

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2015



YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

| CONTENTS | Page No |
|--|----------------|
| Directors' Report | 1 |
| Statement of Profit or Loss and Other Comprehensive Income | 2 |
| Statement of Financial Position | 3 |
| Statement of Changes in Equity | 4 |
| Statement of Cash Flows | 5 |
| Notes to the Financial Statements | 6 - 16 |
| Directors' Declaration | 17 |
| Auditors' Report | 18 - 19 |

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

DIRECTORS' REPORT

Your directors present this report on the Young Men's Christian Association of Sydney for the financial year ended 31 December 2015.

Directors

The names of the directors in office at the end of the year are:

| | |
|---------------------|-----------------------------|
| Ms Marg Lennon | |
| Mr Joel Clark | (resigned 21 December 2015) |
| Ms Annalisa Haskell | |
| Mr Richard Hughes | |
| Mr Warwick Jones | |
| Ms Janise Mitchell | |
| Ms Janine Modaro | (resigned 24 October 2015) |
| Mr Jonathon Rea | |

Directors have been in office since the end of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the entity during the past year included:

- Fitness Swim & Sports
- Camping
- Out Of School Hours Care
- Community Programs

Significant Changes

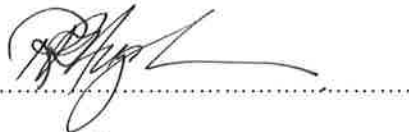
YMCA of Sydney continued to provide the same principal activities throughout the year, focussing on creating healthier, happier and connected communities. In order to strengthen our financial foundations, the Association has sold one of its property holdings during the year for \$21m, realising a net surplus of \$10.3m. These funds will be used to provide working capital for the organisation as well as invest in future opportunities.

Operating Result


The result for year from operations was a deficit of \$2,663,122 (2014:\$668,910). After inclusion of the once off surplus from sale of property and a charge for onerous contract provisions, the net result for the year was a surplus of \$3,239,816 (2014: deficit of \$668,910).

This report is made in accordance with a resolution of the directors.

Director



Director



Dated this 4 day of May 2016

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

| | Note | 2015 \$ | 2014 \$ |
|--|------|-------------------------|-------------------------|
| Revenues | 2(b) | 44,042,159 | 42,862,111 |
| Employee benefits expense | | (28,389,649) | (26,304,045) |
| Depreciation and amortisation expense | 2(a) | (1,061,571) | (1,316,398) |
| Finance costs | 2(a) | (13,834) | (36,739) |
| Other expenses | 2(a) | (17,240,227) | (15,873,839) |
| Surplus/(deficit) from operations | | <u>(2,663,122)</u> | <u>(668,910)</u> |
| Profit (loss) on sale of land & buildings | | 10,279,187 | - |
| Impairment of property, plant and equipment | | (546,249) | - |
| Oncrous contract provisions | | (3,830,000) | - |
| Surplus/(deficit) before income tax | | <u>3,239,816</u> | <u>(668,910)</u> |
| Income tax expense | 1 | - | - |
| Profit/(loss) for the year | | <u>3,239,816</u> | <u>(668,910)</u> |
| Other comprehensive income after income tax | | - | - |
| Total other comprehensive income for the year | | <u>-</u> | <u>-</u> |
| Total comprehensive income for the year | | <u><u>3,239,816</u></u> | <u><u>(668,910)</u></u> |

The accompanying notes form part of these financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY

(trading as YMCA NSW)

A.B.N. 28 067 150 010

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

| | Note | 2015 \$ | 2014 \$ |
|--------------------------------------|------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 5,613,660 | 3,912,112 |
| Trade and other receivables | 4 | 24,449,272 | 6,455,874 |
| Financial assets | 5 | 1,079,232 | 1,885,773 |
| Inventories | 6 | 92,543 | 79,354 |
| Other assets | 7 | 238,192 | 301,196 |
| TOTAL CURRENT ASSETS | | 31,472,899 | 12,634,309 |
| NON-CURRENT ASSETS | | | |
| Financial assets | 5 | 45,883 | 45,883 |
| Property, plant and equipment | 8 | 13,154,690 | 25,468,176 |
| TOTAL NON-CURRENT ASSETS | | 13,200,573 | 25,514,059 |
| TOTAL ASSETS | | 44,673,472 | 38,148,368 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 9 | 4,177,310 | 4,612,347 |
| Borrowings | 10 | 174,557 | 161,915 |
| Provisions | 11 | 7,513,959 | 4,365,784 |
| Other liabilities | 12 | 1,175,768 | 1,267,782 |
| TOTAL CURRENT LIABILITIES | | 13,041,594 | 10,407,828 |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | 10 | 214,018 | 418,278 |
| Provisions | 11 | 1,860,151 | 661,116 |
| TOTAL NON-CURRENT LIABILITIES | | 2,074,169 | 1,079,394 |
| TOTAL LIABILITIES | | 15,115,763 | 11,487,222 |
| NET ASSETS | | 29,557,709 | 26,661,146 |
| ACCUMULATED FUNDS | | | |
| Reserves | | 1,502,000 | 8,885,066 |
| Retained earnings | | 28,055,709 | 17,776,080 |
| TOTAL ACCUMULATED FUNDS | | 29,557,709 | 26,661,146 |

The accompanying notes form part of these financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

| | No: | Asset Revaluation Reserve \$ | Investment Fund \$ | Retained Earnings \$ | Total \$ |
|---|-----|---------------------------------------|--------------------------|----------------------------|-------------------|
| Balance at 1 January 2014 | | 7,383,066 | 1,502,000 | 18,444,990 | 27,330,056 |
| Surplus/(deficit) for the year | | - | - | (668,910) | (668,910) |
| Other comprehensive income for the year | | - | - | - | - |
| Total comprehensive income for the year | | 7,383,066 | 1,502,000 | 17,776,080 | 26,661,146 |
| Transfer from Asset Revaluation Reserve | | - | - | - | - |
| Balance at 31 December 2014 | | <u>7,383,066</u> | <u>1,502,000</u> | <u>17,776,080</u> | <u>26,661,146</u> |
| Surplus/(deficit) for the year | | - | - | 3,239,816 | 3,239,816 |
| Other comprehensive income for the year | | - | - | - | - |
| Total comprehensive income for the year | | 7,383,066 | 1,502,000 | 21,015,896 | 29,900,962 |
| Transfer from Asset Revaluation Reserve | | (7,383,066) | - | 7,039,813 | (343,253) |
| Balance at 31 December 2015 | | <u>-</u> | <u>1,502,000</u> | <u>28,055,709</u> | <u>29,557,709</u> |

Asset Revaluation reserve

The asset revaluation reserve records the revaluation of land and buildings. During the 2015 financial year, the asset revaluation reserve amount relating to a property that was sold was transferred to retained earnings. The balance of the asset revaluation reserve relating to remaining properties owned was adjusted on revaluation of land and buildings.

Investment Fund

The Investment Fund was established in the 2010 financial year for the purpose of setting aside monies that may be allocated at the Board's discretion for expenditure on capital development, maintenance of assets and other projects.

The accompanying notes form part of these financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY

(trading as YMCA NSW)

A.B.N. 28 067 150 010

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

| | Note | 2015 \$ | 2014 \$ |
|--|------|------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 48,724,432 | 44,007,679 |
| Payments to suppliers and employees | | (47,204,522) | (43,111,517) |
| Interest received | | 49,057 | 72,148 |
| Finance costs | | (13,834) | (36,739) |
| Net cash provided by/(used in) operating activities | 13 | <u>1,555,133</u> | <u>931,571</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant & equipment | | 35,398 | 44,455 |
| Proceeds from redemption of investments | | 806,541 | - |
| Payments for property, plant & equipment | | (503,906) | (1,661,545) |
| Payments for investments | | - | (62,744) |
| Net cash provided by/(used in) investing activities | | <u>338,033</u> | <u>(1,679,834)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings | | - | 5,083 |
| Repayments of borrowings | | (191,618) | (150,239) |
| Net cash provided by/(used in) financing activities | | <u>(191,618)</u> | <u>(145,156)</u> |
| Net increase/(decrease) in cash held | | 1,701,548 | (893,419) |
| Cash at beginning of year | | 3,912,112 | 4,805,531 |
| Cash at end of year | 3 | <u>5,613,660</u> | <u>3,912,112</u> |

The accompanying notes form part of these financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Basis and Conventions

The directors have prepared the financial statements on the basis that the Young Men's Christian Association of Sydney (YMCA of Sydney) is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the constitution of the YMCA of Sydney and the financial reporting requirements of the Australian Charities and Not-for-profits Commission (ACNC).

Whilst not a reporting entity, the requirements of the ACNC in preparing special purpose financial statements requires the application of the following Australian Accounting Standards to the extent they are relevant to the operations of the YMCA of Sydney:

| | |
|--------------|---|
| * AASB 101: | Presentation of Financial Statements |
| * AASB 107: | Statement of Cash Flows |
| * AASB 108: | Accounting Policies, Changes in Accounting Estimates and Errors |
| * AASB 1031: | Materiality |
| * AASB 1048: | Interpretation of Standards |
| * AASB 1054: | Australian Additional Disclosures |

The significant accounting policies disclosed below, which the directors have determined are appropriate to meet the reporting requirements of the constitution of the YMCA of Sydney and the financial reporting requirements of the ACNC, are consistent with the previous period unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) **Income Tax**

Based on the nature of its activities the YMCA of Sydney is exempt from income tax in accordance with the terms of Section 50 of the Income Tax Assessment Act, 1997.

(b) **Inventories**

Inventories are measured at cost.

(c) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand and deposits held at call with banks.

(d) **Property, plant and equipment**

Each class of property, plant & equipment is carried at cost, directors valuation or fair value less, where applicable, any accumulated depreciation and impairment losses.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(d) Property, plant and equipment (continued)

Property

Freehold land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

In periods where the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to an asset revaluation reserve in equity. Decreases that offset previous increases of the same class of assets are charged against the asset revaluation reserve directly in equity. All other decreases are charged to the statement of profit or loss and other comprehensive income.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured at cost.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all property, plant and equipment, excluding freehold land, is depreciated over their useful lives to the YMCA of Sydney commencing from the time the asset is held ready for use.

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

| Class of Fixed Assets | Depreciation Rate |
|------------------------------------|--------------------------|
| Buildings & Leasehold Improvements | 2.5-10% |
| Plant & Equipment | 10-33% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An assets' carrying amount is written down immediately to its recoverable amount if the assets' carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the asset revaluation reserve relating to that asset are transferred to retained earnings.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the YMCA of Sydney are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(f) Impairment of Assets

At each reporting date, the YMCA of Sydney assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss, unless the asset is carried at a revalued amount.

Where it is not possible to estimate the recoverable amount of an individual asset, the YMCA of Sydney estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(g) Employee benefits

Provision is made for the YMCA of Sydney'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

A provision for long service leave is recognised after five years service on a pro-rata basis and is measured at current rates, plus related on-costs.

(h) Provisions

Unless otherwise stated, provisions are recognised when the YMCA of Sydney 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 are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Profit/loss share on management contracts

As outlined in the 'Revenue and Other Income' policy note (k), the directors have made an assessment as to the necessity for a provision as to profits/losses applicable to the various management contracts being undertaken that have profit/loss sharing arrangements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(h) Provisions (continued)

Insurance

A provision had been established to reflect the deductible amount payable under the respective insurance policy/policies for any claims made (though not necessary litigated or settled or under negotiation) and where the organisations operations are expected to result in an increase in the premiums currently paid.

Onerous Contracts

Onerous contract provisions are recognised for losses on contracts where the forecast costs of fulfilling the contract throughout the contract period exceed the forecast income receivable. The provision is calculated based on discounted cash flows to the end of the contract.

(i) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed 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.

(j) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) Revenue and Other Income

Activity, program, hire and membership fees and government grants relating to periods beyond the current financial year are recognised as income in advance and are included in the statement of financial position.

Management fees derived from the operation of facilities for 3rd party bodies, such as Councils, are brought to account in accordance with the contractual arrangements established. Only management fees applicable to the financial year of operation are recognised in that year. Any prepayment of recognised management fees is recorded as income in advance in the statement of financial position and, where applicable, management fees outstanding are accrued and recorded as trade receivable in the statement of financial position.

Management contracts entered into by the YMCA of Sydney may also include a provision for the sharing of profits/losses of the particular centres operations. The vast majority of management contracts are reportable on a 30 June financial year. As a result, the directors are required to make an assessment of the results of the management contracts as at 31 December each year to determine whether a provision for profit/loss is required to be made as of 31 December.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(k) Revenue and Other Income (continued)

The directors have determined that the organisation is not acting as Principal under the management contracts and therefore are not required to account for the gross revenues and expenses, including audit fees as detailed in Note 2(a), nor assets and liabilities of the business unit, only the management fees receivable and profit and loss share arrangements.

The YMCA of Sydney is not a tax deductible recipient organisation. All fundraising activities are for community based purposes such as the purchase of equipment/facilities that better serve the requirements of members and community participants of the YMCA of Sydney managed Council facilities and the YMCA of Sydney owner/operated facilities. The monies raised through the Community Centres/Facilities fundraising activities are accounted for directly to the statement of financial position until sufficient funds are raised to then expend them on the specified fundraising project(s). At this time the monies raised are recorded as income and the expenditure reflected as an expense.

Monies received that have not been expended at year end remain in the statement of financial position as a liability.

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

Rental income relates to properties owned by the YMCA of Sydney and is recognised in accordance with the rental agreements in place and on the accruals basis.

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

Expenses paid in the current financial year but relating to periods beyond the current financial year are recognised as prepaid expenses and are included in the statement of financial position.

In respect to the management contracts that the YMCA of Sydney has entered into, the staff wages and superannuation entitlements are attributed directly to the contract centre cost centres and separate audited accounts are prepared and made available to the Principal. As a result, the wages and superannuation entitlements attributable to those staff employed by the YMCA of Sydney, but involved in the management of the various centre operations, are not reflected in the statement of profit or loss and other comprehensive income as employee benefits.

(l) Comparative figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result of changes in accounting policy.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY

(trading as YMCA NSW)

A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(m) Goods and Service 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 Tax Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2015 2014
\$ \$

NOTE 2: PROFIT FOR THE YEAR

(a) Expenses

Finance costs:

| | | |
|-----------------|--------|--------|
| - interest paid | 13,834 | 36,739 |
| | 13,834 | 36,739 |

Depreciation and amortisation expense:

| | | |
|---|-----------|-----------|
| - depreciation | 989,297 | 1,250,216 |
| - amortisation - leasehold improvements | 72,274 | 66,182 |
| | 1,061,571 | 1,316,398 |

Other expenses

| | | |
|---|------------|------------|
| - activity and program costs | 3,258,701 | 5,173,131 |
| - community program expenses | 946,304 | 1,038,514 |
| - property expenses | 400,878 | 389,837 |
| - royal commission expenses (net of insurance recovery) | - | (260,320) |
| - net loss on disposal of plant and equipment | 10,108 | 191,669 |
| - net loss on management contracts | 4,316,859 | 2,273,560 |
| - other expenses | 8,307,377 | 7,067,448 |
| | 17,240,227 | 15,873,839 |

Remuneration of auditor:

| | | |
|---|---------|---------|
| - auditing the financial statements | 38,000 | 60,000 |
| - taxation and other services | 13,060 | 61,950 |
| - management contract audits - current year | 77,800 | 96,300 |
| - management contract audits - prior years | 10,400 | - |
| | 139,260 | 218,250 |

(b) Revenue and other income

Revenue

| | | |
|---|------------|------------|
| - activity and program fees | 33,394,291 | 33,349,422 |
| - interest received | 49,057 | 72,148 |
| - rent received | 1,560,849 | 1,515,387 |
| - grants received | 1,015,399 | 1,108,874 |
| - contract management fees | 2,964,008 | 2,473,603 |
| - net surplus from transfer of net assets from other YMCA's | - | 52,360 |
| - other revenue | 5,058,555 | 4,290,317 |
| | 44,042,159 | 42,862,111 |

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

| | 2015 | 2014 |
|---|-------------------|------------------|
| | \$ | \$ |
| NOTE 3: CASH AND CASH EQUIVALENTS | | |
| Cash on hand | 21,106 | 27,378 |
| Cash at bank | 5,592,554 | 3,884,734 |
| | <u>5,613,660</u> | <u>3,912,112</u> |
| NOTE 4: TRADE AND OTHER RECEIVABLES | | |
| CURRENT | | |
| Trade receivables | 518,930 | 1,129,862 |
| Less: provision for impairment of receivables | (69,683) | (77,978) |
| | 449,247 | 1,051,884 |
| Other receivables | 21,079,827 | 98,326 |
| Contract management receivables | 2,920,198 | 5,305,664 |
| | <u>24,449,272</u> | <u>6,455,874</u> |
| (a) other receivables include an amount of \$21m for proceeds from sale of non-current asset which was received in February 2016. | | |
| NOTE 5: FINANCIAL ASSETS | | |
| CURRENT | | |
| Interest bearing accounts | 1,079,232 | 1,885,773 |
| | <u>1,079,232</u> | <u>1,885,773</u> |
| NON-CURRENT | | |
| Shares in listed and unlisted corporations | 45,883 | 45,883 |
| | <u>45,883</u> | <u>45,883</u> |
| NOTE 6: INVENTORIES | | |
| CURRENT | | |
| Finished goods | 92,543 | 79,354 |
| | <u>92,543</u> | <u>79,354</u> |

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

| | 2015 \$ | 2014 \$ |
|---|-------------|-------------|
| NOTE 7: OTHER ASSETS | | |
| CURRENT | | |
| Prepayments | 238,192 | 301,196 |
| | 238,192 | 301,196 |
| NOTE 8: PROPERTY, PLANT & EQUIPMENT | | |
| NON-CURRENT | | |
| Land and buildings | | |
| Freehold land and buildings - at directors' valuation | 13,300,349 | 29,228,466 |
| Less: accumulated depreciation and impairment | (1,206,430) | (5,489,590) |
| | 12,093,919 | 23,738,876 |
| Leasehold improvements - at cost | 1,503,869 | 1,503,869 |
| Less: accumulated amortisation | (1,293,587) | (1,221,313) |
| | 210,282 | 282,556 |
| Total land and buildings | 12,304,201 | 24,021,432 |
| Plant and Equipment | | |
| Plant and equipment at cost | 4,090,123 | 4,396,218 |
| Less: accumulated depreciation | (3,239,634) | (2,949,474) |
| Total plant and equipment | 850,489 | 1,446,744 |
| Total property, plant and equipment | 13,154,690 | 25,468,176 |

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

| | 2015 | 2014 |
|---|------------------|------------------|
| | \$ | \$ |
| NOTE 9: TRADE AND OTHER PAYABLES | | |
| CURRENT | | |
| Trade payables | 727,488 | 639,061 |
| Other payables and accrued expenses | 3,449,822 | 3,973,286 |
| | <u>4,177,310</u> | <u>4,612,347</u> |
| NOTE 10: BORROWINGS | | |
| CURRENT | | |
| Loans - unsecured | 24,620 | - |
| Lease liability | 149,937 | 161,915 |
| | <u>174,557</u> | <u>161,915</u> |
| NON-CURRENT | | |
| Loans - unsecured | 86,140 | 165,083 |
| Lease liability | 127,878 | 253,195 |
| | <u>214,018</u> | <u>418,278</u> |
| NOTE 11: PROVISIONS | | |
| CURRENT | | |
| General | 4,915,883 | 2,096,257 |
| Employee benefits | 2,598,076 | 2,269,527 |
| | <u>7,513,959</u> | <u>4,365,784</u> |
| NON-CURRENT | | |
| General | 1,316,000 | - |
| Employee benefits | 544,151 | 661,116 |
| | <u>1,860,151</u> | <u>661,116</u> |
| NOTE 12: OTHER LIABILITIES | | |
| CURRENT | | |
| Income received in advance | 1,175,768 | 1,267,782 |
| | <u>1,175,768</u> | <u>1,267,782</u> |

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2015
\$

2014
\$

NOTE 13: CASH FLOW INFORMATION

Reconciliation of cash flow from operations with profit/(loss) after income tax:

| | | |
|---|--------------|-------------|
| Profit/(loss) after income tax | 3,239,816 | (668,910) |
| Non-cash flows in profit | | |
| Loss/(profit) on disposal of non-current assets | (10,269,079) | 191,669 |
| Amortisation | 72,274 | 66,182 |
| Depreciation | 989,297 | 1,250,216 |
| Impairment of property, plant and equipment | 546,249 | - |
| Changes in assets and liabilities | | |
| Decrease/(increase) in receivables | 3,106,602 | (2,464,514) |
| Decrease/(increase) in inventories | (13,189) | (9,844) |
| Decrease/(increase) in other assets | 63,004 | 54,725 |
| Increase/(decrease) in trade payables | 88,427 | 77,979 |
| Increase/(decrease) in other payables | (523,464) | 21,445 |
| Increase/(decrease) in provisions for employee entitlements | 211,584 | 313,469 |
| Increase/(decrease) in other provisions | 4,135,626 | 2,045,096 |
| Increase/(decrease) in other liabilities | (92,014) | 54,058 |
| Net cash provided by/(used in) operating activities | 1,555,133 | 931,571 |

Non-cash financing and investing activities

Property, plant & equipment

Proceeds on sale of non-current assets included in receivables of \$21m was received in February 2016.

NOTE 14: ENTITY DETAILS

The principal place of business is:

The Young Men's Christian Association of Sydney
Level 5
20 Smith Street
Parramatta NSW 2150

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
(trading as YMCA NSW)
A.B.N. 28 067 150 010

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Young Men's Christian Association of Sydney, the directors have determined that the entity is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the Young Men's Christian Association of Sydney declare that:

1. The financial statements and notes, as set out on pages 2 - 16, give a true and fair view of the Young Men's Christian Association of Sydney's financial position as at 31 December 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the Young Men's Christian Association of Sydney will be able to pay its debts as and when they become due and payable.

Director



Director



Dated this 4 day of May 2016

YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
A.B.N. 28 067 150 010

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY

We have audited the accompanying financial report, being a special purpose financial report, of Young Men's Christian Association of Sydney, which comprises the statement of financial position as at 31 December 2015, 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 comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration.

Directors' responsibility for the financial report

The directors of Young Men's Christian Association of Sydney are responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 of the financial report are appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the director determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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



YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY
A.B.N. 28 067 150 010

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
YOUNG MEN'S CHRISTIAN ASSOCIATION OF SYDNEY

Independence

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

Auditor's opinion

In our opinion, the financial report gives a true and fair view of Young Men's Christian Association of Sydney financial position as at 31 December 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Constitution and the reporting requirements of the Australian Charities and Not-for-profits Commission (ACNC). As a result, the financial report may not be suitable for another purpose.

CBC Partners
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Ross E. Chapman'.

Ross E. Chapman FCA CTA
Partner

Sydney

Dated this 4 day of May 2016

