



# Annual Report

for the financial year  
ended 30 June 2017

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The Australian Childhood Foundation acknowledges Aboriginal and Torres Strait Islander peoples as the traditional custodians and owners of this land. We pay our respects to their elders past and present and to the children who are their leaders of tomorrow. We acknowledge their history and living culture and the many thousands of years in which they have raised their children to be safe and strong.

We would like to thank Blake Meyer, Guillaume De Germain, Laura Aziz, Mi Pham, Patrick Fore and Priscilla Du Preez for the beautiful images within this Annual Report.

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**“Darkness cannot drive out darkness; only light can do that. Hate cannot drive out hate; only love can do that.”-**  
*Martin Luther King Jr.*



## A message from the CEO

### We want to galvanise the change that is already happening about children...

The community's conversations about child abuse have been changing for the past few years. Around the country, and even internationally, we have been witness to an extraordinary focus on the violation of children. The film *Spotlight* showed us how deeply entrenched child sexual abuse had become in the Catholic Church in Boston. The Royal Commission into Institutional Responses to Child Sexual Abuse has exposed the extent to which adults in positions of trust have violated children over decades, without accountability. We were all shocked by the death of little Luke Batty at the hands of his father and then graced by the dignity of Rosie Batty as she advocated for changes to the systems and laws that have permitted family violence to grow unchallenged. The images of a young child being horrifically restrained in a youth detention centre in the NT made us cry out for a more compassionate form of justice for young people whose behaviour is so heavily influenced by lifelong traces of trauma in their lives.

The evidence of abuse continues to unfold never uninterrupted. Every week in Australia, 3118 children are involved with child protection services in order to ensure their safety. In the past 5 years, this number has increased by 20% nationally.

So many children are reported multiple times to child protection services because their friends, family, teachers, doctors and other professionals keep being worried about their safety. 73% of children who were involved with child protection last year had been involved with child protection at least once before.

The younger children are, the more likely they are to need protection. Children under the age of one year are the most frequently abused and/or neglected.

Across Australia, last year, 15% of children who were proven to have been abused had been physically abused, 11% had been sexually abused, 45% had been emotionally or psychologically abused and 25% had been neglected. Of course, most children had experienced more than one type of violation at the same time.

More children than ever before are forced to live away from their own home in order to keep them protected from abuse and family violence. Tonight, more than 46 000 children will not be able to sleep in their own beds over fears for their safety.

Nationally, 67% of children in out-of-home care had been in "long term care", that is, they have been looked after by someone other than their parents in order to keep them safe for 2 years or more.



Many of the young people who commit crimes in the community are also involved in the child protection system. The latest figures show that 32.4% of young people under youth justice supervision were also in the child protection system. Two out of every 5 young people in youth detention were involved in the child protection system in the same year.

**The abuse of children draws on darkness to start and silence to continue. In those moments of violation, children experience an absence and corruption of the love they most need.**

It has made us think more and more about the opportunity that this point in history offers us as a community. It is perhaps a moment that could—and should—count for children.

It led us to examine what it is we stand for and what it is we want to be for children, in particular those children who have suffered the reverberating experiences of danger and threat at the hands of the very people who are supposed to care for them.

We came to the conclusion that relationships hold the key to transforming the lives of abused children. And in particular, it is the quality of love that emerges through experiences of safety and trust that is at the heart of their healing.

**So we have decided to become even clearer about our vision.**

**That is why we have decided to tell our story differently because we want love to take centre stage.**

We have changed our logo this year because we wanted to acknowledge the importance of love for all of us, and in particular children.

Children trace love in moments of connection. A newborn feels his mum's heartbeat as he is held tightly and stops crying. A toddler giggles when her dad acts out a scary monster who scoops her high up into the air. On the first day of school, nanna packs her grand-daughter her favourite Vegemite sandwich cut in the shape of a kangaroo. The teenager laughs at his sister's attempt to run as fast as him so she can keep up.

Love beats out a rhythm that allows a child to learn and grow. It weaves itself into the fabric of the way that children make sense of their world. It gives them the permission to explore the edges of who they are becoming from the safety of knowing their relationships are secure.

Love emerges as a quality of the relationships that embrace children. It nurtures confidence. It celebrates the everyday experience of childhood. It builds trust. It offers certainty and stability. Love is just there. Children don't have to look for it. It is in a hug. It is in the fun of a tickle. It erupts with laughter and joy. It is shared when children and their carers hold hands.

**Love is a powerful force in the lives of all children. It should never be underestimated in relation to what it can do.**

Our new logo expresses a set of beliefs about children and the relationships that support them and nurture them. We believe that children are the centre of the life of a family and community. The little orange heart in the middle of the logo is a child. The dots which surround the heart are all the people in a child's world – parents, carers, grandparents, uncles, aunts, siblings, cousins, teachers, coaches, doctors, friends and the broader community. The intensity of the colour deepens towards the centre showing how the most important relationships have the strongest influence in the lives of children. The heart and the dots – the child and their relationships – are interconnected.

**Love radiates towards the centre – towards children. The dots appear to ripple as love passes through them surrounding the heart of a child. Our new logo shows community in action around children – highlighting the village, the set of relationships that all children need to ensure they have a safe and loved childhood.**

The Foundation's central purpose is to work to bring love back to children affected by the trauma of child abuse and family violence. For this very reason, we believe that really valuing the kindness, sensitivity, trust and love that good relationships provide children is a way to make it harder for violence to keep its hold in our families and communities.

The new logo comes with an invitation to join us in being active to defend the right of all children to a safe and loved childhood. It is our way of fighting back against the violence that threatens to engulf the lives of so many of our children. You can become a Defender of Childhood and work with us to make a safe and loved childhood a priority in your local community.

It is the start of what we hope will become a movement that spreads across Australia. The #DefendChildhood movement empowers all of us to take a lead in resourcing and celebrating relationships in which children are loved, cared for and protected.

**Dr Joe Tucci**  
**CEO**



# This year, we launched a simple call to action...

We stand for children experiencing all the love they need.

We believe that in the absence of love and protection, children are lost and frightened.

We believe that when love is corrupted by abuse and family violence, children are damaged and traumatised.

It's time to stand up, not just stand by and let someone else deal with the problem.

We must all love children, not hurt them.

It's time to be counted. It's time to end the pain carried by children affected by abuse and family violence. It's time to recognise that healing starts with children being protected and being loved.

## Join us. Become a Defender of Childhood.

Tell your world that you have joined a passionate community dedicated to defending the right of all children to a safe and loved childhood.

### As a childhood defender, you will:

- educate our communities on how important love is to children;
- build a network of adults who know how to identify abuse and are confident about how to protect children;
- advocate for what children need and help others to stand up too;
- help change community attitudes to put pressure on governments to make protecting children from abuse Australia's first priority; and,
- raise funds for the Australian Childhood Foundation to make sure that children affected by abuse and violence experience all the love they need to heal.

It all starts by wearing your heart on your hand to show your friends and families that you, too, want to be a powerful for childhood.



# This year, we have asked you to join us to celebrate the importance of love in the lives of all children....

## In 2017, we are planning our first-ever major community event.

At twilight on 28 October 2017 at Birrarung Marr in Melbourne, the Australian Childhood Foundation is hosting the Big Love Light twilight walk.

Big Love Light aims to celebrate the significance of love in the lives of all children.



The Foundation refuses to give up on abused children no matter what. We are committed to defending their right to a loved and safe childhood. We believe the act of offering love to abused children is a way to stand against the darkness of the trauma of abuse and violence that has overwhelmed their little lives.

To us, light symbolises the power of safe, loving relationships to transform the worlds of abused and traumatised children.

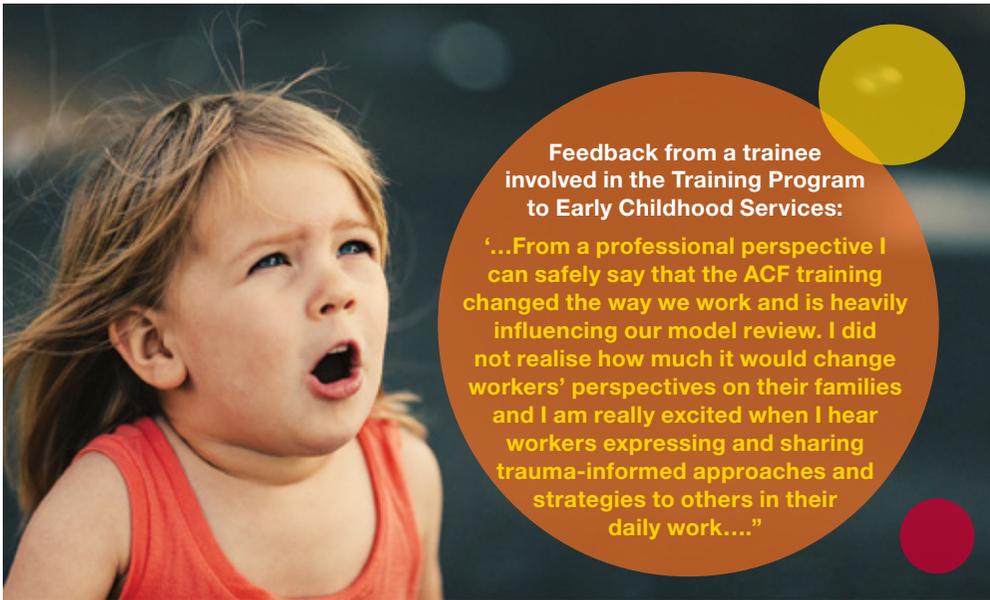
The event will become a symbol for the community to express their love for children and willingness to act to defend their childhood. Together, we'll walk a 3.5 km track along the Yarra River. Afterwards, we will gather together and enjoy live music, and favourite childhood games. Your love in action will support our work to protect children and defend childhood- we hope you'll join us!

More information at [www.biglovelight.org.au](http://www.biglovelight.org.au)



# This year, we have achieved more than ever right around the country. Here are some examples....





**Feedback from a trainee involved in the Training Program to Early Childhood Services:**

**'...From a professional perspective I can safely say that the ACF training changed the way we work and is heavily influencing our model review. I did not realise how much it would change workers' perspectives on their families and I am really excited when I hear workers expressing and sharing trauma-informed approaches and strategies to others in their daily work....'**

### **Training program to early childhood services in Penrith, NSW**

The Foundation has just finished running one of its accredited training courses on the neuroscience of trauma to a group of 21 Early Childhood Educators working in Penrith. The course is the only one of its kind in Australia and teaches professionals how to identify children who have experienced abuse and violence, how these children show their trauma in their behaviour, how to understand their needs and then make trauma-informed plans to support children. The training gives these professionals a different way to understand that children who are affected by trauma are forced to use self-protective strategies. Sometimes this results in behaviour that is challenging and difficult. Once they have this knowledge, they learn to put in place very practical plans to help these children heal. When you think that each of these educators looks after up

to 10 children over the course of a week, the impact of training multiplies very quickly.

### **Trauma training to drug and alcohol workers in Brisbane**

We provided trauma training to 150 Youth Drug and Alcohol Workers from Cape York, Port Douglas and Cairns, Mt Isa, Rockhampton and Brisbane. The participants were working in a variety of roles supporting young people who have a drug or alcohol problem arising from their experience of abuse and family violence when they were younger. There is a great deal of research that links trauma during early childhood and downstream addiction behaviour. Young people often use drugs like ice, marijuana, and alcohol because they are trying to escape the pain they keep feeling. The abuse makes them unable to find any sort of comfort from people around them. They don't feel loved. They find it

difficult to trust because they have been let down so often. Taking drugs is a relief for some young people. It takes special training to understand how trauma changes the physiology of the brain and makes some young people more susceptible to addiction. The training enables these workers to support young people to stop taking drugs and alcohol. Instead, these young people come to find comfort in the relationships around them. They learn to use new strategies that are based in neuroscience. As such, they have greater chance of working and making a real difference.

### **Supporting Catholic schools in East and West Kimberley regions, WA**

We are working with six Catholic primary schools to train and support teachers to be able to assess trauma in the children in their classrooms. This requires very sensitive and detailed collection and analysis of information. Trauma stops children from learning. It makes going to school unrewarding. Traumatized children zone out in class. They find it difficult to focus and concentrate. When informed and empowered, teachers are able to make a real difference to students who have suffered abuse and family violence. They adjust classroom routines, help students to stay calm and use different ways of communicating that make accessing new information for these students much easier. Teachers are reporting greater confidence in their own knowledge about trauma. They also describe how students are starting to be more engaged at school. They have also seen a change in parents and families asking the school for support to keep the learning going at home. The training has supported

more than 300 students across this remote region of Australia.

### **Our therapeutic, culturally strong care program for grandparents, aunts, uncles and extended families in Perth**

Woon-yah Ngullah Goorlanggass means 'Caring for Our Children' in the Nyungah language of the South West of Western Australia and it is a special program that provides direct therapeutic support to 10 Aboriginal extended families in Perth who are looking after 40 children who cannot live with their parents because it is not safe. The carers are all grandparents who are worried about their grandchildren and are stepping in to make sure that their families are not split up. The program supports carers to tell the story of their family, how children have come into their care and draw





on their own strengths to be able to offer their grandchildren experiences that heal the loss and trauma from their past. So far, these children have increased the number of days they go to school each day. The grandparents feel more able to understand what their grandchildren need from them. The relationships within the families have been supported and are now calmer, more respectful and more open. Communication from grandparents has also improved. 85% of children have stopped showing the intensity of the trauma behaviour they were showing before the program started. It is a program that is changing the way that kinship carers need to be resourced and helped.

### **Family violence counselling for children in Hobart, Launceston and Burnie**

The Foundation has 12 counsellors providing specialist family violence counselling to children and young people across Tasmania in a program supported by the state government. Each counsellor provides up to 3 hours of counselling per week for 10-14 children and their families. They make sure the children are protected from further exposure to family violence. They help children to make sense of what happened and what the impact of the violence has been on them and their relationships. Often, family violence has meant that children are forced into lying,

to keep the danger at home secret from those around them. Children are confused and often believe that they were responsible for allowing the family violence to start or keep occurring. The counselling allows children to understand the truth about the violence. It supports children to learn to trust again. It introduces love back into their relationships rather than aggression and violence. It supports children and young people to learn techniques to manage their worries and concerns. The impact of the counselling has been enormous. Children start to feel safe. They start being able to engage in play. Their school performance has improved. It has proven that children who have been affected by family violence do not just get better on their own. They need specialist help to heal.

### **Listening Project Pilot – Mitcham Victoria**

Recent research from the University of North Carolina has shown that trauma makes it harder for some children to be able to hear the comforting sounds of the human voice. As a result, people are experienced as a threat to children's brain body systems and children are not able to experience relationships as soothing and supportive. In conjunction with highly respected researcher Professor Steve Porges, the Foundation is trialling a new kind of music therapy that switches on the part of the brain that responds to the tone and softness of people's voices. It allows young people to feel love again through being able to listen to their parents talking to them, without feeling danger. Children feel safer and can attend to the signals in relationships that reflect them being cared for. They do better with

friends and at school. This research project now has run this music therapy intervention with more than 40 children who attend our Child Trauma Service in Mitcham, Victoria. The results are showing very promising outcomes.

### **Healing Our Kids Our Way project in Ntaria, NT**

For the past 18 months, the Foundation has been working with Ntaria, a community of about 1800 people, about an hour from Alice Springs. This year, we started a new program that sees the employment of a Child Trauma Counsellor and an Aboriginal Family Worker to provide counselling and support to 30 children and young people on the community. Our staff live in the community and support the school to help children make sense of their experiences. They also help teachers and others know how to respond to these children in the classroom, making it more possible for them to learn. The team also supports the families of traumatised children with strategies to look after their children so that they all start to feel safe again.

### **Working with NPY Women's Council in Alice Springs, NT**

The NPY Women's Council is a strong organisation that works from Alice Springs and supports remote Aboriginal communities in the area that covers the NT, WA and SA border. Our team has worked in partnership with the Domestic Violence Team to develop a new approach to preventing family and community violence in these remote communities. The approach helps individuals to identify the

small acts of resistance to violence that they have managed to hold onto when they are overwhelmed with the impact of the trauma they feel. This can take the form of a mum who was able to move her children to her sister's home to escape the violence, or a community member who mediated the departure of a man who was not able to manage his violent behaviour. This model has now been adopted and is starting to make a difference in the way people on community feel empowered to stand up to the violence that occurs, and keep themselves and their children safe.

### Bringing Up Great Kids Parenting Program, Darwin

Across the country, more than 3000 professionals who work with children and families have been trained in how to run the Bringing Up Great Kids Parenting Program. One of these workshops happened recently in Darwin and attracted 30 parenting educators, social workers, early childhood workers from as far as Katherine and Tiwi. These 30 professionals run parenting programs back in their own community for up to 10 people per group each year. From the group trained in Darwin, we expect that more than 450 parents will be supported over the next year.

### Working in partnership with foster carers and residential care workers in Albury/Wodonga

Our small trauma team of four staff in Albury/Wodonga works alongside foster carers and residential care workers who are looking after children and young people who cannot live at home for fear that they will be

abused again. We support these carers to understand children and young people who have suffered trauma behave in the way they do. For example, they sometimes need to sleep during the day because at night they are awake, too scared to sleep because of the nightmares they will have. During the day, when there are more people around and the household is awake, they can feel safer. Others, for example, struggle to follow simple routines at home because the trauma has affected their ability to remember even a small sequence of steps. When carers understand this, they are able to modify their expectations and approach and become more attuned to the needs of these children. Over time, as children and young people feel safe again, they are able to be less stressed and they settle into their environment more easily. This is when children stop feeling like they are being looked after in a home and start to feel they are being cared for by a family.

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### Providing therapeutic care in partnership with our partners Junction Australia in Adelaide

Our team of therapeutic specialists in Adelaide works alongside the residential care staff in 6 units run by Junction Australia in and around Adelaide. There are about 18 children living in these units. They have all experienced abuse, trauma and loss in their lives. We support the staff in these units through training about trauma and the brain, then follow up with building individual plans for each of the children. These plans are instrumental in helping to guide the practice of the teams. The plans focus on making the routines of the house more predictable, responding in a consistent way when a child becomes distressed or angry, and being

able to engage in play activities that repair trust and confidence in relationships for these children. As these strategies are put in place, children start to feel more connected to their carers and are able to face the other challenges in their lives, like going to school.

### Supporting Intensive Youth Support Service in Katherine

One of our therapeutic specialists from Darwin travels down to Katherine (a 3-hour drive) every fortnight to spend three days supporting Intensive Youth Support Service Workers who work for Anglicare NT. These IYSS workers provide outreach support to young people in crisis. Often, the young people are homeless or involved in some form of youth crime. By understanding their



background and the way that trauma has shaped their pattern of responding to issues as they arise, these IYSS staff can engage these young people more closely, follow them through the crisis and positive times and keep them away from engaging in more serious harmful behaviour.

### Accrediting Bundaberg YMCA (QLD) as a Safeguarding Children Organisation

All YMCA organisations nationally, including Bundaberg, have gone through our rigorous Safeguarding Children Accreditation system. To pass the accreditations, Bundaberg YMCA had to meet seven standards about keeping children safe. These include having a child commitment statement, the right policies and systems to deal with reports of child abuse, a Code of Conduct for staff and

volunteers, and ensuring that all staff and volunteers go through background checks and screening. They are audited by our Safeguarding Children Team. Bundaberg YMCA passed the audit and is now accredited. It means all the families that use the YMCA programs in Bundaberg (as an example) can be confident that as many strategies as are currently known are in place to reduce the likelihood of children being abused or exploited while they are having fun at a YMCA pool or other activity.

### Providing therapy to children and young people who have engaged in problem sexual behaviour in Shepparton

The Foundation pioneered a therapeutic program for helping children who engage in sexual behaviour that hurts other

children more than 25 years ago. It has been running these services in Mitcham, Victoria since then. In the past four years, we have established a small team to extend the program into Shepparton. This team works with 15-18 children and young people referred to them through schools, police and child protection services. It is a serious problem for these children as often they have hurt more than one child. The therapy that is provided to them shows them how to understand what triggered their behaviour in the first place, the reasons for them doing it, understanding how it has affected the hurt child, and what they need to stop the behaviour. Sometimes it also includes providing counselling to them about abuse experiences they may have had when they were younger that no one knows about yet and is disclosed during the counselling. It also involves working with the whole family or care environment to improve communication between everyone and making sure that plans are in place to keep everyone at home safe. This program is funded by the Victorian government. It has been shown to make a real difference to ways these children are able to change over time and develop more respectful ways of engaging with other people.

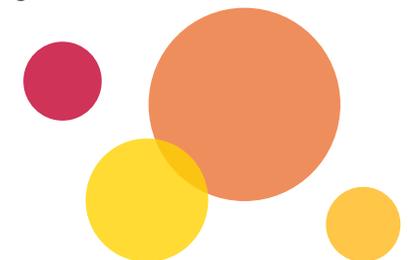
### Building the child-safe capacity of the Richmond Football Club, Victoria

Our Safeguarding Children Team has recently provided training to the Richmond Football Club players, coaching staff and other officials about how to ensure that children and young people involved with the many programs that the club runs are safe from abuse and exploitation. At Tigerland, workshops have focused on

the importance of their Code of Conduct, making sure everyone has a Working With Children Check, and knowing the signs and indicators of abuse.

### Working in a whole new way for children in state care in Canberra

While we have been providing therapeutic programs in Canberra for more than 8 years, in the last 12 months our team has more than doubled as we joined the ACT Together group of agencies working together to provide trauma-informed care for all children in state care in the ACT. We have a team of 8 therapeutic specialists who are providing training and supervision to more than 200 professionals and 400 carers who are involved in the services in and around Canberra and its suburbs. This is the first time anywhere in Australia that a state government has given the responsibility totally to non-government services to offer a more flexible and integrated way of supporting traumatised children and young people. This allows for more timely responses to changing circumstances and needs of children in the system. The quality of the care offered to these children and young people is better supported and resourced. It is early days, but this approach may well be the future of how governments in other states support the care of children who cannot go back home for fear of being abused again.



### Trauma-informed care preschool in Bairnsdale, VIC

Our Early Childhood Team is working in partnership with Gippsland and East Gippsland Aboriginal Cooperative (GEGAC) in their preschool centre to put in place a trauma-informed and culturally strong approach to educating and supporting a group of 3-4-year-old children. This beautiful centre is set near parkland and offers traditional ways for children to learn about their cultural heritage. Our team has introduced ways of supporting the GEGAC staff to create opportunities for therapeutic forms of play. Children come to find healing in their relationships with their families who also come into the centre and are supported. The partnership between GEGAC, our team and the families becomes an important bridge helping children's development to get back on track.

### New family violence counselling programs in Ringwood, Warrnambool, Lilydale, Shepparton, Wodonga

We have just started new family violence counselling programs for children right across Victoria. These new activities have been funded by the Victorian government and are delivered in partnership with several agencies. They include therapeutic group programs for mothers and infants, group programs for children and young people, direct individual counselling for children and young people affected by the trauma of family violence. All of these therapeutic activities help children understand they are not responsible for the violence, learn to manage the impact of the trauma as they

feel it in their mind and bodies, be able to make sense of the meaning of the violence and reconnect with the parent who was also the target of the violence. It is slow and careful work that requires a lot of preparation and sensitive support.

### Popping Bubbles program for mums and bubs in Ringwood

We have partnered with the Eastern Domestic Violence Outreach Service in Ringwood to trial the Popping Bubbles program for women and their infants who have been affected by family violence. Popping Bubbles is a playful metaphor used as the basis of the program to symbolise the release of the traumatic effects of family violence in the brains and bodies of mothers and their infants. It engages the attention of infants and their mothers in activities that involve collaborative activation and regulation which is at the heart of attuned and coordinated intersubjective experience.

Popping Bubbles delivers staged therapeutic intervention to women and their infants at the following three key developmental points: 6 months, 2.5 years and 5 years. The program uses lovely connecting activities associated with chasing, hunting, making and popping bubbles to support the mother and infant to bond together after they have both experienced the danger and violation of family violence. We hope this program will become a model for a program that is rolled out around Australia in our services.



# This year, we want to spotlight our Professional Education Services...

This year, the Vocational Training Education and Professional Education and Training programs were combined to become Professional Education Services. This new program was restructured to be led by a National Manager and included a team of 13 trainers across the program's activity and across the country. Professional Education Services now has staff located in Melbourne, Hobart, Adelaide and Perth and, at the end of this financial year, had just appointed its first staff member in Darwin.

## School Services Program

Within Professional Education Services, a dedicated team was also developed to provide the School Services program. This enabled the program to resource the growing activity the Foundation undertakes within schools across Australia.

The School Services program now works in partnership with:

- Catholic Education South Australia
- Catholic Education Western Australia
- Department of Education and Training New South Wales

- Department of Education Tasmania
- Department for Education and Child Development South Australia
- Department of Education and Training Victoria
- School Focused Youth Services Victoria

The program also provides consultancy, training and support to individual schools across the country.

These partnerships include workforce development training programs, online training and consultancy, but one of the most positive experiences comes from the action research projects that schools participate in over a 12-18 month period. During this time the schools develop the project and then collect both qualitative and quantitative data to see what differences stem from the combination of ACF knowledge and interventions, and the schools' own creativity in supporting children and young people impacted by trauma and dysregulation.



## A sample of comments from school staff involved in these projects:

“Children are positively interacting with peers and teachers rather than withdrawing or lashing out.”

“Children are being able to calm themselves down better by using techniques we had taught them.”

“Each child is different and we acknowledge that we need to support them in different ways.”

“We are really focusing on being sensitive to the needs of children and understanding how trauma affects the brain.”



### **International Speaker Tour - Dan Hughes and Jon Baylin**

In May and June of 2017, the Foundation delivered another successful International Speaker Tour. In a series of two-day workshops, Drs Dan Hughes and Jon Baylin engaged, inspired and educated more than 1500 professionals across Tasmania, Victoria, South Australia, Western Australia and New South Wales.

These tours are important for the Foundation as they re-engage our current professional community, broaden that community by connecting with new professionals to the Foundation, and provide a significant income generation opportunity.

### **Registered Training Organisation activity**

2016/17 was the fifth consecutive year of growth in our accredited training activity. The Foundation's nationally-accredited course, the Graduate Certificate in Developmental Trauma, was delivered in 10 locations across Australia, enabling another 180 professionals to complete the only accredited course of its kind in Australia.

We also delivered accredited training to both foster carers and foster care workers in the Australian Capital Territory to ensure a foundational platform of trauma-informed care in practice across the Territory.

This year has also seen the Foundation engage in a partnership with Melbourne Polytechnic to deliver training to residential care workers across Victoria. This training program sits within the Victorian government's Roadmap for Reform initiative and will build a consistent level of knowledge and skills for residential care workers across the state. Over 2016/17 and 2017/18, the Foundation will be involved in delivering training to approximately 800 care workers.

The newest initiative in accredited training is the delivery of trauma-informed practice units of competency followed by the Certificate IV in Youth Justice to Youth Justice Officers across the Northern

Territory. This exciting initiative is focused on building the skills and capacity of YJOs and supporting a system-wide redevelopment of youth justice services.

### **Sensorimotor Psychotherapy Institute partnership**

Professional Education Services continues the Foundation's partnership with the Sensorimotor Psychotherapy Institute, USA, in delivering courses training practitioners in this body-based way of working with those who have experienced trauma. This partnership adds to the Foundation's reputation as an innovative and quality training provider.

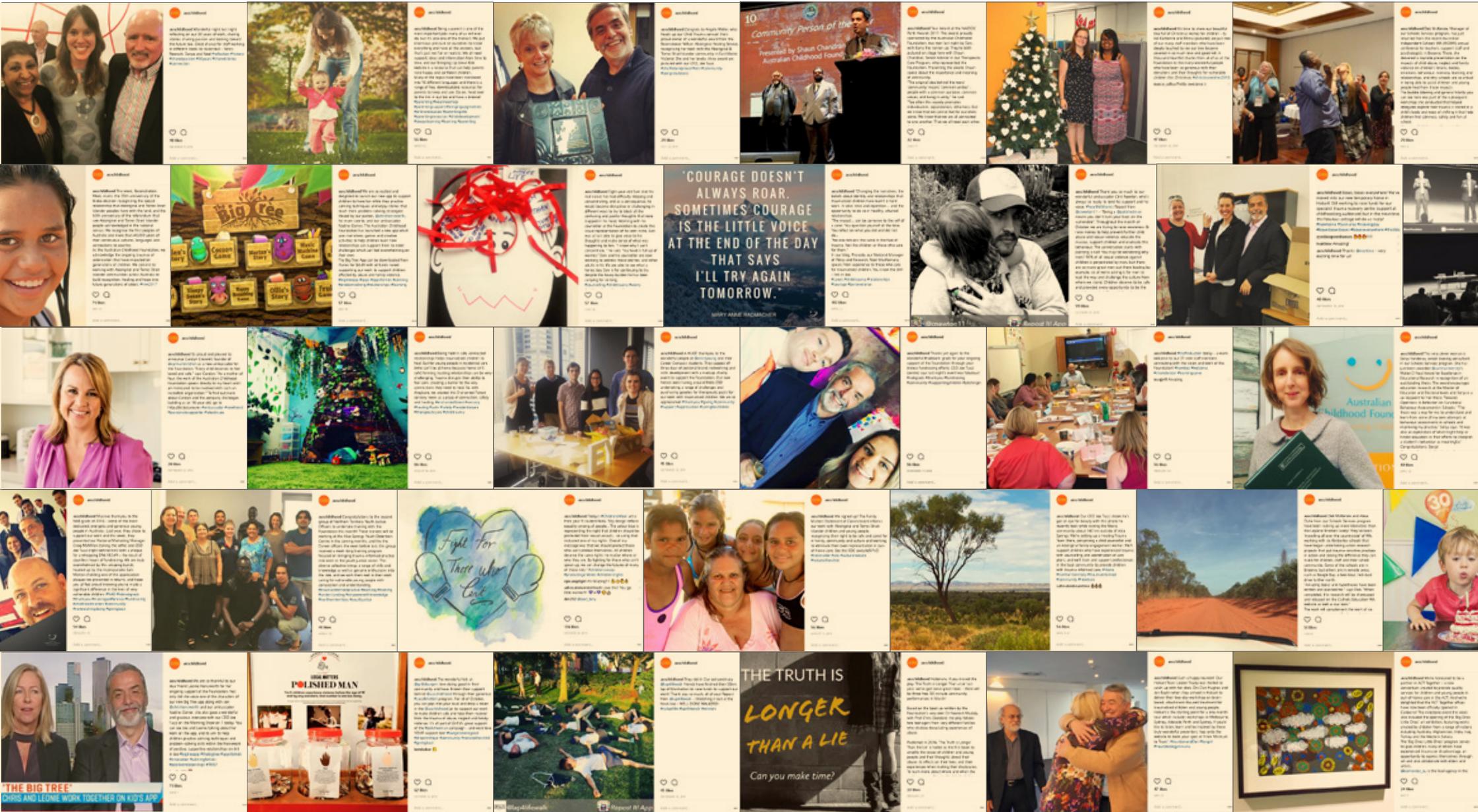
### **Training calendar and customised training**

We continue to provide one- and two-day workshops on a public calendar of training in state capitals as well as deliver customised training to organisations across the country. This year, the team travelled to locations as diverse as Launceston, Broome, Dubbo, Port Augusta, Cairns, Alice Springs and Mildura.

All activity of the Professional Education Services program supports enhanced practice, care and support for children and young people who have experienced trauma and their families and the breadth of reach of the program's activities facilitates genuine changes that are truly national.



# This year, we have engaged the community even more...



# This year, we made some new corporate connections...

We were thrilled to form some very special partnerships that resulted not only in much-appreciated financial support for the Foundation, but also in meaningful connections with the people of the organisations involved.

## National Australia Bank (NAB) graduates of Melbourne and Sydney joined forces to raise funds to support the work of the Foundation.

Each year the NAB graduates undertake a fundraising effort with the aim to develop skills, build networks and support a for-purpose organisation. In 2016 the graduates chose to support the Australian Childhood Foundation. The fundraising effort culminated in two major events – Life in Colour – Sydney (October 2016) and Life in Colour – Melbourne (November 2016).

The lead-up to the events included the coordination of bake sales, Bunnings BBQs and an inspiring and insightful talk from swimming champion Kieren Perkins.

“The night was full of positivity and brightness, with a shared vision amongst everyone – a future where every child’s life is as bright, beautiful and colourful as it should be,” reflected organiser Sam Morton. “ACF CEO Dr Joe Tucci’s moving speech grounded the audience by reminding everyone of the bigger picture and what all the hard work was for—changing the lives of abused children and families as well as raising awareness of the issue of child abuse

in Australia. Lorraine Murphy (Chief People Officer, NAB) and Norm Kalcovski (Head of Customer Care, NAB Assist) also provided great insights.”

We warmly thank the NAB grads of 2016 for their extraordinary passion and commitment, which resulted in a remarkable final fundraising total of \$94,182.

## Ernst Young has supported the Foundation in several ways:

- In September, their Career Campus Program capped off three days of personal brand, networking and skills development with an Amazing Race-inspired activity across Melbourne CBD. Teams were tasked with sourcing toys, art supplies and books to fill care packs for our therapeutic work with children.
- In March, EY generously hosted two lunches to launch our major community event, the Big Love Light twilight walk 2017. These lunches were an opportunity to engage our closest networks and discuss how this community event will play a significant role in empowering people through their personal action.
- They also hosted other activities to raise awareness of our work such as holding a crochet class to create a bright, textural blanket for our counselling rooms.
- EY also supported a review of our WHS systems and our Corporate Services Team.



# This year, we have had wonderful people involved with us...

## Our Board

### President

**Mr David Stephenson** Advertising

### Honourary Treasurer

**Mr Simon Marsh** Accounting

### Directors

**Mr Mark Thomas** Communications

**Mr Justin Smith** Media

**Mr Nick Pelham** Infrastructure

**Dr Ciara Earley** Paediatrics

**Mr Rod Lamplugh** Law

**Mr Cliff Weeks** Aboriginal Affairs

**Mr Simon McCall** Social Research

## Life Governors

**Mr Jamie Perrott** Communications

**Ms Susan Halliday** Business

**Mr David Rosback, AM** Retail and former  
Rotary District  
Governor

**Mr Laurie Wilson** Commerce

**Dr Anne Small** Medicine

**Mr Ted Garland** Accounting

## Patrons

**Mr Chris Hemsworth** Actor

**Dr Robert Birrell** Retired Paediatrician

**AO, OAM**

## Ambassadors

**Liam Hemsworth** Actor

**Nadine Garner** Actor

**Stefan Dennis** Actor

**Casey Burgess** Entertainer

**David Boon** International Cricket  
Council Match  
Referee

**Robyn Moore** Actor and public  
speaker

**Dave Noonan** Radio Presenter

**Kim Napier** Radio Presenter

**Melanie Milburne** Author

**Eddie Betts** AFL Footballer

**Clint Newton** Rugby League  
Players' Association  
President

**John Xintavelonis** Actor and  
entertainer

**Carolyn Creswell** Company founder

## Our Senior Management Team

**Dr Joe Tucci** CEO

**Janise Mitchell** Deputy CEO

**Monique Blom** Executive Manager,  
Safeguarding  
Children Services

**Craig McMillan** Executive Manager,  
Partnerships,  
Fundraising and  
Marketing Program

**Justin Wightman** Executive Manager,  
Corporate Services

**Marina Dickson** Executive Manager,  
Professional  
Education Services

**Noel MacNamara** Executive Manager,  
Research and Policy

**Angela Weller** General Manager,  
Therapeutic Services

**Jenny Wing** General Manager,  
Therapeutic Services

**Deb Holmes** Manager,  
Safeguarding  
Children Program

**Cyra Fernandes** Manager, Therapeutic  
Services

**Geoff Moore** Manager, Therapeutic  
Services

**Sonya Pringle-Jones** Manager, Therapeutic  
Services

**Jana Sarnovski** Manager, Therapeutic  
Services

**Blythe McAuley** Manager, Therapeutic  
Services

**Mary-Ann Delaney** Manager, Therapeutic  
Services

**Deb McKenzie** Manager, School  
Services Program

**Pauline Lodge** Manager, Professional  
Education Services

**Lauren Thomas** Manager, Professional  
Community  
Engagement

**Sally Denning** Manager, Quality Unit

**Pat Jewell** Manager, Parenting  
and Early Years Services

## Our Key Supporters and Committee Members

Andrew Newbold

Julie Reilly

Judi Lay

Marilyn Kraner

Adam Tomison

Chris Goddard

Nigel Gaunt

Tony Forrest

Katie Finney

Kelly Black

Andrew Macree

Tom Chambers

## Our Safeguarding Children Accreditation Panel

**Susan Halliday** Former Chair of the  
Victorian Institute  
of Teachers

**Anton Herman** Minter Ellison

**Rudy Kirby** CEO of Mallee District  
Aboriginal Services

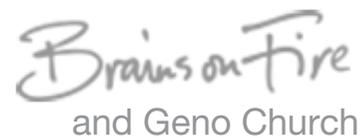
**Superintendent** Victoria Police

**Andrew Allen**

# Our Heartfelt Thanks

The Australian Childhood Foundation is deeply appreciative of the following individuals and organisations for their support of our work throughout 2016-2017. We cannot thank them enough for their commitment to the safety and protection of children in Australia.

## Our Supporters - Major Partners



## Government Departments

- Department of Disability, Housing and Community Services, ACT
- Department of Education and Children's Services, South Australia
- Department of Education and Training, Victoria
- Department of Health and Human Services, Tasmania
- Department of Health and Human Services, Victoria
- Department of Attorney General, Western Australia
- Territory Families, Northern Territory

## Trusts and Foundations

- Harold Mitchell Foundation
- Fell Foundation
- Annie Rose and David Lazar Foundation
- Brian M Davis Charitable Foundation
- Thomas Hare Investments Pty Ltd
- The Living Bread Foundation
- The Andrew and Geraldine Buxton Foundation
- PepsiCo Foundation Fun
- Besen Family Foundation
- Rellim Foundation Pty Ltd
- The Susan Blackley Trust



# Become involved and support our work

The Australian Childhood Foundation relies on the support of the community to enable it to continue counselling children to help them heal from the devastating impact of abuse and neglect.

You can help transform the lives of children who have been severely traumatised by abuse, and assist the Foundation in running prevention programs that help stop abuse before it happens, by making a donation at [www.childhood.org.au](http://www.childhood.org.au) or by calling **1300 381 581**.

In addition, the Foundation is seeking to establish strategic partnerships with a limited number of corporate partners to contribute in meaningful ways to support the recovery of children traumatised by abuse, neglect and family violence.

Partnership with the Australian Childhood Foundation is aimed at helping to motivate and inspire staff; build brand awareness; and engage the community.

If you can help or would like more information, our contact details are:

**Australian Childhood Foundation**  
**PO Box 3335**  
**Richmond VIC 3121**  
**Phone: 1300 381 581**  
**Email: [info@childhood.org.au](mailto:info@childhood.org.au)**

All donations over \$2 are tax deductible





# Financial Report

for the financial year  
ended 30 June 2017



Australian  
Childhood  
Foundation

[childhood.org.au](http://childhood.org.au)

ACN: 057 044 514

# Directors' Report

## 30 June 2017

The Board of Directors of Australian Childhood Foundation (ACF) present this report on the company for the financial year ended 30 June 2017.

### Directors

#### Background Information on Directors

<b>Simon McCall</b>	Social Researcher
<b>Mark Thomas</b>	Corporate Affairs Consultant
<b>Simon Marsh</b>	Accountant
<b>Justin Smith</b>	Media
<b>Nick Pelham</b>	Infrastructure Manager
<b>David J Stephenson</b>	Marketing
<b>Ciara Earley</b>	General Paediatric Consultant
<b>Rod Lamplugh</b>	Solicitor
<b>Cliff Weeks</b>	Consultant

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

#### Simon McCall

Joined as a Director in 2001 and was the chairperson of the Foundation until October 2015. His area of expertise is social research. He has worked in executive management roles and brings a business development focus to his role on the Board.

#### Mark Thomas

Joined the Board in 2005. He has been a political adviser to a range of government Ministers. He has senior community and corporate communications experience.

#### Simon Marsh

Is the Treasurer and Company Secretary of the Foundation. He is a Chartered Accountant and was a partner in the accounting firm BDO. He chairs the Finance and Governance subcommittee of the Board. He joined as a Director in 2011.

#### Justin Smith

Is a senior producer and broadcaster with Fairfax Media. He brings significant media and communications experience to the Board. He joined as a Director in 2011.

#### Nick Pelham

Joined as a Director in 2011. He has worked in infrastructure management for government and corporate sectors. He is a member of the Finance and Governance subcommittee of the Board.

#### David Stephenson

Is currently the Chairperson of the Foundation having joined as Director in 2013. David currently runs his own marketing consultancy business. David was Managing Director of Aegis Media ANZ's Digital Creative division from

January 2011 until June 2016. He has spent 25 years working in the advertising and digital world, with stints at some of Australia's most respected and biggest advertising agencies including Clemenger, Grey and Singleton.

#### Ciara Earley

Joined as Director in 2014. She is a qualified paediatrician and works as a Consultant at Monash Medical Centre. Ciara holds Masters in Forensic Medicine from Monash University and The Victorian Institute of Forensic Medicine.

#### Rod Lamplugh

Joined as a Director in 2015. He is a commercial lawyer and company director. He has over 25 years' experience assisting organisations with legal and media related matters particularly in the areas of acquisitions, contractual matters and compliance issues.

#### Cliff Weeks

Joined as a Director in 2016. Is currently a consultant. A former member of the Western Australia Police Service, Cliff has over 15 years of experience in the public sector and was Director General of the Department of Indigenous Affairs in Western Australia from 2011 until 2016.

### Meetings of Directors

The number of meetings of the company's Board of Directors held during the year ended 30 June 2017, and the number of meetings attended by each director were:

Full Board	Attended	Held
Simon McCall	5	6
Mark Thomas	2	6
Simon Marsh	6	6
Justin Smith	5	6
Nick Pelham	6	6
David J Stephenson	6	6
Ciara Earley	4	6
Rod Lamplugh	2	6
Cliff Weeks	1	6

## Principal Activities

The principal activity of the company during the financial year was to provide services which effectively reduced the incidence of child abuse and the harm it causes children, families and the community. It provided direct services to children who have suffered or were at risk of abuse and neglect and their families in the form of counselling, practical assistance, emotional support or material aid. It also conducted research, prevention and education programs aimed to raise public awareness about the problem of child abuse and family violence.

## Objectives and strategy

### The Australian Childhood Foundation's objectives are to:

- \* prevent child abuse in Australia;
- \* support children to recover from the trauma arising from experiences of abuse and neglect; and
- \* build the confidence and capacity of parents.

### The Foundation's strategy for achieving these objectives includes:

- establishment of specialist therapeutic programs throughout Australia;
- provision of parenting education activities;

- undertaking research into child abuse and child protection;
- delivery of training to health, welfare, education and legal professionals;
- implementation of programs that build the capacity of organisations to protect children from harm and exploitation by volunteers and employees.

## Performance Measure

The Foundation measures its performance through the number of children and families supported by its specialist programs, the amount of income funds raised and the number of projects delivered to the community.

## Operating results

The net surplus of the company amounted to \$283,063. No provision for income tax is necessary, as the company is endorsed as an income tax exempt charitable entity under Division 50 of the *Income Tax Assessment Act 1997*.

## Significant changes in state of affairs

No significant changes in the state of affairs of the company occurred during the financial year.

## After balance date events

Since the end of the financial year the Foundation has signed a 5 year lease for a new head office based in Abbotsford, Victoria which is not disclosed in the operating lease commitments note. The commitment is in the vicinity of \$2,500,000 over the 5-year period and will impact the operations of the company, the results of those operations, and the state of affairs of the company in future financial years. This commitment is budgeted in the operating results for 2017/18 and beyond.

## Indemnifying officers or auditor

During or since the end of the financial year, the company has entered an agreement to indemnify each of the directors of the company named earlier in this report and has paid the insurance premiums as follows:

Directors and Officers Liability and Professional Indemnity Insurance	\$6,315.
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Under the agreement, the company has agreed to indemnify each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

## Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$100 each.

The total amount that members of the company are liable to contribute if the company is wound up is \$2,200, based on 22 current ordinary members (2016: 22 members).

## Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervened in any proceedings to which the company is a party for the purposes of taking responsibility on behalf of the company for all or any part of those proceedings.

## Rounding of amounts

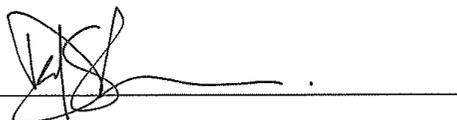
The Foundation is a type of company referred to in the ASIC Corporation (rounding in financial/directors' reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest dollar.

## Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

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



David Stephenson  
Chairperson

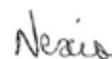
Dated this 5th day of October 2017



## Auditor's Independence Declaration to the Directors of Australian Childhood Foundation

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor of Australian Childhood Foundation for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit.



Nexia Melbourne Audit Pty Ltd  
Melbourne

Geoff S. Parker  
Director

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## Statement of profit or loss and other comprehensive income for the year ended 30 June 2017

	2017 \$	2016 \$
<b>Continuing operations</b>		
<b>REVENUE</b>		
Fundraising and Donations	2,196,567	3,019,158
Therapeutic Services	9,154,013	6,711,743
Safeguarding Children	1,132,250	762,808
Education Programs	3,422,042	3,090,044
Interest	9,055	4,952
Other Income	1,513	-
	<u>15,915,440</u>	<u>13,588,705</u>
<b>EXPENSES</b>		
Salaries and Wages	(10,103,284)	(8,361,096)
Organisational Expenses	(812,024)	(799,646)
Offices & Facilities	(620,869)	(474,004)
Telecommunications	(292,322)	(286,117)
Travel & Accomodation	(837,698)	(665,623)
Motor Vehicle	(556,770)	(409,611)
Program Expenses	(2,111,768)	(1,830,378)
Depreciation	(273,476)	(189,714)
Finance Costs	(7,654)	(8,158)
Foreign exchange loss	(16,512)	(28,425)
	<u>(15,632,377)</u>	<u>(13,052,772)</u>
<b>SURPLUS FOR THE YEAR</b>	<u>283,063</u>	<u>535,933</u>
<b>Other comprehensive income</b>		
Items that will not be reclassified subsequently to profit or loss:		
Gain on revaluation of properties	-	779,293
Items that will be reclassified subsequently to profit or loss:		
Gain on revaluation of available for sale assets	4,508	-
<b>TOTAL COMPREHENSIVE SURPLUS/ (DEFICIT) FOR THE YEAR</b>	<u>287,571</u>	<u>1,315,227</u>

## Statement of financial position as at 30 June 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	1,575,406	1,377,385
Trade and other receivables	4	1,196,293	1,698,092
Financial assets	5	460,915	-
Inventories		37,987	-
Other assets	6	238,938	68,351
<b>TOTAL CURRENT ASSETS</b>		<u>3,509,539</u>	<u>3,143,828</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	2,529,510	2,475,250
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,529,510</u>	<u>2,475,250</u>
<b>TOTAL ASSETS</b>		<u>6,039,049</u>	<u>5,619,078</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	2,124,207	2,188,833
Borrowings	9	19,112	19,112
Short-term provisions	10	1,019,002	781,889
<b>TOTAL CURRENT LIABILITIES</b>		<u>3,162,321</u>	<u>2,989,834</u>
<b>NON CURRENT LIABILITIES</b>			
Borrowings	9	125,721	136,819
Long-term provisions	10	179,195	208,184
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>304,916</u>	<u>345,003</u>
<b>TOTAL LIABILITIES</b>		<u>3,467,237</u>	<u>3,334,837</u>
<b>NET ASSETS</b>		<u>2,571,812</u>	<u>2,284,241</u>
<b>EQUITY</b>			
Reserves	17	1,383,963	1,679,716
Retained surpluses/(deficit)		1,187,849	604,525
<b>TOTAL EQUITY</b>		<u>2,571,812</u>	<u>2,284,241</u>

## Statement of changes in equity for the year ended 30 June 2017

	Retained Surpluses \$	Asset Revaluation Reserve \$	Financial Assets Reserve \$	Building Appeal Reserve \$	Total \$
<b>Balance at 1 July 2015</b>	68,592	600,162	-	300,261	969,015
Surplus/ (deficit) for the year	535,933	-	-	-	535,933
Other comprehensive surplus/ (deficit) for the year	-	779,293	-	-	779,293
<b>Balance at 30 June 2016</b>	604,525	1,379,455	-	300,261	2,284,241
Surplus/ (deficit) for the year	283,063	-	-	-	283,063
Other comprehensive surplus/ (deficit) for the year	-	-	4,508	-	4,508
Total comprehensive surplus for the year	283,063	-	4,508	-	287,571
Transfers	300,261	-	-	(300,261)	-
<b>Balance at 30 June 2017</b>	1,187,849	1,379,455	4,508	-	2,571,812

## Statement of cashflows for the year ended 30 June 2017

	Note	2017 \$	2016 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from fund raising activities & customers, service fees, education programs & grants		16,231,160	12,832,899
Payments for direct cost of fund raising, suppliers and employees		(15,295,707)	(11,932,192)
Interest received		9,055	4,952
Borrowing cost paid		(7,654)	(8,158)
Net cash provided by operating activities		936,854	897,500
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(327,735)	(227,993)
Payment for financial assets		-	-
Proceeds on disposal of PPE		-	-
Payment for short term deposits		(400,000)	-
Net cash used in investing activities		(727,735)	(227,993)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	-
Repayment of borrowings		(11,098)	(10,560)
Net cash used in financing activities		(11,098)	(10,560)
Net (decrease) /increase in cash held		198,021	658,948
Cash at beginning of year		1,377,385	718,437
Cash at end of year	12	1,575,406	1,377,385

# Notes to the financial statements

## for the year ended 30 June 2017

### NOTE 1. STATEMENT OF ACCOUNTING POLICIES

#### Corporate Information

The financial statements are for Australian Childhood Foundation as an individual entity, incorporated and domiciled in Australia. Australian Childhood Foundation is a company limited by guarantee.

The financial statements of Australian Childhood Foundation for the year ended 30 June 2017 were authorised for issue in accordance with a resolution of the directors on 5th October 2017.

#### Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations) issued by the Australian Accounting Standards Board and to meet the reporting requirements of the Australian Charities and Not for Profit Commission Act 2012. For the purposes of preparing the financial statements the Australian Childhood Foundation is a not-for-profit entity.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian dollars, which is the company's functional currency. The foundation is a type of company referred to in the ASIC Corporation (rounding in financial/director's reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest dollar.

#### Accounting Policies

##### a. Revenue

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

##### Fundraising and donations

Donations and bequests are recognised as revenue when received.

##### Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity 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 entity 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.

##### Interest

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

##### Education programs

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

##### b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

##### Property

Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation of buildings. This is reviewed every three years. Last revaluation date was 28 January 2016 by Charter Keck Cramer.

Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair values are confirmed by independent valuations which are obtained with sufficient regularity to ensure that the carrying amounts do not differ materially from the assets' fair values at the balance sheet date.

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

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the statement of profit or loss and comprehensive income except where a credit balance exists in the revaluation reserve, in which case it is debited to that reserve.

# Notes to the financial statements

## for the year ended 30 June 2017

As the revalued buildings are depreciated the difference between depreciation recognised in the statement of profit and loss and other comprehensive income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

### Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of 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.

### Depreciation

The depreciable amount of all fixed assets in excess of \$1,000 including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the unexpired period of the lease.

The depreciation rates for each class of depreciable assets are:

Class of Fixed Asset	
Leasehold Improvements	33%
Buildings	2 - 4%
Office Furniture & Equipment	10 - 25%
Computer Software	20%

The residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to the statement of profit and loss and other comprehensive income.

### c. Leases

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

Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Lease assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

### d. 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 company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are expensed to profit or loss immediately.

#### *Classification and subsequent measurement*

Financial instruments are subsequently measured at either 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 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 method.

- (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, or where they are 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 subsequently 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.
- (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 entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.
- (iv) Available-for-sale financial assets  
Available-for-sale financial assets 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 changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains or losses). 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.

# Notes to the financial statements

## for the year ended 30 June 2017

### (v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

#### *Impairment*

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

#### *Derecognition*

Financial assets cease to be recognised where the contractual rights 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 cease to be recognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability which is 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.

### e. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets' fair value less costs to sell and its value in use, is compared to the assets' carrying value. Any excess of the asset's carrying value of its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

### f. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows.

#### **On-Costs**

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

#### **Superannuation**

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

### g. Cash and Cash Equivalents

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 short-term borrowings in current liabilities on the statement of financial position.

### h. Goods and Services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### i. Income tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

### j. Intangibles

#### **Software development**

Software development costs are capitalised and recorded at cost until such time the project is complete and costs can be measured reliably. Once completed it is transferred to computer software. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of five years. It is assessed annually for impairment.

### k. Provisions

Provisions are recognised when the entity 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.

### l. Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

### m. Trade and Other Payables

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

# Notes to the financial statements

## for the year ended 30 June 2017

### n. Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

#### Significant accounting judgements

The company has entered into leases of premises, motor vehicles and office equipment as disclosed in Note 11. Management has determined that all of the risks and rewards of ownership of these premises, motor vehicles and equipment remain with the lessor and has therefore classified the leases as operating leases.

#### Significant accounting estimates and assumptions

The key estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

#### Property

The freehold land and building at Mitcham was independently valued on 28 January 2016 by Charter Keck Cramer. The valuation was based on the market value.

#### Provisions for employee benefits

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, attrition rate and periods of service.

The amount of these provisions would change should any of these factors change in the next 12 months.

### o. Foreign Currency Translation

Transactions in foreign currencies are initially recorded by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Foreign currency differences arising on retranslation are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented on a net basis within other income or other expenses.

### NOTE 2. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

There has been no new or revised standards implemented since 1 July 2016 that have had an effect in these financial statements.

	2017 \$	2016 \$
<b>NOTE 3. CASH AND CASH EQUIVALENTS</b>		
CURRENT		
Cash at bank		
National Australia Bank Operating Accounts	464,378	1,099,225
National Australia Bank Cash Maximiser	977,392	-
National Australia Bank Donation Account	53,142	197,666
National Australia Bank Term Deposits	80,494	80,494
Cash on hand	-	-
	<u>1,575,406</u>	<u>1,377,385</u>
<b>NOTE 4. TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	529,789	931,500
Provision for impairment of receivables (a)	-	-
	<u>529,789</u>	<u>931,500</u>
Other receivables	666,504	766,592
	<u>1,196,293</u>	<u>1,698,092</u>
<b>(a) Provision for Impairment of Receivables</b>		
Current receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual receivable is impaired. These amounts have been included in administration and service expenses.		
Provision for impairment as at 1 July	-	-
Charge for the year	47,691	34,440
Written off	(47,691)	(34,440)
Amounts recovered during the year	-	-
Provision for impairment as at 30 June	<u>-</u>	<u>-</u>
<b>NOTE 5. FINANCIAL ASSETS</b>		
Term Deposit	400,000	-
Shares (available for sale)	60,915	-
	<u>460,915</u>	<u>-</u>
<b>NOTE 6. OTHER CURRENT ASSETS</b>		
Prepayments	74,822	24,567
Security deposits	164,116	73,784
	<u>238,938</u>	<u>98,351</u>

# Notes to the financial statements

## for the year ended 30 June 2017

	2017 \$	2016 \$
<b>NOTE 7. PROPERTY PLANT &amp; EQUIPMENT</b>		
Land at fair value	1,516,169	1,516,169
Buildings at fair value	675,463	658,771
Accumulated depreciation	<u>(341,655)</u>	<u>(301,813)</u>
	1,849,977	1,873,127
Office furniture & equipment at cost	1,089,196	881,968
Accumulated depreciation	<u>(747,039)</u>	<u>(637,549)</u>
	342,157	244,419
Computer Software	888,708	873,708
Accumulated depreciation	<u>(640,147)</u>	<u>(516,003)</u>
	248,561	357,705
Work in Progress	88,815	-
Total Property Plant & Equipment	<u>2,529,510</u>	<u>2,475,250</u>

### 7b. 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 financial year.

	Freehold Land	Buildings	Office Furniture & Equipment	Computer Software	Work in Progress	Total
	\$	\$	\$	\$	\$	\$
Balance at 30 June 2015	736,876	347,966	241,164	339,495	-	1,665,501
Additions at cost	-	33,898	75,343	118,752	-	227,993
Disposals	-	-	(115)	(7,708)	-	(7,823)
Depreciation expense	-	(24,906)	(71,973)	(92,835)	-	(189,714)
Revaluation increase/ (decrease)	779,293	-	-	-	-	779,293
Balance at 30 June 2016	1,516,169	356,958	244,419	357,704	-	2,475,250
Additions at cost	-	16,692	207,228	15,000	88,815	327,735
Disposals	-	-	-	-	-	-
Depreciation expense	-	(39,842)	(109,490)	(124,143)	-	(273,476)
Revaluation increase/ (decrease)	-	-	-	-	-	-
Balance at 30 June 2017	<u>1,516,169</u>	<u>333,808</u>	<u>342,157</u>	<u>248,561</u>	<u>88,815</u>	<u>2,529,510</u>

	2017 \$	2016 \$
<b>NOTE 8. TRADE AND OTHER PAYABLES</b>		
CURRENT		
Trade payables	249,771	402,601
Accrued accounts	396,424	270,686
Revenue in advance	1,105,782	1,226,399
Other current payables	<u>372,230</u>	<u>289,147</u>
	<u>2,124,207</u>	<u>2,188,833</u>
<b>NOTE 9. INTEREST BEARING LIABILITIES</b>		
CURRENT		
Bank Loan	<u>19,112</u>	<u>19,112</u>
	19,112	19,112
NON-CURRENT		
Bank Loan	<u>125,721</u>	<u>136,819</u>
	125,721	136,819
TOTAL BORROWINGS	<u>144,833</u>	<u>155,931</u>

Leased liabilities are secured by the underlying leased assets.

The company has in place a bank loan of \$144,833, secured against 579 Whitehorse Road with a floating charge of 5.30% at 30 June 2017. The loan is interest and principal over a remaining of 11.82 year term.

	2017 \$	2016 \$
<b>NOTE 10. PROVISIONS</b>		
CURRENT		
Employee Benefits	<u>1,019,002</u>	<u>781,889</u>
NON CURRENT		
Employee benefits	<u>179,195</u>	<u>208,184</u>
	<u>1,198,197</u>	<u>990,073</u>

# Notes to the financial statements

## for the year ended 30 June 2017

	2017 \$	2016 \$
<b>NOTE 11. CAPITAL AND LEASING COMMITMENTS</b>		
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable - minimum lease payments		
- not later than 12 months	709,542	546,291
- later than 12 months but not later than 5 years	769,915	609,821
- later than 5 years	-	-
	<u>1,479,457</u>	<u>1,156,112</u>

The property, motor vehicle and photocopier lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements. Increase in lease commitments may occur in line with CPI.

### NOTE 12. CASH FLOW INFORMATION

Reconciliation of Cash		
Cash at bank	1,575,406	1,377,385
Petty cash	-	-
	<u>1,575,406</u>	<u>1,377,385</u>

### NOTE 13. AFTER BALANCE DATE EVENTS

Since the end of the financial year the foundation has signed a 5 year lease for a new head office based in Abbotsford Victoria which is not disclosed in the operating lease commitments note. The commitment is in the vicinity of \$2,500,000 over the 5 year period and will impact the operations of the company, the results of those operations, and the state of affairs of the company in future financial years. This commitment is budgeted in the operating results for 2017 /18 and beyond.

	2017 \$	2016 \$
<b>NOTE 14. KEY MANAGEMENT PERSONNEL COMPENSATION AND RELATED PARTY TRANSACTIONS</b>		
The aggregate compensation made to key management personnel of the company is set out below:		
Key management personnel	1,023,421	629,287
Indemnity Insurance	6,315	3,700
	<u>1,029,736</u>	<u>632,987</u>

In October 2016 a restructure of executive team occurred in which a National Executive Team was formed to assist the CEO & Deputy CEO with management of the Foundation.

### NOTE 15. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by Nexia Melbourne Audit Pty Ltd the auditor of the company, and its related practices:

<i>Audit services - Nexia Melbourne Audit Pty Ltd</i>		
Audit of the financial report	15,800	15,200
Other services	-	-
	<u>15,800</u>	<u>15,200</u>

### NOTE 16. CAPITAL MANAGEMENT

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from the investments are maximised. The finance and governance subcommittee operates under policies approved by Board of Directors. The entity's equity consists of financial liabilities, supported by financial assets.

## Notes to the financial statements for the year ended 30 June 2017

## Directors Declaration

	2017 \$	2016 \$
<b>NOTE 17. RESERVES</b>		
Building Appeal	-	300,261
Financial Assets Reserve	4,508	-
Asset Revaluation Reserve	<u>1,379,455</u>	<u>1,379,455</u>
	<u>1,383,963</u>	<u>1,679,716</u>

The Building Appeal represents fundraised money kept aside for Mitcham property.  
The Asset Revaluation Reserve records the revaluation of freehold property at Mitcham.  
The Financial Assets Reserve records the revaluation of financial assets classified as available for sale.

### NOTE 18. MEMBERS GUARANTEE

The company is limited by guarantee. If the company is wound up, the company's Constitution states that each member is required to contribute a maximum of \$100 towards meeting any outstanding obligations of the company. At 30 June 2017 the number of members was 22 (2016: 22).

### NOTE 19. COMPANY DETAILS

The registered office of the company is:  
579 Whitehorse Road  
Mitcham Vic 3132

The principal place of business is:  
Unit 21/42 New Street  
Ringwood Vic 3134

The directors of the company declare that:

- The financial statements and notes, as set out on pages 20 to 32, are in accordance with the Australian Charities and Not for Profit Commission Act 2012.
  - comply with Australian Accounting Standards - Reduced Disclosure Requirements:
  - Give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the entity.
- In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors and subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.



David J Stephenson  
Chairperson

Dated this 5th day of October 2017.

## Independent Auditor's Report to the Members of Australian Childhood Foundation

### Report on the Audit of the Financial Report

#### Qualified opinion

We have audited the financial report of Australian Childhood Foundation, which comprises the statement of financial position as at 30 June 2017, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of Australian Childhood Foundation, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the entity's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for qualified opinion

It is not practical for the company to establish total control over income from certain fundraising activities prior to its entry into the accounting records. Accordingly, our audit relating to such income was limited to the amounts recorded in the accounts.

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.

#### Other information

The directors are responsible for the other information. The other information comprises the information in Australian Childhood Foundation's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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 the other information we are required to report that fact. The annual report is expected to be made available to use after the date of this independent auditor's report.

### Directors' responsibility for the financial report

The directors of the Australian Childhood Foundation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the 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 directors are responsible for assessing the entity'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 entity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibility 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.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: [http://www.aasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.aasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**Nexia Melbourne Audit Pty Ltd**  
Melbourne



**Geoff S. Parker**  
Director

Dated this 5<sup>th</sup> day of October 2017