

# **Sharehouse Youth Programs Inc**

**ABN: 28 652 817 755**

## **Financial Statements**

**For the Year Ended 30 June 2021**

# Sharehouse Youth Programs Inc

ABN: 28 652 817 755

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For the Year Ended 30 June 2021

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## Sharehouse Youth Programs Inc

ABN: 28 652 817 755

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

		2021	2020
		\$	\$
Revenue	3	1,158,814	1,512,716
Depreciation		(112,298)	(105,720)
Employee benefits expense		(852,672)	(740,471)
Other operating expenses	4	(422,103)	(305,279)
<b>Profit/ (loss) before income tax</b>		<b>(228,259)</b>	361,246
Income tax expense	2(b)	-	-
<b>Profit/(loss) after income tax</b>		<b>(228,259)</b>	361,246
<b>Other comprehensive income for the year, net of tax</b>		-	-
<b>Total comprehensive income for the year</b>		<b>(228,259)</b>	361,246

The accompanying notes form part of these financial statements.

# Sharehouse Youth Programs Inc

ABN: 28 652 817 755

## Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	712,956	980,941
Trade and other receivables	6	28,440	176
Prepayments		7,500	7,274
<b>TOTAL CURRENT ASSETS</b>		<b>748,896</b>	<b>988,391</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	53,045	62,576
Right-of-use assets	8	526,355	61,376
Other assets		9,000	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>588,400</b>	<b>123,952</b>
<b>TOTAL ASSETS</b>		<b>1,337,296</b>	<b>1,112,343</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	48,865	63,163
Lease liabilities	8	72,873	61,153
Short-term provisions	10	34,912	33,849
<b>TOTAL CURRENT LIABILITIES</b>		<b>156,650</b>	<b>158,166</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	8	457,177	-
Long-term provisions	10	5,852	8,302
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>463,029</b>	<b>8,302</b>
<b>TOTAL LIABILITIES</b>		<b>619,679</b>	<b>166,468</b>
<b>NET ASSETS</b>		<b>717,617</b>	<b>945,875</b>
<b>EQUITY</b>			
Retained earnings		717,617	945,875
<b>TOTAL EQUITY</b>		<b>717,617</b>	<b>945,875</b>

The accompanying notes form part of these financial statements.

## Sharehouse Youth Programs Inc

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### Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2020</b>	945,875	945,875
Profit/(loss) for the year	<b>(228,259)</b>	<b>(228,259)</b>
<b>Balance at 30 June 2021</b>	<u>717,617</u>	<u>717,617</u>

2020

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2019</b>	584,629	584,629
Profit/(loss) for the year	361,246	361,246
<b>Balance at 30 June 2020</b>	<u>945,875</u>	<u>945,875</u>

The accompanying notes form part of these financial statements.

## Sharehouse Youth Programs Inc

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### Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	1,130,137	1,511,859
Payments to suppliers and employees	(1,291,133)	(1,067,640)
Interest received	413	857
Interest paid	(8,553)	(3,478)
Net cash provided by/(used in) operating activities	<u>(169,136)</u>	<u>441,598</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant and equipment	-	10,000
Purchase of property, plant and equipment	(8,076)	(29,147)
Net cash provided by/(used in) investing activities	<u>(8,076)</u>	<u>(19,147)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of lease liabilities	(90,773)	(82,059)
Net cash provided by/(used in) financing activities	<u>(90,773)</u>	<u>(82,059)</u>
Net increase/(decrease) in cash and cash equivalents held	(267,985)	340,392
Cash and cash equivalents at beginning of year	<u>980,941</u>	<u>640,549</u>
Cash and cash equivalents at end of financial year	5 <u><u>712,956</u></u>	<u><u>980,941</u></u>

The accompanying notes form part of these financial statements.

# Sharehouse Youth Programs Inc

ABN: 28 652 817 755

## Notes to the Financial Statements For the Year Ended 30 June 2021

The financial report covers Sharehouse Youth Programs Inc as an individual entity. Sharehouse Youth Programs Inc is a not-for-profit Association, registered and domiciled in Australia.

The principal activities of the Association for the year ended 30 June 2021 were provision of crisis accommodation, mobile outreach support and case management for young people who are homeless or at risk of homelessness.

The functional and presentation currency of Sharehouse Youth Programs Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

In the opinion of the Management committee the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

The Association is preparing special purpose financial statements as the Management committee are of the opinion that users may obtain the financial information they require upon request.

The financial statements and material accounting policies all comply with the recognition and measurement requirements in Australian Accounting Standards.

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

## Sharehouse Youth Programs Inc

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## Notes to the Financial Statements For the Year Ended 30 June 2021

### Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

*Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)*

Amounts arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The Association considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

### Capital grants

Capital grants received to enable the company to acquire or construct an item of property, plant and equipment to identified specifications which will be under the Association's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Association.

### Rental income

Rental income is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

### Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

### (b) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

### (c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.



# Sharehouse Youth Programs Inc

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## Notes to the Financial Statements For the Year Ended 30 June 2021

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

### (d) 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.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

#### Plant and equipment

Plant and equipment are measured using the cost model.

#### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	10-40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

### (e) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2021**

#### **Financial liabilities**

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

#### **(f) Impairment of non-financial assets**

At the end of each reporting period the Association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

#### **(g) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### **(h) Leases**

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2021**

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### *Exceptions to lease accounting*

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **(i) Employee benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

# Sharehouse Youth Programs Inc

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## Notes to the Financial Statements For the Year Ended 30 June 2021

### 3 Revenue and Other Income

	2021	2020
	\$	\$
Grant funding	979,848	1,337,572
Rental income	95,396	101,659
Cash flow boost	50,000	50,000
Other income	33,570	23,485
	<u>1,158,814</u>	<u>1,512,716</u>

### 4 Other operating expenses

	2021	2020
	\$	\$
Client expenses	99,894	31,214
Computer expenses	28,300	21,821
Electricity and utilities	37,884	39,404
Equipment < \$5,000	22,595	18,336
Insurance	31,974	30,688
Motor vehicle expenses	10,542	11,428
Other employee related expenses	23,679	21,508
Rates and taxes	22,492	20,298
Rent expense	2,690	-
Repairs and maintenance	47,261	42,989
Security costs	13,654	-
Telephone and fax	10,828	12,609
Other expenses	70,311	54,984
	<u>422,103</u>	<u>305,279</u>

### 5 Cash and Cash Equivalents

	2021	2020
	\$	\$
Short-term deposits	26,738	30,603
Bank balances	686,218	950,338
	<u>712,956</u>	<u>980,941</u>

### 6 Trade and other receivables

	2021	2020
	\$	\$
Trade receivables	1,076	176
Government subsidies receivable	27,364	-
	<u>28,440</u>	<u>176</u>

# Sharehouse Youth Programs Inc

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## Notes to the Financial Statements For the Year Ended 30 June 2021

### 7 Property, plant and equipment

	2021	2020
	\$	\$
Plant and equipment		
At cost	76,425	68,348
Accumulated depreciation	(60,491)	(55,253)
Total plant and equipment	<u>15,934</u>	<u>13,095</u>
Motor vehicles		
At cost	70,087	70,087
Accumulated depreciation	(32,976)	(20,606)
Total motor vehicles	<u>37,111</u>	<u>49,481</u>
<b>Total property, plant and equipment</b>	<b><u>53,045</u></b>	<b><u>62,576</u></b>

### 8 Leases

#### Right-of-use assets

	Buildings	Total
	\$	\$
<b>Year ended 30 June 2021</b>		
Balance at beginning of year	61,376	61,376
Depreciation	(94,690)	(94,690)
Additions	559,669	559,669
<b>Balance at end of year</b>	<b><u>526,355</u></b>	<b><u>526,355</u></b>

	Buildings	Total
	\$	\$
<b>Year ended 30 June 2020</b>		
Balance at the beginning of the year	-	-
Depreciation	(81,836)	(81,836)
Additions	143,212	143,212
<b>Balance at end of year</b>	<b><u>61,376</u></b>	<b><u>61,376</u></b>

## Sharehouse Youth Programs Inc

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### Notes to the Financial Statements For the Year Ended 30 June 2021

#### Lease liabilities

The maturity analysis of lease liabilities based on contractual discounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
<b>2021</b>					
Lease liabilities	72,873	318,346	138,831	530,050	530,050
<b>2020</b>					
Lease liabilities	61,153	-	-	61,153	61,153

#### 9 Trade and Other Payables

	2021	2020
	\$	\$
Trade payables	6,304	15,953
Credit card	2,332	7,627
Superannuation payable	10,380	5,073
GST and PAYG payable	29,849	34,510
	<u>48,865</u>	<u>63,163</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

#### 10 Provisions

	2021	2020
	\$	\$
<b>CURRENT</b>		
Provision for annual leave	34,912	33,849
	<u>34,912</u>	<u>33,849</u>
<b>NON-CURRENT</b>		
Long service leave	5,852	8,302
	<u>5,852</u>	<u>8,302</u>

#### 11 Contingencies

In the opinion of the Management committee, the Association did not have any contingencies at 30 June 2021 (30 June 2020:None).

## **Sharehouse Youth Programs Inc**

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# **Notes to the Financial Statements**

## **For the Year Ended 30 June 2021**

### **12 Events Occurring After the Reporting Date**

The financial report was authorised for issue on the date that the Responsible Persons' Declaration was signed by the Management Committee.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

### **13 Statutory Information**

The principal place of business of the association is:  
Sharehouse Youth Programs Inc  
296 Ross River Road  
Aitkenvale QLD 4815

**Sharehouse Youth Programs Inc**

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**Responsible Persons' Declaration**

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person ..... 

Dated 27/08/2021





**JESSUPS**

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## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHAREHOUSE YOUTH PROGRAMS INC  
FOR THE YEAR ENDED 30 JUNE 2021

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of Sharehouse Youth Programs Inc (the registered entity), which comprises the statement of financial position as at 30 June 2021, 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, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion, the accompanying financial report of the registered entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), including:

- giving a true and fair view of the registered entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards, 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 registered entity in accordance with the ACNC Act and 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 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 ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



**JESSUPS**

*Responsibilities of the Committee for the Financial Report*

The committee members of the registered 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 in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the members. The committees' responsibility also includes such internal control as the committee members determine is 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 committee members 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 committee members 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

**Jessups**

**Paul Sapelli**

Partner

Level 1, 211 Sturt Street, Townsville, QLD 4810

Dated: 27 August 2021