
YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

FINANCIAL REPORT

FOR THE YEAR ENDED
30 June 2020

YOUNG AUSTRALIA LEAGUE LTD

FINANCIAL REPORT FOR THE YEAR ENDED 30 June 2020

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YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2020.

Directors

The names of the directors at any time during, or since the end of the financial year are:

Frank J Schaper, Rod Ross, Neil Mundy, David Lim, Chantal Charbonneau, Pieter Mulder, Richard Offen, Margaret Gibson, Andre Burki, Mick Wainwright, Mary Walker.

RESULTS

The operating deficit of the company for the year amounted to \$15,100.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

As a consequence of the Covid-19 pandemic, YAL saw a sizeable drop in occupancy from April to June 2020 at the Cairns facility due to the inability of people to travel freely intrastate and interstate. Many group bookings were cancelled. The financial impact was partially offset by the government's Cash Boost and Jobkeeper programs, however, the overall result was turning an anticipated profit for the financial year into a loss for the year.

ACTIVITIES

The principal continuing activity of the company during the financial year was to, without limitation:

- (a) Provide accommodation in Cairns, particularly for indigenous communities, disadvantaged groups and other community organisations;
- (b) Act as trustee of a trust which provides scholarships; and
- (c) Provide programs and support services to current and past recipients of the scholarship program.

YAL worked closely with other agencies to respond to those who were disadvantaged due to the pandemic.

AFTER BALANCE DATE EVENTS

On 02/10/20, YAL (Lessor) and the State of Queensland (Lessee - represented by Department of Housing and Public Works) entered into a sublease of YAL's Cairns accommodation facility. The term of the lease is for one year commencing 06/10/20 at a rent of \$915,000 per annum excluding GST. The permitted use under the sublease is the short-term accommodation of rooms administered by the Trustee Lessee as crisis accommodation or social housing under the Housing Act 2003 and the associated use of all communal areas and amenities.

ENVIRONMENTAL REGULATIONS

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022**

DIRECTORS' REPORT – continued

INDEMNIFYING OFFICERS OR AUDITOR

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the financial year.

Signed in accordance with a resolution of the Board of Directors:



DIRECTOR



DIRECTOR

DATED THIS 6TH DAY OF OCTOBER 2020

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

DIRECTORS' DECLARATION

The Directors have determined that Young Australia League Ltd is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial report.

In the opinion of the Board, the financial report as set out on pages 8 to 21 is in accordance with the requirements of *Australian Charities and Not-for-profits Commission Act 2012* and :

- (i) comply with the Australian Accounting Standards applicable to Young Australia League Ltd ;
- (ii) gives a true and fair view of the financial position of Young Australia League Ltd as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial report; and
- (iii) at the date of this statement, there are reasonable grounds to believe that the Young Australia League Ltd will be able to pay its debts as and when fall due.

For and on behalf of the Young Australia League Ltd -



DIRECTOR



DIRECTOR

DATED THIS 6TH DAY OF OCTOBER 2020

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF YOUNG AUSTRALIA LEAGUE LIMITED ACN 627 347 7022**

In accordance with the requirements of section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Young Australia League Limited. As the lead partner for the audit of the financial report of Young Australia League Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



**MACRI PARTNERS
CHARTERED ACCOUNTANTS
SUITE 2, 137 BURSWOOD ROAD
BURSWOOD WA 6100**



**A MACRI
PARTNER**

**PERTH
DATED 6th DAY OF OCTOBER 2020**



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF YOUNG AUSTRALIA LEAGUE LIMITED ACN 627 347 7022**

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Young Australia League Limited (the Entity), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, except for the effect on the financial report and the entity of the matters described in the Basis for Qualified Opinion paragraph, the financial report has been properly drawn up so as to present a true and fair view of the financial position of Young Australia League Limited as at 30 June 2020 and its financial performance for the year then ended in accordance with the accounting policies described in note 1 to the financial report and the requirements of *Corporations Act 2001* of WA and the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Qualified Opinion

Where entities receive cash income, it is not practicable to establish control over cash income prior to its initial entry in the accounting records. Our examination of cash income was therefore limited to the amounts recorded in the accounting records.

As discussed in Note 10, the entity is in breach of its agreement with the Commonwealth Government and may be liable to repay a \$1 million capital grant previously received and recorded. This situation indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 : *Code of Ethics for Professional Accountants* (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 qualified opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT (Continued)

Responsibilities of the Directors for the Financial Report

The Directors of the entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The Director's responsibility also includes such internal control as the Directors determine are necessary to enable the preparation of a 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 Director's are responsible for assessing the registered entity'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 Directors either intend to liquidate the registered entity 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.



INDEPENDENT AUDITOR'S REPORT (Continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.



**MACRI PARTNERS
CHARTERED ACCOUNTANTS
SUITE 2, 137 BURSWOOD ROAD
BURSWOOD WA 6100**



**A MACRI
PARTNER**

PERTH
DATED THIS 6TH DAY OF OCTOBER 2020



YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
INCOME		
Accommodation and meals	495,562	451,512
Distribution received	16,359	12,818
Dividend received	21,644	38,838
Grant received	30,045	-
Interest received	69	530
Increase in market value- shares and managed funds	-	17,978
Other income	119,554	12,893
	<u>683,234</u>	<u>534,568</u>
EXPENDITURE		
Decrease in market value - shares and managed funds	16,397	-
Depreciation	103,918	106,440
Employee benefits expense	286,566	258,722
Loss on sale of shares	3,794	30,691
Other expenses	287,660	305,515
	<u>698,334</u>	<u>701,368</u>
Surplus/(deficit) for the year	(15,100)	(166,800)
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	<u>(15,100)</u>	<u>(166,800)</u>

The accompanying notes form part of these financial statements.

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	2	87,384	97,293
Trade and other receivables	3	37,322	6,011
Prepayment		45,227	19,159
Investment in listed shares		162,158	174,950
Investment in managed funds		312,472	287,831
TOTAL CURRENT ASSETS		644,563	585,244
<u>NON-CURRENT ASSETS</u>			
Property, plant & equipment	4	1,762,378	1,841,896
TOTAL NON-CURRENT ASSETS		1,762,378	1,841,896
TOTAL ASSETS		2,406,941	2,427,140
<u>CURRENT LIABILITIES</u>			
Trade and other payables	5	55,335	88,935
Provisions	6	11,719	15,750
Loans	7	49,956	19,183
TOTAL CURRENT LIABILITIES		117,009	123,868
<u>NON-CURRENT LIABILITIES</u>			
Provisions	6	8,935	7,175
TOTAL NON-CURRENT LIABILITIES		8,935	7,175
TOTAL LIABILITIES		125,944	131,043
NET ASSETS		2,280,997	2,296,097
<u>MEMBERS' FUNDS</u>			
Retained surplus	8	1,685,997	1,701,097
Asset Revaluation Reserve		595,000	595,000
TOTAL MEMBERS' FUNDS		2,280,997	2,296,097

The accompanying notes form part of these financial statements.

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Retained Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Opening balance as at 1 July 2018	1,867,897	595,000	2,462,897
Surplus/(Deficit) for the year attributable to members of the entity	(166,800)	-	(166,800)
Closing balance as at 30 June 2019	<u>1,701,097</u>	<u>595,000</u>	<u>2,296,097</u>
Opening balance as at 1 July 2019	1,701,097	595,000	2,296,097
Surplus/(Deficit) for the year attributable to members of the entity	(15,100)	-	(15,100)
Closing balance as at 30 June 2020	<u>1,685,997</u>	<u>595,000</u>	<u>2,280,997</u>

The accompanying notes form part of these financial statements.

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from operations		503,881	506,148
Distributions received		16,359	12,818
Dividends received		21,644	38,838
Interest received		69	530
Grant received		30,045	-
Other receipts		139,745	43,585
Payments to suppliers and employees		(644,929)	(676,420)
GST paid		(51,057)	(2,365)
Net cash provided by/(used in) operating activities	9(b)	15,758	(76,867)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchase of property, plant and equipment		(24,400)	(7,495)
Purchase of shares (listed)		(32,068)	(33,952)
Sale of shares (listed)		38,729	27,836
Payment for other investing activities		(104,680)	(101,000)
Proceeds from other investing activities		65,979	-
Net cash provided by/(used in) investing activities		(56,440)	(114,611)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from borrowings		52,373	19,183
Repayment of borrowings		(21,600)	(99,020)
Net cash provided by/(used in) financing activities		30,773	(79,837)
Net increase/(decrease) in cash held		(9,909)	(271,315)
Cash and cash equivalents at beginning of financial year		97,293	368,608
Cash and cash equivalents at end of financial year	9(a)	87,384	97,293

The accompanying notes form part of these financial statements.

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Board of Management has prepared the financial report on the basis that the association is a non-reporting entity. This financial report is therefore special purpose financial report that has been prepared in order to meet the requirements of the *Associations Incorporation Act 2015* of WA and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial report has been prepared in accordance with the requirements of the following mandatory Australian Accounting Standards and the significant accounting policies disclosed below, which the Board of Management has determine are appropriate to meet the needs of the members.

- AASB 101 - Presentation of Financial Statements
- AASB 107 - Statement of Cash Flows
- AASB 108 - Accounting Policies, changes in Accounting Estimates and Errors
- AASB 1048 - Interpretation of Standards
- AASB 1054 - Australian Additional Disclosures

The financial report, except for the cash flow information, has been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The League is a registered Charitable organisation and the Board believes that in accordance with Section 123 of the Income Tax Assessment Act any income or gain derived by the League from its activities is exempt from income tax.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report:

(a) Income Tax

The association is exempt from income tax.

(b) Property, Plant & Equipment

The leasehold improvements and other assets are carried at cost less, where applicable, any accumulated depreciation.

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

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(b) Property, Plant & Equipment (continued)

The plant and equipment is depreciated over the useful lives of the assets to the association commencing from the time the asset is held for use.

(c) Impairment of Assets

At the end of each reporting period, the Board reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset comparing the recoverable amount of the asset, being the higher of the asset's fair value less cost of disposal and value in use, to the assets carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the statement of comprehensive income.

(d) Employee Provisions

Annual Leave

Annual leave provision is made for the association's liability for employee benefits arising for the services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Long Service Leave

Employees are eligible for long service leave after 10 years of service. A pro rata payout for accrued leave is available if leaving the association after 7 years of service.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments.

(f) Accounts Receivable and Other Debtors

Accounts receivables and other debtors include amounts due from members as well as amount receivable from donors. 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.

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(g) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

All revenue is stated net of the amount of goods and services tax.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

(I) Investment in Shares and Managed Funds

Investment in shares and managed funds are measured at fair value, which is equivalent to their market price at the end of reporting period. Movements in fair value are recognised in the statement of profit or loss and other comprehensive income.

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(j) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid.

(k) Trust Liability and Right of Indemnity

Young Australia League Ltd (YAL) also acts as trustee for the J.J “Boss” Simons Charitable Endowment Trust.

Liabilities incurred on behalf of trust are not recognised in the financial report if it is not probable that YAL will have to meet any of the trust liabilities from its own resources. If YAL becomes obligated to meet trust liabilities, the trustee has the right to be indemnified from trust assets. If it is probable that there will be a deficiency in trust assets, a liability is recognised by YAL to the extent of that deficiency. Details of the trust liabilities, the offsetting right of indemnity and any deficiency in the right of indemnity are disclosed by way of notes to the financial report.

(l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(m) Comparative Figures

Where necessary, comparative figures have been adjusted to conform to changes in the presentation for the current financial year.

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
2. <u>CASH AND CASH EQUIVALENTS</u>		
Cash on Hand	250	250
Cash at Bank	87,134	97,043
	87,384	97,293
3. <u>TRADE AND OTHER RECEIVABLES</u>		
Trade Debtors	3,728	5,806
Other Debtors	33,594	205
	37,322	6,011
4. <u>PROPERTY, PLANT & EQUIPMENT</u>		
<u>PERTH</u>		
Property at Independent Valuation 2018	694,500	694,500
Perth Building at Independent Valuation 2018	55,500	55,500
Less: Accumulated Depreciation	(2,771)	(1,384)
	54,116	54,116
Plant & Equipment at Cost	68,339	64,982
Less: Accumulated Depreciation	(63,027)	(61,620)
	5,312	3,362
<u>CAIRNS (QUEENSLAND)</u>		
Buildings & Leasehold Improvements	2,059,791	2,059,791
Less: Accumulated Depreciation	(1,198,894)	(1,160,383)
	860,897	899,408
Plant & Equipment at Cost	392,838	390,427
Less: Accumulated Depreciation	(303,709)	(262,541)
	89,129	127,886
Bed Linens at Cost	49,683	49,683
Less: Accumulated Depreciation	(41,017)	(36,991)
	8,666	12,692
Office Equipment at Cost	97,413	78,781
Less: Accumulated Depreciation	(64,002)	(57,509)
	33,411	21,272
Kitchen Equipment at Cost	101,609	101,609
Less: Accumulated Depreciation	(83,875)	(72,949)
	17,734	28,660

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
4. <u>PROPERTY, PLANT & EQUIPMENT (cont'd)</u>		
<u>TOTAL</u>		
Property, Plant & Equipment	3,519,673	3,495,273
Less: Accumulated Depreciation	(1,757,295)	(1,653,377)
	1,762,378	1,841,896
5. <u>TRADE AND OTHER PAYABLES</u>		
Trade Creditors	16,543	10,937
Accrued Creditors	18,648	24,827
GST Liability	2,900	22,643
PAYG Withholding Payable	10,600	2,725
Superannuation Payable	5,372	5,083
Corporate Charge Card	1,272	3,199
Deposits	-	19,521
	55,335	88,935
6. <u>PROVISIONS</u>		
CURRENT		
Provision for Annual Leave	11,719	15,750
NON-CURRENT		
Provision for Long Service Leave	8,935	7,175
	20,654	22,925
7. <u>LOANS</u>		
Insurance Premium Funding	49,956	19,183
	49,956	19,183

YOUNG AUSTRALIA LEAGUE LTD
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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
8. <u>RETAINED SURPLUS</u>		
Operating		
Opening Balance	701,097	867,897
Surplus/ (Deficit) for the Year	(15,100)	(166,800)
Transfer to Capital (Capital Grant)	-	-
	685,997	701,097
Capital		
Opening Balance	1,000,000	1,000,000
Transfer from Operating (Capital Grant)	-	-
	1,000,000	1,000,000
Total Retained Surplus	1,685,997	1,701,097

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
9. <u>CASH FLOWS INFORMATION</u>		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:		
Cash and cash equivalents	87,384	97,293
(b) Reconciliation of cash flows from operations with surplus/(deficit) from ordinary activities		
Surplus /(deficit) from ordinary activities	(15,100)	(166,800)
Non-cash flows from ordinary activities:		
Depreciation	103,918	106,440
Decrease/(increase) in market value - shares and managed funds	16,397	(17,978)
Loss on sale of shares	3,794	30,692
Changes in assets and liabilities :		
(Increase)/decrease in trade and other receivables	(57,379)	(3,140)
Increase/(decrease) in provisions	(2,271)	13,305
Increase/(decrease) in trade and other payables	(33,600)	(39,386)
Cash flows provided by/(used in) operations	15,758	(76,867)

YOUNG AUSTRALIA LEAGUE LTD
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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

10. CONTINGENT LIABILITIES

Young Australia League (YAL) entered into an agreement with the Commonwealth Government in 2017 for a \$1 million grant to upgrade its Cairns facility to accommodate rural and remote Indigenous girls for 10 years. This was part of the *Kaziew Rangath* (a child's journey) Academy program. The Academy was unviable and the difficult decision was made to wind up the operation on or about May 2018. Arrangements were made such that all children enrolled in the Academy were adequately provided for. YAL's Cairns facility is in recovery phase and planning is underway to determine its future use. YAL is in breach of its agreement with the Commonwealth Government and has been served with a notice to remedy breach. Under the terms of the agreement, YAL is liable to repay the Commonwealth Government the \$1 million. Negotiations between YAL and the Commonwealth Government have been interrupted/delayed due to the impact of Covid-19.

11. EVENTS AFTER THE REPORTING DATE

On 02/10/20, YAL (Lessor) and the State of Queensland (Lessee - represented by Department of Housing and Public Works) entered into a sublease of YAL's Cairns accommodation facility. The term of the lease is for one year commencing 06/10/20 at a rent of \$915,000 per annum excluding GST. The permitted use under the sublease is the short-term accommodation of rooms administered by the Trustee Lessee as crisis accommodation or social housing under the Housing Act 2003 and the associated use of all communal areas and amenities.

YOUNG AUSTRALIA LEAGUE LTD
ACN 627 347 022

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
12. <u>TRUST LIABILITIES AND RIGHT OF INDEMNITY</u>		
Liabilities of J.J “Boss” Simons Charitable Endowment Trust not recognised in the financial report of Young Australia League Ltd was:		
Current Liabilities		
Trade and Other Payable	24,055	8,591
Total current liabilities	24,055	8,591
Total liabilities	24,055	8,591
Rights of indemnity for liabilities incurred by Young Australia League Ltd (YAL) on behalf of J.J “Boss” Simons Charitable Endowment Trust not recognised in the financial report of YAL	24,055	8,591

The assets of the trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of YAL acting in its own right. The assets of the trust were sufficient to discharge all liabilities of the trust at 30 June 2020.

YOUNG AUSTRALIA LEAGUE LTD
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DETAILED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<u>INCOME</u>		
Accommodation Income	472,591	421,499
Food and Beverage	22,972	30,013
Grant Income	30,045	-
Miscellaneous	926	780
Room Hire - Conference	1,940	4,577
Tours	1,323	4,204
Total Income	529,797	461,073
<u>COST OF SALES</u>		
Camp Costs	48,562	45,429
Cleaning Products and Materials	-	523
Consumables and Room Supplies	11,632	10,958
Kitchen Equipment & Cleaning	-	74
Online Booking Fees	21,707	23,337
Salary & Wages	243,826	238,115
Superannuation	20,987	19,848
Swimming Pool Supplies & Repairs	2,623	3,186
Total Cost of Sales	349,336	341,470
Gross Profit from Trading	180,461	119,603

YOUNG AUSTRALIA LEAGUE LTD
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DETAILED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<u>EXPENSES</u>		
Accountancy & Audit Fees	26,440	23,300
Accounts & Administration	-	19,350
Advertising	-	910
Bank Charges	361	503
Computer Consumables & Supplies	3,873	3,359
Consulting	3,982	15,302
Depreciation	103,918	106,440
Electricity	36,300	40,944
Equipment Hire - Photocopier	177	112
Equipment Replacement	1,979	3,575
Events	2,715	621
First Aid & Fire and Safety	356	-
Garden	1,731	2,559
Honorarium	60	-
Insurance	22,775	23,167
Jobkeeper	21,109	-
Legal Fees	13,483	900
Management Fee – Investments	4,794	3,952
Marketing & Promotion	7,647	2,376
Merchant Fees	2,495	3,524
Miscellaneous Expenses	-	7,634
Motor Vehicle Expenses	150	724
Pest Control	2,112	-
Postage, Printing & Stationery	5,364	5,745
Rates & Taxes	8,637	14,347
Repairs & Maintenance	7,481	17,299
Security	16,458	453
Sponsorship	500	-
Staff Amenities	644	760
Strata Levies – HQ	13,400	13,400
Subscriptions	1,165	909
Sundry Expense	1,733	236

YOUNG AUSTRALIA LEAGUE LTD
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DETAILED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Telephone, Internet and Fax	5,617	7,274
Training & Education	420	555
Travel & Entertainment	3,997	4,744
Uniforms	13	587
Water	5,897	268
Total Expenses	327,783	325,827

YOUNG AUSTRALIA LEAGUE LTD
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DETAILED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<u>OTHER INCOME</u>		
Cash Flow Boost	35,765	-
Compensation Income	28,132	-
Distribution Received	16,359	12,818
Dividend Received	21,644	38,838
Increase in Fair Value of Shares	-	17,978
Interest Received	69	530
Jobkeeper Subsidy	51,000	-
Sundry Income	468	3,332
Total Other Income	153,437	73,495
<u>OTHER EXPENSES</u>		
Decrease in Market Value Investments	16,397	-
Interest Expense	1,025	1,259
Kaziew Rangath Interest on Loan	-	2,121
Loss on Sale of Shares	3,794	30,692
Total Other Expenses	21,215	34,071
SURPLUS/(DEFICIT)	(15,100)	(166,800)