



**YMCA Central Incorporated**  
**Consolidated Annual Report**  
**For the year ended 31 January 2020**

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The Young Men's Christian Association of Central Incorporated  
125 Grey Street  
Wanganui

Incorporation #           217109  
Charities #                CC36342



**YMCA Central Incorporated**  
**Statement of Consolidated Comprehensive Revenue and Expense**  
**For the year ended 31 January 2020**

		Group	Group	Incorporation	Incorporation
		31-Jan-20	31-Dec-18	31-Jan-20	31-Dec-18
		13 months	12 months	13 months	12 months
Notes		\$'000	\$'000	\$'000	\$'000
<i>Revenue from non-exchange transactions</i>					
Donations	2	20	14	20	14
Grant revenue	3	89	400	89	400
		<u>109</u>	<u>414</u>	<u>109</u>	<u>414</u>
<i>Revenue from exchange transactions</i>					
Programme and activity fees		1,702	2,103	1,702	2,103
Government contract revenue	4	2,104	2,542	2,104	2,542
Interest revenue		-	1	-	-
Other operating revenue	5	53	115	1,364	191
		<u>3,859</u>	<u>4,760</u>	<u>5,170</u>	<u>4,836</u>
Total revenue		<u>3,968</u>	<u>5,174</u>	<u>5,279</u>	<u>5,250</u>
<i>Expenses</i>					
Personnel and contractor costs		2,860	3,455	2,860	3,455
Programme costs	6	416	675	416	675
Occupancy Costs	7	260	300	260	300
Interest expense		12	7	12	7
Other operating expenses	8	1,068	882	1,015	743
Profit or Loss on sale of assets		699	-	-	-
Total expenses		<u>5,315</u>	<u>5,319</u>	<u>4,563</u>	<u>5,181</u>
Total surplus/(deficit) for the period		<u>(1,347)</u>	<u>(145)</u>	<u>716</u>	<u>69</u>
Total comprehensive revenue and expense		<u>(1,347)</u>	<u>(145)</u>	<u>716</u>	<u>69</u>

These financial statements should be read in conjunction with the notes to the financial statements.



**YMCA Central Incorporated**  
**Statement of Changes in Net Assets**  
**For the year ended 31 January 2020**

	Equity Surplus for period		Total equity
	31-Jan-20	31-Jan-20	31-Jan-20
	13 months	13 months	13 months
	\$'000	\$'000	\$'000
<b>GROUP</b>			
Opening balance 1 January 2019	1,729	-	1,729
Surplus/(Deficit) for the year	-	(1,347)	(1,347)
<b>Closing equity 31 January 2020</b>	<b>1,729</b>	<b>(1,347)</b>	<b>382</b>

	Equity Surplus for period		Total equity
	31-Dec-18	31-Dec-18	31-Dec-18
	12 months	12 months	12 months
	\$'000	\$'000	\$'000
Opening balance 1 January 2018	1,874	-	1,874
Surplus/(Deficit) for the year	-	(145)	(145)
<b>Closing equity 31 December 2018</b>	<b>1,874</b>	<b>(145)</b>	<b>1,729</b>

	Equity Surplus for period		Total equity
	31-Jan-20	31-Jan-20	31-Jan-20
	13 months	13 months	13 months
	\$'000	\$'000	\$'000
<b>INCORPORATION</b>			
Opening balance 1 January 2019	(790)	-	(790)
Surplus/(Deficit) for the year	-	716	716
<b>Closing equity 31 January 2020</b>	<b>(790)</b>	<b>716</b>	<b>(74)</b>

	Equity Surplus for period		Total equity
	31-Dec-18	31-Dec-18	31-Dec-18
	12 months	12 months	12 months
	\$'000	\$'000	\$'000
Opening balance 1 January 2018	(859)	-	(859)
Surplus/(Deficit) for the year	-	69	69
<b>Closing equity 31 December 2018</b>	<b>(859)</b>	<b>69</b>	<b>(790)</b>


*These financial statements should be read in conjunction with the notes to the financial statements*




**YMCA Central Incorporated**  
**Statement of Consolidated Financial Position**  
**As at 31 January 2020**

		Group Jan-20	Group Dec-18	Incorporation Jan-20	Incorporation Dec-18
	Notes	\$'000	\$'000	\$'000	\$'000
<i>Current assets</i>					
Cash and cash equivalents	10	61	54	49	54
Receivables from exchange transactions	11	425	151	417	145
Receivables from non-exchange transactions	11	-	17	-	17
Prepayments	12	61	85	61	85
		<u>547</u>	<u>307</u>	<u>527</u>	<u>302</u>
<i>Non-current assets</i>					
Property plant and equipment	13	1,133	2,975	481	447
Loan to YMCA Wanganui Community Trust		-	-	-	133
		<u>1,133</u>	<u>2,975</u>	<u>481</u>	<u>580</u>
<b>Total assets</b>		<b><u>1,680</u></b>	<b><u>3,282</u></b>	<b><u>1,008</u></b>	<b><u>882</u></b>
<i>Current liabilities</i>					
Trade and other creditors	14	391	439	392	477
Deferred income	15	286	459	286	459
Employee entitlements	16	96	118	96	118
Finance lease liabilities due within one year		93	75	93	75
Loans	17	-	-	-	297
		<u>866</u>	<u>1,091</u>	<u>867</u>	<u>1,426</u>
<i>Non Current liabilities</i>					
Whanganui Collegiate Board of Trustees Liability	17, 18	217	217	-	-
Finance lease liabilities due after more than one year		215	245	215	245
		<u>432</u>	<u>462</u>	<u>215</u>	<u>245</u>
<b>Total net assets</b>		<b><u>382</u></b>	<b><u>1,729</u></b>	<b><u>(74)</u></b>	<b><u>(790)</u></b>
<b>Net Assets</b>					
Retained surplus		<u>382</u>	<u>1,729</u>	<u>(74)</u>	<u>(790)</u>
<b>Total net assets attributable to the owners of the controlling entity</b>		<b><u>382</u></b>	<b><u>1,729</u></b>	<b><u>(74)</u></b>	<b><u>(790)</u></b>

Signed for and on behalf of the Board of Directors who authorised these financial statements for issue on 1 May 2020:

  
 G A A Baker  
 Grant Baker  
 Chairman

  
 Murray H Corps  
 Murray Corps  
 Director

*These financial statements should be read in conjunction with the notes to the financial statements.*

**YMCA Central Incorporated**  
**Statement of Consolidated Cash Flows**  
**For the year ended 31 January 2020**

	Group 31-Jan-20 12 months \$'000	Group 31-Dec-18 12 months \$'000	Incorporation 31-Jan-20 12 months \$'000	Incorporation 31-Dec-18 12 months \$'000
<b>Cash flows from operating activities</b>				
<u>Receipts</u>				
Receipts from non-exchange transactions	85	210	85	210
Receipts from exchange transactions	3,402	4,688	3,489	4,864
	<u>3,487</u>	<u>4,898</u>	<u>3,574</u>	<u>5,074</u>
<u>Payments</u>				
Payments to suppliers	1,503	1,813	1,496	1,893
Payment to employees	2,882	3,445	2,882	3,394
GST Paid	39	26	37	26
Interest paid	-	7	-	7
	<u>4,424</u>	<u>5,291</u>	<u>4,415</u>	<u>5,321</u>
<b>Net cash flows from operating activities</b>	<u>(937)</u>	<u>(393)</u>	<u>(841)</u>	<u>(247)</u>
<b>Cash flows from investing activities</b>				
<u>Receipts</u>				
Sale of property plant and equipment	1,100	1	-	-
Proceeds from loans borrowed from other parties	-	-	1,023	297
	<u>1,100</u>	<u>1</u>	<u>1,023</u>	<u>297</u>
<u>Payments</u>				
Purchase of property, plant and equipment	61	320	92	34
Interest	12	45	12	-
Hire Purchase Payments	83	-	83	45
	<u>156</u>	<u>365</u>	<u>187</u>	<u>79</u>
<b>Net cash flows from investing activities</b>	<u>944</u>	<u>(364)</u>	<u>836</u>	<u>218</u>
<b>Cash flows from financing activities</b>				
<u>Receipts</u>				
Loans received	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Payments</u>				
Loan payments	-	29	-	29
	<u>-</u>	<u>29</u>	<u>-</u>	<u>29</u>
<b>Net cash flows from financing activities</b>	<u>-</u>	<u>(29)</u>	<u>-</u>	<u>(29)</u>
Net increase/(decrease) in cash and cash equivalents	7	(786)	(5)	(58)
Cash and cash equivalents at 1 January	54	840	54	112
Cash and cash equivalents at 31 January (31 December)	<u>61</u>	<u>54</u>	<u>49</u>	<u>54</u>

*These financial statements should be read in conjunction with the notes to the financial statements.*





**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
**For the year ended 31 January 2020**

**1. Accounting Policies**

**1.1 Reporting entity**

The reporting entity is The Young Men's Christian Association Central Incorporated (the "Incorporation"). The Incorporation is domiciled in New Zealand and is a charitable organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005.

The financial statements comprising the Incorporation and its related entities - The YMCA Wanganui Community Trust and the YMCA Palmerston North Community Trust (together the "Trusts") - together the "Group", are presented for the 13 months ended 31 January 2020. These Group financial statements and the accompanying notes summarise the financial results of activities carried out by the Incorporation and Group.

The change of reporting period is to consistent with The Young Men's Christian Association of Greater Wellington Incorporated towards merging on 1 Feb 2020 to form a new entity YMCA Central Incorporated.

The Group provides a wide range of services and support to young people, their families and communities. All entities within the Group are charitable organisations registered under the Charities Act 2005.

These consolidated financial statements have been approved and were authorized for issue by the Board of Directors on 1 May 2020.

**1.2 Statement of compliance**

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Group is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Board of Directors has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions. This decision results in the Group not preparing a Statement of Service Performance for both reporting periods.

**1.3 Changes in accounting policy**

There were no changes in accounting policy in the year.

**1.4 Summary of accounting policies**

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

**1.4.1 Basis of measurement**

These consolidated financial statements have been prepared on the basis of realisation basis. The Incorporation is to wind up on amalgamation with The Young Men's Christian Association of Greater Wellington Incorporated where all assets and liabilities of the Incorporation are to be transferred to the new entity (YMCA Central Incorporated) on 1 Feb 2020.

**1.4.2 Functional and presentational currency**

The consolidated financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency. All values are rounded to the nearest thousand dollars (\$,000).

**1.4.3 Basis of consolidation**

The Trusts are the entities that own the assets used by the Incorporation on trust for the benefit of their local communities. The Incorporation uses the assets of the Trusts in delivering its services and undertaking its activities.

Consolidated entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all inter entity balances and transactions, and

# **YMCA Central Incorporated**

## **Notes to the consolidated financial statements**

### **For the year ended 31 January 2020**

unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the Trusts are consistent with the policies adopted by the Group.

#### **1.4.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

##### **1.4.4.1 Revenue from non-exchange transactions**

###### **Donations**

Donations are recognised as revenue upon receipt and include donations from the general public, donations received for specific programmes or services or donations in-kind. Donations in-kind include donations received for services, food, clothing, furniture and is recognised in revenue and expense when the service or good is received. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would be otherwise incurred by the Incorporation.

Services in-kind may be recognised as revenue but do not have to be, including volunteer time which has been recorded where possible but has not been given a financial value in these financial statements.

###### **Grant revenue**

Grant revenue includes grants given by other charitable organisations, philanthropic organisations, local authorities and businesses. Grant revenue is recognised when any conditions attached to the grant have been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

###### **Legacies and bequests**

Revenue from legacies and estates that satisfy the definition of assets are recognised as revenue when it is probable that future economic benefits or service potential will flow to the entity, and the fair value can be measured reliably.

##### **1.4.4.2 Revenue from exchange transactions**

###### **Programme fee revenue**

Revenue from fees charged for services is recognised when the services have been delivered to the buyer and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Incorporation.

###### **Government contracts revenue**

Revenue from government contracts relates to income received from several NZ government departments for services delivered. Revenue is recognised in the period the services are provided.

###### **Interest revenue**

Interest revenue is recognised as it accrues, using the effective interest method.

#### **1.4.5 Financial instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Group has transferred substantially all the risks and rewards of the asset; or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.





**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
**For the year ended 31 January 2020**

**1.4.5.1 Financial Asset**

Financial assets within the scope of NFP PBE IPSAS 29 *Financial Instruments: Recognition and Measurement* are classified as loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The category determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Group's financial assets are classified as financial assets at fair value through surplus or deficit, loans and receivables or as available for sale financial assets. The Group's financial assets include: cash and cash equivalents, short-term deposits, receivables from non-exchange transactions and receivables from exchange transactions.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Group's cash and cash equivalents, receivables from exchange transactions and receivables from non-exchange transactions fall into this category of financial instruments.

**1.4.5.2 Impairment of financial assets**

The Group assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there are any objective evidence of impairment, the Group first assesses whether there are objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Group determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

**1.4.5.3 Financial liabilities**

The Group's financial liabilities include trade and other creditors, employee entitlements, loans and Wanganui Collegiate Added Value Liability.

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

**1.4.6 Cash and cash equivalents**

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.





**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
**For the year ended 31 January 2020**

**1.4.7 Receivables from exchange transactions**

Receivables from exchange transaction represent valid claims and are shown in the statement of financial position at expected realisable values.

**1.4.8 Short term investments**

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents. Short term investments are valued at cost.

**1.4.9 Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a straight line basis over the useful life of the asset, except for land. Land is not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

	Useful live	Depreciation rate
Buildings	50 years	2%
Plant and equipment:	1-10 years	8% - 60%
Motor vehicles	3-5 years	20% - 33%
Computer equipment	1-10 years	10% - 80%
Furniture and fittings	3-13 years	8% - 33%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

An item of property, plant and equipment or investment property 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 included in the statement of financial performance in the year the asset is derecognised.

**1.4.10 Employee entitlements**

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

**1.4.11 Leases**

**Operating Leases**

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

**Finance Leases**

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards of ownership of the leased asset. A corresponding amount is recognised as a finance lease liability.

The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease



**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
**For the year ended 31 January 2020**

**1.4.12 Significant judgments and estimates**

In preparing the financial statements, the Board of Trustees is required to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The uncertainty from these assumptions and estimates could result in outcomes that may result in a material adjustment to the carrying amount of the asset or liability.

The Group bases its assumptions and estimates on parameters available when the financial statements are prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

In particular, the information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following note; 1.4.9 Property, plant and equipment.

**1.4.13 Income Tax**

Due to its charitable status, the Group is exempt from income tax.

**2. Donations**

Donations received during each reporting period are made up of the following:

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Donations - general and appeals	20	14	20	14
	<u>20</u>	<u>14</u>	<u>20</u>	<u>14</u>

The Group relies on the generosity of its local communities for donated time from volunteers for some programmes. The Group does not record fair value volunteer time in the Statement of Comprehensive Revenue and Expenses.



**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
**For the year ended 31 January 2020**

### 3. Grant Revenue

Grants received during each reporting period are made up of the following:

	Group	Group	Incorporation	Incorporation
	Jan-20	Dec-18	Jan-20	Dec-18
	13 months	12 months	13 months	12 months
	\$'000	\$'000	\$'000	\$'000
Lotteries	19	230	19	230
Swan Dudding trust	9	14	9	14
Four Regions trust	8	-	8	-
TG Macarthy	8	8	8	8
Pub Charity	8	-	8	-
Whanganui Community Foundation Grant	1	-	1	-
Community Organisation Grants Scheme (COGS)	6	6	6	6
Lion Foundation	5	7	5	7
Powerco Wanganui Trust	-	40	-	40
Margaret Watt Trust	3	-	3	-
NZ Community Trust Grant	13	55	13	55
Infinity Foundation	3	4	3	4
Other grants	6	36	6	36
	<u>89</u>	<u>400</u>	<u>89</u>	<u>400</u>

### 4. Government Contract Revenue

Government contract revenue received during each reporting period are made up of the following:

	Group	Group	Incorporation	Incorporation
	Jan-20	Dec-18	Jan-20	Dec-18
	13 months	12 months	13 months	12 months
	\$'000	\$'000	\$'000	\$'000
TEC Funding	657	668	657	668
Ministry of Education - ECE Funding	657	678	657	678
Oranga Tamariki	535	953	535	953
Ministry of Social Development	255	242	255	242
	<u>2,104</u>	<u>2,542</u>	<u>2,104</u>	<u>2,542</u>





**YMCA Central Incorporated**  
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## 5. Other Operating Revenue

Other operating revenue received during each reporting period are made up of the following:

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Services provided to Community Trusts	-	9	87	80
Hireage	4	9	4	9
Equipment sales proceeds	2	14	2	14
Whanganui Collegiate added value services	3	79	3	79
Sundry Income	44	6	44	9
Forgiven Trust Debts	-	-	1,224	-
	<u>53</u>	<u>115</u>	<u>1,364</u>	<u>191</u>

The forgiven trust debts are made up of forgiven loans from YMCA Wanganui Community Trust of \$1187,821 and YMCA Palmerston North Trust of \$35,878.

## 6. Programme Costs

Programme costs paid during each reporting period are made up of the following:

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Compliance and Certification Costs	116	232	116	232
Equipment Costs	12	43	12	43
Ezternal Activity Fees	44	46	44	46
Programme Materials and Consumables	138	196	138	196
Other Programme Costs	106	158	106	158
	<u>416</u>	<u>675</u>	<u>416</u>	<u>675</u>

## 7. Occupancy Costs

Occupancy costs paid during each reporting period are made up of the following:

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Rent and Rates	75	102	75	102
Repairs & Maintenance	162	162	162	162
Other Occupancy Costs	23	36	23	36
	<u>260</u>	<u>300</u>	<u>260</u>	<u>300</u>



**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
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## 8. Other Operating Expenses

Other operating expenses paid during each reporting period are made up of the following:

	Group	Group	Incorporation	Incorporation
	Jan-20	Dec-18	Jan-20	Dec-18
	13 months	12 months	13 months	12 months
	\$'000	\$'000	\$'000	\$'000
Audit Fees	38	17	38	17
Bad & Doubtful Debts	25	39	25	39
Depreciation	177	196	128	78
Electricity & Gas	49	53	49	53
Insurance	93	87	93	87
Equipment and Vehicle Costs	178	244	178	244
Legal and Consulting fees	375	64	372	64
YMCA National Levies	78	72	78	72
Other Operating Costs	55	109	54	89
	<u>1,068</u>	<u>882</u>	<u>1,015</u>	<u>743</u>

## 9. Auditor's remuneration

Silks Audit provides audit services to the Group.

Total fees paid is \$37,700 for the two years ending 31 January 2020 due to the winding up of the corporation (year to 31 December 2018: \$16,945). No non-audit services are provided by Silks Audit.

## 10. Cash and cash equivalents

Cash and cash equivalents include the following components:

	Group	Group	Incorporation	Incorporation
	Jan-20	Dec-18	Jan-20	Dec-18
	13 months	12 months	13 months	12 months
	\$'000	\$'000	\$'000	\$'000
Cash on hand and at bank	40	37	28	37
Call Accounts	21	17	21	17
Total cash and cash equivalents	<u>61</u>	<u>54</u>	<u>49</u>	<u>54</u>

The carrying value of cash at bank and call deposit accounts approximate their fair value. At Balance Date the incorporation has a Westpac bank overdraft facility for the amount of \$10,000 and the Westpac Business Card facility with a \$7,000 limit.



**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
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**11. Receivables**

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Accounts receivable	425	168	417	162
	<u>425</u>	<u>168</u>	<u>417</u>	<u>162</u>
Receivables from Exchange Transactions	425	151	417	145
Receivables from Non-Exchange Transactions	-	17	-	17
	<u>425</u>	<u>168</u>	<u>417</u>	<u>162</u>

**12. Prepayments**

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Insurance premium prepaid	61	85	61	85
	<u>61</u>	<u>85</u>	<u>61</u>	<u>85</u>

**13. Property plant and equipment**

	Land	Buildings	Improvements	Plant & Equipment	Computer Equipment	Vehicles	Total
Group January 2020 13 months	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	23	1,775	697	160	25	295	2,975
Additions	-	-	-	39	22	70	131
Disposals	-	(1,569)	(217)	(7)	-	(3)	(1,796)
Depreciation	-	(15)	(26)	(23)	(37)	(76)	(177)
Net book value	<u>23</u>	<u>191</u>	<u>454</u>	<u>169</u>	<u>10</u>	<u>286</u>	<u>1,133</u>



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	Land	Buildings	Improvements	Plant & Equipment	Computer Equipment	Vehicles	Total
Group							
December 2018							
12 months	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	23	1,857	434	111	35	47	2,507
Additions	-	-	286	97	7	293	683
Disposals	-	-	-	(21)	-	-	(21)
Reclassifications	-	-	-	-	-	-	-
Depreciation	-	(82)	(23)	(27)	(17)	(45)	(194)
<b>Net book value</b>	<b>23</b>	<b>1,775</b>	<b>697</b>	<b>160</b>	<b>25</b>	<b>295</b>	<b>2,975</b>

	Land	Buildings	Improvements	Plant & Equipment	Computer Equipment	Vehicles	Total
Incorporation							
January 2020							
13 months	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	-	-	20	141	25	261	447
Additions	-	-	-	39	22	70	131
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	9	-	22	31
Depreciation	-	-	(4)	(20)	(37)	(67)	(128)
<b>Net book value</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>169</b>	<b>10</b>	<b>286</b>	<b>481</b>

	Land	Buildings	Improvements	Plant & Equipment	Computer Equipment	Vehicles	Total
Incorporation							
December 2018							
12 months	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	-	-	22	69	35	-	126
Additions	-	-	-	97	7	293	397
Disposals	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Depreciation	-	-	(2)	(25)	(17)	(32)	(76)
<b>Net book value</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>141</b>	<b>25</b>	<b>261</b>	<b>447</b>





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**14. Trade and Other Creditors**

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Accounts payable and accrued expenses	201	213	202	335
National Council of YMCAs (TEC Repayments)	188	216	188	216
Other Creditors	1	10	1	(74)
	<u>391</u>	<u>439</u>	<u>392</u>	<u>477</u>

**15. Deferred Income**

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Ministry of Social Development	26	110	26	110
Oranga Tamariki	117	129	117	129
Lotteries Grants Board	-	30	-	30
Other Grants	52	46	52	46
Other Government Contracts	6	91	6	91
Other Contracts	60	9	60	9
Prepaid Students Fees	26	45	26	45
	<u>286</u>	<u>459</u>	<u>286</u>	<u>459</u>

**16. Employee Entitlements**

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Accrued Holiday Pay	60	118	60	118
Accrued Wages	36	-	36	-
	<u>96</u>	<u>118</u>	<u>96</u>	<u>118</u>



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**17. Loans**

	Group	Group	Incorporation	Incorporation
	Jan-20	Dec-18	Jan-20	Dec-18
	13 months	12 months	13 months	12 months
	\$'000	\$'000	\$'000	\$'000
Loans	217	217	-	297
	<u>217</u>	<u>217</u>	<u>-</u>	<u>297</u>
Current Portion	-	-	-	297
Non Current Portion	217	217	-	-
	<u>217</u>	<u>217</u>	<u>-</u>	<u>297</u>

Loans were received from:

- YMCA Wanganui Community Trust repayable were written off before merging with The Young Men's Christian Association of Greater Wellington Incorporated forgiven from The YMCA Wanganui Community Trust for payable of \$1,187, 822 (2018 \$297,101)

**18. Wanganui Collegiate Board of Trustees Liability**

The YMCA Wanganui Community Trust has a payment-in-kind liability of \$216,788 relating to provision of services as part of the purchase agreement for the purchase of 125 Grey Street (year to 31 December 2018: \$216,788).



**YMCA Central Incorporated**  
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**19. Related party transactions**

In addition to Board members and key management personnel, related parties to YMCA Central Inc are the YMCA Wanganui Community Trust, YMCA Palmerston North Community Trust and YMCA Greater Wellington Inc. The Trusts hold and provide the major assets utilised in the YMCA's operations.

**19.1 Related party transactions**

Transactions with related parties during the reporting period are as follows:

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
<b>YMCA Wanganui Community Trust</b>				
<b>Assets &amp; Liabilities</b>				
Advances repayable by YMCA Central	-	-	-	297
Loan receivable by YMCA Central	-	-	-	133
Asset transfer to YMCA Central	-	-	29	-
<b>Income and Expenses</b>				
Expenses reimbursed to YMCA Central	-	-	87	80
Bad Debt Written to YMCA Central	-	-	1,187	-
<b>YMCA Palmerston North Community Trust</b>				
<b>Assets &amp; Liabilities</b>				
Accounts Payable by YMCA Central	-	-	-	36
Asset transfer to YMCA Central	-	-	1	-
<b>Income and Expenses</b>				
Bad Debt Written to YMCA Central	-	-	36	-
<b>YMCA Greater Wellington Inc</b>				
<b>Income and Expenses</b>				
Admin and Management Fee from YMCA Central	-	-	300	-

**19.2 Key Management Personnel**

The key management personnel, as defined by PBE IPSAS 20 *Related Party Disclosures*, are the members of the governing body which is comprised of the Board of Trustees, the Chief Executive Officer, Chief Financial Officer, General Manager - Education, General Manager – Recreation, Youth Services Manager, and Early Years Learning Professional Manager. These positions constitute the governing body of the Group.

No remuneration is paid to members of the Board of Trustees.



**YMCA Central Incorporated**  
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The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
Total Remuneration	516	487	516	487
Number of persons	6	6	6	6

Chief Executive Officer, Chief Financial Officer and Youth Services Manager were paid by YMCA Greater Wellington Inc and the costs were covered by management fee transferred by YMCA Central inc with the total amount of \$162k.

### 19.3 Remuneration and compensation provided to close family members of key management personnel

During the year ended 31 January 2020, total remuneration and compensation is nil (year to 31 December 2018: \$12,798) was provided by the Group to employees who are close family members of key management personnel.

## 20. Leases

### 20.1 Operating leases

As at the reporting date, the Board of Trustees has entered into the following operating lease commitments:

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
No later than one year	41	46	41	46
Later than one year but no later than five years	-	4	-	4
Later than five years	-	-	-	-
	<u>41</u>	<u>50</u>	<u>41</u>	<u>50</u>

Leases relate to:

- Ground Rent to Whanganui District Council till 31 Jan 2021 for the land occupied by buildings, grounds and playing fields at Grey Street, Whanganui
- In the year to 31 January 2020 and after, there was rent holiday from YMCA Wanganui Community Trust and YMCA Palmerston North Community Trust





**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
**For the year ended 31 January 2020**

## 20.2 Finance leases

As at the reporting date, the Board of Trustees has entered into the following finance lease commitments:

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
No later than one year	93	75	93	75
Later than one year but no later than five years	215	245	215	245
Later than five years	-	-	-	-
	<u>308</u>	<u>320</u>	<u>308</u>	<u>320</u>

Leases relate to:

- 5 year lease expiring February 2023 from Ricoh for multifunction devices in all locations.
- 5 year leases expiring in June 2022 from Toyota Finance for 2 passenger vehicles
- 45 month lease expiring in December 2021 from Orix New Zealand for 1 passenger vehicle
- 5 year leases expiring in July 2023 from CustomFleet for 8 mini vans
- 4 year leases expiring in Jan 2024 from CustomFleet for 3 mini vans

The leased assets (vehicles and multi-function printing and copying equipment) are included in non current assets and the liabilities to pay the lease payments are included in current and non-current liabilities. Each of the companies that lease the vehicles and multi function devices hold security over those goods.

## 21. Categories of financial assets and liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities.

	Group Jan-20 13 months \$'000	Group Dec-18 12 months \$'000	Incorporation Jan-20 13 months \$'000	Incorporation Dec-18 12 months \$'000
<b>Financial Assets</b>				
<b><i>At amortised cost</i></b>				
Cash and cash equivalents	61	54	49	54
Receivables from exchange transactions	425	151	417	145
Receivables from non exchange transaction	-	17	-	17
Loans	-	-	-	133
	<u>487</u>	<u>222</u>	<u>466</u>	<u>349</u>
<b>Financial Liabilities</b>				
<b><i>At amortised cost</i></b>				
Trade and other creditors	391	439	392	477
Employee entitlements	96	118	96	118
Loans	217	217	-	297
Financial leases	308	320	308	320
	<u>1,011</u>	<u>1,094</u>	<u>795</u>	<u>1,212</u>



**YMCA Central Incorporated**  
**Notes to the consolidated financial statements**  
**For the year ended 31 January 2020**

## **22. Capital commitments**

There were no capital commitments at 31 January 2020 (year to 31 December 2018: nil).

## **23. Contingent assets and liabilities**

There is no outstanding Contingent liabilities as at 31 January 2020 (year to 31 December 18 there were two outstanding personal grievance as at 31 December 2019, any liability may arise from this matter is unknown.)

## **24. Events after the reporting date**

In September 2019, the YMCA Greater Wellington board agreed to accept assets, liabilities and governance of the Young Man's Christian Association of Central Inc with a balance and merger date of 1 February 2020 with the new name of YMCA Central Incorporation. The Young Men's Christian Association Central Incorporated wound up on 31 January 2020.

## **25. Going Concern**

Amalgamation with the YMCA Greater Wellington Inc has taken place on 1 February 2020. Governance believes the going concern assumption is no longer appropriate with the resolution to merge with YMCA greater Wellington Inc.





## INDEPENDENT AUDITORS REPORT

To the Directors of YMCA Central Incorporated

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of YMCA Central Incorporated and its subsidiaries (the Group) on pages 3 to 22, which comprise the consolidated statement of financial position as at 31 January 2020, and the statement of comprehensive revenue and expense, consolidated statement of changes in net assets and consolidated statement of cash flows for the 13 months then ended, and notes to the financial statements, including a summary of significant accounting policies.

#### Qualified Opinion on Financial Performance

In our opinion, except for the matter raised under the Basis for Qualified Opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 January 2020, and its consolidated financial performance and its consolidated cash flows for the 13 months then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

#### Basis for Qualified Opinion on Financial Performance

In common with similar organisations control over certain revenues (programme and activity fees, donations, and sundry income) of the Incorporation prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Incorporation or any of its subsidiaries.

#### Basis of Accounting

Without modifying our opinion, we draw attention to note 1.4.1 – Basis of Measurement to the Financial Statements which describes the basis of accounting. The financial statements have been prepared on a realisation basis.

As disclosed in notes 1.4.1 on page 7 and note 25 on page 22 of the consolidated financial statements, the Board have confirmed that the Incorporation is amalgamating with YMCA Greater Wellington Inc on 1 February 2020 to form a new entity YMCA Central Incorporation with the Young Men's Christian Association of Central Incorporation winding up on 31 January 2020 with all Incorporation assets and liabilities being transferred to the new entity on the amalgamation date.

The YMCA Central Incorporated subsidiaries will continue as going concerns with financial support from the newly formed entity YMCA Central Incorporation. Our opinion is not modified in respect of this matter and these financial statements may not be suitable for another purpose.

**Other information**

The directors are responsible on behalf of the Group for the other information. The other information comprises the Annual Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Directors Responsibilities for the Consolidated Financial Statements**

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Standards Reduce Disclosure Regime, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditors Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs (NZ) 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 these consolidated financial statements.

A detailed description of the auditors' responsibilities including those related to assessment of risk of material misstatement, evaluation of appropriateness of going concern assumptions and determining key audit matters are available on the external reporting board website:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-7/>

**Restriction on Distribution or Use**

This report is made solely to the directors, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditor's report and for no other purpose.



To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors as a body, for our audit work, for this report, or for the opinions we have formed.

**Other Matters**

The Group have each changed their balance dates from 31 December to 31 January 2020 with this period therefore being 13 months.



**David Fraser**  
**Silks Audit Chartered Accountants Ltd**  
**Whanganui, New Zealand**

**Date: 1 May 2020**