MARIST YOUTH CARE LIMITED
(A Company Limited by Guarantee)
ABN 70 066 591 811

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

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DIRECTORS' REPORT

The Directors present their report together with the annual financial report of Marist Youth Care Limited ("the company") for the year ended 30 June 2016.

Directors
The names of the directors in office at the date of this report are:

Director	Date Appointed	Particulars
Brother Anthony Robinson	3 Feb 2011	Marist Brother
Brother Roger Valance	7 April 2011	Marist Brother
Brian Pickup	9 July 2013	Chartered Accountant
Brother Mark Paul	5 Dec 2013	Marist Brother
Joanne Smail	1 May 2014	Consultant
John Cameron	5 June 2014	Accountant
Claire Bibby	2 Oct 2014	Senior Vice President-Legal
Lesley Newton	5 Feb 2015	Health Researcher
John Warhurst	5 Feb 2015	Emeritus Professor
Evelyn Picot	2 July 2015	Management
Brother Michael Green	4 Feb 2016	Marist Brother

The following resigned from the Board:

Michelle Hopkinson	11 March 2016	

Company Secretary
Bala Benjamin remained as Company Secretary during the financial year.

Results
The surplus for the year ended 30 June 2016 was $337,300 (2014: $244,319). This result is stated after a transfer of $6,500,000 to reserves. The company is exempt from income tax under Sub Division of the *Income Tax Assessment Act 1997.*

Changes in State of Affairs
During the financial year, there was no significant change in the state of affairs of the company.

Environmental Regulations
The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' Benefits
No director has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which a director is a member or an entity in which a director has a substantial financial interest.

Objectives

Short Term
Our programs and services have been carefully developed with young people and families as the focus for everything we do. Dedicated to caring and supporting youth at risk, we help address the many complex issues and challenges faced by young people and their families and find pathways for their future.

Long Term
Marist Youth Care is a not-for-profit organisation focused on helping young people at risk and families. With over 100 years of experience, the long term organisational objective is to continue and develop programs and services that give young people and families the support and skills they need to take their rightful place in the community.

Strategy for Achieving the Objectives
These objectives are achieved through careful planning and sound management of programs. They include budgets and key performance indicators (KPIs). Performances are monitored against budgets and KPIs regularly.

A Strategic Plan is developed every three years and forms the basis of the Annual Business Plans. In developing these plans the Management Team consults relevant stake holders and takes into account the needs of the clients. The Strategic Plan is reviewed and approved by the Board of Directors.

Principal Activities
The principal activity of the company continues to be the provision of residential care and community services to disadvantaged young people, families, asylum seekers and unaccompanied humanitarian minors.

Performance Measurement and Key Performance Indicators (KPIs)
A number of KPIs are used to measure the performance of the business. The Board of Directors receive monthly reports on program performances and finances.

Insurance of Officers and Directors
During the financial year, the company paid a premium to insure certain officers of the company. The officers of the company covered include the Directors, Secretary, the CEO and Employees. The liabilities covered include costs incurred in defending civil or criminal proceedings that may be brought against officers in their capacity as officers of the company. Disclosure of the amount of the premium and nature of the cover is prohibited under the policy.

Except for the above, the company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the company or of a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

DIRECTORS' REPORT (Continued)

Meetings of Directors

	Full meeting of Directors	
Number of Meetings held	10	
Name of Director	**Meetings held whilst Director**	**Meetings Attended**
Brother Anthony Robinson	10	8
Brother Roger Valance	10	5
Brian Pickup	10	8
Michelle Hopkinson	6	4
Brother Mark Paul	10	9
Joanne Smail	10	7
John Cameron	10	10
Claire Bibby	10	7
Lesley Newton	10	9
John Warhurst	10	9
Evelyn Picot	10	10
Brother Michael Green	5	4

Matters Subsequent to Reporting Period

There are no matters or circumstances that have arisen since 30 June 2016 that have significantly affected or may significantly affect in subsequent financial years:

(i) The operations of the company;
(ii) The results of those operations; or
(iii) The state of affairs of the company.

Capital Commitments

Capital commitments as at 30 June 2016 were $Nil ($Nil as at 30 June 2015).

Lead Auditors' Independence Declaration

The Lead Auditors' Independence Declaration is set out on the following page and forms part of the Directors' Report for the financial year ended 30 June 2016.

Signed in accordance with a resolution of the directors:

John Cameron
Director
Dated at Blacktown:
6 October 2016

Brian Pickup
Director

VJR
V·J·RYAN
& CO
CHARTERED ACCOUNTANTS
A.B.N. 55 704 784 107

The Board of Directors
Marist Youth Care Limited
36 First Avenue
BLACKTOWN NSW 2148

Dear Board Members

Lead Auditors' Independence Declaration

In relation to our audit of the financial report of Marist Youth Care Limited for the year ended 30 June 2016, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* or any applicable code of professional conduct.

VJRyan & Co

V J RYAN & CO
Chartered Accountants

Level 5
255 George Street
Sydney NSW 2000

James P Ryan
Partner

Dated at Sydney: 12.10.16

MARIST YOUTH CARE LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 $	2015 $
REVENUE			
Government Grants and Subsidies		18,678,502	18,883,067
Other Income		25,764,339	22,176,951
Total Revenue	3	**44,442,841**	**41,060,018**
EXPENDITURE			
Financial Expenses	4 (a)	(11,290)	(11,304)
Employment Expenses	4 (b)	(27,237,942)	(24,601,619)
Program Expenses		(2,456,709)	(2,430,885)
Travel and Transport Expenses		(1,087,214)	(1,177,808)
Property Expenses		(2,978,484)	(3,876,252)
Depreciation		(861,734)	(819,761)
Other Expenses		(2,972,168)	(2,198,070)
Total Expenditure		**(37,605,541)**	**(35,115,699)**
Surplus before Income Tax Expense		**6,837,300**	**5,944,319**
Income Tax Expense	2 (d)	-	-
Surplus after Income Tax Expense		**6,837,300**	**5,944,319**
Transfer (to) General Reserve		(6,500,000)	(5,700,000)
Surplus for the Period		**337,300**	**244,319**
OTHER COMPREHENSIVE INCOME			
Increase in Revaluation Reserve		3,443,912	1,640,590
Increase in General Reserve		6,500,000	5,700,000
TOTAL PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD		**10,281,212**	**7,584,909**

The Statement of Profit or Loss and other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.

MARIST YOUTH CARE LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 $	2015 $
CURRENT ASSETS			
Cash and Cash Equivalents	6	19,063,896	9,544,272
Trade and Other Receivables	7	4,705,587	5,596,467
Inventories	8	66,003	66,003
Other Assets	9	363,610	453,700
TOTAL CURRENT ASSETS		24,199,096	15,660,442
NON-CURRENT ASSETS			
Property, Plant and Equipment	10	17,961,269	15,155,319
TOTAL NON-CURRENT ASSETS		17,961,269	15,155,319
TOTAL ASSETS		42,160,365	30,815,761
CURRENT LIABILITIES			
Trade and Other Payables	11	2,296,037	1,970,842
Provisions	12	1,636,263	1,430,695
Other Liabilities	13	2,435,008	1,919,005
TOTAL CURRENT LIABILITIES		6,367,308	5,320,542
NON-CURRENT LIABILITIES			
Provisions	12	468,447	451,821
TOTAL NON-CURRENT LIABILITIES		468,447	451,821
TOTAL LIABILITIES		6,835,755	5,772,363
NET ASSETS		**35,324,610**	**25,043,398**
EQUITY			
Members' Funds	14	-	-
Reserves	15	31,789,748	21,845,836
Retained Earnings		3,534,862	3,197,562
TOTAL EQUITY		**35,324,610**	**25,043,398**

The Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

MARIST YOUTH CARE LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 $	2015 $
Cash Flows from Operating Activities:			
Receipts from Grants and Subsidies		45,722,413	37,303,247
Payments to Suppliers and Employees		(36,383,728)	(35,047,745)
Interest Received		400,641	234,749
Net Cash Provided by Operating Activities	19 (a)	9,739,326	2,490,251
Cash Flows from Investing Activities:			
Payments for Property, Plant and Equipment		(250,377)	(284,581)
Proceeds from Sale of Plant and Equipment		30,675	500
Net Cash (Used In) Investing Activities		(219,702)	(284,081)
Net Increase in Cash Held		**9,519,624**	**2,206,170**
Cash and Cash Equivalents at beginning of the Period	6	9,544,272	7,338,102
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	6	**19,063,896**	**9,544,272**

The Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

MARIST YOUTH CARE LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Members' Funds $	Retained Earnings $	Reserves $	Total Equity $
At 1 July 2014	-	**2,953,243**	**14,505,246**	**17,458,489**
Total Comprehensive Income for the Period				
Surplus for the Period	-	5,944,319	-	5,944,319
Funds transfer (to) from Reserves	-	(5,700,000)	-	(5,700,000)
Other Comprehensive Income for the Period				
Increase in Revaluation Reserves	-	-	1,640,590	1,640,590
Funds Transfer from Retained Earnings	-	-	5,700,000	5,700,000
At 30 June 2015	-	**3,197,562**	**21,845,836**	**25,043,398**
Total Comprehensive Income for the Period				
Surplus for the Period	-	6,837,300	-	6,837,300
Funds transfer (to) Reserves	-	(6,500,000)	-	(6,500,000)
Other Comprehensive Income for the Period				
Increase in Revaluation Reserves	-	-	3,443,912	3,443,912
Funds Transfer from Retained Earnings	-	-	-	-
As at 30 June 2016	-	**3,534,862**	**31,789,748**	**35,324,610**

The Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

1 CORPORATE INFORMATION

The financial statements of Marist Youth Care Limited ("the company") for the year ended 30 June 2016 were authorised for issue in accordance with a resolution of the directors on the date of authorization of the directors' declaration. The company is limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the company are providing residential care to disadvantaged young people including unaccompanied minors (asylum seekers), providing support services to youth and families including asylum seekers, providing skill development training, arranging jobs for trainees and supporting them.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations adopted by the Australian Accounting Standards Board) and the *Australian Charities and Not for Profit Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian accounting standards.

The financial statements have been prepared on an accrual 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 accounting policies have been consistently applied and except where there is a change in accounting policy, are consistent with those of the previous period.

All amounts are presented in Australian dollars and have been rounded to the nearest dollar.

(b) Statement of Compliance

Marist Youth Care Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in *AASB 1053: Application of Tiers of Australian Accounting Standards.*

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Revenue Recognition

Revenue is recognised to the extent that it is probable that the accrued benefits will flow to the company. The following specific recognition criteria also apply before revenue is recognised:

Government and other Grants

The company receives government funding for various programs. Non-reciprocal grant revenue is recognised in profit or loss when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. Any funding received for services, which have not been performed is recorded as 'Deferred Income' (Refer Note 13).

Fees and Charges

Fees and charges are recognised as revenue at the time of invoicing for goods and services provided.

Interest Revenue

Interest revenue is recognised as it accrues.

Fundraising and Donations

Amounts donated can be recognised as revenue only when the company gains control, economic benefits are probable and the amounts can be measured reliably. The company establishes controls to ensure that fundraising and donations are recorded in the financial records, however at times it is impractical to maintain effective controls over the collection of such revenue prior to its initial entry into the financial records. Therefore, fundraising and donations are recognised as revenue when they are recorded in the books and records of the company. Fundraising income is stated net of related expenses.

Sale of Non-Current Assets

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal and is included as revenue at the date control of the asset passes to the buyer.

(d) Income Tax

The company is exempt from income tax under Subdivision 50-B of the *Income Tax Assessment Act 1997.*

(e) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and at bank together with short term bank deposits with maturities of three months or less.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fringe Benefits Tax

The company is within the definition of Public Benevolent Institution as defined by Section 78(4) of the *Income Tax Assessment Act 1936*. On this basis, the company is partially exempt from fringe benefits tax under Section 57A (i) of the *Fringe Benefits Tax Assessment Act 1986*.

(g) Trade and Other Receivables

The collectability of debts is assessed at the reporting date and specific provision is made for any doubtful debts.

(h) Inventories

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

(i) Property, Plant and Equipment

Property, plant and equipment are stated at cost and independent valuation less accumulated depreciation and any impairment in value.

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

Increases in the carrying amount arising on revaluation of land and buildings are 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.

The depreciable amount of all fixed assets including buildings, but excluding freehold land, are depreciated on a straight-line basis over the estimated useful life commencing from the time the asset is ready for use as follows:

Buildings – 2.5% to 5%
Property Improvements – 2.5% to 25%
Leasehold Improvements – 25%
Computer Equipment – 33%
Office furniture and equipment – 15% to 50%

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(j) Impairment of Financial Assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that the asset may be impaired. A financial asset is considered impaired if the evidence indicates one or more events have had a negative effect on the estimated future cash inflows of that asset.

Individually significant financial assets are tested for impairment separately. The remaining financial assets are assessed on a group basis based on credit risk.

An impairment loss on a held-to-maturity investment is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss on an available-for-sale financial asset is calculated by reference to its fair value.

Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment of Non-Financial Assets

At each reporting date, the company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(l) Trade and Other Payables

Trade creditors and other accounts payable are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services.

(m) Employee Entitlements

Provision is made for entitlements accruing to employees in relation to wages, salaries, annual leave, long service leave, any termination payments and other benefits where the company has a present obligation to pay, resulting from employees' services provided up to reporting date.

- **Wages, Salaries and Annual Leave** – Liabilities for employee benefits for wages, salaries and annual leave is expected to be settled within 12 months of year-end. The provision has been calculated at current wage and salary rates including related on-costs. Sick leave is expensed as incurred.
- **Long Service Leave** – The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows resulting from employees' services provided up to reporting date.
- **Superannuation** – Superannuation contributions by the company on a defined basis to an employee superannuation fund are charged as expenses when incurred. The company has no legal obligation to provide benefits to employees on retirement.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

Provisions are recognised when the company has a legal or constructive obligation as a result of past event, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(o) Leases

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

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

(p) Goods and Services Tax

Revenues, 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). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or liability in the Statement of Financial Position.

(q) Comparatives

The comparative information is for the 12 months ended 30 June 2015.

(r) New Standards and Interpretations Not Yet Adopted

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the company. The company will consider the impact in future years.

	2016 $	2015 $
3 REVENUE		
Government Grants	17,910,030	18,096,676
Other Grants	768,472	786,391
Interest Received	407,472	255,945
Donations Received	36,795	54,849
Fees and Charges	24,532,819	21,156,324
Bequests	-	-
Surplus on sale of fixed assets	4,070	-
Other Program Revenue	783,183	709,333
	44,442,841	41,060,018

4 EXPENSES

	2016 $	2015 $
(a) **Financial Expenses**		
Bank Charges	11,290	11,304
(b) **Employee Benefits Expenses**		
Wages and Salaries	23,437,563	21,265,746
Work Cover	697,157	517,154
Contract Payments	1,198,681	1,114,450
Superannuation	1,904,541	1,704,269
	27,237,942	24,601,619
(c) **Lease Payments**		
Minimum Lease Payments – Operating Leases	2,754,898	2,004,275

	2016 $	2015 $

5 AUDITOR'S REMUNERATION

	2016 $	2015 $
Audit Services		
V J Ryan & Co for:		
Audit of the Financial Statements	25,000	25,000
Other Services	5,000	5,000
	30,000	30,000

6 CASH AND CASH EQUIVALENTS

	2016 $	2015 $
Current		
Cash on Hand	31,820	30,541
Cash at Bank	254,007	68,695
Bank Deposits	18,778,069	9,445,036
	19,063,896	9,544,272

7 TRADE AND OTHER RECEIVABLES

	2016 $	2015 $
Current		
Trade Debtors	4,496,874	5,283,249
Workers Compensation Claims	7,952	20,916
Interest Receivable	45,716	38,885
Staff Advances	5,239	2,207
Other Receivables	149,806	251,210
	4,705,587	5,596,467

8 INVENTORIES

	2016 $	2015 $
Current		
Fundraising Stock (Wine) – At Cost	66,003	66,003

		2016 $	2015 $
9	**OTHER ASSETS**		
	Current		
	Prepayments	249,611	320,413
	Shares in Listed Companies – At Market Value	113,999	133,287
	Carrying Amount at End of Year	363,610	453,700
10	**PROPERTY, PLANT & EQUIPMENT**		
	Non-Current		
	Land & Buildings – At Cost and Independent Valuation	20,037,171	17,085,460
	Accumulated Depreciation	(2,628,567)	(2,580,368)
	Carrying Amount at End of Year	17,408,604	14,505,092
	Property Improvements – At Cost	361,220	347,752
	Accumulated Depreciation	(310,528)	(285,908)
	Carrying Amount at End of Year	50,692	61,844
	Leasehold Improvements – At Cost	424,288	407,392
	Accumulated Depreciation	(306,294)	(264,309)
	Carrying Amount at End of Year	117,994	143,083
	Computer Equipment – At Cost	1,116,984	1,072,134
	Accumulated Depreciation	(1,068,599)	(1,003,817)
	Carrying Amount at End of Year	48,385	68,317
	Office Furniture and Equipment – At Cost	1,817,583	1,680,420
	Accumulated Depreciation	(1,481,989)	(1,303,437)
	Carrying Amount at End of Year	335,594	376,983
	Motor Vehicles – At Cost	-	-
	Accumulated Depreciation	-	-
	Carrying Amount at End of Year	-	-
	Total Property, Plant & Equipment	**17,961,269**	**15,155,319**

10 PROPERTY, PLANT & EQUIPMENT (Continued)

Valuation of 11 Morrell Crescent Quakers Hill
The company commissioned Chaloner valuations to assess the fair value of the land, building and other site improvements as at 30 June 2016. The valuation dated 30 June 2016 carried out by Mr Geoff McGuirk, AAPI registered valuer No. 2562, assessed the fair value at $830,000.

Valuation of 11 Willow Road North St Marys
The company commissioned Chaloner valuations to assess the fair value of the property as at 30 June 2016. The valuation dated 30 June 2016 carried out by Mr Geoff McGuirk, AAPI registered valuer No. 2562, assessed the fair value of the property at $600,000.

Valuation of 41 Whitehaven Av Quakers Hill
The company commissioned Chaloner valuations to assess the fair value of the property as at 30 June 2016. The valuation dated 30 June 2016 carried out by Mr Geoff McGuirk, AAPI registered valuer No. 2562, assessed the fair value of the property at $860,000.

Valuation of 42 Quakers Hill Parkway Quakers Hill
The company commissioned Chaloner valuations to assess the fair value of the property as at 30 June 2016. The valuation dated 30 June 2016 carried out by Mr Geoff McGuirk, AAPI registered valuer No. 2562, assessed the fair value of the property at $700,000.

Valuation of 5 Allsopp Drive Cambridge Gardens
The company commissioned Chaloner valuations to assess the fair value of the property as at 30 June 2016. The valuation dated 30 June 2016 carried out by Mr Geoff McGuirk, AAPI registered valuer No. 2562, assessed the fair value of the property at $660,000.

Valuation of 40 First Avenue Blacktown
The company commissioned Chaloner valuations to assess the fair value of the property as at 30 June 2016. The valuation dated 30 June 2016 carried out by Mr Geoff McGuirk, AAPI registered valuer No. 2562, assessed the fair value of the property at $3,150,000

As a result of above valuations, the company recognised a revaluation surplus of $3,443,912 in the 2016 financial year which is included in Revaluation Reserve in Note 15.

10 PROPERTY, PLANT & EQUIPMENT (Continued)

MOVEMENTS

	2016 $	2015 $
Buildings – At Cost and Independent Valuation		
Carrying Amount at the Beginning of the Year	14,505,092	13,378,379
Additions	-	-
Surplus on Revaluation	3,443,912	1,640,590
Depreciation	(540,400)	(513,877)
Carrying Amount at the End of the Year	17,408,604	14,505,092
Property Improvements – At Cost		
Carrying Amount at the Beginning of the Year	61,844	100,212
Additions	13,467	-
Depreciation	(24,619)	(38,368)
Carrying Amount at the End of the Year	50,692	61,844
Leasehold Improvements- At Cost		
Carrying Amount at the Beginning of the Year	143,083	30,181
Additions	16,896	130,844
Depreciation	(41,985)	(17,942)
Carrying Amount at the End of the Year	117,994	143,083
Computer Equipment – At Cost		
Carrying Amount at the Beginning of the Year	68,317	95,291
Additions	44,848	50,840
Depreciation	(64,780)	(77,814
Carrying Amount at the End of the Year	48,385	68,317
Office Furniture and Equipment – At Cost		
Carrying Amount at the Beginning of the Year	376,983	445,846
Additions	175,161	102,897
Disposals	(26,600)	
Depreciation	(189,950)	(171,760
Carrying Amount at the End of the Year	335,594	376,983
Total Property, Plant & Equipment	17,961,269	15,155,319

	2016 $	2015 $

11 TRADE AND OTHER PAYABLES

	2016 $	2015 $
Current		
Trade Creditors & Accruals	1,678,436	1,637,557
GST Payable	417,354	152,651
Superannuation	200,247	180,634
	2,296,037	1,970,842

12 PROVISIONS

	2016 $	2015 $
Current		
Provision for Annual Leave	1,401,623	1,245,918
Provision for Long Service Leave	234,640	184,777
	1,636,263	1,430,695
Non-Current		
Provision for Long Service Leave	468,447	451,821
	468,447	451,821

13 OTHER LIABILITIES

	2016 $	2015 $
Current		
Deferred income	1,962,082	1,446,079
Development Fund-Marist Province	472,926	472,926
	2,435,008	1,919,005

The deferred income is recognised in accordance with the accounting policy in Note 2 (c).

14 MEMBERS' FUNDS

The company is limited by guarantee and has no share capital.

15 RESERVES

	2016 $	2015 $
Contributions from Divisions	658,775	658,775
Capital Acquisition Reserve	7,887,127	7,887,127
Prudential Reserve	1,510,330	1,510,330
Property Development Reserve	308,855	308,855
General Reserve	14,849,535	8,349,535
Revaluation Reserve	6,000,317	2,556,405
Projects Reserve	574,809	574,809
	31,789,748	21,845,836

	2016 $	2015 $

16 OPERATING LEASE COMMITMENTS

Operating Lease Commitments	2016 $	2015 $
Not later than one year	732,738	813,394
Later than one year and not later than five years	582,727	969,172
Later than five years	-	-
	1,315,465	1,782,566

The operating leases are in relation to the company's motor vehicle fleet, office equipment and leasehold properties.

17 KEY MANAGEMENT PERSONNEL DISCLOSURES

Key Management Personnel
The key management personnel include the directors as disclosed in the Directors' Report together with the Chief Executive Officer, Mrs Cate Sydes.

Key Management Personnel Related Parties
There were no related party transactions during the year.

18 SEGMENT REPORTING

The nature of the operations and principal activities of the company is the provision of community services to disadvantaged young people, families, asylum seekers and others. The company's activities are mainly within the Sydney region in the State of New South Wales, Australian Capital Territory, Queensland and Victoria.

19 CASH FLOW INFORMATION

(a) Reconciliation of Net Cash provided by Operating Activities to Surplus after Income Tax

	2016 $	2015 $
Surplus after Income Tax	337,300	244,319
Non Cash Flows and Non-Operating Items in Operating Profit:		
Depreciation	861,734	819,761
Profit on Sale of Plant and Equipment	(4,070)	(500)
Changes in Assets & Liabilities:		
(Increase) / Decrease in Trade and other Receivables	890,880	(4,279,663)
Decrease in Inventories	-	1,947
(Increase) in Other Assets	90,090	(151,022)
(Decrease) in Trade and Other Payables	325,195	(548,168)
Increase in Other Liabilities	516,003	461,043
Increase / (Decrease) in Provisions	222,194	242,534
Increase in Reserves	6,500,000	5,700,000
Net Cash Provided by Operating Activities	9,739,326	2,490,251

(b) Non-Cash Financing and Investing Activities

Property, Plant and Equipment:
During the financial year, the company acquired plant and equipment with an aggregate fair value of $794,211 (2015: $500,249) by means of hire purchase agreements. These acquisitions are not reflected in the Statement of Cash Flows.

MARIST YOUTH CARE LIMITED
(A Company Limited by Guarantee)
ABN 70 066 591 811

DIRECTORS' DECLARATION

In the opinion of the directors of Marist Youth Care Limited ("the company"):

(a) the financial statements and notes set out on pages 5 to 21 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including;

(i) giving a true and fair view the company's financial position as at 30 June 2016 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date, and

(ii) complying with *Australian Accounting Standards - Reduced Disclosure Requirements* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

(b) there are reasonable grounds to believe that the company can meet its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors:

John Cameron
Director

Brian Pickup
Director

Dated at Blacktown:
6 October 2016

V·J·RYAN & CO
CHARTERED ACCOUNTANTS
A.B.N. 55 704 784 107

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

MARIST YOUTH CARE LIMITED
(A Company Limited by Guarantee)
ABN 70 066 591 811

Report on the Financial Report
We have audited the financial report of Marist Youth Care Limited ("the company") for the year ended 30 June 2016 comprising the Statement of Profit or Loss and other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity, Notes to the Financial Statements and the Directors' Declaration set out on pages 5 to 22.

The Financial Report and Directors' Responsibility
The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with *Australian Accounting Standards- Reduced Disclosure Requirements* and the *Australian Charities and Not-for-profits Commission Act 2012*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

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

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and any applicable code of professional conduct.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

MARIST YOUTH CARE LIMITED
(A Company Limited by Guarantee)
ABN 70 066 591 811

Audit Opinion
In our opinion, the financial report of Marist Youth Care Limited has been prepared 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 registered entity's financial position as at 30 June 2016 and of its financial performance and cash flows for the year ended on that date; and

(ii) complying with *Australian Accounting Standards– Reduced Disclosure Requirements* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

V J Ryan & Co

V J RYAN & CO
Chartered Accountants

Level 5
255 George Street
SYDNEY NSW 2000

Partner: James P Ryan

Dated at Sydney: 12.10.16