



Annual Report

for the financial year
ended 30 June 2019

“...Our central purpose is to bring love and safety 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 protection that good relationships provide children is a way to make it harder for violence to keep its hold on our families and communities...”

Dr. Joe Tucci, CEO,
Australian Childhood Foundation

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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.

All children in this annual report are models.

Australian Childhood Foundation
PO Box 3335
Richmond VIC 3121
Phone: 1300 381 581
Email: info@childhood.org.au

Our impact this year

Our Therapeutic Services

Our therapeutic services aim to change the story that children and young people carry about themselves. These are the stories that children hear during and after the violation they experienced. Children hear voices of people who have hurt them. You are stupid. You are unloveable. It was your fault. I wish you had never been born.

These are the stories that change when children engage in counselling. They begin to believe in themselves and the people around them. They find qualities about themselves that are strong and hopeful.

Our therapeutic work extends to over 1000 children and young people on any given day across all the therapeutic services that the Foundation runs nationally. Our services are now throughout Victoria, NSW, Tasmania, South Australia, Northern Territory, Western Australia and the ACT.

From our own research, these are the outcomes that we are helping to deliver to children and young people:



77% of children catch up to their age-appropriate academic level as a result of their involvement with the Foundation.



88% of children do not experience further foster care placement breakdowns after coming to the Foundation.



72% of children experience a reduction in their trauma symptoms as a result of their involvement with the Foundation.



82% of foster carers report an increase in confidence as a result of the support and training they received from the Foundation.



Our impact this year

Here is one of the stories that we are helping to change.

One of the consequences of suffering abuse and violence for children is that their memory becomes very fragile. They do not remember the positive experiences they may have had since the trauma. They forget people, places, significant events like birthdays and other achievements. Without these memories, they find it much harder to develop a sense of who they are and how important they are to others around them.

All of this is made even worse when they are forced to move from one placement to another to another. In those circumstances, everything is a blur. They lose connection with carers who have connected with them. They forget their faces. They forget the things they shared. They do not hold onto friends. They stop really knowing themselves. They do not trust any of the memories they have. They find it hard to trust.

Melanie is a 15 year old girl who has been receiving counselling from one of our therapeutic specialists for some time now. She has been in care since the age of three after she was removed from her parents who were violent towards her. Over this period, she has been through 25 different placements. In her adolescence, she has so many questions about her life. Who looked after her? What schools did she go to? Who were her friends? Did she have any pets? What was she like when she was younger? Were there any photos of her playing sport? What did she like to eat?

These are all the sorts of questions that many teenagers have as they begin to explore the kind of adult they are going to become. The problem for Melanie is that she did not remember much of her life. The memories she did have were painful and hard for her to experience.

In her counselling, Melanie asked Tanya - her Therapeutic Specialist at the Foundation - to help her find out and understand where she had lived, why she had moved so many times and what sort of child she had been. Tanya spent four weeks finding out about her history in official records held about Melanie with government departments and foster care agencies. She found out as much as she could.

Tanya and Melanie also put together a playlist of all the songs that Melanie liked and made her feel good about herself. Some of the songs that Melanie chose has special meaning to her because they had helped her get through a difficult time in her life.

Over the course of four really intense counselling sessions, Tanya rolled out a big piece of butchers paper. And slowly and patiently began to draw and represent in one long time line Melanie's story. It was like one long road that had lots of stories about Melanie and all the things that had happened along the way.

Melanie cried and laughed about information that she was hearing for the first time. The music played in the background the whole time. Melanie heard stories about people who had loved her and had held her close. She also found out more about her mum and dad and what happened when she was very young. Some of this story was hard to hear.

Melanie talked about some of the unfinished business that she was carrying with her, and together they decided to write letters to three of her carers from her past. She wanted to reconnect with them and find out more about herself. Melanie was able to understand that what happened to her was not her fault. She learnt that she had qualities of persistence and courage - and she started to see herself a little differently. She was not a damaged kid who could not remember anything about herself. She was a brave young person who had survived a lot and was trying her best.

Melanie learnt that she had played the piano when she was younger and was known to be good at it. She had no idea she could make music. In subsequent sessions, Tanya organised for Melanie to have access to a piano. Melanie began to play beautifully, the music falling from her as if it had been waiting to come out for so long. Melanie is now having piano lessons again.

There are still worries about Melanie and how she feels about herself. But she is doing much better at school. She has a new group of friends. And her carers also understand her more and are committed to making her part of their family.

It is often not the tangible presence of material things that make the difference for children. For children who have experienced trauma, the most important gift they can receive is a chance to learn about who they are and have the memories of themselves that they are entitled to.



Our impact this year

Our Professional Education Services



Over 1500 professionals attended our International Speaker Tours with Martin Teischer (Harvard University, Boston, USA), Lou Cozolino (Pepperdine University, LA, USA), Lisa Dion (Play Therapy expert from Denver Colorado) and Bonnie Badenoch (Trauma expert and author, Oregon, USA).



Over 300 professionals with a direct role with traumatised children completed our Graduate Certificate in Developmental Trauma.



1600 teachers and educational professionals have undergone our trauma informed training nationally.



22 schools have worked on action research projects to embed trauma informed practice principles.



We ran **63 workshops about childhood trauma** delivered nationally, with an average of 26 participants in each equating to 1600 professionals being trained in our models of trauma informed practice.

Our Parenting Education Services



Increased the number of facilitators of our Bringing up Great Kids Program to **4000 nationally**.



Our Bringing up Great Kids group programs have been run with **40000 parents nationally**.



We worked with the Department of Social Services to develop information used in a new text messaging service for parents of children in the first 1000 days of life. The Bringing Up Great Kids Program has been now funded by the Commonwealth Government to extend specifically to parents with infants during their first 1000 days of life.



With the support of the Myer Community Fund, a new version of the Bringing Up Great Kids Program to support parents who have been affected by family violence has been developed and trialled.

Our Transformational Projects

World first Children's Feedback Tool

In collaboration with the Eastern Family Violence Parentship Network, we have co-designed a new Feedback tool with children and it is the first of its kind in the world. It uses research about how to encourage valid feedback from children about their experiences of change and the quality of the services they have received. It is culturally sensitive and allows children themselves to track how their feelings, relationships and sense of confidence is changing as they go through counselling. It is applicable for children who receive any kind of service. The tool has been developed as a prototype and piloted with children across a range of ages and family backgrounds.



Centre for Excellence in Therapeutic Care (NSW)

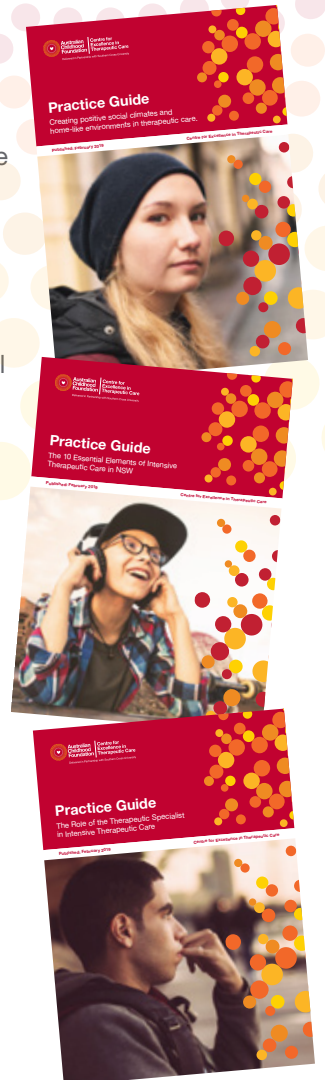
In 2018, we were awarded a contract by NSW Government to establish and run an Australian first Centre for Excellence in Therapeutic Care in NSW.

Our function is to support the evolution of the newly reformed Intensive Therapeutic Care system being rolled out in NSW. As a partnership between the Australian Childhood Foundation and Southern Cross University, the Centre integrates up to date research evidence with cultural knowledge, practice wisdom and the voices of young people in care to produce reports, practice resources and training to support the provision of high quality, evidence-informed therapeutic care.

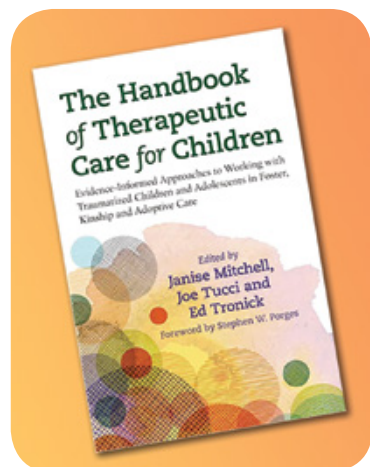
The Centre works in collaboration with the Intensive Therapeutic Care Agencies, the Department of Family and Community Services (FACS), Education, Youth Justice, Peak Bodies and other important stakeholders throughout NSW. Given the nature of the resources it produces, they may also be relevant to other organisations and systems of care in Australia and internationally.

A number of resources have been published for professionals working with young people living in therapeutic forms of out of home care. An online learning community has also been recently launched that allows professionals access to up to date research and evidence for use in their practice.

The Centre's website (cetc.org.au) is largely visited from Australian and international professionals.



Our Transformational Projects



New book drawing on the pioneering work of the Foundation was published

Edited by Janise Mitchell (ACF Deputy CEO), Joe Tucci (ACF CEO) and Ed Tronick (Distinguished University Professor at the University of Massachusetts, USA), this book draws primarily on the work of the Foundation in building an approach to therapeutic forms of out of home care for over 20 years.

The book contains chapters from Bruce Perry, Dan Hughes and Jon Bailey, Cathy Malchiodi, Martin Teischer, Allan Schore as well as our own Glenda Kickett, Shaun Chandran and Noel Macnamara.

It has already been acclaimed internationally by major leaders in the trauma field.

“Finally, a book that successfully addresses all of the complex bio-psycho-social-developmental consequences of early trauma! Therapeutic Care treats the embodied and encultured mind at each stage of life in a way that leverages the way the brain evolved to heal - in security and safety. Highly recommended.”

Louis Cozolino Ph.D., Professor of Psychology, Author of *The Neuroscience of Human Relationships*

“The Handbook of Therapeutic Care is a wonderfully practical and readable guide for all of us dedicated to creating pathways to health for children exposed to chronic trauma and abuse - children who are stuck in an inner world filled with helplessness, chaos and danger. Despite the multiplicity of voices of (outstanding) contributors, this handbook provides a unified synthesis of practices that help us understand the pressures from the past on current behavior, and presents a comprehensive and well-tested model to provide sensory, relational and emotional repair for children and young people who carry the legacy of danger, abandonment, and unpredictability. This is the integration we have been waiting for.”

Bessel A. van der Kolk MD, Medical Director, the Trauma Center, Professor of Psychiatry, Boston University School of Medicine, Author: NYT best seller: *The Body Keeps the Score*; mind, brain and body in the healing of trauma.



A spotlight on Safeguarding Children Services

The past 12-months represent a dynamic contextual change in keeping children and young people safe in Australian history. The impacts of the *Royal Commission into Institutional Child Sexual Abuse (Royal Commission)*, jurisdictional legislative reform, and strengthened community expectations about what is considered appropriate safe behaviour is transforming organisational practice. Safeguarding Children Services is engaged with over 250 organisations across Australia and New Zealand in support of strengthening their capacity to keep children and young people in their care safe from abuse and exploitation.

Safeguarding Children Online Training

The Safeguarding Children Online Training has undergone extensive redevelopment to create a contemporary, evidence-based information resource for organisations and their personnel.



Using an interactive approach, the **online training covers 10 key areas** including new information on the voice of the parent /caregiver, risk assessment, diversity and inclusivity, and the importance of a safeguarding culture.

Further, the redeveloped training draws attention to the need for organisations to take a child rights approach and focus on the voice of the child throughout the development, delivery, and review of services. Through the use of real and fictional case studies, the redeveloped training sheds light on the application and implications of safeguarding children policies and practices across both Australian and New Zealand.



72,095 individuals who work with children and young people have completed our Safeguarding Children Online Training.

Launch of Safeguarding Children Certification Program

Safeguarding Children Certification resources organisations to be confident that their policies and procedures meet the best practice standards for safeguarding children and are compliant with all legislative or other relevant requirements. Certification also provides organisations personnel with the opportunity to complete minimum levels of training that meets standards across all jurisdictions.

Victoria Police Legacy (VIC), Puffing Billy (VIC) and Youthtown, (New Zealand) have embarked on their Certification journey this year.

Bespoke services

Our Safeguarding Children Team has worked with a range of organisations to review and benchmark their policies and procedures against relevant compliance measures specific to their national and local operating environment. Royal Botanic Gardens, Parks Victoria and St Vincent de Paul Society Victoria (VIC) engaged Safeguarding Children Services to undertake a review of the effectiveness and appropriateness of each organisations' child safety practices against the 10 Child Safe Standards as outlined in the *Royal Commission, the Australian Human Right's Commission National Principles for Child Safe Organisations (National Principles)*, and the *Victorian Government Child Safe Standards*.

In New Zealand, a similar child safety review took place of SCOUTS New Zealand, against both the *Royal Commission Standards* and the National Principles as well as New Zealand child safety related legislation. Each evaluation reviewed, analysed and provided a compliance risk assessment, to assist each organisation to enhance their capacity to safeguard children and young people.

The Salvation Army has received Safeguarding Children Services including policy review, reflective supervision with senior staff, completion of safeguarding children online training program and the development of a Children's Participation Strategy. In relation to further strengthening the voice of children in organisations, the Safeguarding Children's Team facilitated a number of consultation session with students of Australian Jesuit schools across the country, in support of developing child friendly safeguarding information as well as creating peer behavioural expectations.

A spotlight on Safeguarding Children Services

Keeping children safe in sport - Sport Australia

Sport Australia commissioned Safeguarding Children Services to provide a series of unique learning experiences designed especially for National Sporting Organisation (NSO) personnel. Topics included safeguarding culture and leadership, recruitment and screening, responding to critical incidents, conversations with parents, children and young people, supervision and monitoring of personnel and auditing skills for internal audits of NSOs. A total of 48 NSOs attended the sessions; taking key learnings back into their sports and delivering programs and activities that keep children safe from abuse and exploitation.

Sport Australia also engaged Safeguarding Children Services to undertake a review of a selected cohort of 50 National Sporting Organisations to measure the effectiveness and appropriateness of their commitment to safety practices against the 10 Child Safe Standards, as outlined in the *Royal Commission into Institutional Responses to Child Abuse (Royal Commission)*, and built upon through the National Principles for Child Safe Organisations as endorsed by members of the Council of Australian Governments, including the Prime Minister and State and Territory First Ministers.

Safeguarding Children Accreditation Program

The Safeguarding Children Program offers a unique voluntary accreditation scheme for organisations who have a duty of care to children and young people whilst delivering a service or activity to them and/or their families. It systematically builds the capacity of organisations to keep children and young people safe from abuse and exploitation by staff, volunteers or other relevant related individuals. It is the only accreditation system approved at a National or State level by the Australian Competition and Consumer Commission (ACCC). The accreditation standards that organisations must comply with align to the various child safety related national and state standards, including the *Royal Commission Standards* and the *National Principles*, the *National Catholic Safeguarding Standards* and the *Victorian Child Safe Standards*. The Standards also align to state and territory Working with Children Check (WWCC), mandatory reporting and reportable conduct legislation.



In 2018/19, **over 68 organisations** were involved in our Accreditation Program. It was a momentous year for schools around the country achieving Safeguarding Children Accreditation.

Scotch College, Victoria

Scotch College was one of the first independent schools to work with the Safeguarding Children Accreditation Program. The safety of the College students is given the highest priority. Throughout its accreditation journey a number of critically important policy and procedure documents were put in place, training was provided to over 1,500 school staff and volunteers and a safeguarding culture was developed throughout the school community. The College also confirmed that through embarking on the accreditation process, that they feel confident that they are well advanced in meeting the child safe standards legally required of all Victorian Schools (*Ministerial Order 870*).

St Michael's Collegiate and the Hutchins School, Tasmania

Two Tasmanian based independent schools, St Michael's Collegiate and the Hutchins School, in collaboration implemented consistent safeguarding best practice across the two schools. Such an approach was centred around their existing relationship, their connection to the Anglican Diocese of Tasmania, and the want for consistent child safe practices. Further significance of this successful partnership and its accreditation outcome highlights the response taken following Hutchins School as a subject of Royal Commission Case Study 20.

A few other accreditation highlights include:

Relationships Australia Northern Territory

Relationships Australia Northern Territory (NT) is a community-based organisation providing a broad range of counselling, dispute resolution and family support services to individuals, families and communities throughout the Northern Territory. Relationships Australia NT was first Accredited in September 2016. At this time, the organisation displayed a strong familiarity and confidence with the safeguarding principles and requirements but identified that they were in the earlier stages of

A spotlight on Safeguarding Children Services

implementation of the program. Following their re-accreditation audit in 2019, a clear commitment to continuous improvement in keeping children safe was identified, with strengths demonstrated in understanding and addressing the diversity of its clients and community and ensuring that the organisations 'cultural fitness' remains high in its everyday safeguarding children practices. Considerable resource and efforts are also committed to advocacy work on behalf of some of the most vulnerable children in the Northern Territory and to the building of positive community partnerships for the benefit of children and young people.

Parkerville Children and Youth Care Inc., Western Australia

Parkerville Children and Youth Care Inc. ('Parkerville CYC') provides Out of Home Care and Therapeutic Family Services offering support to vulnerable children and young people. In 2019, Parkerville CYC embarked on its re-accreditation process; welcoming the opportunity to assess its continuous improvement journey and to ensure children and young people in their care continue to be safe from harm and abuse. Parkerville demonstrated clear evidence in achieving the Safeguarding Children standards with some highlights including a focus on providing opportunities for children and young people voices to be heard by involving children and young people in decision making and service development, the online safety of children and young people residing in family group homes and the strengthening of the organisations capacity to support the growing number of Aboriginal and Torres Strait Islander children and young people in their care.

We also welcome Rockhampton Grammar School (QLD), Lifestyle Solutions (National) and Launceston Church Grammar School (TAS) as they embark on their accreditation journey with us this year.

International Speaker Tour

ACF facilitated workshops in Melbourne and Sydney with **Professor Jennifer Freyd on Institutional Betrayal and Institutional Courage**. Over **80 organisations** attended the workshops, where Jennifer shared her wealth of knowledge and skills in the exploration of institutional betrayal and institutional courage, and her support to organisations in their endeavours to both recognise what betrayal of trust actually is, and then understand the depth and breadth of organisational responsibility of reporting abuse.



Our community engagement

The Foundation has formed some exciting partnerships over the last year and those partners have been helping us to make a real difference in the lives of children.

The Body Shop

The Body Shop Australia team has worked with the Foundation to fund the 'Healing Hearts Project', therapeutic doll program, aimed at helping children heal and recover from the trauma of child abuse.

This program includes the creation of a new range of specialist therapeutic dolls to be used by professionals and carers in counselling sessions with children. The program will also fund additional counselling hours for children using the dolls, as well as provide professionals with specialist training to work with the dolls.

\$ **Over \$100,000** raised to support this therapeutic doll program.

The Foundation's received \$3 from every sale of The Body Shop's Almond Milk & Honey 'Body Lotion' purchased across all of the body shop stores, online and through their direct selling channel, The Body Shop 'At Home.'

Myer Community Fund

The Myer Community Fund has partnered with the Foundation for two years supporting the Bringing Up Great Kids – Parenting After Violence program. This innovative therapeutic program providing mothers with knowledge, skills, and confidence to more accurately understand how family violence affects their children.



As a beneficiary of the Myer Ball together we **raised \$212,015** which also introduced us to a new group of passionate supporters.



The Myer Community Fund contributed a **total of \$312,015** this year toward the Bringing Up Great Kids – Parenting After Family Violence program.



Our community engagement

The GPT Foundation

We have established a lead partnership with GPT, a long-term partnership that aims to generate national awareness of the Australian Childhood Foundation's work through the innovative use of GPT's national shopping centre assets. These community hubs provide a unique opportunity to elevate the Foundation's story.



The GPT team have provided **\$135,000 in funding**, and now are helping us to relaunch the Big Love Light twilight event.

With GPT and Melbourne Central supporting this project we aim to create a national movement to prioritise the protection of children and to defend childhood.

#DefendChildhood Mural at Melbourne Central – raising awareness and funds to support the Foundation's National Trauma Recovery Program



GPT Volunteer Day – Therapeutic Doll sewing and packing – Thanks GPT

AccorHotels Group

We have formed a long-term partnership with the Accor group as one of five leading charities they partner with nationally.



This year a variety of hotel fundraising projects have **raised over \$35,000** toward our therapeutic services for children who have experienced trauma arising from abuse and family violence.



ICAP Charity Day 2018

The Foundation was nominated as a charity partner of the 2018 ICAP Charity Day. All profits from ICAP's day of trading are donated to support the work of their charity partners. Our Ambassadors Casey Burgess and Matty J joined us in Sydney on the ICAP trading floor for the day.

Pictured are (L to R) - Angus McGilvray from ICAP, Sue Buratti, Manager, Therapeutic Services Australian Childhood Foundation and Colin Gilbert, CEO ICAP.



Trek for Childhood 2019



9-15 June 2019



9 participants
from our community
of supporters plus our
ambassador Clint Newton



Over \$44,000
raised in the lead up
to the walk

This Trek was a journey that took our group into the heart of Australia, across the vast and ancient landscape of the Red Centre.

The Larapinta Trail is regarded as one of Australia's premier walking tracks. From the old Alice Springs Telegraph Station to the peak of Mount Sonder, the trail stretches 223 kilometres along the backbone of the West MacDonnell Ranges.

As part of this incredible adventure, our group climbed ancient escarpments to gaze out upon the ochre-coloured landscapes of Central Australia. They followed Aboriginal Dreaming tracks and trekked beside one of the world's oldest river systems.

By day, they were challenged as they trekked across the Red Centre, experiencing the diversity of desert habitats and learned the unique history of Australia's Indigenous peoples. At night, they fell asleep to the sounds of native wild.

On the final night of this adventure the group joined by the foundation team set about planning for their next trek adventure.

“To me this is a once in a lifetime experience that ticks many boxes, not least of all the opportunity to give something back in a meaningful way. To be able to raise funds and awareness about the very real issue of childhood abuse and neglect is probably my biggest motivation. During my time working in shopping centres and through my involvement in football clubs, I have seen firsthand the impact that neglectful and abusive homes can have on children and the way that this then impacts their behaviour and relationships in the broader community.”

“The chance to have an amazing new experience, meet new people, push myself way out of my comfort zone (probably both physically & mentally) and appreciate the beauty and vastness of the Australian outback in a way that I would never normally get to experience.”

Sharon Johnson – works for our corporate partner The GPT Group





Ambassador Matty J and partner Laura Byrne launch ACF Charity Bracelet

Matty J is our newest ambassador. Matty and Laura designed the ACF bracelet and to help the Australian Childhood Foundation be at the forefront of protecting children affected by abuse and family violence.

Matty was so proud to join saying;

“Partnering with the Australian Childhood Foundation and impending fatherhood has sadly made me aware that not every child will be welcomed into a happy and loving home. All children deserve to feel safe, loved and have adults in their lives they can trust.”



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

Our Board

President

Mr David Stephenson
Advertising

Honourary Treasurer

Mr Rod Naismith
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

Ms Claire Boussioutas
Consultancy

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
AO, OAM
Retired Paediatrician

Ambassadors

Liam Hemsworth
Actor

Nadine Garner
Actor

Stefan Dennis
Actor

Casey Burgess
Entertainer

David Boon
International Cricket
Council Match Referee

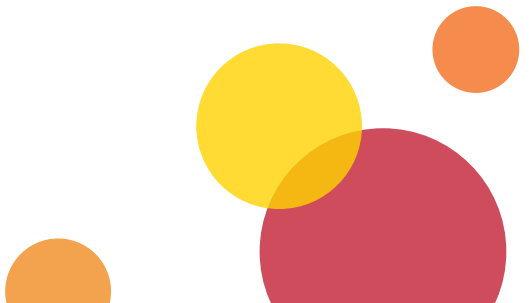
Robyn Moore
Actor and public speaker

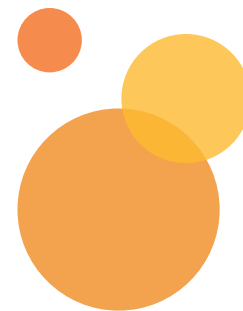
Lindsay Field
Musician

Melanie Milburne
Author

Clint Newton
Rugby League Players'
Association President

John X
Actor and entertainer





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

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

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

Cynan Kim-Blackmore
Manager, Safeguarding
Children Services

Rhiannon Wright
Manager, Safeguarding
Children Services

Cyra Fernandes
Manager, Therapeutic
Services (VIC)

Mary-anne Delaney
Manager, Therapeutic
Services (VIC)

Monica Robertson
Manager, Therapeutic
Services (VIC)

Tim Henry
Manager, Therapeutic
Services (TAS)

Jana Sarnovski
Manager, Therapeutic
Services (ACT)

Blythe McAuley
Manager, Therapeutic
Services (NT)

Sue Buratti
Manager, Therapeutic
Services (NSW)

Shaun Chandran
Manager, Therapeutic
Services (WA)

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

Felicity O'Meara
Manager, Corporate
Partnerships

Georgia Pattison
Manager, People and
Culture

Liliana Inguanti
Manager, Support Services

Narelle Lowe
Manager, Finance

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
Tom Chambers
Simon McCall
David Stephenson

Our Safeguarding Children Accreditation Panel

Susan Halliday
Former Chair of the
Victorian Institute of
Teachers

Anton Hermann
Minter Ellison

Superintendent Andrew Allen
Victoria Police (Retired)

Merrilee Barnes
Australian Sports
Commission

Our Heartfelt Thanks

The Australian Childhood Foundation is deeply appreciative of the following individuals and organisations for their support of our work throughout 2018-2019. 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 for Education, South Australia
- Department of Education and Training, Victoria
- Department of Health and Human Services, Tasmania
- Department of Health and Human Services, Victoria
- Department of Communities and Justice, NSW
- Department of Communities, Child Protection and Family Support, Western Australia
- Territory Families, Northern Territory
- Commonwealth Department of Social Services





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 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

All donations over \$2 are tax deductible



Financial Report

for the financial year
ended 30 June 2019



Australian
Childhood
Foundation

childhood.org.au

ACN: 057 044 514

Directors' Report

30 June 2019

The Board of Directors of Australian Childhood Foundation (ACF) present this report on the company for the financial year ended 30 June 2019.

Directors

Background Information on Directors

Simon McCall	Social Researcher – Retired in October 2018
Mark Thomas	Corporate Affairs Consultant
Simon Marsh	Accountant – Retired in October 2018
Justin Smith	Media
Nick Pelham	Infrastructure Manager
David J Stephenson	Marketing
Ciara Earley	General Paediatric Consultant
Claire Boussioutas	Consultant
Rod Lamplugh	Solicitor
Rod Naismith	Accountant
Cliff Weeks	Public Servant

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

Retired in October 2018.

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

Retired in October 2018.

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.

Claire Boussioutas

joined as a Director in 2018. Claire has been working with global and Australian organisations over 25 years as they undergo business transformation enabled by technology. She is a Partner at EY and married with three children.

Rod Naismith

Joined as a Director in 2018. Rod is a Chartered Accountant and a Graduate of the Institute of Australian

Company Directors. Rod has worked in public practice for over 17 years and is a Partner at the global firm, BDO. He advises on a range of business, accounting and taxation issues for start-up, private and family owned businesses and not for profit organisations. He is a member of the Finance and Governance subcommittee of the Board.

Cliff Weeks

Joined as a Director in 2016. He is currently working for the Department of the Chief Minister as a senior executive based in Alice Springs. A former member of the Western Australia Police Service, Cliff has over 15 years of experience in the public sector and was a Public Servant 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 2019, and the number of meetings attended by each director were:

Full Board	Attended	Held
Simon McCall	1	6
Mark Thomas	3	6
Simon Marsh	2	6
Justin Smith	2	6
Nick Pelham	3	6
David J Stephenson	6	6
Ciara Earley	5	6
Rod Lamplugh	2	6
Rod Naismith	5	6
Claire Boussioutas	6	6
Cliff Weeks	2	6

Directors' Report

30 June 2019

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 operating surplus of the company amounted to \$22,951. 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

There are no after balance date events.

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 \$5,838.

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 (2018: 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.

Directors' Report

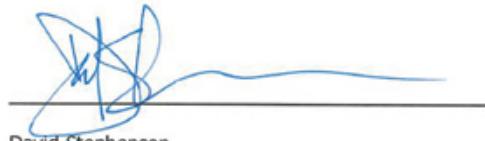
30 June 2019

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 24th day of September 2019



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 2019, 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

Dated this 24th day of September 2019

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Statement of profit or loss and other comprehensive income

for the year ended 30 June 2019

	2019 \$	2018 \$
Continuing operations		
REVENUE		
Fundraising and Donations	3,137,393	2,019,703
Therapeutic Services	14,350,757	11,835,236
Safeguarding Children	1,287,057	1,368,314
Education Programs	2,930,354	4,973,324
Interest	16,170	18,335
Other Income	139,257	111,978
	<u>21,860,988</u>	<u>20,326,890</u>
EXPENSES		
Salaries and Wages	(14,319,023)	(13,627,421)
Organisational Expenses	(784,934)	(930,623)
Offices & Facilities	(1,685,041)	(1,440,088)
Telecommunications	(569,348)	(340,480)
Travel & Accommodation	(980,648)	(1,130,370)
Motor Vehicle	(881,697)	(850,026)
Program Expenses	(2,071,090)	(1,974,127)
Depreciation	(472,652)	(394,642)
Finance Costs	(41,472)	(6,677)
Foreign Exchange Loss	(26,987)	(16,557)
Fringe Benefits Tax	(5,148)	(7,885)
	<u>(21,838,040)</u>	<u>(20,718,896)</u>
SURPLUS / (DEFICIT) FOR THE YEAR	<u>22,948</u>	<u>(392,006)</u>
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		
Gain on revaluation of properties	-	546,636
Items that will be reclassified subsequently to profit or loss:		
Gain/(Loss) arising from revaluation of financial assets at fair value	8,151	(1,809)
TOTAL COMPREHENSIVE SURPLUS/ (DEFICIT) FOR THE YEAR	<u>31,099</u>	<u>152,821</u>

Statement of financial position

as at 30 June 2019

	Note	2019	2018
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	3,686,306	1,556,637
Trade and other receivables	4	688,728	590,339
Financial assets	5	67,257	59,106
Inventories		60,835	44,541
Other assets	6	513,599	512,596
TOTAL CURRENT ASSETS		<u>5,016,725</u>	<u>2,763,219</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	3,547,589	3,455,235
TOTAL NON-CURRENT ASSETS		<u>3,547,589</u>	<u>3,455,235</u>
TOTAL ASSETS		<u>8,564,314</u>	<u>6,218,454</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	4,100,757	1,931,019
Borrowings	9	59,112	19,112
Employee benefits	10	1,211,612	1,221,396
TOTAL CURRENT LIABILITIES		<u>5,371,481</u>	<u>3,171,527</u>
NON CURRENT LIABILITIES			
Borrowings	9	240,172	113,123
Employee benefits	10	196,929	209,171
TOTAL NON-CURRENT LIABILITIES		<u>437,101</u>	<u>322,293</u>
TOTAL LIABILITIES		<u>5,808,582</u>	<u>3,493,821</u>
NET ASSETS		<u>2,755,732</u>	<u>2,724,633</u>
EQUITY			
Reserves	18	1,936,941	1,928,790
Retained surpluses		818,791	795,843
TOTAL EQUITY		<u>2,755,732</u>	<u>2,724,633</u>

Statement of changes in equity

for the year ended 30 June 2019

	Retained Surpluses \$	Asset Revaluation Reserve \$	Financial Assets Reserve \$	Building Appeal Reserve \$	Total \$
Balance at 1 July 2017	1,187,849	1,379,455	4,508	-	2,571,811
Surplus/ (deficit) for the year	(392,006)				(392,006)
Other comprehensive surplus/ (deficit) for the year	-	546,636	(1,809)	-	544,827
Total comprehensive surplus for the year	795,843	1,926,091	2,699	-	2,724,632
Transfers					
Balance at 30 June 2018	795,843	1,926,091	2,699	-	2,724,632
Surplus/ (deficit) for the year	22,948				22,948
Other comprehensive surplus/ (deficit) for the year			8,151		8,151
Total comprehensive surplus for the year	22,948	-	8,151	-	31,099
Transfers	-	-	-	-	-
Balance at 30 June 2019	818,791	1,926,091	10,850	-	2,755,732

Statement of cashflows

for the year ended 30 June 2019

	Note	2019 \$	2018 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from fund raising activities & customers, service fees, education programs & grants		23,975,054	20,317,889
Payments for direct cost of fund raising, suppliers and employees		(21,712,551)	(19,961,985)
Interest received		16,170	10,098
Borrowing cost paid		(41,472)	(6,677)
Net cash provided by operating activities		<u>2,237,201</u>	<u>359,325</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(278,816)	(769,496)
Redemption of short term deposits		-	408,236
Net cash (used in) investing activities		<u>(278,816)</u>	<u>(361,260)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		(32,952)	(12,598)
Borrowing		200,000	-
Net cash provided by/(used in) financing activities		<u>167,048</u>	<u>(12,598)</u>
Cash at beginning of year		<u>1,575,408</u>	<u>1,575,408</u>
Cash at end of year	12	<u>1,575,407</u>	<u>1,575,408</u>

Notes to the financial statements

for the year ended 30 June 2019

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 2019 were authorised for issue in accordance with a resolution of the directors on 24th September 2019.

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.

(a) Revenue (cont)

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 16 March 2018 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 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 2019

(b) Property, Plant and Equipment (cont)

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	20 - 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

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit and loss where transaction costs are expensed as incurred).

Financial Assets

Financial Assets are divided into the following categories which are described in detail below:

- loans and receivables

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or finance costs' line item respectively.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and other receivables fall into the category on financial instruments.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Impairment of Financial Assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Notes to the financial statements

for the year ended 30 June 2019

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

For current year

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

(d) Financial Instruments (cont.)

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

The financial assets of the Company have been reclassified into one of the following categories on adoption of AASB 9 based primarily on the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost
- Fair value through other comprehensive income - equity instruments (FVOCI - equity).

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Company comprise trade payables and bank loans.

(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.

Notes to the financial statements

for the year ended 30 June 2019

(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.

(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 16 March 2018 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.

Notes to the financial statements

for the year ended 30 June 2019

(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

Financial Instruments - Adoption of AASB 9

The Company has adopted AASB 9 Financial Instruments for the first time in the current year with a date of initial adoption of 1 July, 2017.

As part of the adoption of AASB 9, the Company adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 Presentation of Financial Statements requires the impairment of financial assets to be presented in a separate line item in the statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.
- AASB 7 Financial Instruments: Disclosures requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

The key changes to the Company's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the Company has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from 1 July, 2018.

Classification of financial assets

The financial assets of the Company have been reclassified into one of the following categories on adoption of AASB 9 based primarily on the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost
- Fair value through other comprehensive income - equity instruments (FVOCI - equity).

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has resulted in the earlier recognition of credit loss (bad debt provisions).

	2019 \$	2018 \$
NOTE 3. CASH AND CASH EQUIVALENTS		
CURRENT		
Cash at bank		
National Australia Bank Operating Accounts	522,036	881,082
National Australia Bank Cash Maximiser	3,022,976	558,156
National Australia Bank Donation Account	60,800	36,905
National Australia Bank Term Deposits	80,494	80,494
	<u>3,686,306</u>	<u>1,556,637</u>
NOTE 4. TRADE AND OTHER RECEIVABLES		
Trade receivables	563,728	443,753
Provision for impairment of receivables	-	-
	<u>563,728</u>	<u>443,753</u>
Other receivables	125,000	146,586
	<u>688,728</u>	<u>590,339</u>
NOTE 5. FINANCIAL ASSETS		
Shares (Fair Value Through Other Comprehensive Income)	67,257	59,106
	<u>67,257</u>	<u>59,106</u>
NOTE 6. OTHER CURRENT ASSETS		
Prepayments	208,444	252,684
Security deposits	305,155	259,912
	<u>513,599</u>	<u>512,596</u>

Notes to the financial statements

for the year ended 30 June 2019

	2019 \$	2018 \$
NOTE 7. PROPERTY PLANT & EQUIPMENT		
Land at fair value	2,062,804	2,062,804
Buildings at fair value	507,783	507,783
Accumulated depreciation	<u>(230,692)</u>	<u>(220,586)</u>
	2,339,895	2,350,001
Leasehold Improvements at cost	501,049	283,958
Accumulated depreciation	<u>(187,983)</u>	<u>(114,350)</u>
	313,066	169,608
Office furniture & equipment at cost	962,399	970,701
Accumulated depreciation	<u>(592,627)</u>	<u>(520,148)</u>
	369,772	450,553
Computer Software	884,563	828,462
Accumulated depreciation	<u>(503,158)</u>	<u>(477,148)</u>
	381,405	351,314
Work in Progress	143,451	133,760
Total Property Plant & Equipment	<u>3,547,589</u>	<u>3,455,235</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	Leasehold Improvements	Office Furniture & Equipment	Computer Software	Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 30 June 2017	1,516,169	297,490	36,319	342,157	248,561	88,815	2,529,510
Additions at cost	-	-	200,923	283,851	244,013	44,945	773,732
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	(10,293)	(67,634)	(175,455)	(141,260)	-	(394,642)
Revaluation increase/ (decrease)	546,635	-	-	-	-	-	546,635
Balance at 30 June 2018	2,062,804	287,197	169,608	450,553	351,314	133,760	3,455,235
Additions at cost	-	-	217,090	-	56,102	9,691	282,883
Disposals	-	-	-	(8,302)	-	-	(8,302)
Depreciation expense	-	(10,106)	(73,632)	(72,479)	(26,010)	-	(182,227)
Revaluation increase/ (decrease)	-	-	-	-	-	-	-
Balance at 30 June 2019	2,062,804	277,091	313,066	369,772	381,405	143,451	3,547,589

	2019 \$	2018 \$
NOTE 8. TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	209,264	394,651
Accrued accounts	396,248	402,927
Revenue in advance	2,839,116	875,226
Other current payables	<u>656,129</u>	<u>258,215</u>
	4,100,757	1,931,019
NOTE 9. INTEREST BEARING LIABILITIES		
CURRENT		
Bank Loans	<u>59,112</u>	<u>19,112</u>
	59,112	19,112
NON-CURRENT		
Bank Loans	<u>240,172</u>	<u>113,123</u>
	240,172	113,123
TOTAL BORROWINGS	<u>299,284</u>	<u>132,235</u>

The company has in place two bank loans which equal \$299,284, secured against 579 Whitehorse Road at 30 June 2019. Loan one is interest and principal (4.4%) over the remaining term of 9.82 years. Loan two is interest and principal (4.662%) over the remaining term of 4 years.

NOTE 10. EMPLOYEE BENEFITS

	2019 \$	2018 \$
CURRENT		
Employee Benefits	<u>1,211,612</u>	<u>1,221,396</u>
NON CURRENT		
Employee benefits	<u>196,929</u>	<u>209,171</u>
	1,408,541	1,430,567

Notes to the financial statements

for the year ended 30 June 2019

2019
\$

2018
\$

NOTE 11. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

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

Payable - minimum lease payments		
- not later than 12 months	1,471,001	1,290,503
- later than 12 months but not later than 5 years	2,257,199	2,109,661
- later than 5 years	-	-
	<u>3,728,200</u>	<u>3,400,164</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	3,686,306	1,556,637
Petty cash	-	-
	<u>3,686,306</u>	<u>1,556,637</u>

NOTE 13. AFTER BALANCE DATE EVENTS

There are no after balance date events.

NOTE 14. KEY MANAGEMENT PERSONNEL COMPENSATION

The aggregate compensation made to key management personnel of the company is set out below:

Key management personnel	1,284,291	1,364,865
Indemnity Insurance	5,838	5,838
	<u>1,290,129</u>	<u>1,370,703</u>

2019
\$

2018
\$

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	17,400	16,600
Other services	-	-
	<u>17,400</u>	<u>16,600</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.

NOTE 17. RELATED PARTIES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties;

- (a) Board member Claire Boussioutas is a partner of Ernst Young, assisted in legal services, HR strategy and employee engagement, environmental policy and finance system scoping to the value of \$147,778
- (b) Board member Simon Marsh (retired October 2018) was a partner of BDO who was replaced with Rod Maismith, who is a partner at BDO, assisted in the compilation of the FY20 budget to the value of \$7,506

Notes to the financial statements

for the year ended 30 June 2019

Directors Declaration

	2019	2018
	\$	\$

NOTE 18. RESERVES

Financial Assets Reserve	10,850	2,700
Asset Revaluation Reserve	<u>1,926,091</u>	<u>1,926,090</u>
	<u>1,936,941</u>	<u>1,928,790</u>

The Asset Revaluation Reserve records the revaluation of freehold property at Mitcham.
The Financial Assets Reserve records the revaluation of financial assets classified at fair value.

NOTE 19. 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 2019 the number of members was 22 (2018: 22).

NOTE 20. STATUTORY INFORMATION

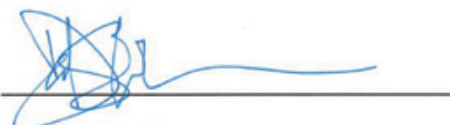
The registered office and principal place of business of the company is:
Level 1, 675 Victoria St
Abbotsford Vic 3067

Director's Declaration

The directors of the company declare that:

- The financial statements and notes, as set out on pages 1 to 23, 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 2019 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 24th day of September 2019.



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 2019, 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 2019 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 2019, 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 us after the date of this independent auditor's report.

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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. 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 24th day of September 2019

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Australian Childhood Foundation

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