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# Annual Financial Statements

Tasmanian Youth Orchestra Inc  
31 December 2022

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# Treasurer's Report 2022

Lyndal Moore

Having stepped into the role of Treasurer part way through 2022, I would like to acknowledge the strong foundation built by Mark Donnelly over his many years as Treasurer and the steady role played by Jeremy Young as Acting Treasurer last year.

In order to continue providing outstanding opportunities for our talented performers, one of TYO's strategic objectives is financial sustainability through diversification and building reserves to allow us to plan for ongoing future growth.

Pleasingly, the financial result for 2022 has actively contributed towards this goal, with TYO recording a surplus of \$59,000 that has directly increased our net assets to \$224,000. The main contributors to this surplus were an increase in grant revenue, donations and audition/player fees, however there was also an increase in expenses, most notably concert and costs directly associated with performances, and staffing costs.

The organisation's assets have increased, primarily reflecting the receipt of cash from grants and donations, and a tidying up of fixed assets which resulted in the write off of a small number of assets. Liabilities also increased, also due to the receipt of grants which are recorded as revenue received in advance.

In 2023 we will work to consolidate this excellent result, with a focus on fundraising, revenue diversification and cost containment to ensure the ongoing success of TYO.

Lastly, I wish to thank the Finance and Risk Committee for its financial oversight during the year, and Kyna and the team for their commitment and efforts in helping to drive TYO into a sustainable position for the future.



Lyndal Moore | TYO Treasurer  
2 April 2023

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# Compilation Report

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## Tasmanian Youth Orchestra Inc For the year ended 31 December 2022

We have compiled the accompanying special purpose financial statements of Tasmanian Youth Orchestra Inc, which comprise the balance sheet as at 31 December 2022, the profit and loss for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

### 1. Director's Responsibility

The directors of Tasmanian Youth Orchestra Inc are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

### 2. Our Responsibility

On the basis of information provided by the directors of Tasmanian Youth Orchestra Inc, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the directors of Tasmanian Youth Orchestra Inc. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Suite G10, TUSA Building, 1 Churchill Avenue, Sandy Bay, Tasmania, Australia, 7005  
16 March 2023

Signed:



Director: Lyndal Moore, Treasurer  
Dated this 17th of April 2023

# Directors Declaration

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## Tasmanian Youth Orchestra Inc For the year ended 31 December 2022

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, as set out herein present fairly the company's financial position as at 31 December 2022 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Signed  .....

Director: Lyndal Moore, Treasurer

Dated this 17th of April 2023

# Profit and Loss

## Tasmanian Youth Orchestra Inc For the 12 months ended 31 December 2022

	Dec-22	Dec-21
<b>Income</b>		
Audition fees	7,259	5,539
Box Office	14,164	17,347
Donations	84,265	33,991
Grants	459,166	307,341
Instrument Hire	-	64
Interest Income	281	42
Membership fees	180	160
Other Revenue	(273)	2,619
Player Fees	86,918	69,820
<b>Total Income</b>	<b>651,960</b>	<b>436,922</b>
<b>Less Cost of Sales</b>		
Cost of Goods Sold	281	-
<b>Total Cost of Sales</b>	<b>281</b>	<b>-</b>
<b>Gross Profit</b>	<b>651,679</b>	<b>436,922</b>
<b>Plus Other Income</b>		
JobKeeper Monies	-	9,450
<b>Total Other Income</b>	<b>-</b>	<b>9,450</b>
<b>Less Operating Expenses</b>		
Adjunct player fees	18,630	-
Advertising	3,499	1,376
Auditions	3,243	2,383
Bad Debt Expense	2,987	955
Bank Fees	329	191
Cleaning	1,538	283
Concert Expenses	20,114	22,256
Conductor fees	39,707	33,121
Consulting & Accounting	3,577	6,024
COVIDSafe	3,449	-
Depreciation	9,716	12,281
Fees assistance grants	3,970	-
Foreign Currency Gains and Losses	49	7
Freight & Courier	151	30
General Expenses	1,970	1,850
HR and Recruitment Costs	15,679	-
Insurance	8,850	8,610
Interest Expense	-	243
IT Support	4,529	130
Loss on disposal of asset	8,074	-
Meeting Expenses	905	890
Motor Vehicle Expenses	14,040	6,806
Music (Hire/Purchase)	4,245	2,017

# Profit and Loss

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	<b>Dec-22</b>	<b>Dec-21</b>
Music licensing/copyright	2,279	3,124
Office Expenses	9,813	6,376
PayPal Fee	1,190	1,215
Printing & Stationery	5,001	3,009
Production Resources	5,706	10,910
Refunds	-	(62)
Rent	13,457	13,222
Repairs and Maintenance	1,220	5,682
Repetiteur fees	6,290	-
Research Expenses	13,254	-
Scholarships Grant	3,665	-
Staff Training	1,216	730
Storage Expenses	3,780	-
Subscriptions	7,616	5,667
Superannuation	26,980	20,901
Telephone & Internet	3,159	2,714
Travel	2,915	5,797
Tutor fees	15,096	33,879
Venue hire	15,975	16,768
Video and filming	13,108	-
Wages and Salaries	270,643	217,937
Web Site	862	-
<b>Total Operating Expenses</b>	<b>592,471</b>	<b>447,321</b>
<b>Net Profit</b>	<b>59,208</b>	<b>(949)</b>

## Notes

This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Compilation Report.

# Movements in Equity

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## Tasmanian Youth Orchestra Inc As at 31 December 2022

	31 Dec 2022	31 Dec 2021
<b>Equity</b>		
Opening Balance	165,254	165,843
Current Year Earnings	59,208	(949)
Retained Earnings	-	360
<b>Total Equity</b>	<b>224,462</b>	<b>165,254</b>

### Notes

This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Compilation Report.

# Balance Sheet

## Tasmanian Youth Orchestra Inc As at 31 December 2022

31 Dec 2022      31 Dec 2021

### Assets

	31 Dec 2022	31 Dec 2021
<b>Bank</b>		
ANZ TYO Business Extra Cheque	6,055	6,055
ANZ TYO Business Saver	104,122	103,841
Donations Account	12,462	12,462
GM debit card KH	40	1,372
PayPal	300	1,087
Tasmanian Youth Orchestra	362,180	225,555
Term Deposit	25,024	25,024
<b>Total Bank</b>	<b>510,182</b>	<b>375,396</b>
<b>Current Assets</b>		
Accounts Receivable	7,653	17,516
Prepayments	5,450	-
<b>Total Current Assets</b>	<b>13,103</b>	<b>17,516</b>
<b>Fixed Assets</b>		
Less Accumulated Depreciation on Computer Equipment	(5,612)	(6,230)
Instruments	124,934	143,983
Less Accumulated Depreciation on Instruments	(94,410)	(107,838)
Music	-	10,366
Less accumulated depreciation on music	-	(2,072)
Plant & Equipment	15,129	15,074
<b>Total Fixed Assets</b>	<b>40,042</b>	<b>53,283</b>
<b>Total Assets</b>	<b>563,327</b>	<b>446,195</b>

### Liabilities

<b>Current Liabilities</b>		
Accounts Payable	736	701
Annual Leave Provision	16,692	14,574
GST	6,566	7,984
PAYG Withholdings Payable	8,724	15,416
Revenue in Advance - Fees Assistance	537	1,172
Revenue in Advance - Lesson scholarship donations	1,292	4,956
Revenue in Advance - Project specific	21,428	21,428
Revenue in Advance -Recurrent Grants	279,597	212,362
Rounding	(4)	(2)
Superannuation Payable	947	-
Suspense	2,351	2,351
<b>Total Current Liabilities</b>	<b>338,865</b>	<b>280,941</b>
<b>Total Liabilities</b>	<b>338,865</b>	<b>280,941</b>
<b>Net Assets</b>	<b>224,462</b>	<b>165,254</b>

# Balance Sheet

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	31 Dec 2022	31 Dec 2021
<b>Equity</b>		
Current Year Earnings	59,208	(949)
Retained Earnings	165,254	166,203
<b>Total Equity</b>	<b>224,462</b>	<b>165,254</b>

# Statement of Cash Flows

## Tasmanian Youth Orchestra Inc For the year ended 31 December 2022

	2022	2021
<b>Operating Activities</b>		
Receipts from customers	669,783.81	430,540.54
Payments to suppliers and employees	(588,558.65)	(444,927.52)
Cash receipts from other operating activities	9,589.30	11,956.71
Cash payments from other operating activities	(49.23)	(7.31)
<b>Net Cash Flows from Operating Activities</b>	<b>90,765.23</b>	<b>(2,437.58)</b>
<b>Investing Activities</b>		
Proceeds from sale of property, plant and equipment	81.84	5,149.09
Payment for property, plant and equipment	(7,630.38)	(19,731.38)
Other cash items from investing activities	(5,450.01)	-
<b>Net Cash Flows from Investing Activities</b>	<b>(12,998.55)</b>	<b>(14,582.29)</b>
<b>Financing Activities</b>		
Other cash items from financing activities	57,019.51	69,977.37
<b>Net Cash Flows from Financing Activities</b>	<b>57,019.51</b>	<b>69,977.37</b>
<b>Net Cash Flows</b>	<b>134,786.19</b>	<b>52,957.50</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	375,396.20	322,438.70
Net change in cash for period	134,786.19	52,957.50
Cash and cash equivalents at end of period	510,182.39	375,396.20

# Notes to the Financial Statements

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## Tasmanian Youth Orchestra Inc For the year ended 31 December 2022

### 1. Statement of Significant Policies

The directors' have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members.

The financial report has been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

#### 1.(a) Income Tax

The income tax expense for the year comprises current income tax expense. The company does not apply deferred tax. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

#### 1.(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in, first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

#### 1.(c) Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or directors' valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the company.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the profit and loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the profit and loss and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

#### 1.(d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

#### 1.(e) Cash and Cash Equivalents

Cash and cash equivalents includes 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.

#### 1.(f) Trade Receivables and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful has been created.

# Notes to the Financial Statements

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## 1.(g) Trade Creditors and Other Payables

Trade creditors and other payables, including bank borrowings and distributions payable, are recognised at the nominal transaction value without taking into account the time value of money.

## 1.(h) Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate 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 recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable. All revenue is stated net of the amount of goods and services tax (GST).

## 1.(i) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

## 2. Receivables

	31-Dec-22	31-Dec-21
<b>Current</b>		
Loans	-	-
Less provision for impairment of receivables	-	-
Trade receivables	13,103	17,516
<b>Total Current</b>	<b>13,103</b>	<b>17,516</b>
<b>Non Current</b>		
Loans	-	-
<b>Total Non Current</b>	<b>-</b>	<b>-</b>
<b>Total Receivables</b>	<b>13,103</b>	<b>17,516</b>

## 3. Fixed Assets

<b>Less Accumulated Depreciation on Computer Equipment</b>	<b>(5,612)</b>
<b>Instruments</b>	<b>30,524</b>
At cost	124,934
Less Accumulated Depreciation	(94,410)
<b>Plant &amp; Equipment</b>	<b>15,129</b>
<b>Total Fixed Assets</b>	<b>40,042</b>

## 4. Contingent Liabilities

At 31 December 2022 there were no contingent liabilities of the entity.

## 5. Events After Balance Date

There are no after balance date events.

## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF TASMANIAN YOUTH ORCHESTRA COUNCIL INC.**

### ***Opinion***

We have audited the special purpose financial report of Tasmanian Youth Orchestra Council Inc. (the Association), which comprises the balance sheet as at 31 December 2022, the statement of profit and loss, statement of changes in equity, statement of cash flows, notes to the financial statements, including a summary of significant accounting policies, and the statement by the members of the Board.

In our opinion, except for the matter referred to in the Basis for Opinion paragraph below, the accompanying financial report of Tasmanian Youth Orchestra Council Inc. has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

- a) giving a true and fair view of the registered entity's financial position as at 31 December 2022, and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.

### ***Basis for Opinion***

As is common for organisations of this type, it is not practicable for the Tasmanian Youth Orchestra Council Inc. to maintain an effective system of internal control over fundraising and other activities until their initial entry into the accounting records. Accordingly, our audit in relation to fundraising and other activities was limited to the amounts recorded.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

***Emphasis of Matter – Basis of Accounting***

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The general purpose financial report has been prepared for the purpose of fulfilling the responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

***Responsibility of the Board for the Financial Report***

The Board of Management of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the registered entities ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

***Auditor's Responsibilities for the Audit of the Financial Report***

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Michael Ian Derbyshire**  
Director

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17 April 2023