



Family Support Newcastle
your family, our community

Annual Report 2012



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 over 30 years.

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

- Counselling and individual assistance, either in the home or at a centre
- Therapeutic group programs with associated child development activities
- Supported playtime activities
- Community work
- A family centre with a therapeutic community approach
- 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, inclusive, secure and socially just communities are vital to the well being of all families
- The social context of a family impacts on them and must be considered in our work.

*'Without it [FSN]
I would have sunk...when
Mum's good it flows on'
....client*



How have we performed

The context of our work

The NSW state government has a priority that children, families and communities are safer, healthier and more resilient. There are a number of ways that this can be measured. Because of the work that we do, our focus is on the issues that relate to children at risk. As described in *Figure 1: Children in Out of Home Care in Hunter & Central Coast*, the number of children in Out of Home Care continues to rise in the Hunter.

This reflects a state wide trend, which the government is keen to reverse. Additional funding across the state has been directed to services that may assist. Similarly the recent Keep Them Safe reforms are directed at improving the outcomes for children at risk. The changes that have been made in the Early Intervention and Prevention Program have allowed for increased services to those families at imminent risk of their children being taken into care. This is a pleasing development.

This year we accepted additional funding to provide intensive support to families in Maitland and Newcastle LGAs. On the other hand, services such as our Family Support Project have been constrained by limitations on the eligibility of clients for the service and the types of services that can be provided.

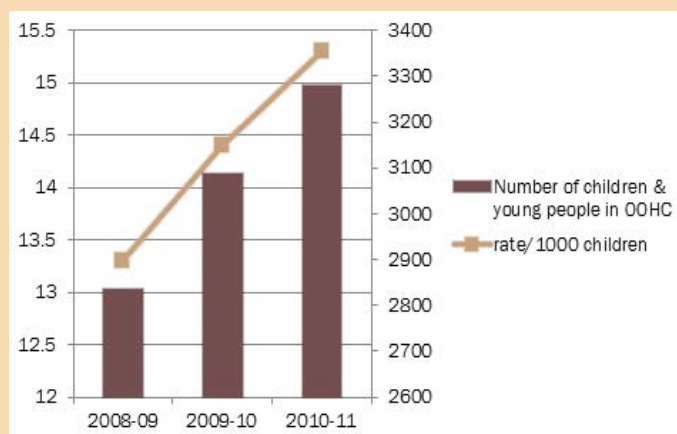


Figure 1: Children in Out of Home Care in Hunter & Central Coast (Source: Community Services Annual Statistical Report 2010-2011)

What have we done

Our work cannot have a significant impact on outcomes such as the number of children in OOHC. The role that we play is to improve the outcomes for the children in families that we are able to engage with.

Over the past 12 months, FSN has worked with 442 parents in 382 families providing services of varying intensity. Six hundred and eighteen children in those families may have been impacted by the work that we have done.

Forty seven of the adult clients identified as Aboriginal or Torres Strait Islander, 15 of culturally or linguistically diverse background. Seven parents identified as younger than 25.

We aim to reach the most disadvantaged and vulnerable families in our community.

Approximately 90% of families surveyed this year were on a pension or benefit. *Figure 2: Response to 'What are you up against?'* shows feedback from 151 families 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.

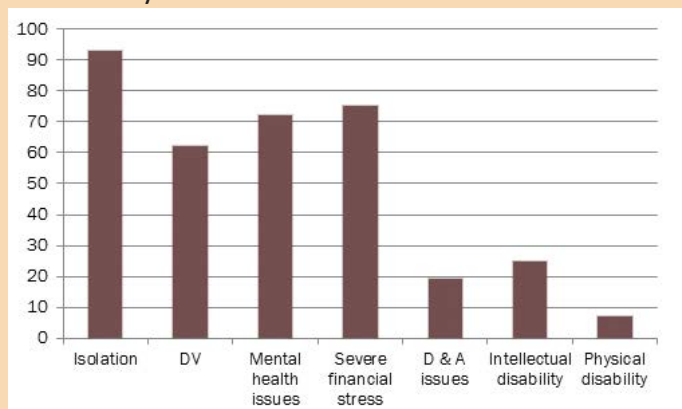


Figure 2: Response to 'What are you up against?'

One hundred and twenty 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:

- I am satisfied with the service I have received
- I have been treated well
- The assistance I have received has been helpful
- My knowledge, skills or confidence as a parent has improved

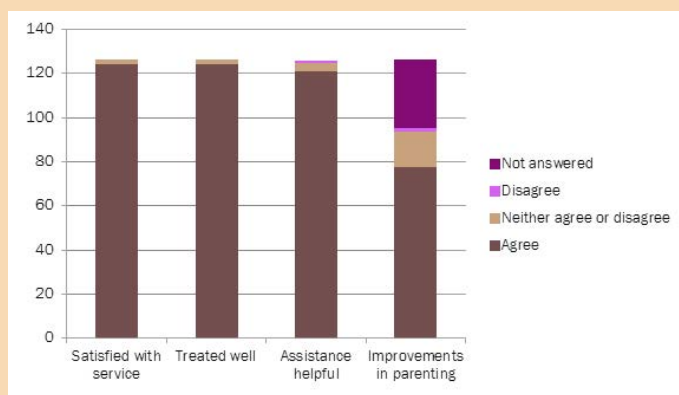


Figure 3: Feedback about services

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. Unfortunately, we are regularly unable to meet all requests for individual assistance. Often we are not able to provide the necessary intensity of support.

Typically a family worker contacts the family within three weeks from referral and consults with the family about a suitable time and venue to meet. We aim to meet with as many members of the family as possible, believing that all members will have valuable contributions to make.

Once we have engaged with the family, we develop a plan together. While this plan is flexible, it does guide the work together and helps the family and the worker to assess if the service is being helpful.



Sometimes we work with families where the challenges they face are immense. We may work for a number of years.

This is some of the story of Bill and Betty and their 4 children aged 2 to 9 years old. Betty has an intellectual disability and speech impediment. Bill and Betty are both obese. The three eldest children have disabilities and all children have speech challenges. For many years they have lived in a dilapidated 2 bedroom cottage. The yard was not secure, the living space cluttered and the landlord reluctant to make much needed repairs.

Our work focused on accessing community housing & supporting the parents to reduce the risk of the children having accidents. One visit was spent prizing a child's head out of the back of a chair. There was a lot of support for the development of afternoon routines that might reduce the chaos and stress of this period of the day. Then the family was given an eviction notice. The parents managed the searching through real estate possibilities and the family worker did more work to secure community housing. Two days before the due date, the family received notice of a 4 bedroom house. Bill and Betty managed the relocation. Betty now walks the children to school, and the eldest boys are now able to independently bath. There are fewer accidents.

** Note that family details have been changed to protect the privacy of the clients*

Group programs


Over the year our Family Skills Program provided group programs for approximately 200 parents and children. These programs are mostly provided in collaboration with other organisations

In response to suggestions from collaborating agencies, we have been offering greater flexibility in the structure of group programs: ranging from one

day workshops to 6 week group programs. As well, services asked for programs that could address the needs of those parents who would not come to a "parenting" group. We have experimented with art-based groups where conversations about family life can emerge through the process of art and craft activities. Invariably the conversations do lead to issues that are pressing such as in a recent group where the conversation quickly moved to family and community violence, which then proceeded to safety plans, the impact of the violence on their sense of themselves and on their children, and ways of dealing with this impact.

Family centre

The family centre is a key place for developing a sense of community in our service. It is a valuable opportunity for many families who have been isolated to develop an understanding of processes that support resilient family and community relationships. The centre operates three days a week. This year service provision was disrupted as we moved from our old family centre into the new family centre at Waratah. This was a momentous process but enormously exciting in its outcomes. We now have a family centre which is welcoming, has space for a lot of different activities, works well for parents and children, has a great kitchen, and has the potential for gardening and other outdoor activities. Children can enjoy active outdoor play. There are quiet rooms and noisy rooms. The centre is accessible to public transport and there is adequate parking as well. We have built an exciting cubby house and a fabulous sand pit structure. Gardening has started.



In our parenting programs we are always keen to draw on the skills and strengths of group members. At a recent program, a participant ran a session on using mood charts, star charts and job lists with kids. She described and demonstrated a unique system she had developed for herself and her 2 young children, (one of whom has been diagnosed with autism). She detailed the benefits she experienced in talking to her kids about their emotions, and sharing her mood type with her kids. Facilitating this session, using the whiteboard, in front of a group of 7 other parents was a great confidence booster for her.

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.

This year, our Playtime Plus programs have been provided in two venues: a community centre at Wallsend and our family centre. Parents' participation in the ongoing activities may be casual and low key or be part of case managed activities designed to achieve particular goals that the family has identified. We have been incorporating activities from Circles of Security: a program which supports parents to look beyond a child's immediate behaviour to the genuine relationship needs.

Families who attend note the value of learning to play with their children. Additionally of course,

new friendships are made and community connections are strengthened. Outside the group activity, limited case management is provided to support connection with appropriate services and maximise the value of what is learnt in the group setting.

Barry and Jane were two young parents that were referred two years ago by Community Services. They were referred at the birth of Jane's son because her previous two children had been taken into care some time previously. Their previous experiences of support had left them isolated and untrusting. They had both grown up in foster care.

They started by sporadically attending Playtime Plus. Attendance was often interrupted by the need to travel to the central coast for access visits with the other two children. Family work was added to the service mix and we worked on their shared values, agreed parenting styles and hopes for their children, how to best support each other and keep good communication. A plan was developed for increased supervised access with the children in care with a view to possible restoration. This proceeded and this year the parents were supported by Community Services to move to the Central Coast and the children were returned to their care. Support services have been established in their local community.

** Note that family details have been changed to protect the privacy of the clients.*



Some particular projects

Aboriginal families

The service has had funding to provide family support services to Aboriginal families for many years. We have provided service to 19 families (22 individual clients) through this program this year. As well, Aboriginal families access mainstream programs offered by FSN.

We provide individual family work and group programs including a group based on principles of keeping children safe. We also ran an art based parenting group. From these groups we have had participants become involved in family centre activities, decorating and mural designing: experiences that they would not previously have contemplated.

Fathers in families

FSN has always believed that it is important that fathers participate in family life; making strong connections with their children and participating in the decision making about their lives. It is therefore important that we engage with them around the issues that their families are dealing with. We provide group programs and family work services particularly aimed at men with fathering roles. This year we have provided service to 57 men in this project. As well, we work with men as part of the services provided by other projects.

Well Max, I can't be brilliant all the time; I've got to have moments of relapse to help some of your other blokes shine....Dad talking about a setback

Families dealing with mental health issues

The Headin' Up program has continued to provide particular services to families where a member is struggling with mental illness. In this project we provide relatively intensive support including weekly home visits and group programs. One hundred and fifty one clients in 73 families have been assisted through the program this year.

We have continued to provide our Emotional Wisdom program based on dialectic behaviour therapy principles. This work has demonstrated the value of being able to offer reasonably intensive support to families. It requires considerable commitment from participants: regular attendance at the group, individual counselling, homework and self-reflection.



Mary- Ellen was referred to FSN from the Coordinated Facilitated Dispute Resolution program. She and her partner have a 2 year old child. Mary-Ellen was extremely anxious and fearful about her ex-partner. A family worker supported her to participate strongly in the mediation despite some attempts by her ex-partner to intimidate her. They started with the child having supervised access visits with her father. Both parents have since agreed that as time passes and the child grows it will be appropriate for the child to progress to overnight visits. They were able to move from fixed and polarised positions to one of agreement on what was in the best interests of the child.

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Support for women leaving violence

The Staying Home Leaving Violence Project is in its third year of operation. It provides support to women who want to leave domestic violence but maintain stable housing. This has been challenging but rewarding work. It requires close collaboration with police domestic violence liaison officers, the domestic violence court support service and housing services. We support the women to obtain exclusion orders and provide funding to make safety upgrades on their houses. We provide case management to facilitate a gradual move to economic independence and overcome the effects of living with violence.

Over the past 18 months we have also provided support to women leaving abusive relationships through a pilot Coordinated Facilitated Dispute Resolution program managed by Interrelate.

This was established to assess the value of providing coordinated support so that women leaving abusive relationships could still obtain some of the benefits of facilitated dispute resolution. We have been heartened by some of the good outcomes although it is unlikely that the funding will continue.

Intensive family support

This year we have commenced a new program which provides intensive support to families who are at risk of children being taken into Out Of Home Care. The service provides focused intervention that responds to identified risk factors. It has a short period of intensive contact including out of hours telephone contact, brokerage and child care support. At the end of the intensive support period, the family continues to be supported for up to 12 months. We commenced service at the beginning of this calendar year and during the six months provided support to 6 families. Of these 2 proceeded to have their children removed but 4 are continuing to improve their parenting and maintain the children in their own care.



The support we receive

Our funding

FSN received recurring funding of just over \$2m 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 & Donortec in the form of IT software and a donation from Diggers at Newcastle City which contributed to the costs of the renovations at the Waratah Centre.

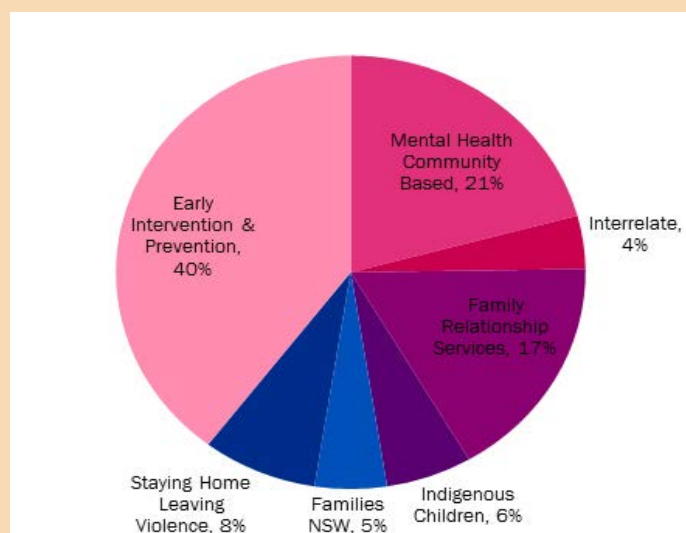


Figure 4: Funding sources

Our board

FSN is directed by a hard working Board that consists of community members and past or present clients of the service. The Board works closely with senior managers to ensure that the organisation is providing high quality services to families in ways that reflect the organisation's values. Senior managers appreciate their collaborative approach to the work and the many perspectives they bring.

Our staff

Twenty one permanent staff members and another eight casual staff work directly with families and children. Other staff provide administrative, IT and management support. The combined team has a wide diversity of skills and passions that are directed to enhancing the wellbeing of children and their families. Staff members come from a range of backgrounds – cultural, professional, life style and life experiences. We are united by a strong commitment to the goals and values of the organisation.

The work can be a great source of inspiration and personal growth as well as heartache. A strong team approach and active collaboration with the families that we work with ensures that the inspiration outweighs the heartache. We are most rewarded when we can walk alongside parents making changes in their lives despite the overwhelming odds against them. Invariably we are enriched by this experience.



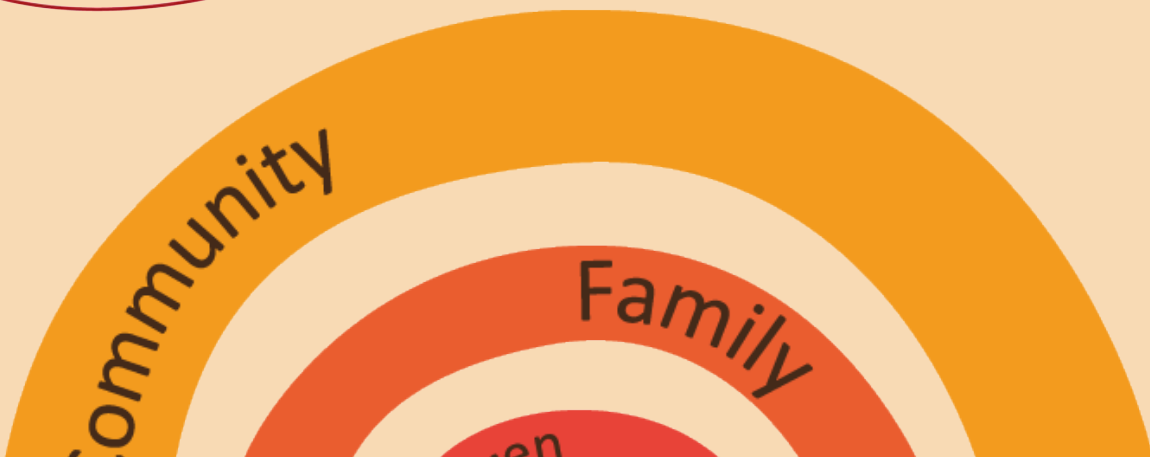
Our volunteers

Families who have been involved with the service often become volunteers, helping the service to help other families. Nine clients have helped us in this way over the last year. They have been involved in a large range of activities; gardening, shopping, playtime activities, food preparation, cleaning, administration, welcoming new families to the family centre, preparation of the family newsletter, setting up the new family centre, facilitating craft groups and meditation groups and performing acknowledgement of country at family centre functions.

It gives me a chance to share my skills with other people....Volunteer

Gillian is the mother of 3 teenage children. She had a history of attempted suicides and self-harming and high alcohol consumption. She commenced the Emotional Wisdom program in 2010. This was interrupted by a series of hospital admissions and an extended rehabilitation program. She returned to the Emotional Wisdom program and graduated this year. She continues to be supported by a drug and alcohol counsellor and has case management support from FSN. She is now working in part time employment, living alcohol free and has not self-harmed despite ending the relationship with her former partner. She notes that she feels 'liberated and empowered' and is committed to helping her children process the effects of their shared history.

** Note that family details have been changed to protect the privacy of the clients.*





Highlights & challenges of the year

A new family centre

The highlight of this year (and at the same time, the huge challenge) has been building and moving into our newly renovated family centre. This has been the culmination of many years of dreaming, planning and preparation. The process was fraught with worries about deadlines and budgets and decision making. But we continued to be sustained by the dream and by the enthusiasm of client families and the knowledge of the benefits that have been achieved even in the inadequate family centre of the past. We continued in our old family centre until December 2011, trying to maintain its vibrancy while all our enthusiasm was being directed to the new centre. In April this year, we re-opened the family centre in the new venue. Staff, families, friends and volunteers worked incredibly hard to ensure that from the first day, the centre felt warm and inviting. While we continue to work on the setting up of the centre, it has become a great place for families to be. Families are active in the creation of good spaces such as cubby houses and sand-pits and gardens. The centre is being used for group programs, counselling, cooking classes, playtime activities and family socialising. We have used the centre for large gatherings such as our NAIDOC celebration.

Commitment to indigenous Australians

In response to concerns voiced by Aboriginal staff, we conducted a review of our Indigenous Terms of Reference this year. The review led to the development of a Commitment to Indigenous Australians. This was adopted by the Board towards the end of the year and has been received by all staff as a commitment that they can work with. Work will continue on how we will implement the commitment and how we can measure our improvements in living it.

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.

We will regularly and openly measure and review our effectiveness in implementing this commitment.



Collection & analysis of evaluative data

This year has seen huge progress in our ability to create reports from the data that we have collected. These reports provide feedback about the work that we do and inform ongoing development. Of course as the reports have been developed they have in their turn pointed to changes in the way that data is collected and recorded. This year we have been challenged by the need to integrate the different data collection requirements of the various funding streams into our system. This continues to be a huge challenge as we strive to provide integrated service that does not ask the same questions of a client many times and does not require excessive data entry time.

Looking ahead

With the family centre completed, there is potential for significant engagement with the local community through schools, other services and neighbours. We hope that this can occur as we continue to develop the garden and grounds of the centre.

As the year ended, Di Hines who has been a senior manager of the organisation for more than 30 years indicated a desire to step down from the position of Chief Executive Officer, but continue her work of supporting system development and leadership. This has been anticipated and planned for and we are hoping for a smooth transition with an existing senior manager acting in that role for 12 months until the organisation is in a better position to make a more permanent appointment.

In conclusion

We would like to thank all the organisations and individuals that have supported our work over the past year: funders, donors and other community organisations. In addition we would like to thank all the families and friends of board members, staff and volunteers who have participated in, or helped with our various activities. As we built our new family centre there were many organisations and tradesmen who provided services at discounted rates. This was greatly appreciated and contributes to our sense of community goodwill.



FAMILY SUPPORT NEWCASTLE INC.
INDEPENDENT AUDIT REPORT TO MEMBERS

To the Members of Family Support Newcastle Inc.

Scope

We have audited the accompanying special purpose financial report of Family Support Newcastle Inc. (Non-Reporting) which comprises the Balance Sheet as at 30 June 2012 and the Income and Expenditure Statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Committees' declaration.

Committees' Responsibility for the Financial Report

The Committee of the Incorporation is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in the Notes to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporations Act NSW and are appropriate to meet the needs of the members and Funding Bodies to which they must report to. The Committees' responsibilities also include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in the Notes to the financial statements, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee as well as evaluating the overall presentation of the financial report.

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Newcastle Office
Cnr Pacific Hwy & Warabrook Blvd
Warabrook NSW 2304
Box 29 Hunter Region MC NSW 2310
Ph (02) 4923 4000 • Fax (02) 4923 4040
www.cws.biz

Gold Coast Office
Level 2, 7 Short Street Southport QLD 4215
PO Box 2147 Southport QLD 4215
Ph (07) 5591 4444 • Fax (07) 5531 1000
www.cws.biz

Sydney Office
Level 1, Suite 107 Edgecliff Centre
203 New South Head Rd Edgecliff NSW 2027
Ph (02) 9301 5200 • Fax (02) 9363 0335
www.cws.biz

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FAMILY SUPPORT NEWCASTLE INC.

FAMILY SUPPORT NEWCASTLE INC.

INDEPENDENT AUDIT REPORT TO MEMBERS

The financial report has been prepared for the distribution to members for the purpose of fulfilling the requirements of the Associations Incorporation Act NSW and also to Funding Bodies to which they must report and has been based on the Accounting Policies described in the Notes to the financial statements. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian Professional Ethical Pronouncements.

Auditor's Opinion

In our opinion the financial report of Family Support Newcastle Inc. (Non-Reporting) presents fairly in all material respects the financial position of the Incorporation as of 30 June 2012 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the funding agreements.

Basis of Accounting

Without modifying our opinion, we draw attention to the note to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committees' financial reporting responsibilities under the Associations Incorporations Act NSW and also to Funding Bodies to which they must report. As a result, the financial report may not be suitable for another user.

Kirsty Porteous
Kirsty Porteous - Partner

Crosbie Warren Sinclair Partners
Crosbie Warren Sinclair Partners

Dated: 12 September 2012

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Newcastle Office
Cnr Pacific Hwy & Warabrook Blvd
Warabrook NSW 2304
Box 29 Hunter Region MC NSW 2310
Ph (02) 4923 4000 • Fax (02) 4923 4040
www.cws.biz

Gold Coast Office
Level 2, 7 Short Street Southport QLD 4215
PO Box 2147 Southport QLD 4215
Ph (07) 5591 4444 • Fax (07) 5531 1000
www.cws.biz

Sydney Office
Level 1, Suite 107 Edgecliff Centre
203 New South Head Rd Edgecliff NSW 2027
Ph (02) 9301 5200 • Fax (02) 9363 0335
www.cws.biz

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Income & Expenditure Statement
July 2011 through June 2012

	11/12	10/11
Income		
Grants Received	2050791	1875112
Interest Received	47323	37936
Miscellaneous Income	31272	164908
Consultancy	1820	1911
Membership Fees/Donations	4381	3249
Other Income	84589	0
Total Income	2220176	2083116
Expense		
Salaries		
Salaries On Costs	1347172	1227424
Other HR Costs	197134	164709
Total HR Costs	30971	23154
Travel	1575277	1415287
Total Travel	35814	30579
Operational Costs		
Accounting & Audit Fees		9500
Administration Costs	137847	105071
Program Activity Costs	64118	47426
Equipment	63778	40329
Property Costs	183845	136088
Total Operational Costs	458679	338414
Total Expense	2069771	1784281
Provisions		
Provision for Annual Leave	14110	998
Provision for A/L Loading	1999	158
Provision for LSL	21551	4685
Provision for Leave Relief	4394	0
Prov for Ammortisation of Leasehold Improvments	5923	0
Provision for Project Completion	10403	224899
Total Provisions	58381	230741
Surplus/Deficit	92024	68094

	2012	2011
Balance Sheet		
June 2012		
Assets		
Current Assets		
Working Cheque Account	273,518	41,287
Maxi-Direct	785,517	869,110
Petty Cash	1,954	1,804
Coles Gift Card	1,275	952
Undeposited Funds	818	5,171
Electronic Payments	-42,756	-1,487
Trade Debtors	15,416	792
Prepayments	3,548	3,548
Bonds Paid	100	100
Total Current Assets	1,039,390	921,278
Non-Current Assets		
Furniture & Equipment at Cost	75,840	75,840
Less: Accumulated Depreciation	-75,840	-75,840
Leasehold Improvements at Cost	254,894	0
Amort.of Leasehold Improvement	-5,923	0
Total Non-Current Assets	248,971	921,278
Total Assets	1,288,361	921,278
Liabilities		
Creditors & Accruals		
Westpac Credit Card	6,412	4,198
Accruals	10,602	25,860
Creditors	588	861
Total Creditors & Accruals	17,602	30,919
Pre-paid Grants	226,009	1,364
GST Liabilities	156	-1,787
Provisions		
Prov for Long Service Leave	111,816	90,265
Provision for Annual Leave	99,533	85,423
Prov Annual Leave Loading	16,984	14,985
Prov Leave Relief	49,780	45,387
Provision for Property Costs	0	133,972
Prov-Project Completion IFP	145,661	151,500
Prov-Project Completion CWS	10,542	10,542
Enhancing NFSP Provision	0	20,558
Provision for Equip Aquisition	0	58,587
Provision for Brokerage IFP	13,415	0
Provision for Brokerage IFS	17,695	0
Provision for IT Development	35,978	35,978
Prov Cafe "Estate" completion	0	1,479
Provision SHLV Completion	0	13,404
Provision for Hunter FSS	4,067	4,067
Provision for Headin Up Comple	0	1,700
Prov HIR Completion	3,780	3,241
Provision CFDR Completion	33,377	11,643
Workers Compensation Payable	4,032	1,883
Provision for Audit	10,805	10,555
Total Provisions	557,465	695,168
Salary Sacrifice Liability	6,930	0
Total Liabilities	808,164	725,664
Net Assets		
Retained Earnings NG	204,300	129,495
Retained Earnings FSP	-5,094	6,647
Retained Earnings FF	-3,592	-3,113
Retained Earnings FSK	0	-2,233
Retained Earnings Mens	0	-3,200
Retained Earnings Indigenous	0	-5
Retained Earnings FRCEI	0	-71
Property Development Reserve	133,972	0
Replacement Equipment Reserve	58,587	0
Current Earnings	92,024	68,094
Total Equity	480,197	195,614

FAMILY SUPPORT NEWCASTLE INC.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

Statement of Accounting Policies

The report is a special purpose financial report and has been prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act NSW and the Funding Agreement. The Committee has determined that the Incorporation is not a reporting entity and therefore there is no requirement to apply all Australian Accounting Standards and other mandatory reporting requirements in the preparation and presentation of this financial report.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act NSW and the following Australian Accounting Standards:

AASB 1031 - Materiality

AASB 110 - Events After Balance Date

AASB 124 - Related Parties

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the prior year unless otherwise stated, have been adopted in the preparation of this financial report.

Income Tax

The Service is exempt from Income Tax under section 50-10 of the Income Tax Assessment Act 1997.

Property, Plant and Equipment

Costs in relation to fixed assets acquired with grant funding are expensed as incurred. Fixed assets acquired with non-grant funding are depreciated over the useful lives of the assets to the Incorporation commencing from the time the asset is held ready for use.

The Incorporation may receive funding for a specific project of which some expenses relate to fixed assets. In this case fixed assets are shown as an expense of the specific non-recurrent funding income in accordance with the Funding Agreement.

Employee Benefits

Provision is made for the Incorporation's liability for employee entitlements arising from service rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual and sick leave which will be settled after one year have been measured at their nominal amount. Entitlements expected to be settled later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements using appropriate estimation techniques. The Incorporation also provides for relief staff which may be required should a long term staff member be required to take extended leave. The provision accrued in relation to this type of leave is brought to account on the basis the employee will take the leave and casual staff would be hired in this instance.

Provisions

Provisions are recognised when the Incorporation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured as the best estimate of the amounts required to settle the obligation at reporting date. The Incorporation has provided for grant funds which have not been expended at balance date but which will be expended in a future period in accordance with the funding agreement.

FAMILY SUPPORT NEWCASTLE INC.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

Trade Debtors

Trade debtors are carried at amounts due. The recoverability of debts is assessed at balance date and specific provisions made for any doubtful debts.

Accounts Payable

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

Revenue Recognition

Grant Revenue
Income from government grants is brought to account when the grant is received by the Incorporation. Unexpended grant revenue which may be carried forward to a later period is shown as a liability as detailed above in Provisions.

Service Revenue

Service revenue comprises revenue earned (net of returns, discounts and allowances) from the provision of products or services to entities outside of the Incorporation. Service revenue is recognised when the goods are provided, or when the fee in respect of services provided is receivable.

Interest Income

Interest income is recognised as it accrues.

Asset Sales

The gross proceeds of asset sales are included as revenue of the Incorporation. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed.

Other Revenue

Other revenue is recognised as it accrues.

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 the asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the ATO is included as a current asset or liability in the Balance Sheet.

Incorporation Details

Family Support Newcastle Inc. is incorporated in Australia under the Associations Incorporation Act 1984.

Comparatives

When required by stated accounting policies, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

All photography in the report is of the cubby house and sand pit structure at our new Family Centre.