

STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2020

	Notes	\$	2019 \$
Revenue from Continuing Operations	4 (a)	5,378,684	5,673,844
Net Income from Housing Solutions Accommodation	4(d)	(928,115)	1,038,198
Other Income	4 (b)	368,770	194,817
Operating Expenses	4 (c)	6,792,639	5,355,791
Net Surplus/(Deficit) before Income Tax Expense		<u>(1,973,300)</u>	<u>1,551,068</u>
Tax Expense		-	-
Net Surplus/(Deficit) after Income Tax Expense	18	<u>(1,973,300)</u>	<u>1,551,068</u>
Other Comprehensive Income/(Deficit)	17	-	-
Total Comprehensive Income Including Net Surplus/(Deficit) After Income Tax Expense		<u>(1,973,300)</u>	<u>1,551,068</u>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	Notes	2020 \$	2019 \$
CURRENT ASSETS			
Cash	6	5,680,133	6,635,896
Receivables	7	201,540	271,780
Prepayments and other assets	8	237,883	187,644
TOTAL CURRENT ASSETS		6,119,556	7,095,320
NON-CURRENT ASSETS			
Investments	9	923,585	935,516
Intangible Assets	10	10,028	12,484
Fixed Assets	11	7,870,920	8,548,449
TOTAL NON-CURRENT ASSETS		8,804,533	9,496,449
TOTAL ASSETS		14,924,088	16,591,769
CURRENT LIABILITIES			
Payables	12	544,514	519,612
Deferred Income	13	3,083,750	2,794,270
Provision for Employee Entitlements	14	116,094	104,942
TOTAL CURRENT LIABILITIES		3,744,358	3,418,824
NON-CURRENT LIABILITIES			
Interest Bearing Liabilities and Loans	15	186	263
Provision for Employee Entitlements	14	25,658	45,495
TOTAL NON-CURRENT LIABILITIES		25,844	45,758
TOTAL LIABILITIES		3,770,202	3,464,582
NET ASSETS		11,153,887	13,127,187
MEMBERS' FUNDS			
Members' Contribution	16	40	40
Fair Value Reserve	17	-	-
Retained Surplus	18	11,153,847	13,127,147
TOTAL MEMBERS' FUNDS		11,153,887	13,127,187

The accompanying notes are an integral part of these financial statements.

**CASH FLOW STATEMENT
YEAR ENDED 30 JUNE 2020**

	Notes	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donations & fundraising events		4,470,488	4,568,856
Payments to suppliers and employees		(4,928,457)	(3,761,002)
Sundry income received		258,145	6,295
Interest Received		45,387	99,401
Interest Paid		(28)	(477)
NET CASH FLOWS FROM /(USED IN) OPERATING ACTIVITIES	6	(154,465)	913,073
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds/ (Payments) for Intangible Assets		-	(2,177)
Proceeds/ (Payments) for Investments		(109,048)	686,591
Proceeds/ (Payments) for Property, Plant and Equipment		(692,172)	(1,367,726)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(801,220)	(683,312)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Borrowings		(78)	(31)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(78)	(31)
NET INCREASE/ (DECREASE) IN CASH HELD		(955,763)	229,730
Add opening cash brought forward		6,635,896	6,406,166
CLOSING CASH CARRIED FORWARD	6	5,680,133	6,635,896

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CHANGES IN MEMBERS' FUNDS
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	Contributions \$	Fair Value Reserve \$	Retained Surplus \$	Total Members' Funds \$
As at 30 June 2018		40	64,102	11,511,977	11,576,119
Adjustment on initial adoption of accounting standard AASB 9		-	(64,102)	64,102	-
Surplus/ (deficit) for the Year	18	-	-	1,551,068	1,551,068
Equity Contribution	16	-	-	-	-
As at 30 June 2019		40	-	13,127,147	13,127,187
Surplus/ (deficit) for the Year	18			(1,973,300)	(1,973,300)
Equity Contribution	16	-	-	-	-
As at 30 June 2020		40	-	11,153,847	11,153,887

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2020

1. CORPORATE INFORMATION

The financial report of Youngcare Ltd for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the Directors on 27 November 2020.

This financial report reflects the financial performance and financial position of Youngcare Ltd. All amounts within the financial statements are presented in Australian dollars.

Youngcare Ltd is a not for profit Company limited by guarantee incorporated and domiciled in Australia. The nature of the operations and principal activities of the Company are described in the Directors' Report.

Registered Address:
75 St Paul's Terrace
Spring Hill
Queensland
4000

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards – Reduced Disclosure Requirements. The financial report has also been prepared on a historical cost basis with the exception of financial assets at fair value through profit and loss which are carried at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest one dollar.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards.

(i) Accounting standards and Interpretations issued and applied by the Company

AASB 16 Leases – Impact of adoption

The Company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. In applying AASB 16 for the first time, the

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Company has used the following practical expedients permitted by the standard: the accounting for operating leases with a remaining lease term of less than 12 months as at 1 July 2019 as short-term leases.

The Company is not party to any leases with a lease term of more than 12 months. The adoption of this standard did not have a material impact on the Company's financial position or financial performance.

AASB 15 Revenue from Contracts with Customers

The company has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 1058 Income of Not-for-Profit Entities

The company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

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(ii) Accounting Standards and Interpretations issued but not yet effective.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted, unless otherwise stated, by the Company for the year ended 30 June 2020.

(c) Foreign currency translation

(i) Functional and presentation currency

Both the functional and presentation currency of Youngcare Ltd is Australian dollars (\$).

(ii) Transactions & balances

All transactions are in Australian dollars, and as such there are no foreign exchange differences.

(d) Cash and cash equivalents

Cash includes cash on hand and in banks and term deposits at call, which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis.

For the purposes of the Cash Flow Statement, cash and cash equivalents consists of cash and cash equivalents as defined above.

(e) Trade and other receivables

All trade debtors are recognised as amounts receivable, as the amounts are due for settlement upon the issue of the invoice. Recognition of trade debtors is reviewed on an ongoing basis. With respect to expected credit loss, the entity has adopted the low credit risk operational simplification model to assess impairment for trade and other receivables.

A loss allowance, if required, is recognised based on the 12-month expected credit loss assessed on risk of default and any changes in longer-term economic and business conditions.

(f) Financial Instruments

The Company classifies its financial assets in the following measurement categories:

- i) those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- ii) those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

NOTES TO THE FINANCIAL STATEMENTS

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(g) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Payables to related parties are carried at the principal amount.

(h) Property, Plant & Equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment losses. Assets acquired at zero cost, or for nominal consideration, are initially recognised as assets at fair value on the date of acquisition. An associated contribution is recognised in Statement of Comprehensive Income and revenues recognised at their fair value at the date of acquisition.

Land gifted to the Company by the State Government is accounted for as a lease in accordance with the relevant development agreements entered with the State Government. Once title of the land has transferred to the Company, the land will be taken to account at its fair value.

Depreciation is calculated on a reducing balance over the estimated useful life of the assets as follows:

Buildings:	20 years
Office Fit-out:	6-20 years
Plant and equipment:	7-10 years
Computer Hardware:	2 years
Office Furniture:	7-10 years
Motor Vehicles	4 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Comprehensive Income in the year the asset is derecognised.

Impairment

The carrying amounts of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. An impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount. For plant and equipment, impairment losses are recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

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(i) Intangibles

Trademarks acquired are recognised as intangibles and are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Trademarks are amortised on a reducing balance over the period they are registered for. Current trademarks are amortised at a rate of 10%

Computer Software is stated at historical cost less accumulated amortisation and any impairment losses. Computer Software is amortised at a rate of between 25% and 40%.

(j) Employee leave benefits

Wages, Salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date.

They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating leave are recognised when the leave is taken and are measured at the amount paid or payable.

(k) Revenue

Revenue from contracts with customers

Revenue 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.

Sale of Goods

Revenue from sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of the delivery.

Rendering of Services

Revenue from services provided by the Company is recognised over time as the services are rendered.

Fundraising, donations, and Bequests

Revenue from fundraising, including donations and bequests, is recognised when received or receivable.

Interest

Interest income is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

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Dividends

Dividends are recognised as revenue when the Company's right to receive payment is established.

Sponsorships

Sponsorship is recognised over the period of the sponsorship agreement as the company meets its performance obligation that entitles them the right to the sponsorship donation.

Grants

Revenue from government grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised upon receipt.

Capital grants are recognised as income when (or as) it satisfies its obligations under the transfer. Capital grants are type of grants where the company receives a financial asset to acquire or construct a non-financial asset to identified specifications; retains control of the non-financial asset (i.e. for its own use); and the transaction is enforceable. Where there are ongoing specific service obligations attached to the capital grant, revenue is recognised as the specific service obligations are satisfied.

Other revenue

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

In kind revenue is recognised when the services are received.

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

(I) Income Taxes

Youngcare is exempt from Income Tax pursuant to section 50-5 of the Income Tax Assessment Act (1997).

Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position. Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES & ASSUMPTIONS

Estimates and judgements relating to current and likely future operational activities are necessarily made from time to time. They are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed, at the time, to be reasonable based on the most current set of circumstances available to management. The resulting accounting estimates will, by definition, seldom equal the related actual results.

(i) Significant Accounting Judgements***(a) Estimation of useful lives of assets***

The estimation of the useful lives of assets has been based on the historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

(b) Impairment

Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on independent valuation in relation to property.

(c.) Employee benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries and annual leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the entity to an employee's designated superannuation fund and are charged as expenses when incurred.

NOTES TO THE FINANCIAL STATEMENTS

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	2020 \$	2019 \$
4. REVENUE AND EXPENSES		
(a) Revenue		
Gross donations received	2,573,225	3,772,598
Fundraising	1,630,286	1,542,481
Other Income	2,420	16,450
Non-monetary donations	1,172,753	342,315
Revenue from continued operations	5,378,684	5,673,844
(b) Other Income		
Interest Received	45,387	98,401
Investment Proceeds	-	17,028
Dividends & Capital Return Received	29,691	71,843
Fee Income Received	9,322	6,545
Insurance Settlement	2,870	-
Government Subsidy	281,500	-
Other Income	368,770	194,817
Total Income	5,747,454	5,868,661
(c) Expenses		
Fund Raising Expenses	331,144	349,471
Marketing & Promotional Expenses	1,005,084	287,555
Website Expenses	6,706	2,941
At Home Care Grants	1,199,638	1,036,251
Research and Development	4,693	182
Employment Costs	2,502,885	2,248,610
Depreciation & Amortisation	192,388	160,999
Audit & Accounting	142,543	67,693
Insurance	59,960	48,695
Licences, Registrations & Memberships	74,840	63,787
Office Property Costs	42,137	66,882
Motor Vehicle Expenses	2,680	5,245
Travel	153,949	177,825
Communication Costs	22,070	18,605
Stationery, Printing & Postage	61,054	96,113
Bank Fees	13,318	17,934
Investments Fair Value Loss	91,962	75,837
Other	885,588	631,166
	6,792,639	5,355,791
(d) Surplus/(Deficit) Housing Solutions & Accommodation		
Property Income	203,197	143,923
Service Income	7,191	-
Government Funding	1,800	944,544
Housing Solutions & Accommodation Income	212,188	1,088,466
Housing Operations Costs	(473,303)	(50,269)
Property Impairment	(667,000)	-
Housing Solutions & Accommodation Costs	(1,140,303)	(50,269)
Surplus/(Deficit) from Housing Solutions Accommodation	(928,115)	1,038,198

NOTES TO THE FINANCIAL STATEMENTS**30 JUNE 2020****5. INCOME TAX**

As explained in Note 2(l) of the Summary of Significant Accounting Policies, Youngcare Ltd has been endorsed by the Commissioner of Taxation as an income tax exempt charity pursuant to Section 50- B of the *Income Tax Assessment Act (1997)*. Accordingly, no income tax has been provided for in these financial statements.

	2020	2019
	\$	\$
6. CASH		
Cash at bank	5,678,233	6,633,996
Cash on hand	1,900	1,900
Total cash	<u>5,680,133</u>	<u>6,635,896</u>

Reconciliation of the operating surplus/(loss) after tax to the net cash flows from operations

Net Surplus/(Deficit)	(1,973,300)	1,551,068
Adjust for Non-Cash items		
Depreciation	192,388	160,999
Write off Fixed Assets	1,168,219	-
Donations/ Investment Returns	(1,172,753)	(334,861)
Operational Expenses	1,264,719	334,861
Rental Operating Income	-	(98,906)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	70,240	251,994
(Increase)/decrease in prepayments	(9,675)	(16,869)
(Decrease)/increase in trade and other creditors	24,902	(86,659)
(Decrease)/increase in employee provisions	(8,685)	(68,761)
(Decrease)/Increase in deferred income	289,480	(779,793)
Net cash flow from /(used in) operating activities	<u>(154,465)</u>	<u>913,073</u>

NOTES TO THE FINANCIAL STATEMENTS

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	2020 \$	2019 \$
7. RECEIVABLES		
Trade receivables	1,050	11,272
GST Refundable	-	4,981
Receivable from Housing Department	90,042	8,714
Receivable from JV Partner MSQ	37,058	111,174
Other	73,390	135,639
Total receivables	201,540	271,780
<i>Receivables</i>		
<i>Days</i>		
0- 30 Current Terms	200,490	154,066
31-60 (Past due)	1,050	-
61-90 (Past due)	-	-
+91 (Past due)	-	117,714
	201,540	271,780

The receivables were not exposed to foreign exchange risk. No allowance for expected credit loss has been recorded for the current or previous financial year.

FAIR VALUE AND CREDIT RISK

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security.

	2020 \$	2019 \$
8. PREPAYMENTS AND OTHER ASSETS		
Bartercard Account	142,477	97,856
Prepayments	89,757	80,081
Inventory	5,649	9,707
Total Prepayments & other assets	237,883	187,644

NOTES TO THE FINANCIAL STATEMENTS

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9. INVESTMENTS

	2020			
	Carrying Amount		Fair Value	
	\$	Level 1	Level 2	Level 3
Share portfolio	923,585	923,585	-	-
Total investments	923,585	923,585	-	-

	2019			
	Carrying Amount		Fair Value	
	\$	Level 1	Level 2	Level 3
Share portfolio	935,516	935,516	-	-
Total investments	935,516	935,516	-	-

10. INTANGIBLE ASSETS

	2020	2019
	\$	\$
Trademarks	5,956	4,636
Less Accumulated Amortisation	(3,289)	(3,042)
	2,667	1,594
Software	91,241	91,241
Less Accumulated Amortisation	(83,880)	(80,351)
	7,361	10,890
Total Intangible Assets	10,028	12,484

Reconciliations of the carrying value of intangible assets at the beginning and end of the current financial year are set out below:

	Trademarks	Software
2020FY		
Opening Balance	1,594	10,890
Additions	4,362	80,351
Disposals	-	-
Amortisation	(3,289)	(83,880)
Closing Balance	2,667	7,361
	Trademarks	Software
2019FY		
Opening Balance	1,771	13,482
Additions	-	2,178
Disposals	-	-
Amortisation	(177)	(4,770)
Closing Balance	1,594	10,890

NOTES TO THE FINANCIAL STATEMENTS

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	2020 \$	2019 \$
11. FIXED ASSETS		
Computer Hardware	105,627	66,545
Less Accumulated Depreciation	(70,268)	(55,272)
	35,359	11,273
Furniture and Fixtures	15,834	15,834
Less Accumulated Depreciation	(10,128)	(9,258)
	5,706	6,576
Motor Vehicles	41,990	41,990
Less Accumulated Depreciation	(35,522)	(30,001)
	6,468	11,989
Office Equipment	28,978	27,559
Less Accumulated Depreciation	(21,116)	(19,451)
	7,862	8,108
Land and Buildings	2,061,741	2,061,741
Less Accumulated Depreciation and Impairment	(982,356)	(960,809)
	1,079,385	1,100,932
Fit-out	368,955	368,955
Less Accumulated Depreciation and Impairment	(279,160)	(273,659)
	89,795	95,296
Woolloowin (incl Furniture & Fittings)	2,470,821	3,137,821
Less Accumulated Depreciation	(370,719)	(303,790)
	2,100,101	2,834,031
Albany Creek (incl Furniture & Fittings)	2,751,640	3,058,259
Less Accumulated Depreciation	(200,224)	(120,836)
	2,551,416	2,937,423
Capital Work in Progress – Woolloowin Stage 2	-	194,600
Capital Work in Progress – Townsville	721,653	100,000
Capital Work in Progress – Jordan Springs	1,258,823	1,246,721
Capital Work in Progress – Bridgeman Downs	14,352	1,500
Total Fixed Assets	7,870,920	8,548,449

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2020

Reconciliations of the carrying value of fixed assets at the beginning and end of the current financial year are set out below:

	Computer Hardware	Furniture & Fixtures	Motor Vehicles	Office Equipment	Head Office Land & Buildings (1)	Fit-out	Woolloowin	Albany Creek	WIP- Woolloowin Stg2	WIP- Townsville	WIP – Jordan Springs	WIP – Bridgeman Downs
Opening Bal	11,273	6,576	11,989	8,108	1,100,932	95,296	2,834,031	2,937,423	194,600	100,000	1,246,721	1,500
Additions	39,082	-	-	1,419	-	-	-	-	-	621,653	12,102	12,852
Write-off	-	-	-	-	-	-	(667,000)	(306,619)	(194,600)	-	-	-
Depreciation	(14,996)	(870)	(5,521)	(1,665)	(21,547)	(5,501)	(66,930)	(79,388)	-	-	-	-
Closing Bal	35,359	5,706	6,468	7,862	1,079,385	89,795	2,100,101	2,551,416	-	721,653	1,258,823	14,352

(1) The loan for the purchase of this property is secured over the property – refer to Note 15.

	2020 \$	2019 \$
12. PAYABLES (CURRENT)		
Trade payables	94,515	61,263
Accrued expenses	451,541	419,556
GST Payable / (Receivable)	1,042	-
Payroll Payable/ (Receivable)	(2,584)	38,793
Total accounts payable	544,514	519,612

13. DEFERRED INCOME

Deferred sponsorship and other event funding received	100,059	56,185
Deferred Grant program funding received	805,016	802,809
Funding relating to future projects	1,222,422	869,448
In-Kind Land Grant Funding	956,253	1,065,828
Total Deferred Income	3,083,750	2,794,270

	2020 \$	2019 \$
14. PROVISION FOR EMPLOYEE ENTITLEMENTS		
Current		
Provisions for Annual Leave	116,094	104,942
Non-Current		
Provision for Long Service Leave	25,658	45,495
Total Provision for Employee Entitlements	141,752	150,437

15. INTEREST BEARING LIABILITIES AND LOANS

Non-current		
Bank borrowings	186	263
	186	263

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2020

At 30 June 2020 the Company had access to the following finance facilities:

	Denominated Currency	Facility Available \$	Facility Unutilised \$	Facility Utilised \$
As at 30 June 2020				
Bank Loan	\$AUD	840,000	839,814	186
As at 30 June 2019				
Bank Loan	\$AUD	840,000	839,737	263

Bank borrowings – mortgage on property in Spring Hill

The loan is secured over the property. The term of the loan is 180 months (15 years), and the interest rate is 2.40% per annum (2019: 3.65%).

	2020 \$	2019 \$
16. MEMBERS' CONTRIBUTIONS		
Opening Balance	40	40
Contributions/(returns) during the period	-	-
Closing Balance	<u>40</u>	<u>40</u>

	2020 \$	2019 \$
17. FAIR VALUE RESERVE		
<i>Retained Surplus</i>		
Opening Balance	-	64,102
Fair Value movement/reclassification on adoption of AASB 9	-	(64,102)
Closing Balance	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2020

18. RETAINED SURPLUS

	2020	2019
	\$	\$
<i>Retained Surplus</i>		
Opening Balance	13,127,147	11,511,977
Fair Value reclassification AASB 9	-	64,102
Surplus/(Deficit) for the period	(1,306,300)	1,551,068
Closing Balance	11,820,847	13,127,147

Management's objective when managing capital is to ensure the entity continues as a going concern and is in a position to continue achieving its stated objectives. A monthly review of management accounts is carried out by the Board.

19. RELATED PARTY DISCLOSURE

(a) Key Management Personnel

Details related to key management personnel, including remuneration paid, are included in Note 20.

(b) Transactions with related parties

During the year, no transactions occurred that were not within normal employee, customer or supplier relationships on terms and conditions no more favourable than those available to other employees, customers or suppliers. Directors or their related entities may also have provided pro-bono services to Youngcare during the year.

(c) Trade Receivables

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

20. KEY MANAGEMENT PERSONNEL

Compensation of Key Management Personnel

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the organisation. The Company has identified 5 positions (2019: 4 positions) that meet this definition.

Key Management Personnel compensation during the year ended 30 June 2020 was:

	2020	2019
	\$	\$
Short Term	786,859	681,926
Post Employment	74,284	64,633
Termination Benefits	105,750	-
Total	966,893	746,559

Directors' Remuneration

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2020

No director received any remuneration for the year (2019: \$Nil) in relation to services as a director of Youngcare Ltd.

21. COMMITMENTS & CONTINGENCIES

(a) Commitments

Youngcare has no operating leases with a commitment as at 30 June 2020.

	2020	2019
	\$	\$
6 months or less	338,890	-
6 – 12 months	-	-
1 – 5 years	-	-
Over 5- years	-	-
Total	338,890	-

Commitment at 30 June 2020, represents the outstanding value of works to be completed on Townsville housing accommodation.

(b) Contingent Liabilities

The Company acts as trustee for the Youngmac Trust (the 'trust'). As trustee, the company is liable for the liabilities of the trust. However, the trust had sufficient assets to pay these liabilities at the reporting date and the company does not anticipate that there will be a shortfall or a going concern issue in the foreseeable future.

No assets or liabilities of the trust were recognised in these financial statements.

22. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There have been no other matters or circumstances which have arisen subsequent to the reporting date, which would have significantly affected, or may significantly affect, the above dealings of the Company.

23 . AUDITOR'S REMUNERATION

Amounts received or due and receivable for the audit of the financial report. These services were received either as an in-kind contribution or were paid for and matched with a corresponding donation back to Youngcare:

	2020	2019
	\$	\$
- Audit of the financial report – BDO (2019:EY)	55,000	65,000
Total	55,000	65,000

DECLARATION BY MEMBERS OF THE BOARD

In accordance with a resolution of the members of the Board, I state that:

(1) In the opinion of the Directors:

- (a) the financial statements and notes of Youngcare Ltd for the financial year ended 30 June 2020 are in accordance with 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 2020 and of its performance for the year ended on that date; and
 - ii. complying with Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-Profits Commission Regulation 2013.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Paul McLean
~~Non-Executive Chairman~~

Brisbane

Date: 27 November 2020