contract employees.

Insurance

The Association has insurance policies which are adequate for current obligations and include:

- iCare Workers Insurance - Workers Compensation
- Marsh Advantage Insurance -Business/ Personal Accident Commercial

Auditor's Independence Declaration

A copy of the Auditor's Independent declaration in relation to the audit for the financial year is attached and forms part of this report.

Signed in accordance with a resolution of the member of the Board of Governance & Policy Association:



Penny Lamaro (Chairperson)

Date 20 / 10 / 2021



Todd Pinkerton (Treasurer)

Date 21 / 10 / 2021

Statement of Profit or Loss and Other Comprehensive Income

YOUTH ACTION POLICY ASSN NSW INC
For the year ended 30 June 2021

	NOTES	2021	2020
Revenue			
Other Income	2	206,550	142,000
Services and Membership Revenue	3	59,919	139,870
Grants - NSW Family and Communities	4	909,007	909,026
Investment Revenue	5	4,380	13,942
Expenses			
Employee related expenses	6	(818,133)	(784,335)
Project expenses	7	(116,159)	(121,514)
Administration expenses	8	(176,074)	(213,130)
Surplus/ (deficit) before income tax expense		69,490	85,859
Surplus/ (deficit) after income tax expense for the year		69,490	85,859
Total comprehensive income for the year		69,490	85,859

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Assets and Liabilities Statement

YOUTH ACTION POLICY ASSN NSW INC

As at 30 June 2021

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Cash and Cash Equivalents	9	1,092,425	906,702
Trade and Other Receivables	10	26,129	28,562
Prepayments	11	11,859	-
Other Assets	12	-	50,000
Total Current Assets		1,130,413	985,264
Non-Current Assets			
Property, plant and equipment	13	16,652	20,531
Right-of-use assets	14	54,850	109,700
Total Non-Current Assets		71,502	130,231
Total Assets		1,201,915	1,115,495
Liabilities			
Current Liabilities			
Trade and Other Payables	15	160,496	128,964
Lease Liabilities	16	58,510	55,160
Employee benefits	17	49,242	37,712
Total Current Liabilities		268,248	221,836
Non-Current Liabilities			
Lease liabilities	18	-	58,524
Employee benefits	19	52,078	23,036
Total Non-Current Liabilities		52,078	81,560
Total Liabilities		320,326	303,396
Net Assets		881,589	812,099
Equity			
Retained Surplus	20	881,589	812,099
Total Equity		881,589	812,099

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of cash flows

YOUTH ACTION POLICY ASSN NSW INC For the year ended 30 June 2021

	2021	2020
Cash flows from operating activities		
Receipts from sales of services and grants	1,143,337	1,163,968
Payments to suppliers and employees (inclusive of GST)	(1,113,370)	(1,202,300)
Interest received	4,380	13,942
Other revenue (Cash Flow Boost & Jobkeeper Subsidy)	206,550	92,000
Net Cash flows from operating activities	240,897	67,610
	2021	2020
Cash flows from investing activities		
Proceeds from release of security deposits	-	14,437
Net Cash flows from investing activities	-	14,437
	2021	2020
Cash flows from financing activities		
Repayment of borrowings	(55,174)	(50,866)
Net Cash flows from financing activities	(55,174)	(50,866)
	2021	2020
Cash and cash equivalents		
Cash and cash equivalents at the beginning of the financial year	906,702	875,521
Net increase/(decrease) in cash and cash equivalents	185,723	31,181
Cash and cash equivalents at the end of the financial year	1,092,425	906,702

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to the Financial Statements

YOUTH ACTION POLICY ASSN NSW INC For the year ended 30 June 2021

General information

The financial statements cover Youth Action & Policy Association (NSW) Inc. as an individual entity. The financial statements are presented in Australian dollars, which is Youth Action & Policy Association (NSW) Inc.'s functional and presentation currency. Youth Action & Policy Association (NSW) Inc. is a not-for-profit incorporated association. The financial statements were authorised for issue on _____ 2021.

1. Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

(a) Revenue and Other Income

The incorporated association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until

These notes should be read in conjunction with the attached Officers' declaration.

the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services

Revenue from services provided is recognised upon the delivery of the service to customers.

Grants

Grant monies are treated as income in the year in which received, except to the extent that the grant is received in advance and is to be extended for future years. These amounts are treated as a liability and are disclosed as grants received in advance.

Interest

Interest revenue is recognised as income when it occurs.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(b) Income Tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

(c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

These notes should be read in conjunction with the attached Officers' declaration.

(e) Trade and other receivables

Trade receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses

Trade receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment. Property, plant and equipment is depreciated on a diminishing value basis over the asset's useful life to the Association, commencing when the asset is ready for use.

(g) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the incorporated association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The incorporated association has elected not to recognise a right-of-use asset and corresponding lease liability for short term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(h) Financial Instruments

Financial assets-amortised cost

The company classifies all its financial assets at amortised cost.

Impairment for provisions of trade receivables are recognised based on the simplified approach within IFRS 9 during this process, the probability of the non-payment of the trade receivables is assessed. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

These notes should be read in conjunction with the attached Officers' declaration.

(i) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incorporated association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(l) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle obligation at the end of the reporting period.

(m) Employee benefits

Liabilities for employee entitlements, leave and redundancies, represent present obligations resulting from employees' services provided up to the reporting date, calculated at amounts based on current wage and salary rates including related on-costs expected to apply at settlement.

The Long Service Leave employee entitlement provision, represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date. The entitlements are recognised from the commencement of employment, but provisions for each employee are provided from the 3rd year of continual employment, due to LSL being payable after 5 years of continual employment at the Association.

Contributions to employee superannuation funds are charged as an expense when incurred or become payable.

(n) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(o) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

(p) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

	2021	2020
2. Other Income		
COVID-19 ATO Cash Flow Boost	-	100,000
COVID-19 ATO Cash Flow Boost / JobKeeper Subsidy	206,550	42,000
Total Other Income	206,550	142,000

These notes should be read in conjunction with the attached Officers' declaration.

	2021	2020
3. Services and Membership Revenue		
Fee for service & sundry Income	15,036	51,223
Membership fees	33,953	37,250
Registrations fees (training, forums, conferences)	10,930	51,397
Total Services and Membership Revenue	59,919	139,870
	2021	2020
4. Grants		
Core Operations - PEAK	594,291	559,347
Western Sydney Regional Youth Development	180,616	175,271
Health Project	134,100	137,682
People With Disability Australia - PWDA	-	36,726
Total Grants	909,007	909,026
	2021	2020
5. Investment Revenue		
Interest Income	4,380	13,942
Total Investment Revenue	4,380	13,942
	2021	2020
6. Employee related expense		
Salaries and on-cost	771,303	792,456
Recruitment & training costs	598	17,729
Workers' Compensation insurance	5,663	4,803
Provision - Leave Entitlements	40,569	(30,653)
Total Employee related expense	818,133	784,335
	2021	2020
7. Project expenses		
Consultants - Projects	101,661	27,519
Conferences	3,329	70,431
Training	3,806	2,376
General	7,363	21,188
Total Project expenses	116,159	121,514

These notes should be read in conjunction with the attached Officers' declaration.

	2021	2020
8. Administration expenses		
Bank Fees	87	318
Cleaning Costs	2,270	2,836
Computer Equipment & Costs	16,840	17,579
Depreciation Expense	58,729	60,208
Doubtful Debts Expense	-	7,718
Electricity Costs	1,612	4,145
Insurance Costs	6,137	7,346
Internet & Website	3,017	7,028
Legal, Accounting & Audit	46,644	55,435
Media and Communications Expense	10,795	8,304
Office Expenses	1,877	250
Phone Costs	7,189	6,668
Postage	377	113
Printing & Stationery	422	6,035
Repairs & Maintenance	1,154	818
Staff Amenities	453	3,405
Memberships & Subscriptions [62400]	4,368	2,454
Training & conferences	6,221	1,903
Travelling Costs (includes staff & subsidies)	2,198	12,340
Interest Expense - Right to Use Asset	5,684	8,227
Total Administration expenses	176,074	213,130
	2021	2020

9. Current assets - Cash and cash equivalents

Cash at bank	291,975	106,612
Cash on Deposit	750,000	750,000
Security deposits	50,450	50,090
Total Current assets - Cash and cash equivalents	1,092,425	906,702
	2021	2020

10. Current assets - Trade and Other Receivables

Trade Receivables	26,129	28,562
Total Current assets - Trade and Other Receivables	26,129	28,562
	2021	2020

11. Prepayments

Prepayment	11,859	-
Total Prepayments	11,859	-

These notes should be read in conjunction with the attached Officers' declaration.

	2021	2020
12. Current assets - Other		
Cash flow boost subsidy receivable	-	50,000
Total Current assets - Other	-	50,000

	2021	2020
13. Non-current assets - property, plant and equipment		
Leasehold improvements - at cost	34,299	34,299
Less: Accumulated depreciation	(21,750)	(19,240)
Office Equipment - at cost	28,380	28,381
Less: Accumulated depreciation	(24,277)	(22,909)
Total Non-current assets - property, plant and equipment	16,652	20,531

	2021	2020
14. Non-current assets - right-of-use assets		
Leasehold property - right-of-use	164,550	164,550
Less: Accumulated depreciation	(109,700)	(54,850)
Total Non-current assets - right-of-use assets	54,850	109,700

The entity has a lease for the premises. The lease is for 3 years ending on 26 June 2022

	2021	2020
15. Current liabilities - trade and other payables		
Trade payables	29,185	24,686
Other Creditors and accruals	42,286	35,777
Shared bank guarantee	33,393	33,393
Revenue received in advance	55,634	35,108
Total Current liabilities - trade and other payables	160,496	128,964

	2021	2020
16. Current liabilities - lease liabilities		
Lease Liability - Leasehold Property (CL)	58,510	55,160
Total Current liabilities - lease liabilities	58,510	55,160

	2021	2020
17. Current liabilities - provisions		
Annual leave accrued	49,242	37,714
Total Current liabilities - provisions	49,242	37,714

These notes should be read in conjunction with the attached Officers' declaration.

Movements in provisions

Movements in each class of provisions during the current financial year, other than employee benefits, are set out below:

2021	Annual leave \$
Carrying amount at the start of the year	37,712
Additional provisions recognised	11,530
Carrying amount at the end of the year	49,242

2021 2020

18. Non-current liabilities - lease liabilities

Lease Liability - Leasehold Property (NCL)	-	58,524
Total Non-current liabilities - lease liabilities	-	58,524

2021 2020

19. Non-current liabilities - provisions

Redundancy Entitlements	52,078	23,036
Total Non-current liabilities - provisions	52,078	23,036

Movements in provisions

Movements in each class of provisions during the current financial year, other than employee benefits, are set out below:

2021	Redundancy \$
Carrying amount at the start of the year	23,036
Additional provisions recognised	29,042
Carrying amount at the end of the year	52,078

2021 2020

20. Equity - retained surplus

Retained surpluses at the beginning of the financial year	812,099	726,240
Surplus/(deficit) after income tax expense for the year	69,490	85,859
Retained surpluses at the end of the financial year	881,589	812,099

These notes should be read in conjunction with the attached Officers' declaration.

21. Financial instruments

Risk management:

The entity is exposed through its operations to the following financial risks:

- Credit risk-Interest rate risk
- Other market price risk, and
- Liquidity risk.

In common with all other businesses, the entity is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and the methods used to measure them.

Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments:

The principal financial instruments used by the company, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Trade and other payables
- Fixed rate bank loans

All of the entity's financial instruments are held at amortised cost.

General objectives, policies and processes:

The Board has overall responsibility for the determination of the entity's risk management objectives and policies. While retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to management. The Board receives reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible, without unduly affecting the entity's flexibility. Further details regarding these policies are set out below:

(i) Credit risk

Credit risk is the risk of financial loss to the entity counterparty (i.e. member debtor) to a financial instrument that fails to meet its contractual obligations. The company is mainly exposed to credit risk from invoicing membership fees on credit. It is the entity's policy to follow up on any outstanding payments. Management monitors parents credit risk, on an ongoing basis. Where tuition fees are overdue, the parent is contacted by management to arrange payment and management may arrange a payment plan for the parents. If management determines tuition fees are unlikely to be paid it has the ability to write off the fees. Credit risk also arises from cash and cash equivalents and deposits with banks. All of the company's cash is held with the Westpac Bank, an Australian Big 4 bank.

The carrying amount of the company's cash and cash equivalents and trade and other receivables at yearend represents the company's maximum exposure to credit risk.

(ii) Market risk - Interest rate risk

Market risk arises from the entity's use of interest bearing financial instruments. It is the risk that the fair value, or future cash flows, of a financial instrument will fluctuate because of changes in interest rates.

(iii) Liquidity risk

Liquidity risk arises from the entity's management of working capital and the principal repayments on debt instruments. It is the risk that the entity's will encounter difficulty in meeting its financial obligations as they fall due. The entity's policy is to ensure that it has sufficient cash to meet its liabilities when they fall due. To achieve this the entity seeks to maintain memberships and grant received and to chase overdue membership fees. It also manages expenses within an approved annual budget

These notes should be read in conjunction with the attached Officers' declaration.

22. Key management personnel disclosures

Compensation

The aggregate compensation made to officers and other members of key management personnel of the incorporated association is set out below:

	2021	2020
Aggregate compensation		
Aggregate compensation	143,600	174,599

23. Contingent liabilities

There are no contingent liabilities that have been incurred by the entity during the reporting period.

24. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 22.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

	2021	2020
25. Cash flow information		
Reconciliation of cash flows from operating activities with profit for the year		
Profit for the year		
Current Year Earnings	69,490	85,859
Non-cash flows in profit		
Depreciation and amortisation	58,729	60,208
Changes in assets and liabilities		
(Increase) / decrease in trade and other receivables	2,433	25,055
(Increase) / decrease in other assets	50,000	(50,000)
(Increase) / decrease in prepayments	(11,859)	-
Increase / (decrease) in trade and other payables	31,532	(22,857)
Increase / (decrease) in employee benefits	40,572	(30,655)
Total Changes in assets and liabilities	112,678	(78,457)
Net cash provided by operating activities	240,897	67,610

These notes should be read in conjunction with the attached Officers' declaration.

Officers Declaration

YOUTH ACTION POLICY ASSN NSW INC

For the year ended 30 June 2021

In the officers' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations;
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the Officers.



Penny Lamaro
Chairperson



Todd Pinkerton
Treasurer

Independent auditor's report to the members of Youth Action & Policy Association (NSW) Inc.

YOUTH ACTION POLICY ASSN NSW INC

For the year ended 30 June 2021

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YOUTH ACTION & POLICY ASSOCIATION (NSW) INC
INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF YOUTH ACTION & POLICY ASSOCIATION (NSW) INC

Opinion

We have audited the financial report of Youth Action & Policy Association (NSW) Inc (the Association), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the committee members' declaration.

In our opinion, the accompanying financial report of Youth Action & Policy Association (NSW) Inc is 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 association's financial position as at 30 June 2021 and of its financial performance and its cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional & 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

The committee members are responsible for the other information. The other information comprises the committee members' report for the year ended 30 June 2021, 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 the Committee Members for the Financial Report

The committee members of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the committee members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee members are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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 the 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 this 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee members.
- Conclude on the appropriateness of the committee members' 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 Association'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 Association 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 the committee members 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.

Kelly Pantmon (Sydney) Audit Partnership

Kelly Partners (Sydney) Audit Partnership

John Newton

John Newton
Registered Auditor Number 70520
Level 53, 25 Martin Place, Sydney, NSW 2000

Dated this 21 day of October 2021