

Kokoda Youth Foundation Inc

ABN: 39 367 906 920

Financial Statements

For the year ended 31 December 2023

Kokoda Youth Foundation Inc

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For the year ended 31 December 2023

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Kokoda Youth Foundation Inc

Directors' report
31 December 2023

The management present their report on Kokoda Youth Foundation Inc for the financial year ended 31 December 2023.

Information on directors

The names of each person who has been a director during the year and to date of the report are:

Chair	Lynley Mangin
Treasurer	Eric Flammang
Secretary	Sophie Hoskings
Founder	Doug Henderson
Director	Nikki Horton- commenced 18th April 2023
Director	Barry Oliver- commenced 22nd August 2023
Director	Mark Pearce
Director	Belinda Northam
Director	Mike Toby

Management have been in office since the start of the financial year to the date of the report unless otherwise stated.

Principal activities

The principal activities of the Kokoda Youth Foundation Inc during the financial year were the provision of education, support and services to young people aged 12-18 through various adventure based youth programs which are offered free of charge to participants. During the financial year the Kokoda Youth Foundation Inc hosted Kokoda Challenge endurance events and Outdoor Education camps for participants. The history of the Kokoda Campaign of WWII is inspiration for all Kokoda Youth Foundation Inc events from the courage of the Australian Diggers the association works to change lives through the Spirit of Kokoda.

No significant changes in the nature of the Association's activity occurred during the financial year.

Operating results

The profit/(loss) of the Association after providing for income tax amounted to \$300,629 (2022: \$405,507)

Review of operations

A review of the operations of the Association during the financial year and the results of those operations show the following results;

- The purchase of land and buildings at Kokoda Park, 213 Mulgowie Road, Thornton, Qld for \$1,800,000 on 23rd February 2023 to provide a premises for the hosting of outdoor education camps.
- The continuation of the provision of services under the grant agreement between the association and the Commonwealth Government for the Safer Communities Fund Round 6 - Early Intervention Grant. A progress payment No. 2 for \$436,8941 was paid on 20th June 2023 and the project implementation - Group 1 milestone was reached on 31st May 2023. This grant is ongoing into next financial year.
- The construction of a Vietnam War Memorial at Kokoda Barracks main entry gate to enable public access and ensure the legacy of our Vietnam soldiers is preserved under the grant agreement between the association and the Commonwealth Government Department of Veterans Affairs. Full payment of the Grant of \$104,668 was paid on 1 June 2023. The activity completion date is 30 September 2024. Full expenditure of the grant was made this financial year.

Significant changes in state of affairs

The following significant changes in the state of affairs of the Association occurred during the financial year:

- A significant increase in staffing in 2023 compared to 2022 due to the following factors;
 - all staff received a 3% wage increase as approved by the Board commencing January 2023.
 - 4 new full-time employees from January 2023 for the OTRT program.
 - A third person joined the Events team.
 - A marketing assistant started in January 2023.
 - A marketing intern was employed for a period of four months.
 - There was an increase in Outdoor Education staff being paid by the association directly.

Events after the reporting date

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

Environmental issues

The Association's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and insurance of officers and auditors

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

Signed in accordance with a resolution of the Board of directors.



Lynley Mangin

Director

Dated: 22 April 2024



Eric Flammang

Director

23 April 2024



**TEAM
SMSF AUDIT**

WORKING IN COMPLIANCE WITH YOU

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Auditor's independence declaration to the responsible persons of Kokoda Youth Foundation Inc

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023,
there have been:

- no contraventions of the auditor independence requirements as set out in section 60-40 of the *Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD))* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

TEAM SMSF AUDIT

Gary Smith
Senior Associate
Reg. Co. Auditor 222045

Nerang QLD
16th April 2024

Kokoda Youth Foundation Inc
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue	6		
Revenue from contracts with customers			
Sale of goods		36,726	29,665
Provision of services- Camps & Events		1,781,243	1,736,220
Grants		866,209	77,310
Member subscriptions		170	110
Other revenue from contracts with customers		56,636	46,727
Total Revenue from contracts with customers		2,740,984	1,890,032
Revenue from other sources			
Donations		1,725,669	1,751,600
Other revenue from other sources		14,331	5,204
Total Revenue from other sources		1,740,000	1,756,804
Total Revenue		4,480,984	3,646,836
Cost of sales		(1,064,753)	(907,771)
Gross profit		3,416,231	2,739,065
Interest received	7	24,644	-
Other income	6		
Net gain on disposal		294,147	-
Administrative expenses			
Administrative expenses		(499,648)	(414,837)
Employee benefit expenses		(2,285,081)	(1,597,577)
Total Administrative expenses		(2,784,729)	(2,012,414)
Finance expenses	7	(6,242)	(6,302)
Occupancy costs		(35,334)	(25,614)
Other expenses			
Other expenses			
Lease expenses		(207,468)	(46,113)
Insurance		(155,096)	(141,139)
Donations		(35,564)	(50,143)
Legal fees		(1,447)	(5,687)
Motor vehicles expenses		(29,036)	(6,333)
Net loss on disposal		(1,412)	-
Other expenses		436	(840)
Total Other expenses		(429,587)	(250,255)
Depreciation expenses		(47,468)	(38,973)
Total Other expenses		(477,055)	(289,228)
Memorial expense		(131,033)	-
Profit (loss) before income taxes		300,629	405,507
Income tax		-	-
Profit (loss) from continuing operations		300,629	405,507
Profit (loss) for the year		300,629	405,507
Total comprehensive income for the year		300,629	405,507

The accompanying notes form part of these financial statements.

Kokoda Youth Foundation Inc

Statement of financial position

As at 31 December 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	9	1,001,307	2,946,788
Trade and other receivables	10	29,235	11,035
Inventories	11	34,637	25,089
Other assets			
Prepayments	14	170,966	180,807
Total current assets		1,236,145	3,163,719
Non-current assets			
Trade and other receivables	10	47,557	47,557
Property, plant and equipment	13	3,533,158	1,840,140
Right-of-use assets	15	288,225	-
Total non-current assets		3,868,940	1,887,697
Total assets		5,105,085	5,051,416
Liabilities			
Current liabilities			
Trade and other payables	16	58,731	236,156
Borrowings			
Bank overdraft	17	-	4,613
Employee benefits	18	115,235	110,743
Contract liabilities			
Grant monies received in advance	12	390,401	715,101
Other contract liabilities		200,120	213,000
Total Contract liabilities		590,521	928,101
Lease liabilities	15	172,935	3,677
Total current liabilities		937,422	1,283,290
Non-current liabilities			
Borrowings	17	233,564	249,943
Lease liabilities	15	115,290	-
Total non-current liabilities		348,854	249,943
Total liabilities		1,286,276	1,533,233
Net assets		3,818,809	3,518,183
Equity			
Retained earnings		3,818,808	3,518,179

The accompanying notes form part of these financial statements.

Kokoda Youth Foundation Inc

Statement of changes in equity

For the year ended 31 December 2023

	Retained earnings \$	Total \$	Total equity \$
<hr/>			
2022			
Opening balance	3,112,672	3,112,672	3,112,672
Profit for the year	405,507	405,507	405,507
Closing balance	3,518,179	3,518,179	3,518,179
<hr/>			
	Retained earnings \$	Total \$	Total equity \$
2023			
Opening balance	3,518,179	3,518,179	3,518,179
Profit for the year	300,629	300,629	300,629
Closing balance	3,818,808	3,818,808	3,818,808

The accompanying notes form part of these financial statements.

Kokoda Youth Foundation Inc

Statement of cash flows

For the year ended 31 December 2023

	2023
	\$
Cash flows from operating activities:	
Receipts from customers	1,858,026
Payments to suppliers and employees	(4,616,664)
Donations received	1,725,669
Interest received	24,644
Finance costs	(6,242)
Receipt from grants	541,509
Net cash flows from/(used in) operating activities	(473,058)
Cash flows from investing activities:	
Proceeds from sale of plant and equipment	592,256
Purchase of property, plant and equipment	(2,034,784)
Net cash provided by/(used in) investing activities	(1,442,528)
Cash flows from financing activities:	
Payment of borrowings	(25,282)
Net increase/(decrease) in cash and cash equivalents	(1,940,868)
Cash and cash equivalents at beginning of year	2,942,175
Cash and cash equivalents at end of financial year	1,001,307

The accompanying notes form part of these financial statements.

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

1. Introduction

The financial statements cover Kokoda Youth Foundation Inc as an individual entity. Kokoda Youth Foundation Inc is a not-for-profit Association incorporated in Queensland under the *Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2020)* ('the Act').

The functional and presentation currency of Kokoda Youth Foundation Inc is Australian dollars.

The financial report was authorised for issue by the Committee of Management on 11 April 2024.

Comparatives are consistent with prior years, unless otherwise stated.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements 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.

Material accounting policy information adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3. Transition to simplified disclosure

In the previous period, the Association prepared a special purpose financial report.

The association has initially adopted the following standard and amendments from 1 January 2023.

- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities;

In adopting this standard, the Association has applied AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The effects of the transition and description of the change in accounting policies to Australian Accounting Standards – Simplified Disclosures is set out in the note below.

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

3. Transition to simplified disclosure (continued)

a. Reconciliation of equity

At the end of comparative period	Note	Previously reported numbers \$	Correction of prior period errors \$	General purpose - simplified disclosures \$
Retaining Earnings	1.	4,233,280	(715,101)	3,518,179

1. The association has chosen to apply AASB 15 which requires Grant revenue to be recognised on a straight-line basis as the service is performed. The adoption of this standard has resulted in the above adjustment.

b. Reconciliation of statement of profit or loss and other comprehensive income for the year ended 2022

	Note	Previously reported numbers \$	Correction of prior period errors \$	General purpose - simplified disclosures \$
Grants Received	1.	792,411	(715,101)	77,310

1. The association has chosen to apply AASB 15 which requires Grant revenue to be recognised on a straight-line basis as the service is performed. The adoption of this standard has resulted in the above adjustment.

4. Material accounting policy information

a. Revenue

i. Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of control of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

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

Some of the revenue streams of the Association do have significant financing terms that are longer than 12 months between receipt of funds and satisfaction of performance obligations.

4. Material accounting policy information (continued)

a. Revenue (continued)

ii. Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Grants received

Revenue within the scope of AASB 15 is recognised on receipt unless it relates to a grant for services which satisfies certain criteria, in this case the grant is recognised as the services are provided and the milestones of the grant agreement are met in line with AASB 15.

Camp Income

Camp income is recognised on a basis that reflects the transfer of control of promised services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those services.

Camp deposits are required upfront and therefore a contract liability is recognised on receipt of the payment and recognised as revenue when the camp takes place.

iii. Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations

Donations and other revenue

Revenue is recognised on receipt of cash or at the time a receivable is recorded, if earlier

iv. Statement of financial position balances relating to revenue recognition

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Association presents the contract as a contract asset, unless the Association's rights to that amount of consideration are unconditional, in which case the Association recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Association presents the contract as a contract liability.

The Association recognises assets relating to the costs of obtaining a contract and the costs incurred to fulfil a contract or set up / mobilisation costs that are directly related to the contract provided they will be recovered through performance of the contract.

4. Material accounting policy information (continued)

a. Revenue (continued)

iv. Statement of financial position balances relating to revenue recognition (continued)

Costs to fulfil a contract

Where costs are incurred to fulfil a contract, they are accounted for under the relevant accounting standard (if appropriate), otherwise if the costs relate directly to a contract, the costs generate or enhance resources of the Association that will be used to satisfy performance obligations in the future and the costs are expected to be recovered then they are capitalised as contract costs assets and released to the profit or loss on a systematic basis consistent with the transfer to the customer of the goods or services to which the asset relates.

v. Grant revenue

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

Grant income arising from non-enforceable contracts or those without sufficiently specific performance obligations is recognised on receipt unless it relates to capital grants which meet certain criteria.

Enforceable capital grants received to enable the Association to acquire or construct an item of property, plant and equipment to identified specifications which will be controlled by the entity are recognised as revenue as and when the obligation to construct or purchase is completed.

- For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.
- For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the entity.

vi. Other income

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

vii. Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

b. Income tax

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

c. Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

4. Material accounting policy information (continued)

d. Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

e. Cash and cash equivalents

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

f. Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

g. Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

i. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the asset's useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Furniture & Fixtures	10 years
Motor Vehicles	5.333 years
Property Improvements	At cost
Office Computer Equipment	2.25 years

4. Material accounting policy information (continued)

g. Property, plant and equipment (continued)

i. Depreciation (continued)

Fixed asset class	Useful life
Plant & Equipment	8.333 years
Property at Cost	At cost

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

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

h. Leases

At inception of a contract, the Association assesses whether a lease exists.

i. Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

The Association has chosen not to apply AASB 16 to leases of intangible assets.

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

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

Exceptions to lease accounting

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

4. Material accounting policy information (continued)

i. Impairment of non-financial assets

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

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

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

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

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

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

j. Employee benefits

Provision is made for the Association's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

k. Financial instruments

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

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

i. Financial assets

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

Classification

On initial recognition, the Association classifies its financial assets as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

4. Material accounting policy information (continued)

k. Financial instruments (continued)

i. Financial assets (continued)

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

Trade receivables and contract assets

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

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

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

ii. Financial liabilities

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

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

I. Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 31 December 2023.

5. Critical accounting estimates and judgements

The management make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

a. Key estimates - impairment of property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

b. Key estimates - revenue recognition - long term contracts

The Association undertakes long term contracts which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of future costs of completing the contract and the expected outcome of the contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

c. Key estimates - inventory

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

d. Key estimates - receivables

The fair value of investment properties was determined using a discounted cash flow model which used a number of unobservable inputs. Information about the inputs and assumptions used are included in the fair value and investment property notes.

e. Key judgments - lease classification

The Association leases its office premises at 8 New Street, Nerang, Qld. Review of the minimum lease payments, lease term, other terms and conditions in the lease have caused the lease to be classified as an operating lease and therefore there are no entries on the statement of financial position. The minimum lease payments are \$172,935 p.a. excluding GST. The lease commenced on 1st September 2022 and expires on 31st August 2025 with 1 option of a three year renewal.

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

6. Revenue and other income

a. Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from contracts with customers (AASB 15)		
Sale of goods	36,726	29,665
Provision of services	1,781,243	1,736,220
Grants		
Commonwealth government- Department of Veterans' Affairs	104,668	-
Commonwealth government- Department of Industry, Science, Energy and Resources	761,541	77,310
Total Grants	866,209	77,310
Member subscriptions	170	110
Other revenue from contracts with customers		
Partners & Sponsorship	56,636	46,727
	2,740,984	1,890,032
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
Donations	1,725,669	1,751,600
Other revenue from other sources		
Miscellaneous Income	14,331	2,799
Hireout Labour (Revenue) - CK	-	2,405
Total Other revenue from other sources	14,331	5,204
	1,740,000	1,756,804
	4,480,984	3,646,836

b. Other income

	2023	2022
	\$	\$
Net gain on disposal	294,147	-

7. Finance income and expenses

Finance income	2023	2022
	\$	\$
Interest income		
Other interest income	24,644	-
	24,644	-
Finance expenses	2023	2022
	\$	\$
Interest expense	6,221	6,290
Net loss on financial assets at FVTPL	-	3

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

7. Finance income and expenses (continued)

Finance expenses	2023	2022
	\$	\$
Foreign currency loss on financial assets and liabilities	21	9
	6,242	6,302

8. Auditor's remuneration

	2023	2022
	\$	\$
Remuneration of the auditor of the Association, Crowley, Calvert & Assoc. for, Auditing or reviewing the financial statements	10,100	7,800

9. Cash and cash equivalents

a. Cash and cash equivalent details

	2023	2022
	\$	\$
Cash at bank	1,001,095	2,945,963
Cash on hand	212	825
	1,001,307	2,946,788

b. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2023	2022
	\$	\$
Cash and cash equivalents	1,001,307	2,946,788
Bank overdraft	-	(4,613)
	1,001,307	2,942,175

10. Trade and other receivables

Current	2023	2022
	\$	\$
Trade receivables	29,235	11,035
	29,235	11,035

Non-current	2023	2022
	\$	\$
Operating lease receivables		

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

10. Trade and other receivables (continued)

Non-current	2023	2022
	\$	\$
Bond Payment - Rental	47,557	47,557
	47,557	47,557

11. Inventories

a. Inventory details

Current	2023	2022
	\$	\$
At cost		
Other inventories for sale	34,637	25,089

12. Contract balances

The Association has recognised the following contract assets and liabilities from contracts with customers:

Current contract liabilities	2023	2022
	\$	\$
Grant monies received in advance	390,401	715,101
Camp deposits	200,120	213,000
	590,521	928,101

The nature of contract assets and liabilities are as follows:

Grant monies in advance

Performance obligations under the grant agreement are yet to be satisfied and the term of the grant agreement is ongoing resulting in the recognition of a contract liability. Revenue will be recognised once the terms of the grant contract have been fulfilled.

Camp deposits

Contract liabilities have arisen due to the prepayments of camp fees to be held over the next 6 - 12 months. Revenue will be recognised once the training is conducted.

13. Property, plant and equipment

a. Property, plant and equipment details

Summary	2023	2022
	\$	\$
Land	2,152,536	625,404

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

13. Property, plant and equipment (continued)

a. Property, plant and equipment details (continued)

Summary	2023	2022
	\$	\$
Property and Improvements	1,143,275	1,004,214
Plant and equipment	89,897	66,997
Office equipment	23,797	21,236
Furniture, fixtures and fittings	20,359	18,546
Motor vehicles	103,294	103,743
	3,533,158	1,840,140

2023	Land	Property & Improvements	Plant and equipment	Office equipment	Furniture, fixtures and fittings	Motor vehicles	Total
	\$	\$	\$	\$	\$	\$	\$
Opening balance	625,404	1,004,214	66,997	21,236	18,546	103,743	1,840,140
Additions	-	1,952,805	35,388	17,491	4,536	25,063	2,035,283
Gain/loss on Disposal	-	(285,966)	(801)	(499)	(611)	(6,919)	(294,796)
Depreciation							
Depreciation expense	-	(646)	(11,687)	(14,431)	(2,112)	(18,593)	(47,469)
Closing balance	625,404	2,670,407	89,897	23,797	20,359	103,294	3,533,158

14. Other assets

Current	2023	2022
	\$	\$
Other assets		
Prepaid expenses	170,966	180,807

15. Leases

a. Association as a lessee

i. Terms and conditions of leases

The association has a lease over the office premises located at Level 1, 10 New Street, Nerang QLD 4211. The term of the lease is three years beginning on 1 September 2022 with an option to extend the term of the lease for another 3 years.

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

15. Leases (continued)

a. Association as a lessee (continued)

ii. Right-of-use assets

2023	Office premises \$	Total \$
Depreciation charge	(172,935)	(172,935)

iii. Extension options

A number of the building leases contain extension options which allow the Association to extend the lease term by up to twice the original non-cancellable period of the lease.

The Association includes options in the leases to provide flexibility and certainty to the Association operations and reduce costs of moving premises and the extension options are at the Association's discretion.

At commencement date and each subsequent reporting date, the Association assesses where it is reasonably certain that the extension options will be exercised.

There are \$518,805 in potential future lease payments which are not included in lease liabilities as the Association has assessed that the exercise of the option is not reasonably certain.

iv. Statement of profit or loss and other comprehensive income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2023 \$	2022 \$
Expenses relating to short term leases	34,533	4,189
Amortisation of right-of-use assets	172,935	-
Rental lease- Level 1, 10 New Street, Nerang Qld 4211	-	41,924

16. Trade and other payables

Current	2023 \$	2022 \$
Trade payables	71,851	185,592
GST payable	(13,120)	50,564
	58,731	236,156

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

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

17. Borrowings

Non-current	2023	2022
	\$	\$
Secured		
Other borrowings	233,564	249,943

a. Summary of borrowings

The association has a Covid-19 Jobs Support loan in place from the Queensland Government, Rural and Industry Development Authority. Interest is charged at 2.50% and principal and interest payments are made monthly.

b. Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

c. Fair value measurement

The Association measures borrowings at fair value on a recurring basis.

18. Employee benefits

a. Employee benefit details

Current	2023	2022
	\$	\$
Provision for Annual Leave	115,235	110,743

19. Contingencies

In the opinion of the Directors, the Association did not have any contingencies at 2023 (2022: None).

20. Related parties

No members of the management committee were remunerated for their services during the financial year.

Related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Kokoda Youth Foundation Inc

Notes to the financial statements

For the year ended 31 December 2023

21. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2023
	\$
Profit for the year	300,629
Add / (less) non-cash items:	
(Profit) / loss on sale of assets	(292,735)
Depreciation and amortisation	47,468
Changes in assets and liabilities:	
(increase) / decrease in receivables	(18,200)
(increase) / decrease in inventories	(9,548)
(increase) / decrease in other assets	9,841
increase / (decrease) in payables	(177,425)
increase / (decrease) in employee benefits	4,492
increase / (decrease) in contract liabilities	(337,580)
Cash flows from operations	(473,058)

22. Events occurring after the reporting date

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

23. Statutory information

The registered office and principal place of business of the Association is:

Kokoda Youth Foundation Inc
Floor 1
10 New Street
Nerang QLD Australia
4211

Kokoda Youth Foundation Inc
Certificate by members of committee

Annual statements give true and fair view of financial performance and position of incorporated association

We Lynley Mangin and Eric Flammang, being members of the Committee of Kokoda Youth Foundation Inc, certify that -

The statements attached to this certificate give a true and fair view of the financial performance and position of Kokoda Youth Foundation Inc during and at the end of the financial year of the association ending on 31 December 2023.



Lynley Mangin

Chair

Dated: 23 April 2024



Eric Flammang

Treasurer

23 April 2024



Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Kokoda Youth Foundation Inc (the Association), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information and the Certificate by members of committee.

In our opinion, the accompanying financial report of the Association is in accordance with the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act 2020 (QLD) including:

1. giving a true and fair view of the Association's financial position as at 31 December 2023 and of its financial performance for the year ended; and
2. complying with Australian Accounting Standards and the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act 2020 (QLD).

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 Association in accordance with the auditor independence requirements of the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Large charities often receive funding from various sources, including government grants, donations, fundraising events, and program service fees. Risks related to revenue recognition include ensuring compliance with accounting standards for recognizing revenue from different sources and properly documenting restrictions on funds.

Asset Valuation

Assertion risks related to asset valuation involve ensuring that assets are properly valued in the financial statements. This includes risks associated with the valuation of investments, property, plant, equipment, and other assets.

Risks include the potential for overvaluation or undervaluation of assets, inadequate impairment assessments, and insufficient disclosure of valuation methods and assumptions.

Other matters- Prior period financial report audited by a predecessor auditor

The financial report of the prior period was audited by Kelly Partners Chartered Accountants located in Campbelltown NSW.

The predecessor auditor issued a qualified opinion on the basis that it was not practical for the association to maintain an effective system of internal control over donations, event fees and fund raising activities until their initial entry in the accounting records and accordingly, our audit in relation to these items was limited to amounts recorded. The audit report was issued on the 18th April 2023.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association'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.

TEAM SMSF AUDIT



Gary Smith
Senior Associate
Reg. Co. Auditor 222045

Nerang QLD
24th April 2024