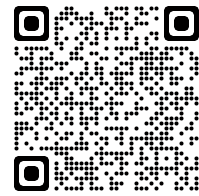


2022-23 Financial statements



www.yfs.org.au/yfs2023impactreport/

YFS respectfully acknowledges Aboriginal and Torres Strait Islander people as Australia's first peoples and the traditional owners/custodians of the land on which we meet and work. We recognise the important role they have within community and country, and we pay our respects to the Elders of this land past and present.



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

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2022-23 FINANCIAL STATEMENTS

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DIRECTORS' REPORT

YFS Directors present this report on the company for the financial year ended 30 June 2023.

Directors: 1 July 2022 – 30 June 2023 unless indicated

Catherine Bartolo (resigned 30 June 2023)

Philip Beresford

Patrick Turner

Cher Bartlett

Fiona Murcott

Simon James

Janelle Thurlby

Helen Weissenberger (joined 7 February 2023)

Nyaree Mewett (joined 21 April 2023)

Heather Castledine (resigned 15 November 2022)

Helen Sharpley (resigned 30 November 2022)

Company Secretary

Catherine Bartolo (resigned 30 June 2023)

Vision: Building independence and participation

Purpose: YFS backs vulnerable people to overcome adversity and to thrive

Helen Sharpley

Qualifications

Experience

Director (Chair until 30 November 2022)

MBA, B.Ec., GAICD

Helen has 25 years in executive roles across not for profit, public, private and consulting sectors. She brings to the YFS Board expertise in strategy development and innovation, transformational change, financial management and governance.

Philip Beresford

Qualifications

Experience

Director (Chair from 30 November 2022)

MBA, BCom, GAICD, MACS(Snr)

Philip has 30 years' global experience working for several large corporations within the investments and technology sectors. As an executive, he has been charged with the development and implementation of strategic growth strategies, and has advised organisations on product development, organisational structure, and change programs. Philip is an experienced non-executive director and brings to the Board a focus on strategy, organisational structure, risk management and corporate governance.

Special Responsibilities

Risk and Audit Committee

Catherine Bartolo

Qualifications

Experience

Director and Company Secretary (Resigned 30 June 2023)

Master of Social Administration, Bachelor of Social Science, Diploma of Teaching Primary
Cath was the CEO of YFS Ltd and has worked in various roles in the Logan community for the past 33 years. Cath is a member of the Logan Together Cross Sector Leadership Table and Chairs the Logan Housing and Homelessness Strategy Group and Not Now, Not Ever in Logan Reference Group.

Special Responsibilities

Risk and Audit Committee and Social Enterprise Committee

Patrick Turner

Qualifications

Experience

Director

Bachelor of Laws, Bachelor of Arts (Hons), AAICD

Patrick is a Senior Associate in employment and industrial law at Maurice Blackburn Lawyers and is a member of the Queensland Law Society's Occupational and Discipline Law Committee. Patrick has previously worked for the Refugee and Immigration Legal Service and a former Deputy Premier.

Special Responsibilities

Risk and Audit Committee



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DIRECTORS' REPORT

Cher Bartlett
Qualifications
Experience

Director

Bachelor of Laws (Hons), Bachelor of Business and Master of Laws
Cher is currently the General Manager, Supply and Technology at Origin Energy. Cher's previous roles at Origin Energy include General Manager, Joint Venture and Shareholder and Head of Legal, Upstream and Development. In her current role, Cher is responsible for the domestic gas marketing, planning and technology functions for APLNG, as well as APLNG's integrated operations centre.

Fiona Murcott
Qualifications

Director

Bachelor of Arts (Journalism and Government), Graduate Diploma in Professional Communication (Public Relations), MAICD, MPRIA

Experience

Fiona has more than 25 years' experience in marketing, stakeholder engagement and journalism, and has been running a successful Brisbane public relations consultancy since 2004. She brings to the YFS Board marketing expertise in both the private and not-for-profit sectors, including in the areas of business and marketing strategy, communication campaigns, fundraising and sponsorships, social-impact assessment and management, stakeholder and community engagement, and government and media relations.

Special Responsibilities

Business Development Committee

Simon James
Qualifications
Experience

Director

Bachelor of Arts (Hons) Business, Grad Dip Corporate Governance, GIA (Affiliated), FAICD
Simon brings over 20 years of executive leadership and board experience (non-executive director and company secretary) in the for-profit and not-for-profit health and community services sectors.

Janelle Thurlby
Qualifications
Experience

Director

B Bus (Comm)

Janelle has had a long career in Queensland Treasury, with responsibility for complex policy areas including communities, housing, justice and intergovernmental relations. Within Treasury she advocated for greater collaboration between government agencies and the social sector. She was awarded a Public Service Medal for outstanding contribution to financial management and planning. Janelle brings to the Board experience in policy development, budget reporting and stakeholder management.

Special Responsibilities

Social Enterprise Committee

Helen Weissenberger
Qualifications
Experience

Director

Bachelor of Commerce (Hons), FCPA, FGIA, GAICD

Helen has 35 years of experience as a finance and-governance executive working in the following profit and not-for-profit sectors – manufacturing, health, education, and the arts. She has 20 years of experience as a non-executive director in the not-for-profit sector and brings expertise in financial management, strategic planning, board governance, stakeholder engagement and leadership development to the YFS Board.

Special Responsibilities

Risk and Audit Committee

Nyaree Mewett
Qualifications
Experience

Director

Post Graduate Certificate of Business

Nyaree is a board director and executive leader who brings a wealth of experience in delivering exceptional outcomes across primary care, community-controlled organisations, and various healthcare sectors. She has a strong background in strategy, operational practices, business sustainability, community, and economic development. Nyaree's expertise lies in developing innovative strategies, and ensuring stakeholder engagement.

Heather Castledine
Qualifications
Experience

Director (Resigned 15 November 2022)

Degree in Social Work

Aunty Heather is a cultural consultant at Queensland Health within the Metro South Child and Youth Mental Health unit. Aunty Heather also holds key roles in the Aboriginal and Torres Strait Islander communities. Aunty Heather is a Member of Reconciliation Queensland Incorporated.



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DIRECTORS' REPORT

Meetings of Directors

During the financial year, ten meetings of directors were held. Attendances by each director were as follows:

	Number attended	Number eligible to attend
Catherine Bartolo	10	10
Philip Beresford	10	10
Helen Sharpley	3	3
Patrick Turner	9	10
Cher Bartlett	7	10
Fiona Murcott	9	10
Simon James	9	10
Janelle Thurlby	10	10
Aunty Heather Castledine	2	4
Helen Weissenberger	5	6
Nyaree Mewett	2	3

Signed: _____

Philip Beresford,
YFS Ltd Chair

Date: 3rd October 2023



2022-23 FINANCIAL STATEMENTS

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue	2	17,002,327	15,078,931
Other income	2	4,326,002	2,074,651
Employee benefits expense	3(a)	(14,521,036)	(12,350,657)
Depreciation and amortisation expense	3(b)	(943,410)	(814,202)
Impairment of receivables	3(c)	-	(707)
Repairs, maintenance and vehicle running expense		(322,515)	(269,336)
Light and power expense		(23,678)	(36,129)
Rental expense	3(d)	(81,947)	(49,479)
Training expense		(262,281)	(198,971)
Audit, legal and consultancy expense		(645,122)	(432,045)
Administration expense	3(e)	(1,809,015)	(1,494,603)
Client related expenditure		(1,291,769)	(928,416)
Other expenses		(743,328)	(349,070)
Current year surplus		684,228	229,967
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Gains on revaluation of land and buildings		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		684,228	229,967

The accompanying notes form part of these financial statements.



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,212,811	7,992,145
Trade and other receivables	5	323,603	369,270
Other assets	6	347,780	236,087
TOTAL CURRENT ASSETS		4,884,194	8,597,502
NON-CURRENT ASSETS			
Property, plant and equipment	7	6,489,581	6,600,253
Right-of-use assets	8	329,731	524,855
Intangible assets		1,528	5,318
Investments	9	4,618,511	-
TOTAL NON-CURRENT ASSETS		11,439,351	7,130,426
TOTAL ASSETS		16,323,545	15,727,928
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,183,972	1,086,924
Contract liabilities		965,733	1,172,688
Lease liabilities	11	181,092	195,249
Provisions	12	1,198,839	993,572
TOTAL CURRENT LIABILITIES		3,529,636	3,448,433
NON-CURRENT LIABILITIES			
Lease liabilities	11	136,934	330,351
Provisions	12	436,560	412,957
TOTAL NON-CURRENT LIABILITIES		573,494	743,308
TOTAL LIABILITIES		4,103,130	4,191,741
NET ASSETS		12,220,415	11,536,187
EQUITY			
Retained earnings		9,976,049	9,291,821
Reserves	16	2,244,366	2,244,366
TOTAL EQUITY		12,220,415	11,536,187

The accompanying notes form part of these financial statements.



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Note	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2021	9,061,854	2,244,366	11,306,220
Comprehensive income			
Surplus/(deficit) for year attributable to members of the entity	229,967	-	229,967
Other comprehensive income for the year	-	-	-
Total comprehensive income attributable to members of the entity for the year	229,967	-	229,967
Balance at 30 June 2022	9,291,821	2,244,366	11,536,187
Balance at 1 July 2022	9,291,821	2,244,366	11,536,187
Comprehensive income			
Surplus/(deficit) for year attributable to members of the entity	684,228	-	684,228
Other comprehensive income for the year	-	-	-
Total comprehensive income attributable to members of the entity for the year	684,228	-	684,228
Balance at 30 June 2023	9,976,049	2,244,366	12,220,415

The accompanying notes form part of these financial statements.



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt of grants and other receipts		20,919,313	17,397,563
Payments to suppliers and employees		(19,486,737)	(15,660,780)
Interest received		28,821	16,627
Net cash (used in)/generated from operating activities	15	1,461,397	1,753,410
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		158,646	79,898
Payment for investments		(4,554,798)	-
Payment for property, plant and equipment		(637,006)	(608,058)
Net cash used in investing activities		(5,033,158)	(528,160)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liability		(207,573)	(153,718)
Net cash used in financing activities		(207,573)	(153,718)
Net (decrease)/increase in cash held		(3,779,334)	1,071,532
Cash and cash equivalents at beginning of financial year		7,992,145	6,920,613
Cash and cash equivalents at end of financial year	4	4,212,811	7,992,145

The accompanying notes form part of these financial statements.



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

Basis of Preparation

The financial statements cover YFS Ltd as an individual entity, incorporated and domiciled in Australia. YFS Ltd is a company limited by guarantee.

The financial statements are general purpose financial statements that have been prepared in accordance with The Australian Charities and Not for Profits Commission Act 2012 and Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board (AASB).

The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 3rd October 2023 by the directors of the company.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

a. Revenue

i) Revenue from contracts with customers

The company applies AASB 15 to recognise revenue when an agreement is enforceable and contains performance obligations to transfer goods or services that are sufficiently specific to determine when the obligation has been satisfied. For an arrangement that is not within the scope of AASB 15, and not otherwise within the scope of other standards, it would be treated as contribution income under AASB 1058 (for example a cash donation without conditions).

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



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. **Revenue (continued)**

ii) Government Grants

Revenue from grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred in the statement of financial position as a 'contract liability' until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised immediately under AASB 1058 when the company obtains control of the cash.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a 'contract liability' until those conditions are satisfied.

iii) Other Revenue

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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.

b. **Property, Plant and Equipment**

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

Land & Buildings

Freehold land and buildings owned by YFS Ltd are shown at their fair value, with guidance received by the board, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings owned by YFS Ltd are not subject to an independent valuation advice, 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 owned by YFS Ltd are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

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 on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

b. Property, Plant and Equipment (continued)

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Buildings	4%
Improvements	4%
Plant and equipment	10%
IT equipment	33.3%
Equipment, fixtures, and fittings	10%
Motor vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

c. Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

YFS Ltd has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

d. Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d. Investments and other financial assets (continued)

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

e. Right-of-use assets

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

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

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

f. Impairment of Assets

At the end of each reporting period, the entity 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 of disposal and value in use, to the asset's carrying amount. For non-cash generating specialised assets measured using the cost basis, the recoverable amount is the current replacement cost. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g., in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

g. Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee benefits

The company classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

g. **Employee Benefits (continued)**

Other long-term employee benefits (continued)

Expected future payments incorporate anticipated future wage and salary levels and duration of service and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

h. **Cash and Cash Equivalents**

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

i. **Goods and Services Tax (GST)**

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.

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 (ATO).

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.

j. **Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

k. **Intangibles**

Software

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.



2022-23 FINANCIAL STATEMENTS

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

l. Provisions

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

m. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

n. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

o. Contract Liabilities

Contract liabilities represent the company's obligation to fulfil performance obligations under enforceable agreements for grants received. This mainly arises from government provided grants.

p. Lease Liabilities

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

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

q. Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

r. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates

(i) Valuation of freehold land and buildings

The latest independent valuations received are as follows:

Land and Buildings wholly owned by company

2-4 Rowan Street and 358 Kingston Road	30 June 2021
376 Kingston Road	30 June 2021
372 Kingston Road	30 June 2021



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

r. Critical Accounting Estimates and Judgements (Continued)

Key estimates (continued)

The valuation was based on fair value less cost to sell. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current demand for land and buildings in the area and recent sales data for similar properties.

(ii) Provisions For Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for employee benefits, including annual leave, and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

Based on experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

(iii) Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

s. Economic Dependence

YFS Ltd is dependent on a number of Commonwealth and Queensland state government departments for the majority of its revenue used to operate the business. At the date of this report, the board of directors has no reason to believe these departments will not continue to support YFS Ltd.

t. Fair Value of Assets and Liabilities

In these financial statements, fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. In estimating the fair value of an asset or liability, the characteristics of the asset or liability is taken into account to the extent that market participants would take those characteristics into account when pricing the asset or liability at the measurement date.



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2: REVENUE AND OTHER INCOME

	2023	2022
	\$	\$
Revenue		
Revenue from Commonwealth government grants		
- Dept of Social Services	2,719,411	2,357,692
- Dept of Education, Skills and Employment	428,628	403,459
- Dept of the Prime Minister and Cabinet	293,687	305,876
- Dept of Industry, Science, Energy and Resources	491,074	69,972
	3,932,800	3,136,999
Revenue from state government grants		
- Dept of Children, Youth Justice, and Multicultural Affairs	5,941,057	5,764,223
- Dept of Communities, Housing and Digital Economy	2,213,613	1,635,729
- DJAG Office for Women and Violence Prevention	1,905,863	1,737,775
- Dept of Justice and Attorney-General	687,289	764,949
- Dept of Employment, Small Business and Training	320,103	335,342
- Queensland Corrective Services	200,114	105,505
	11,268,039	10,343,523
Revenue from non-government grants, philanthropic, schools and Logan City Council	1,801,488	1,598,409
Total grant revenue	17,002,327	15,078,931
Other income		
- Gain on disposal of property, plant and equipment	155,194	71,983
- Charitable income and fundraising	34,966	80,461
- Rental income	163,315	156,648
- Fee for services	926,795	329,347
- Work For Dole Contracts	109,502	87,286
- Flooded Road Smart Warning System	1,584,956	235,836
- Interest received on cash and cash equivalents	28,821	16,627
- Investment income	118,511	-
- Other Income	1,203,942	1,096,463
Total other income	4,326,002	2,074,651
Total revenue and other income	21,328,329	17,153,582



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 3: EXPENSES

	2023	2022
	\$	\$
Expenses		
a. Employee benefits expense:		
– Employee costs	13,001,225	11,326,036
– contributions to defined contribution superannuation funds	1,519,811	1,024,621
	<u>14,521,036</u>	<u>12,350,657</u>
b. Depreciation and amortisation:		
– right-of-use assets	195,124	144,922
– buildings	190,784	189,247
– motor vehicles	276,555	234,234
– furniture and equipment	276,886	240,711
– software	4,061	5,088
Total depreciation and amortisation	<u>943,410</u>	<u>814,202</u>
c. Allowance for expected credit losses:		
– trade and other receivables	-	707
d. Rental expense on short term or low value leases	81,947	49,479
e. Administrative expenses		
– Property maintenance	118,405	80,540
– Utilities and property insurance	64,282	69,198
– Other property expenses	226,678	226,744
– Communication and IT expenditure	431,268	422,568
– Staff expenditure (including hired staff)	517,165	378,019
– Other administrative expenditure	451,217	317,534
	<u>1,809,015</u>	<u>1,494,603</u>

NOTE 4: CASH AND CASH EQUIVALENTS

	2023	2022
	\$	\$
CURRENT		
Cash at bank	4,203,416	6,952,855
Cash at bank – term deposits	8,395	1,037,392
Cash on hand	1,000	1,898
	<u>4,212,811</u>	<u>7,992,145</u>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 5: TRADE AND OTHER RECEIVABLES

	2023	2022
	\$	\$
CURRENT		
Trade receivables	323,603	369,270
Less: Allowance for expected credit losses	-	-
	<u>323,603</u>	<u>369,270</u>
Other receivables		
Total current trade and other receivables	<u>323,603</u>	<u>369,270</u>

NOTE 6: OTHER ASSETS

	2023	2022
	\$	\$
CURRENT		
Accrued income	14,115	9,091
Prepayments	287,206	184,727
Deposits/bonds	46,259	41,519
Other current assets	200	750
	<u>347,780</u>	<u>236,087</u>

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	2023	2022
	\$	\$
Land and Buildings		
Freehold land at fair value	<u>1,745,100</u>	<u>1,745,100</u>
Buildings & Improvements		
- Fair Value	3,594,900	3,594,900
- Cost	48,529	24,254
- Less accumulated depreciation	<u>(399,836)</u>	<u>(200,432)</u>
	<u>3,243,593</u>	<u>3,418,722</u>
Leasehold improvements		
- Cost	39,703	39,703
- Less accumulated depreciation	<u>(39,703)</u>	<u>(39,703)</u>
	<u>-</u>	<u>-</u>
Total land and buildings	<u>4,988,693</u>	<u>5,163,822</u>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 7: Property, Plant and Equipment (CONTINUED)

Motor vehicles

At cost	1,491,216	1,238,660
Less accumulated depreciation	(974,545)	(900,501)
	<u>516,671</u>	<u>338,159</u>

Plant and equipment

Fixtures and fittings		
- Cost	967,648	920,665
- Less accumulated depreciation	(388,815)	(298,626)
	<u>578,833</u>	<u>622,039</u>

Plant & Equipment

- Cost	325,643	277,386
- Less accumulated depreciation	(150,774)	(124,304)
	<u>174,869</u>	<u>153,082</u>

IT Equipment

- Cost	947,133	898,974
- Less accumulated depreciation	(782,531)	(647,991)
	<u>164,602</u>	<u>250,983</u>

Other plant and equipment

- Cost	405,268	394,184
- Less accumulated depreciation	(339,355)	(322,016)
	<u>65,913</u>	<u>72,168</u>

Total plant and equipment

984,217 1,098,272

Total property, plant and equipment

6,489,581 6,600,253

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings	Motor Vehicles	Plant and Equipment	Total
	\$	\$	\$	\$
2023				
Balance at the beginning of the year	5,163,822	338,159	1,098,272	6,600,253
Additions at cost	15,655	458,519	162,831	637,005
Gain on revaluation of land and buildings	-	-	-	-
Disposals	-	(3,452)	-	(3,452)
Depreciation expense	(190,784)	(276,555)	(276,886)	(744,225)
Carrying amount at the end of the year	<u>4,988,693</u>	<u>516,671</u>	<u>984,217</u>	<u>6,489,581</u>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 7: Property, Plant and Equipment (CONTINUED)

	Land and Buildings	Motor Vehicles	Plant and Equipment	Total
	\$	\$	\$	\$
2022				
Balance at the beginning of the year	5,340,000	290,209	1,103,110	6,733,319
Additions at cost	26,667	366,020	215,371	608,058
Gain on revaluation of land and buildings	-	-	-	-
Disposals	-	(73,568)	(3,790)	(77,358)
Depreciation expense	(202,845)	(244,502)	(216,419)	(663,766)
Carrying amount at the end of the year	5,163,822	338,159	1,098,272	6,600,253

NOTE 8: RIGHT-OF-USE ASSETS

	2023	2022
	\$	\$
Right-of-use assets		
- Cost	938,097	938,097
- Less accumulated depreciation	(608,366)	(413,242)
	329,731	524,855

Note 9: INVESTMENTS

	2023	2022
	\$	\$
Investments		
- Investments in managed funds held at fair value	2,174,261	-
- Term deposits	650,000	-
- Cash	1,730,537	-
Revaluation increment	63,713	-
	4,618,511	-

Movement in the carrying amounts for each class of investments between the beginning and end of the current financial year:

	Managed Funds	Term Deposit	Cash	Total
	\$	\$	\$	\$
2023				
Balance at the beginning of the year	-	-	-	-
Additions at cost	2,174,261	650,000	1,730,537	4,554,798
Fair value gain / (loss)	63,713	-	-	63,713
Disposals	-	-	-	-
Carrying amount at the end of the year	2,237,974	650,000	1,730,537	4,618,511



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 10: TRADE AND OTHER PAYABLES

	2023	2022
	\$	\$
CURRENT		
Trade payables	136,097	127,377
Accrued expenses	595,707	631,661
Other current payables	29,858	39,668
Other payables (net amount of GST payable)	422,310	288,218
	1,183,972	1,086,924

NOTE 11: LEASE LIABILITIES

	2023	2022
	\$	\$
As at 1 July	525,600	197,418
Modification	-	481,900
Accretion of interest	23,089	16,348
Payments	(230,663)	(170,066)
	318,026	525,600
Current	181,092	195,249
Non-current	136,934	330,351
	318,026	525,600

NOTE 12: PROVISIONS

	2023	2022
	\$	\$
CURRENT		
Provision for employee benefits: annual leave	780,453	743,646
Provision for employee benefits: long service leave	418,386	249,926
	1,198,839	993,572
NON-CURRENT		
Provision for employee benefits: long service leave	436,560	412,957
	436,560	412,957
	1,635,399	1,406,529



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the company during the year are as follows:

	2023	2022
	\$	\$
KMP compensation	543,884	361,225

Included in the above is \$20,000 payment to board director Janelle Thurlby in a short-term consultancy project to support the budget process and other defined corporate tasks. This project was approved by board directors.

NOTE 14: OTHER RELATED PARTY TRANSACTIONS

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

During the financial year, YFS Ltd did not have any other related party transactions.

NOTE 15: CASH FLOW INFORMATION

	2023	2022
	\$	\$
Reconciliation of cash flows from operating activities with net current year surplus		
Net current year surplus / (deficit)	684,228	229,967
<i>Cash flows excluded from current year surplus / (deficit)</i>		
Non-cash flows in current year surplus / (deficit):		
- Depreciation and amortisation expense	943,139	814,199
- Net gain on disposal of property, plant and equipment	(155,194)	(2,540)
- Fair value movement in investments held in managed funds	(63,714)	-
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	45,667	(86,176)
- (Increase)/decrease in other assets	(111,693)	(4,121)
- (Decrease)/increase in accounts payable and other payables	97,049	325,273
- (Decrease)/increase in contract liabilities	(206,955)	349,324
- (Decrease)/increase in employee provisions	228,870	127,484
Net cash from operating activities	<u>1,461,397</u>	<u>1,753,410</u>

NOTE 16: RESERVES

Revaluation Surplus

The revaluation surplus records the revaluations of non-current assets which are wholly owned by the company.



2022-23 FINANCIAL STATEMENTS

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 17: CONTINGENT LIABILITIES

At 30 June 2023, YFS Ltd had no contingent liabilities.

NOTE 18: EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.



2022-23 FINANCIAL STATEMENTS

YFS Ltd. | ABN 58 239 250 649 | ACN 167 122 527

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of YFS Ltd, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 22, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards – Simplified Disclosures; and
 - b. give a true and fair view of the financial position of the company as at 30 June 2023 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2022.

Philip Beresford (Chair)

Dated: 3rd October 2023



INDEPENDENT AUDITOR'S REPORT

To the members of YFS Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of YFS Ltd (the company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The directors of the company are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the company's directors' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors of the company are responsible for overseeing the company's financial reporting process.

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 Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

A J Whyte
Director

Brisbane, 3 October 2023



www.yfs.org.au/yfs2023impactreport/

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