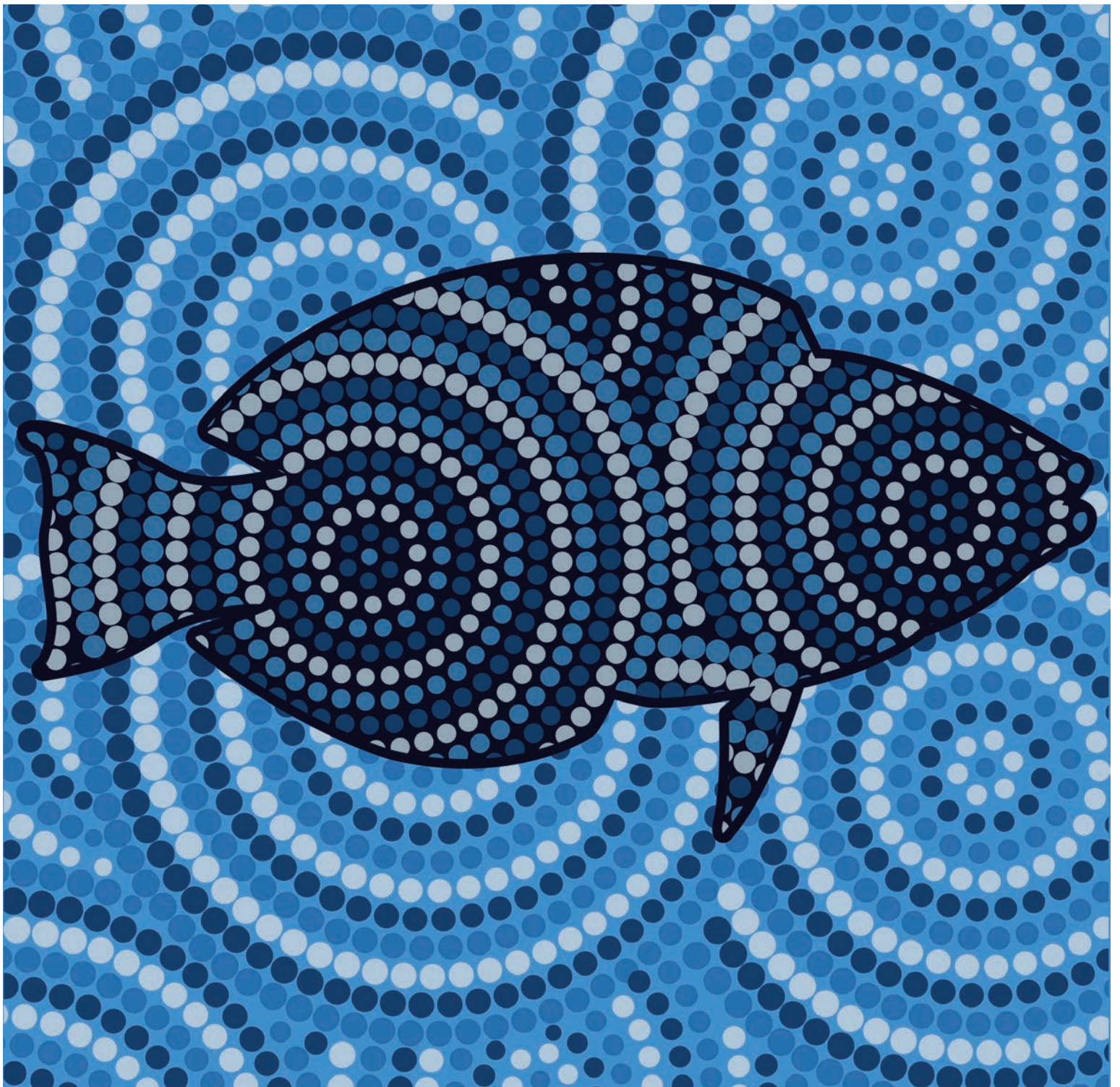




Family Support Newcastle
your family, our community

Annual Report 2018



About us

Family Support Newcastle is a non-government incorporated association that has provided services to families with children in the Lower Hunter Region for almost 40 years.

We have a vision of families flourishing as they raise resilient children in a just society. We pursue this vision by providing services that include:

- Therapeutic individual assistance, either in the home or at one of our centres
- Therapeutic group programs with associated child development activities
- Supported playtime activities
- Community work
- Domestic violence services
- Intensive family preservation services.

We believe that parents have a desire for their children to grow up to be good citizens with healthy self-esteem and resilience. We also believe that with appropriate support the vast majority of families can achieve this.

As we work with families we are informed by these core values:

- All people have the ability and right to participate in decision making about their lives, the services that they receive and their community
- All people must be treated with respect: including honesty, generosity, equity and empathy.
- Open, equal, inclusive, secure and socially just communities are vital to the wellbeing of all children
- The social context of a family impacts on children and must be considered in our work
- A gendered analysis of relationships and culture should provide guidance for the work that we do with families
- Our commitment to address the impact of colonisation on us all.



The context of our work

We provide our services in a context where there is growing inequality between the most disadvantaged and the most advantaged members of our society. We believe that this is ultimately harmful to everyone and that the structural disadvantage that is experienced by the families that we come into contact with must be addressed to make lasting and significant differences to the outcomes for our most vulnerable children.

The families that we work with are more stretched than ever before. Affordable housing is virtually non-existent. Domestic and family violence is significantly impacting the lives of large numbers of mothers and their children. Income support for those who have limited abilities to participate in the work force is mean and the associated conditions and penalties demeaning and draconian.

We are heartened that in the community at large, there is a louder conversation about the underlying unfairness of our current welfare system. The majority of voters, businesses and economic advisors now support a significant increase in allowances such as Newstart. Similarly there is widespread support for an Aboriginal voice to parliament.

Making a difference

In this context we continue to implement our strategic plan.

Diversity of effective services

We provide a diversity of services and believe that this diversity is valuable for the families that we work with. It means that we are able to provide an integrated service with inputs that are tailored to the needs of the family. Unfortunately, we are still not able to meet the needs of all families who request assistance.

What we have achieved

Over the past 12 months, FSN has worked individually or in therapeutic or educational group settings with 401 parents and 294 children in 389 families providing services of varying intensity. There were at least 650 children in those families. One hundred and sixty five (22%) of the clients identified as Aboriginal or Torres Strait Islander, 49 (6%) of culturally or linguistically diverse background. Forty-nine parents identified as younger than 25.

We aim to reach the most disadvantaged and vulnerable families in our community. *Figure 1: Response to 'What are you up against?'* describes feedback from 268 clients who completed surveys about their family life. While many families may have more than one stressor, we clearly are working with the most vulnerable members of our community.

- Experience dealing with hardship
- Determination
- Hope
- Confidence
- Parenting skills
- Home management skills
- Budgeting skills

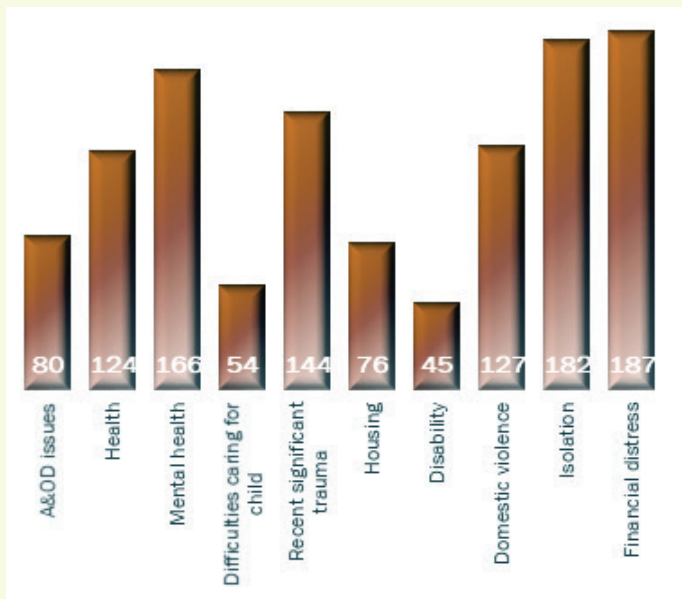


Figure 1: Response to 'What are you up against?'

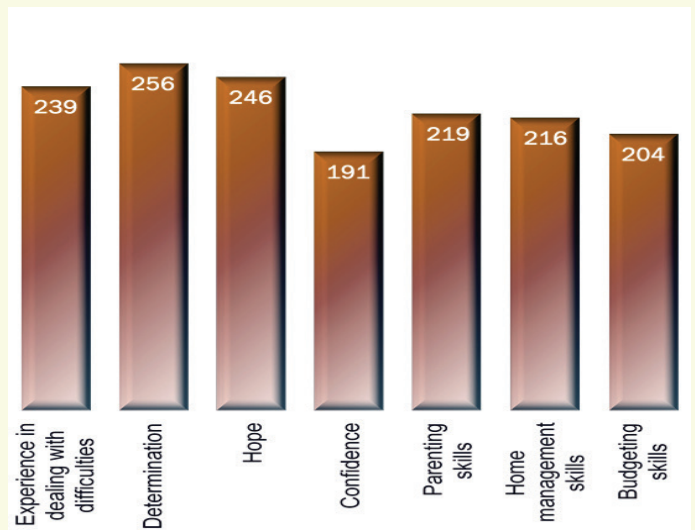


Figure 2: Response to 'What are your strengths?'

Significantly, these clients were able to name many resources that they could draw on as they tackled their difficulties. This is described in *Figure 2: Response to 'What are your strengths?'*. We ask families about the following strengths:

The number of families who noted that they had experience dealing with difficulties confirms that we are mostly working with families who experience ongoing hardship.



Individual family work

Individual family work, usually in the family's home, is a significant aspect of our work. It is the service that is most commonly requested. This year we provided this assistance to 206 families.

Group programs

Over the year we provided group programs for 222 adults. These programs are mostly provided in collaboration with other organisations. We work closely with the other service to provide tailored programs that are evidence informed. They include groups for mothers addressing the impact of DV, groups exploring the value of play and managing the stress of parenting.

Playtime Plus

In providing our playtime activities, we focus on activities that enhance parents' relationships with their children while providing developmental activities for the children. During the activities, parents are supported by family workers to increase their knowledge of their children, develop their skills in responding to their children's growing social awareness and enhance their understanding of child development.

Our playgroup, has continued to attract families who are socially and economically marginalised. Thirty four parents have participated over the year. Families find it welcoming, their children enjoy it and the warmth, knowledge and support of the staff are regularly commented on.



Community Outreach

This year we continued our partnership with the Family Action Centre to provide a group program at Hamilton South. The program is provided for families with pre-school children living in the public housing estate. The group is structured to provide a safe space for parent-child interaction and play; and social interaction between parents and children. Activities are purposefully designed to support parent-child interaction and child developmental needs.

What difference have we made

One hundred and seventy eight feedback surveys were received from clients who have completed some service from FSN. *Figure 3: Feedback about services* details the response to the statements:

1. I would recommend the service to others
2. I have been listened to and understood
3. Our circumstances have improved
4. I have improved connections in my community
5. My children have noticed a difference in my parenting
6. I have learnt new skills for parenting
7. Things are getting better for me and my children
8. I know where to get help for me and my children.

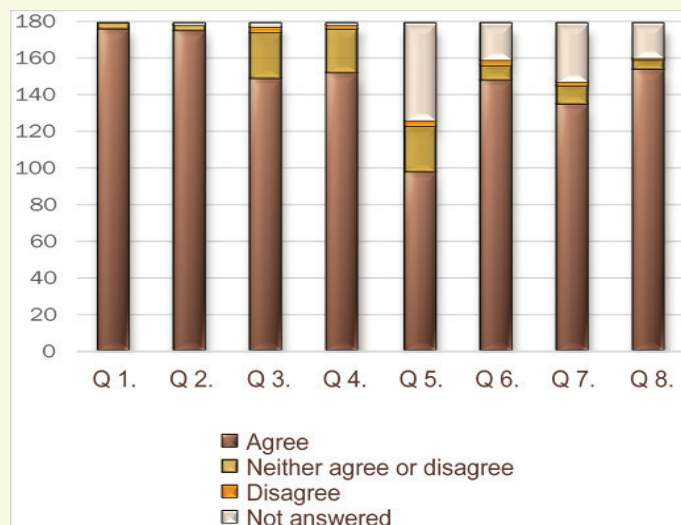


Figure 3: Feedback about services

This quantitative data about our effectiveness is supported by the qualitative data that we have been gathering. Last year we interviewed 16 clients who had completed work in the previous six to twelve months. Feedback was heartening and is further evidence of the effectiveness of our service.

Organisation funding

FSN received recurring funding of \$1.84m from a range of state and federal government funding programs as described in *Figure 4: Funding sources*



Over the year we have also received donations that have supported our work. In particular, we acknowledge the significant financial assistance that we have received from Microsoft & Connecting Up in the form of IT software and occasional donations from past or present clients who have benefited from the work.

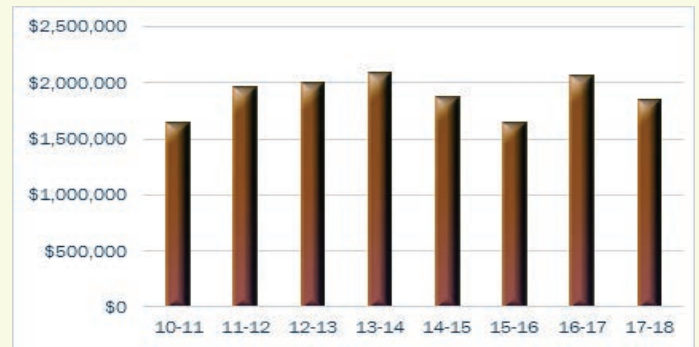


Figure 5: Organisation funding over time

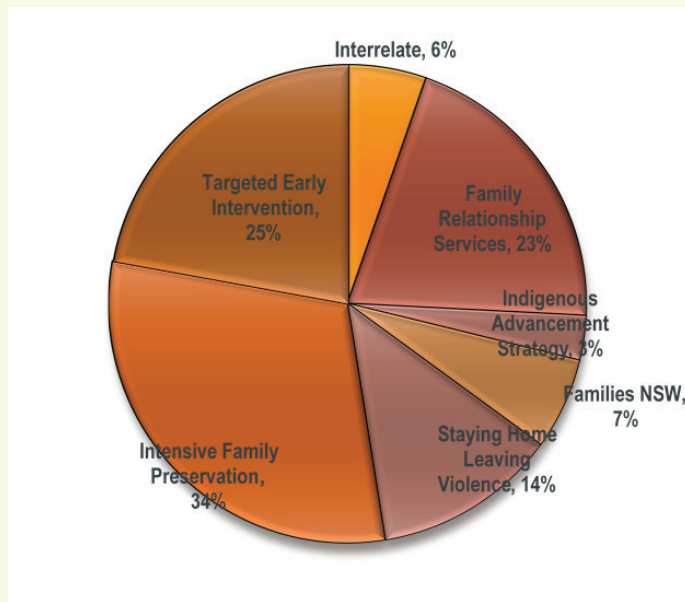


Figure 4: Funding sources

We are aware that our organisation would be more viable and possibly more efficient if our annual income was higher. We continue to apply for appropriate funding.

Highlights of the year

Our evaluation tools

This year we have continued the work of understanding what we learn from our evaluation data. We have been able to follow up with 16 clients that had completed with the service in the previous six to twelve months. Feedback from this follow-up indicated that clients tended to maintain or grow the improvements that they had made while working with us.

Many had better relationships with family and new friendships with a better/bigger social network. They reported better or safer housing situations, greater feelings of self-worth, confidence, courage, ability to express themselves. They felt heard, cared for and more supported. Some had got more permanent or full time jobs, others were studying. Some had been restored the care of their children



or been able to increase contact with their children through developing good relationships with foster carers and FACS. Some reported that their health, sleeping patterns, weight problems had been resolved. Many described being happier, have more clarity about the direction they want to go in, feeling safer, actually enjoying parenting. They noted improved ability to express themselves and identify their needs and advocate for or back their children.

Reinvigorated Family Centre

Over this last year we have been quietly re-invigorating our Family Centre as a place for families to come to for an array of activities. As well as the regular Thursday playtime activity we have held a regular group for mothers and other organisations have offered programs from the centre: Wesley Mission has provided financial counselling and Family Action Centre has outreached to our clients with their Uni 4 You program. The vegetable garden has benefited from renewed enthusiasm and there have been regular cooking activities using produce from the garden. The centre has been the venue for monthly meetings of parents who have navigated the child protection and out of home care system.

Visitors to the centre tell us that it has a relaxed feel, is homely because you can have a cuppa, kids can play with toys/other kids. They like that it is a space shared with staff.

Commitment to Indigenous Australians

Our commitment is to:

- Provide a respectful, safe and welcoming environment for Aboriginal and Torres Strait Islander peoples.
- Provide services appropriate to Aboriginal and Torres Strait Islander peoples in consultation with Aboriginal and Torres Strait Islander peoples and Aboriginal agencies.
- Proudly and visibly support Aboriginal and Torres Strait Islander rights and openly challenge racism in ourselves and others.
- Develop Aboriginal cultural competence.
- Respectfully learn from Aboriginal and Torres Strait Islander peoples, recognising that this is a life long journey.

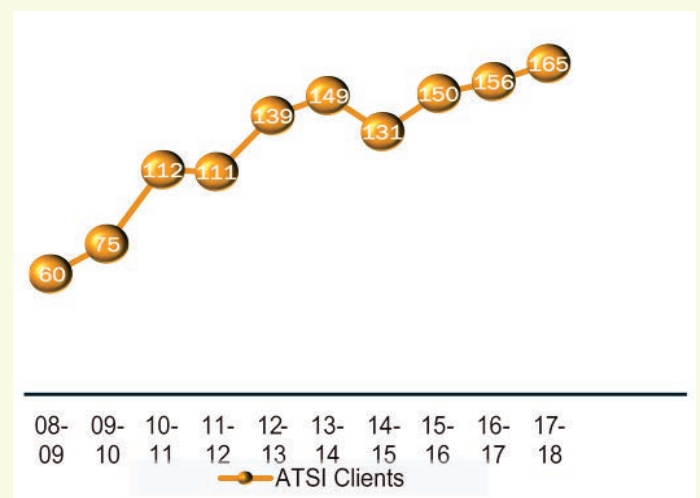


Figure 6: ATSI clients

We recognise that the trauma that Aboriginal families have experienced and continue to experience as a result of ongoing colonisation and racism means that our service must be particularly accessible and effective for Aboriginal families. This year all staff have participated in opportunities to reflect on the ongoing effect of colonisation on Aboriginal people in deeply personal ways. We have analysed feedback from our Aboriginal clients. 18% of the surveys that were completed were from Aboriginal clients. Average responses from Aboriginal clients were similar to non-Aboriginal clients. While this data has not been thoroughly examined, it suggests that Aboriginal families are benefiting from our service to a similar extent as non-Aboriginal families.

In conclusion

As this report is being prepared the organisation is preparing for the retirement of a long term leader of the organisation. While this is causing some trepidation it is also an opportunity for new energy and new possibilities to emerge. Family Support Newcastle is an oasis of care in a world that sometimes looks like a care desert. The words that we so often hear from clients seem to be a fitting conclusion at this point: "Keep up the awesome work."





FAMILY SUPPORT NEWCASTLE INC.

INDEPENDENT AUDIT REPORT TO MEMBERS

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Family Support Newcastle Inc. (the Association), which comprises the statement of financial position as at 30 June 2018, 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 Statement by the Committee.

In our opinion, the financial report of Family Support Newcastle Inc. is in accordance with the Associations Incorporations Act 2009 (NSW) and the Australian Charities and Not-for-profits Commission Act 2012 including:

- (i) representing fairly, in all material respects, the Association's financial position as at 30 June 2018 and of its performance for the year then ended; and
- (ii) complies with the Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of Opinion

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 Association 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, and we have 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.

Responsibilities of the Committee for the Financial Report

The Committee Members are responsible for the preparation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Associations Incorporations Act 2009 (NSW) and the Australian Charities and Not-for-profits Commission Act 2012, and for such internal control as the committee members 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 committee members are responsible for assessing the Association'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 committee members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Liability limited by a scheme approved under the Professional Standards Legislation

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FAMILY SUPPORT NEWCASTLE INC.

INDEPENDENT AUDIT REPORT TO MEMBERS (Cont).

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Association for the year ended 30 June 2018 included on the Entity's website. The Association's Committee members are responsible for the integrity of the Association's website. We have not been engaged to report on the integrity of the website. The auditor's report only refers to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Association's website.

Kirsty Porteous - Partner

DFK Crosbie Partners
Chartered Accountants

Date: 27 September 2018
Warabrook, NSW

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-C SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT FOR
PROFITS COMMISSION ACT 2012
TO THE MEMBERS OF
FAMILY SUPPORT NEWCASTLE INC.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Kirsty Porteous - Partner

DFK Crosbie Partners
Chartered Accountants

Date: 27 September 2018
Warabrook, NSW

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FAMILY SUPPORT NEWCASTLE INC.
INDEPENDENT AUDIT REPORT TO MEMBERS (Cont).

Reporting under the Charitable Fundraising (NSW) Act 1991

Audit opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion,

- (a) the financial report gives a true and fair view of Family Support Newcastle Inc. financial result of fundraising appeal activities for the financial year ended 30 June 2018;
- (b) the financial report has been properly drawn up, and the associated records have been properly kept for the period 1 July 2017 to 30 June 2018, in accordance with the Charitable Fundraising Act (NSW) 1991 and Regulations;
- (c) money received as a result of fundraising appeal activities conducted during the period from 1 July 2017 to 30 June 2018 has been properly accounted for and applied in accordance with the Charitable Fundraising Act (NSW) 1991 and Regulations; and
- (d) there are reasonable grounds to believe that Family Support Newcastle Inc. will be able to pay its debts as and when they fall due.

Kirsty Porteous - Partner

DFK Crosbie Partners
Chartered Accountants

Date: 27 September 2018
Warabrook, NSW

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FAMILY SUPPORT NEWCASTLE INC.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

Note	2018 \$	2017 \$
INCOME		
Grants Income	1,841,260	2,057,122
Donations	8,731	9,768
Interest Received	13,855	7,721
Other Income	23,608	21,770
TOTAL INCOME	<u>1,887,454</u>	<u>2,096,381</u>
LESS EXPENSES		
Audit Fees	14,047	14,903
Brokerage Expenses	63,442	35,623
Computer Costs	47,718	7,248
Depreciation	5,985	6,200
Amortisation	13,855	13,856
Employee Costs	1,787,618	1,634,359
Equipment	10,711	13,171
Insurance	8,882	12,227
Printing & Stationary	6,104	9,803
Program Activity Costs	14,042	27,214
Provision For Project Completion	(185,088)	128,728
Rent	15,882	15,712
Repairs and Maintenance	52,715	43,580
Subscriptions	6,160	4,063
Telephone	21,653	27,112
Travelling Expenses	17,270	19,592
Other Expenses	53,678	64,139
TOTAL EXPENSES	<u>1,954,674</u>	<u>2,077,530</u>
NET PROFIT/(LOSS) BEFORE INCOME TAX	(67,220)	18,851
Income Tax Expense	-	-
NET PROFIT/(LOSS) AFTER INCOME TAX	(67,220)	18,851
Other Comprehensive Income	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS)	<u>(67,220)</u>	<u>18,851</u>



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FAMILY SUPPORT NEWCASTLE INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	708,752	1,128,102
Receivables	4	604	1,112
Other Assets	5	17,797	22,925
TOTAL CURRENT ASSETS		727,153	1,152,139
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	171,581	191,421
Investments	7	300,000	-
TOTAL NON-CURRENT ASSETS		471,581	191,421
TOTAL ASSETS		1,198,734	1,343,560
CURRENT LIABILITIES			
Trade and Other Payables	8	191,431	307,317
Provisions	9	295,413	251,275
TOTAL CURRENT LIABILITIES		486,844	558,592
NON-CURRENT LIABILITIES			
Provisions	9	9,487	15,345
TOTAL NON-CURRENT LIABILITIES		9,487	15,345
TOTAL LIABILITIES		496,331	573,937
NET ASSETS		702,403	769,623
MEMBERS' FUNDS			
Reserves	10	41,516	41,516
Accumulated Profits		660,887	728,107
TOTAL MEMBERS' FUNDS		702,403	769,623



Family Support Newcastle
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FAMILY SUPPORT NEWCASTLE INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1

Statement of Significant Accounting Policies

Basis of Preparation

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional requirements and other authoritative pronouncements of the Australian Accounting Standards Board, the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act (NSW) 2009. The Association is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian Dollars.

The following is a summary of the significant accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Income Tax

The Association is exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997, such as that the exemption will apply so long as the Association's activities and objects do not change.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment in value.

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

Leasehold Improvements	5%
Motor Vehicles	20%
Furniture, Fixtures and Fittings	10% - 20%

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash in flows, the recoverable amount is determined for the cash generated unit in which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generated units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the future economic benefits of an asset are not dependant on the asset's ability to generate net cash inflows and if deprived of the asset the Association would replace its remaining future economic benefit, value in use is determined as the depreciated replacement cost of the asset.

Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the other expense line item.

Accounts Payable

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Association. Trade accounts payable are normally settled within 30 days.



Family Support Newcastle
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FAMILY SUPPORT NEWCASTLE INC.

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2018**

Trade Debtors and Other Receivables

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost, less any impairment losses. The recoverability of debts is reviewed regularly, with any uncollectable debts written off.

Cash and Cash Equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank, term deposit and short-term deposits with an original maturity of three months or less. For the purpose of the Cashflow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Revenue Recognition

Grant revenue is recognised as income when received and it has been expended in accordance with the grant funding agreement for the purposes for which it has been received.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets

Revenue from donations is recognised when donations are received. Revenue from fundraising activities is recognised when cash is received.

Other revenue is recognised as it accrues.

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

Employee Benefits

Short Term

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other Long Term

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. A discount rate of the Australian bond rate, matching the estimated future cash outflows has been used.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the Statement of Financial Position. Cash flows are included in the cashflow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

Other Information

The Association, being incorporated in NSW, Australia under the Associations Incorporation Act 2009 has its registered office and principal place of business at 61-63 Scott Street, Newcastle.