MELBOURNE YOUTH MUSIC COUNCIL INC.

ABN 54 089 059 805

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

MELBOURNE YOUTH MUSIC COUNCIL INC.
ABN 54 089 059 805

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MELBOURNE YOUTH MUSIC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 $	2013 $
REVENUE			
Revenue	2	1,266,184	1,030,254
Less: EXPENDITURE			
Employee & Contractor Costs		(685,665)	(609,865)
Venue Hire		(153,163)	(128,431)
Overheads & Consumables		(127,453)	(122,280)
Music, Equipment & Instruments		(20,907)	(20,597)
Printing & Advertising Costs		(34,867)	(39,572)
Communications		(11,980)	(12,898)
Depreciation	3	(12,829)	(19,842)
Insurance		(15,336)	(13,495)
Travelling Expenses	3	(79,385)	(6,010)
Computers & Office Equipment		(3,671)	(6,742)
Administration Costs		(5,072)	(5,445)
Fair Value Loss on Investment	3	(3,781)	-
Total Expenditure		(1,154,109)	(985,177)
Current year surplus before income tax		112,075	45,077
Income tax expense		-	-
Net current year surplus		112,075	45,077
Other comprehensive income		-	-
Total Comprehensive Income for the year		**112,075**	**45,077**

The accompanying notes form part of these financial statements.

MELBOURNE YOUTH MUSIC COUNCIL INC.
ABN 54 089 059 805

MELBOURNE YOUTH MUSIC

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	2014 $	2013 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,095,688	1,176,980
Trade and other receivables	6	135,844	136,918
Other current assets	7	23,097	30,116
Other financial assets	8	371,219	-
TOTAL CURRENT ASSETS		1,625,848	1,344,014
NON-CURRENT ASSETS			
Property, plant and equipment	9	66,408	77,996
TOTAL NON-CURRENT ASSETS		66,408	77,996
TOTAL ASSETS		1,692,256	1,422,010
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	32,946	24,044
Provisions	11	41,460	15,512
Other current liabilities	12	687,406	569,378
TOTAL CURRENT LIABILITIES		761,812	608,934
NON-CURRENT LIABILITIES			
Long service leave provision		10,604	5,311
TOTAL LIABILITIES		772,416	614,245
NET ASSETS		919,840	807,765
EQUITY			
Reserves	13	95,836	95,836
Retained earnings	14	824,004	711,929
TOTAL EQUITY		919,840	807,765

The accompanying notes form part of these financial statements.

MELBOURNE YOUTH MUSIC COUNCIL INC.
ABN 54 089 059 805

MELBOURNE YOUTH MUSIC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Retained earnings $	Reserves $	Total $
Balance at 31 December 2012	666,852	95,836	762,688
Net surplus for the year attributable to members of the entity	45,077	-	45,077
Balance at 31 December 2013	711,929	95,836	807,765
Balance at 1 January 2014	**711,929**	**95,836**	**807,765**
Net surplus for the year attributable to members of the entity	112,075	-	112,075
Balance at 31 December 2014	824,004	95,836	919,840

The accompanying notes form part of these financial statements.

MELBOURNE YOUTH MUSIC COUNCIL INC.
ABN 54 089 059 805

MELBOURNE YOUTH MUSIC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from activities (excluding donations received)	959,057	712,522
Operating grant receipts	336,060	263,603
Donations received	22,909	19,833
Payments to suppliers and employees	(1,055,396)	(857,798)
Interest received	32,319	34,296
Net cash provided by operating activities	294,949	172,455
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(1,241)	(4,493)
Payments for Investments	(375,000)	-
Net cash provided by investing activities	(376,241)	(4,493)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Net cash provided by financing activities	-	-
Net increase (decrease) in cash held	(81,292)	167,962
Cash at beginning of financial year	1,176,980	1,009,018
Cash at end of financial year	1,095,688	1,176,980

The accompanying notes form part of these financial statements.

1 Statement of Significant Accounting Policies

This financial report covers Melbourne Youth Music Council Inc. as an individual entity. Melbourne Youth Music Council Inc. is an association incorporated in Victoria and operating pursuant to the Associations Incorporation Reform Act 2012.

The financial statements were authorised for issue on 22 April 2015 by the members of the management committee.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Associations Incorporation Reform Act 2012 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

Accounting Policies

(a) Income Tax

No provision for income tax has been raised as Melbourne Youth Music Council Inc. is exempt from income tax under section 50-5 of the Income Tax Assessment Act 1997.

(b) Fair Value of Assets and Liabilities

The association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the association would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specified asset or liability. Fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asest or liability). In the absence of such a market, information is extracted from the most advantageous market available to the entity at the reporting date (i.e. the market that maximises the receipts from the sale of the asset or minimises the payment made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the assets in its highest and best use to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of an identical or similar financial instrument, by reference to observable market information where identical or similar instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

(c) Property, Plant and Equipment

Plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a diminishing value basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Music Library	22.50%
Musical Instruments	15%
Percussion Instruments	30%
Computers	37.50%
Office Furniture	7.5%-15%
Other Equipment	22.5%-30%

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

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

(d) Leases

Lease payments for operating leases, where substanially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (ie trade date accounting adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expenses to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest rate method.*

The *effective interest rate method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense in profit or loss.

The association does not designate any interests in subsidiaries, associates or joint ventures entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss
Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subquently measured at fair value with changes in fair value (ie gains or losses) being recognised in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments
Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.
They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.
Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

A financial asset (or group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') has occurred, which has an impact on the estimated future cash flows of the financial asset(s).
In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

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

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(g) Employee Provisions

Short-term employee benefits

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

Other long-term employee benefits

Provision is made for employees' leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate aniticipated future wage and salary levels, durations of service and employee departures. They are then discounted at rates determined by reference to end-of-reporting-period market yields on government bonds that have maturity dates approximately the terms of the obligations. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

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

(h) Cash on Hand

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(i) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classifed as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the *effective interest method*, less any provision for impairment.Refer to Note 1(e) for further discussion on the determination of impairment losses.

(j) Revenue and Other Income

Non-reciprocal grant revenue is recognised in profit or loss when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the assocation 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.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The association receives non-reciprocal contributions of assets from the government and other parties for a zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

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

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(l) Comparative Figures

When required by the Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.
Where the association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

(m) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Provisions

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

(o) New and Amended Accounting Policies adopted by the Association

Employee benefits

The association adopted AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) from the mandatory application date of 1 January 2013. The association has applied these Standards retrospectively in accordance with AASB 108 and the transitional provisions in AASB 119 (September 2011).

For the purpose of measurement, AASB 119 (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. In accordance with AASB 119 (September 2011), provisions for short-term employee benefits are measured at the undiscounted amounts expected to be paid to employees when the obligation is settled. Provisions that do not meet the criteria for classification as short-term employee benefits (ie other long-term employee benefits) are measured at the present value of the expected future payments to be made to employees. Previously, the association had seperated provisions for benefits with similar characteristics, such as annual leave, into short-term and long-term portions, and applied the relevant measurement approach under AASB 119 to the respective portions.

As the association expected that all of its employees would use all their annual leave entitlements earned during a reporting period within 12 months after the end of the reporting period, adoption of AASB 119 (September 2011) did not have a material impact on the amounts recognised in respect of the association's employee provisions. Note also that adoption of AASB 119 (September 2011) did not impact the classification of leave entitlements between current and non-current liabilities in the assosciation's financial statements.

AASB 119 (September 2011) also introduced changes to the recognition and measurement requirements applicable to termination benefits and defined benefit plans. The association did not have any of these types of obligations in the current or the previous reporting period, therefore these changes did not impact the association's financial statements.

Fair Value Measurement

The association has applied AASB 13: Fair Value Measurement, and the relevant consequential amendments arising from the related Amending Standards, prospectively from the mandatory application date of 1 January 2013 in accordance with AASB 108 and the specific transitional requirements in AASB 13.

No material adjustments to the carrying amounts of any of the association's assets or liabilities were required as a consequence of applying AASB 13. Nevertheless, AASB 13 requires enhanced disclosures for both assets and liabilities measured at fair value and other recurring fair value measurements disclosed in the association's financial statements. These enhanced disclosures are provided in Note 16.
The association doesn't need to apply the AASB 13 disclosure requirements to comparative information provided for periods before initial application of AASB 13 (that is, periods beginning before 1 January 2013). However, as some of the disclosures now required under AASB 13 were previously required under other Australian Accounting Services, such as AASB 7: Financial Instruments : Disclosures, the association has included this previously provided information as comparative in the current reporting period.

		2014 $	2013 $
2	**Revenue and Other Income**		
	Revenue		
	Operating Revenue (including donations received)	971,917	732,355
	Revenue from grants	256,779	263,603
	Interest received	30,768	34,296
	Other Income (comprising net investment income of $4027 and franking credit of $2693)	6,720	-
	Total revenue	1,266,184	1,030,254
3	**Profit for the Year**		
	Expenses		
	Depreciation of property, plant and equipment	12,829	19,842
	Travelling Expense	79,385	6,010
	The travelling expense for 2014 of $79,385 includes travel and accommodation expenses relating to Melbourne Youth Orchestra's tour to Christchurch, New Zealand.		
	Fair Value Loss on Investment	3,781	-
	An investment of $375,000 was made in Vanguard Australian Indexed Shares Fund on 6 November 2014. The value of the Fund on 31 December 2014 was $371,219. A gross distribution of $6,746 was received on 31 December 2014 comprising a dividend of $6,678, interest of $26 and $42 as other income.		
4	**Auditor's Fees**		
	Remuneration of the auditor of the association for:		
	- auditing or reviewing the financial report	4,750	4,750
	- other services provided by related practice of auditor	650	650
		5,400	5,400
5	**Cash and Cash Equivalents**		
	Bendigo - Cheque Account	45,613	23,326
	Bendigo - Term Deposit	182,721	440,268
	ANZ - Term Deposit	-	363,754
	BOM - Term Deposit	375,000	-
	Bendigo - Cash Management Account	320,694	258,002
	Bendigo - Public Fund Account	171,254	91,223
	Petty Cash	408	407
		1,095,688	1,176,980
6	**Trade and other receivables**		
	Current		
	2015 Ensemble Program fees receivable	103,807	130,510
	Grant from City of Melbourne	11,000	-
	Summer School Program	14,291	6,408
	Other receivables	6,746	-
		135,844	136,918

	2014	2013
	$	$

The association has no significant concentrations of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the association is considered to relate to the class of assets described as 'program fees receivable.'

The association does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

	Gross Amount	Past Due and Impaired	Past Due but Not Impaired				Within Initial Trade Terms
			<30	31-60	61-90	>90	
2014	$	$	$	$	$	$	$
Contributions (member) receivable	118,098	-	118,098	-	-	-	-
Other Debtors	17,746	-	11,000	-	-	-	6,746
Total	135,844	-	129,098	-	-	-	6,746

	Gross Amount	Past Due and Impaired	Past Due but Not Impaired				Within Initial Trade Terms
			<30	31-60	61-90	>90	
2013	$	$	$	$	$	$	$
Contributions (member) receivable	136,918	-	136,918	-	-	-	-
Other Debtors	-	-	-	-	-	-	-
Total	136,918	-	136,918	-	-	-	-

7 Other Current Assets

Current		
Bond - Office	2,567	2,567
Bond - Cabcharge	200	200
Accrued Interest on term deposit	3,224	4,801
Prepayments	17,105	22,548
	23,097	30,116

8 Other Financial Assets

Financial assets at fair value through Profit and loss		
Vanguard Investment	371,219	-

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	2014	2013
	$	$
9 Property, Plant and Equipment		
Plant and equipment		
Music Library at 1992 Directors Valuation plus purchases since 31/12/92 at cost	155,589	246,058
Less: Accumulated Depreciation	(126,170)	(212,888)
	29,419	33,170
Musical Instruments at 1992 Directors Valuation plus purchases since 31/12/92 at cost	216,973	216,973
Less: Accumulated Depreciation	(197,278)	(194,069)
	19,695	22,904
Percussion Instruments at cost	18,753	18,753
Less: Accumulated Depreciation	(15,984)	(15,001)
	2,769	3,752
Computers at cost	25,638	25,368
Less: Accumulated Depreciation	(21,168)	(19,174)
	4,469	6,194
Web Sites & software at cost	8,007	8,007
Less: Accumulated Depreciation	(5,298)	(4,043)
	2,708	3,964
Office Furniture & Other Equipment at cost	13,602	31,604
Less: Accumulated Depreciation	(6,255)	(23,591)
	7,347	8,013
Total Plant and equipment	66,408	77,996
Total Property, Plant and Equipment	66,408	77,996

Movements in Carrying Amounts

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

	Plant and Equipment	Total
	$	$
Balance at 1 January 2013	93,345	93,345
Additions	4,493	4,493
Depreciation expense	(19,842)	(19,842)
Balance at 31 December 2013	77,996	77,996
Additions	1,241	1,241
Depreciation expense	(12,829)	(12,829)
Carrying amount at 31 December 2014	66,408	66,408

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		2014 $	2013 $
10	**Trade and Other Payables**		
	Current		
	MYM Credit Cards	1,999	2,036
	Trade Creditors	9,704	4,940
	Superannuation Payable	10,732	8,878
	Net GST Payable	3,221	2,701
	Withholding Taxes Payable	7,291	5,489
		32,946	24,044
	Financial liabilities at amortised cost classified as trade and other payables		
	Trade and other payables:		
	- Total current	32,946	24,044
	Financial liabilities as trade and other payables	32,946	24,044

The average credit period on accounts payable and other payables is one month. No interest is payable on outstanding payables during this period.

11	**Provisions**		
	Provision for Annual Leave	41,460	15,512
	Total provisions	41,460	15,512
	Analysis of Total Provisions		
	Current	41,460	15,512
		41,460	15,512

Employee Provisions	2014 $	2013 $
CURRENT		
Employee provisions - annual leave entitlements	41,460	15,512
	41,460	15,512
Analysis of Employee Provisions-Annual Leave Entitlements		$
Opening balance at 1 January 2014		15,512
Additional Provisions		32,091
Amounts used		(6,143)
Balance at 31 December 2014		41,460

Employee Provisions - Annual Leave Entitlements

The provision for employee benefits represents amounts accrued for annual leave.

Based on past experience, the association does not expect the full amount of annual leave to be settled wholly within the next 12 months. However, the amount must be classified as a current liability because the association does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

		2014 $	2013 $
12	**Other Liabilities**		
	Current		
	Accrued Charges	102,699	49,197
	Income in Advance	584,707	520,181
		687,406	569,378

		2014 $	2013 $
13	**Reserves**		
	Asset revaluation reserve arising from Management Committee's revaluation of Music Library and Musical Instruments at 31/12/92.	95,836	95,836
		95,836	95,836
14	**Retained Surplus**		
	Retained earnings at the beginning of the financial year	711,929	666,852
	Net surplus attributable to the association	112,075	45,077
	Retained surplus at the end of the financial year	824,004	711,929

15 Cash Flow Information

(a) Reconciliation of cash

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

	2014 $	2013 $
Cash on hand	408	407
Cash at bank	537,561	372,551
At Call deposits with financial institutions	557,721	804,022
Bank overdrafts	-	-
Other short-term facilities	(2)	
	1,095,688	**1,176,980**

(b) Reconciliation of cash flow from operations with profit after income tax

	2014 $	2013 $
Profit from ordinary activities after income tax	112,075	45,077
Adjustments and non-cash items:		
Depreciation	12,829	19,842
Decrease in fair value of financial assets through Profit and Loss	3,781	
	128,685	64,919
Changes in assets and liabilities		
(Increase)/decrease in receivables	1,074	100,626
(Increase)/decrease in other assets	7,019	2,799
Increase/(decrease) in payables	8,902	457
Increase/(decrease) in other liabilities	118,027	7,414
Increase/(decrease) in provisions	31,241	(3,761)
	166,263	107,535
Cash flows from operating activities	294,949	172,454

16 Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments and accounts receivable and payable.
The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

	2014 $	2013 $
Financial Assets		
Cash and cash equivalents	537,969	372,551
Short term deposits	557,721	804,022
Other financial asset	371,219	-
Total Financial Assets	1,466,908	1,176,573

Financial Risk Management Policies

The association's Treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Treasurer monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the Finance, Risk and Investment Committee.

The Treasurer's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

The main risks the association is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.
Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limited and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the association securing accounts receivable and other debtors.
Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality.

b. Liquidity Risk

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meetings its obligations related to financial liabilities. The association manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activites
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid fees

Financial liability and financial asset maturity analysis

Financial liabilities due for payment	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	$	$	$	$	$	$	$	$
Accounts payable and other payables (excluding annual leave and grants receivable in advance)	32,946	24,044	-	-	-	-	32,946	24,044
Financial lease liabilities	-	-	-	-	-	-	-	-
Total contractual outflows	32,946	24,044	-	-	-	-	32,946	24,044
Total expected outflows	32,946	24,044	-	-	-	-	32,946	24,044

Financial assets- cash flows realisable	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	$	$	$	$	$	$	$	$
Cash on Hand	1,095,688	1,176,980	-	-	-	-	1,095,688	1,176,980
Accounts receivable and other debtors	158,940	167,034	-	-	-	-	158,940	167,034
Available-for-sale investments	371,219	-	-	-	-	-	371,219	-
Total anticipated inflows	1,625,848	1,344,013	-	-	-	-	1,625,848	1,344,013
Net (outflow)/inflow on financial instruments	1,592,902	1,319,969	-	-	-	-	1,592,902	1,319,969

c. Market Risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The association is exposed to earnings volatility on floating rate instruments. The financial instruments that expose the association to interest rate risk are limited to lease liabilities and cash on hand.

	2014	2013
	$	$

Net Fair Values

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position.

	2014 Carrying Amount	2014 Net Fair Value	2013 Carrying Amount	2013 Net Fair Value
	$	$	$	$
Financial Assets				
Cash and cash equivalents (i)	537,969	537,969	372,958	372,958
Short term deposits	557,721	557,721	804,022	804,022
Other financial assets	371,219	371,219	-	-
Accounts receivable and other debtors (i)	135,844	135,844	136,918	136,918
Total Financial Assets	1,602,752	1,602,752	1,313,898	1,313,898
Financial Liabilities				
Accounts payable and other payables (i)	32,946	32,946	24,044	24,044
Total Financial Liabilities	32,946	32,946	24,044	24,044

(i) Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Accounts payable and other payables exclude amounts relating to the provision for annual leave, which is outside the scope of AASB 139.

Capital and leasing commitments

17 **Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable - minimum lease payments:

	2014	2013
not later than 12 months	33,744	32,448
between 12 months and five years	11,248	44,560
	44,992	77,008

Association Details

18 The registered office of the association is:
1 Bruce Street, Kensington, Victoria, 3031

The principal place of business is:
1 Bruce Street, Kensington, Victoria, 3031

MELBOURNE YOUTH MUSIC COUNCIL INC.
ABN 54 089 059 805

ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND PERFORMANCE OF INCORPORATED ASSOCIATION

We, Jeanette Ward and Carol Benson, being members of the management committee of Melbourne Youth Music Council Inc, certify that-

The financial statements attached to this certificate give a true and fair view of the financial position and performance of Melbourne Youth Music Council Inc during and at the end of the financial year of the association ending on 31 December 2014.

J Ward

Jeanette Ward

Carol B

Carol Benson

Dated this 22nd day of April 2015

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MELBOURNE YOUTH MUSIC COUNCIL INC.
ABN 54 089 059 805

Report on the Financial Report

We have audited the accompanying financial report of Melbourne Youth Music Council Inc. (the association) which comprises the statement of financial position as at 31 December 2014 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

Board of Management's Responsibility for the Financial Report

The board of management of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Reform Act 2012 (Vic) and for such internal control as the board of management determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditors' 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. Those 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 auditors' 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 entity's preparation of the financial report that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of management, 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.

Haines Muir Hill Represented in all states and associated offices throughout the world Telephone +613 9840 2200 Fax +613 9840 1188
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MELBOURNE YOUTH MUSIC COUNCIL INC.
ABN 54 089 059 805

In our opinion, the financial report of Melbourne Youth Music Council Inc is in accordance with the requirements of the Associations Incorporation Reform Act 2012 (Vic), including:

i. giving a true and fair view of the Association's financial position as at 31 December 2014 and of its performance for the year ended on that date; and

ii. Complying with Australian Accounting Standards as disclosed in Note 1.

Haines Muir Hill

Haines Muir Hill
Chartered Accountants
Level 1, 888 Doncaster Road
DONCASTER EAST VIC 3109

A J Muir
Partner

Dated this 22nd day of April 2015

MELBOURNE YOUTH MUSIC COUNCIL INC.
ABN 54 089 059 805

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Jeanette Ward , certify that:

a. I attended the annual general meeting of the assocation held on 20 May 2015; and

b. the annual financial statements for the year ended 31 December 2014 were submitted to the members of the association at the annual general meeting.

JHWard

Jeanette Ward

Dated this 20th day of May 2015