



2011
annual
financial report



Celebrating **160 years**



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160 years

*Melbourne
Orphan Asylum,
Emerald Hill*



Annual Financial Report 2011

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President's Report

OzChild celebrates its 160th birthday this year. That makes us the oldest welfare system in Victoria (and probably Australia) with only Scotch College, the Victorian Chamber of Commerce and Victoria Police among extant organisations of any sort able to claim a similar heritage.



Canvas Town, South Melbourne 1850s

1851 was the first year of the Colony of Victoria. Many tens of thousands poured into Melbourne to find fortune in the gold rush. At its peak two tonnes of gold per week found its way into the Treasury Building. Unfortunately, children were a by-product of this new industry. Good-hearted and generous people joined together to provide them with food and shelter and our story started from there.

The total number of children and families helped over one and a half centuries by the various charities that eventually became OzChild is incalculable. As well, its survival through several financial depressions, global and territorial wars and massively changing

societal conditions is a tribute to all those 'OzChild ancestors' who took the helm and they are to be remembered and thanked. Everyone involved today is mindful of the agency's great achievements and its proud history of provision.

So what does that proud history actually mean in the here-and-now? Yes, there is the advantage of income from two long standing beneficial trusts, which helps underwrite operating costs and allows raised funds to go straight to the programs we run. And there's always the distinction of 'being the eldest'.

But to be hard-nosed about it, the benefits end there. At the coal face, where our staff and volunteers deal daily with children at risk from the impact of poverty, family hardship and parental distress, history matters not at all.

What matters is the ability to provide immediate solutions, have trained and committed professionals choose and



Melbourne Orphanage Brighton
children at bedtime

implement the right outcomes so that young children's futures might be protected and enhanced. That takes money, a dedicated hard-working team united under a great culture and an organisation strong enough to withstand the impacts of global and national events.

OzChild is still in the fierce contest for the charity dollar. We still have to compete for programs when working with government. We still have to agonise over every decision to maximise outcomes and avoid risks so that we protect what we have and thus our ability to help children and families.

There would have been many times over the 160 years when the organisation fought for survival. We fight today knowing that within the last two decades OzChild came perilously close to the edge. Every year the prospect of a daunting deficit seems to appear - to be reduced by hard work and good management; it loomed in the 2010-11 financial year even though the June 30 snapshot shows a healthy surplus on the balance sheet.

Today OzChild seems in no danger of contracting, quite the reverse. Our reputation for delivering a consistently high quality of service, our excellent culture and solid footing have seen

us approached by more than one agency looking to become part of the OzChild story. At the time of writing, discussions are taking place regarding a potential collaboration that could be very positive for OzChild's mission.

OzChild has always promoted the value of private and public partnerships (yet another acronym - PPP) in creating strong communities which can provide caring, effective support structures for its children and young people.

We are currently talking with a corporation that could help us provide a last education chance for disaffected teenagers through OzChild's special valued-added brand of Community Victorian Certificate of Applied Learning (CVCAL).



OzChild's CVCAL helps kids who haven't quite clicked at school to find hope and self worth, thus avoiding a possible slide into the youth justice system. Having proven its worth over the past few years on a smaller

scale, this vital program might now have the potential to be replicated across the state and beyond through this link.

Win, lose or draw on these two potential associations these opportunities illustrate the kind of energy and excitement that surrounds OzChild in its 160th year.



We are also coming more to the fore as a recognised voice for children, exemplified by our hosting of the International Forum for Child Welfare in Melbourne last month and the increasing call for our opinion by government and media.

OzChild is ready to go forward, especially after its unique restructure that allows the agency to view all the influences in a particular child's life and so provide holistic care when he or she comes into our system. This innovative structure has also had the result of bringing the various departments of the agency even closer together, strengthening the culture and enhancing team spirit.

Strong team spirit is clearly in evidence among Board members as well. A united, stable and supportive board is vital for any organisation such as this - especially at times such as these - and the OzChild Board is all of the above. They are to be applauded for the diligence, enthusiasm and hard work they put into their Board responsibilities and further, beyond

the strict call of duty, into various sub-committees and mentoring roles.

I am sure that the whole Board will agree that it is a privilege and an honour to serve an organisation such as OzChild, to see the vital work so selflessly carried out by our volunteers, the passion of our staff, the loyalty and determination of the department heads and team leaders and tireless inspirational work of the Chief Executive Officer.

This is today's OzChild. We're on the brink of great things - I feel sure that the OzChild ancestors would approve and I invite you to become part of the journey in whatever way you deem appropriate.



Chris Ralph, President

Chief Executive Officer's Report

The year 2010-2011 has seen further valuable gains towards the strategic goals we set in 2007, to be achieved by 2015.

It is our 160th year of operation, a span of time in which the social order, our understanding and so our solutions have evolved through many adaptations.

This year has seen a change of great significance for OzChild - a restructure to bring the organisation back closer to its stated purpose. The need for this restructure was based on trends in care delivery that have taken place over recent years.



Fun in the bath Melbourne Orphanage, Brighton

Compared with 1851, the needs of children and families today have become increasingly complex, but a number of forces in contemporary times limit truly creative solutions to individual children's lives.

These forces are complex. Firstly, as a result of complexity the sector has progressively separated the issues and created specialist solutions called programs. This specialisation has led to the creation and funding of operational silos within governments, bureaucracies and community service organisations.

The emerging programs create specialist practice models which define entry into those silos. How a child enters the system determines the stated need and limits the interventions the child will receive.

For example, a child with a disability may receive different interventions, defined by how they come into the system. Whether they enter through home based care, through education, family support, youth justice or employment pathways, they are still the same child - but their intervention options will vary according to their entry (our state government is attempting to address this dilemma as we speak.)

The second influence is the natural tendency for professionals to continually look for ways to improve their 'product'. Thus, program solutions become increasingly

refined and perfected at the expense of other possible offerings. Staff training and recruitment in turn reinforce the treatment paradigm.

Increasing specialisation leads to well intentioned practitioners become homogenously specialised; like minds become mutually reinforcing, different ideas can be seen as a complication.

Practice models become linear and both data and research supports their continuous improvement, but down different pathways. In child protection, some states predominantly employ social workers while others predominantly employ psychologists - yet child abuse and its needs remain the same.

This homogenous or single practice model is in turn reinforced by traditional quality models which focus on compliance and continuous improvement. Compliance models, while necessary, create a minimalist paradigm while continuous improvement generally seeks to do the same thing better. In the end we can have perfect silos but retain all the faults described above.

Thirdly, the emergence of management has grown as the supreme way to shape an organisation. At this year's Centre for Excellence Annual General Meeting the guest speaker, Professor Marie Connolly, referred to 'the seduction of managerial

leadership' as one of the risks facing the sector.

Management has its place - but its place should be to serve rather than to become self-serving. The original purpose or aspirational reason for the service must always prevail over systems and management.

It is easy to fall into the trap of 'perfecting' management in order to improve targets and fit processes, rather than questioning the impact of the strategy.



Children helping with cooking
Melbourne Orphanage 1950s.

A recent example: In October the State Ombudsman identified large numbers of protective cases in one region being closed prematurely to meet management targets. Media reports showed other cases ignored in favour of those more easily meeting management demands. Some cases, following proscribed management efficiencies, were even allocated to staff on extended leave! Here, child safety became subservient to the demands of efficient (but not effective) management.

Across the sector well intentioned practitioners, limited by their training within the silos and driven by the demands of process and management, are unwittingly reducing practice models - parts of the client have to fit the intervention, rather than the intervention fitting the client's holistic needs.

Thus, silos and management have diminished the respect for the whole individual - treatment can become focussed on defined deficits without an aspirational compass.



Children at bedtime
Melbourne Orphanage, Brighton

This creates complex navigation hazards for clients whose issues extend beyond single program solutions - and that would be most of our clients. Somehow clients have to join the dots for themselves - and many of our clients are too distressed or lacking in the skills to do that.

Conscious of these well-meant but sometimes counter-productive influences OzChild has introduced a management re-structure designed to treat the whole child

and not just the deficit defined by the pathway that brought him or her into our care.

Our previous management structure served us well in preparing the agency for change, and managers must be thanked for their contribution in strengthening individual programs and infrastructure.

Our new management formation is in the process of re-focusing each program on the aspirations of holistic healthy child development, in closer alignment with the United Nations Convention on the Rights of the Child. It helps bring back our original purpose, the mission, the aspiration of healthy childhoods for a lifetime.

Already this is combining practice models across programs, integrating elements of one program into the other. As well, it is identifying our service gaps within the developmental needs of children - providing holistic care beyond individual programs.

Examples include:

- Our recently formed **Registered Training Organisation** which is increasingly able to take the expertise of our staff and pass it on to others who work with children.
- OzChild's developing **Community Victorian Certificate of Applied Learning** program which adds

value with expertise and staff from different service areas on hand to round out the support and encouragement for disaffected teenagers re-assessing their lives.

- **Children with a disability** are facing new national philosophies and service models which will have implications for every service we deliver. Under the OzChild model, the needs of children with a disability will be looked at from every angle.



Overall, our restructure quality model ensures that while we naturally support conventional compliance and continuous improvement, intervention is checked against a model of childhood for a healthy lifetime.

Changing practices that have a significant impact on the lives of clients should be reported back to the sector via conferences, papers and professional development, all of which deserve the rigour of sound research and translation. OzChild is undertaking this and the innovative new structure has been

very well received by the profession.

The addition of a Chief Operating Officer has enabled us to develop additional infrastructure support to grow the organisation and support staff, but more importantly, in the context of this report has brought new skills to our fee-for-service initiatives.

Fee-for-service programs are seen as vital for future growth and sustainability, allowing us the independence and freedom to better meet children's needs, independent of government funding silos.

These are early days under this new direction but what I have seen so far is moving in very much the right direction. I would like to thank staff who have so enthusiastically embraced the change, the senior management staff who have driven the change and the Board who had the faith to approve the new model.



*Tony Pitman,
Chief Executive Officer*

Home Based Care (Foster Care) Report

The goal of OzChild's Foster Care program is to provide temporary or longer term care for children and young people who, for reasons beyond their control can no longer live with their family. The most important aspect of our Foster Care program is to provide a safe and nurturing home for children during a difficult time in their lives.

Lachlan's Story

Six-year old Lachlan came into foster care a sad, angry and unhappy little boy. He had witnessed extreme violence between his mother and father, and had been a victim of physical abuse and serious neglect. This had resulted in Lachlan's development being behind in most areas.

Lachlan was placed in a foster placement with Liz and John and their two children. Liz was able to devote a lot of one-on-one time with Lachlan. With the assistance of the OzChild foster care worker Lachlan had specialist support from a paediatrician, a speech therapist and a counsellor.

Liz understood it was crucial for Lachlan to receive care that was warm, nurturing, consistent and reliable in order for him to slowly be able to develop trust in Liz and her family. The whole family spent time playing with Lachlan and encouraged him to have fun, to be

involved and succeed in things that he tried.

Lachlan's initial mistrust and regular tantrums and aggressive outbursts reduced as Lachlan's self-esteem, trust and confidence grew. Lachlan started to receive invitations to birthday parties from children at school and although he still requires ongoing support, Lachlan has made enormous gains. He now laughs a lot and is more accepting that he is not a 'bad boy' and that he was not responsible for what occurred in his family.

Home Based Care Year in Review

In 2010, 318 children were cared for by OzChild's Foster Care program. The large majority of these children were referred to OzChild by Child Protection as they were unable to continue to live safely with their family.



The children coming into OzChild's care range in age from 0-17 years old and their length of stay can vary from overnight to a few months to several years. Some children remain in their foster placement on a permanent basis and over time become an integrated and significant member of the foster carers' immediate and extended family.

Children entering foster care need a home where they can be nurtured and given the help they need to recover from the abuse and neglect that they have suffered.

OzChild's Foster Care program has a large number of dedicated, committed and nurturing foster carers who take children into their homes at all hours of the day and night. They open their homes and hearts and, with a combination of love, care, commitment, compassion and time, children begin to recover from the effects of abuse and neglect.

Many foster carers balance the needs of their own family and their foster children alongside work, school and the busyness of everyday life. They include foster children in every aspect of their lives. Often for the first time these children learn that adults can be trusted, adults are dependable, and adults are safe.

Child and Family Support Services Report

OzChild provides a diverse range of family support services which aim to strengthen families, while also focusing on the needs of children. Some programs support vulnerable children and families with complex needs and aim to reduce the need for Child Protection involvement whilst others support children living in alternative arrangements when they are unable to live with their parents.

Tyla's Story

At the age of ten Tyla was living in an unsafe situation of extreme domestic violence. As a result he was placed in kinship care with his Aunt Rosie.

Staff at OzChild's Kinship Care program worked with Rosie and Tyla to identify all the needs and to support Rosie in providing a safe and nurturing environment for Tyla.

Tyla's mother Mia was being subjected to domestic violence by her partner and also suffered from extreme depression, which she was hospitalised for. Following her release from hospital, Mia initially returned to her partner, who convinced her things would be different. However, before long Mia was again subjected to domestic violence. Mia desperately wanted Tyla returned to her care, but was having difficulty understanding why

her relationship was preventing this.

Mia was referred to OzChild's counselling service and was supported to understand the cycle of violence and the impact on children. This was the first step in Mia appreciating the impact of domestic violence on Tyla.

Eventually with the support of a family violence service, Mia was able to take greater control of the situation and left her partner. By this time, Tyla had been out of her care for 18 months and was beginning to exhibit some challenging behaviours.

Given the significant changes Mia had made, all parties including Child Protection, the OzChild kinship case manager, Tyla's current carer and Mia agreed on a reunification case plan. However, given the long period of time that Tyla had been out of her care, and the fact he presented with some behaviour problems, especially when he felt insecure, it was agreed that Mia needed some support to learn to manage Tyla.

Our *Families First* program worked closely with Mia, Tyla, his carer and all other professionals to develop a plan to assist with Tyla's successful return home. After an initial six week period, where Mia was supported to be on appropriate medication for her depression, and access between Tyla and Mia was increased, Tyla was returned to his mother's full-time care.

This was followed with another six weeks of support from the *Families First* worker. The transition home, although successful, was not without significant stressors and Mia needed some additional support with Tyla. To assist with this a volunteer was linked with Tyla to provide him with some positive social opportunities and continue to model positive adult/child interactions. Tyla's Aunt Rosie also continues to see him and she continues to have Tyla over for occasional weekends.

Child and Family Support Services Year in Review

During the year our support for children and families included:

Our Volunteer Family Support program provides volunteers that support families and children both by linking directly with a family or supporting children in playgroups and kindergartens. It supports families living in Frankston and Mornington municipalities and is funded by the Department of Human Services (DHS), Communities for Children and the Mornington Peninsula Shire. **90 volunteers provided support to 97 families and 340 children.**

Through DHS funding, OzChild is a partner agency in **the Family Solutions partnership** which provides an integrated entry, called ChildFIRST, for families into a range of family support services provided by OzChild, Anglicare,

Good Shepherd Youth & Family Services, Child Protection and VACCA.

Our integrated ChildFIRST service responded to 1805 calls for information and advice. **From these calls, 246 families were referred for case management.**

Some of these families were referred to OzChild where we provided a range of services, including an Intensive Therapeutic Family Support Service (ITFSS), a counselling service, volunteers and access to OzChild's out of hours on call service.



Our ITFSS and counselling service provided support to 75 families and 160 children. Our on call service was available to all 246 families referred for case management.

Our Families First and Together Again drograms aim to prevent children coming into care or support their reunification with their parents and are funded by DHS. **36 families and 75 children were supported.**

A total of 300 clients received counselling services through our **counselling program** for resident families of the Mornington Peninsula who could not otherwise afford or access such services. The program is funded by the Mornington Peninsula Shire.

Of the 300 clients provided with this service:

- 111 were brief interventions and ~~111~~ 89 were longer term interventions.
- Of these clients, there were 75 children who were also supported.

Our **Kinship Care program** provides support to children who cannot live with their parents and are placed within their extended family or social network and is funded by DHS.

OzChild provides the single largest kinship support service in Victoria to support kinship families living within Mornington, Frankston, Kingston, Glen Eira, Bayside, Port Phillip and Stonnington municipalities. We have a number of services in this program:

Placement and Support where we support up to 138 children who are placed within their kinship network by Child Protection services. **Support was provided to 115 carers and 150 children.**

A small **family support service for children who are placed by their own parents** with another family

member or friend. **Support was provided to around 100 carers and 200 children.**

A small **information and advice service** that is open to anyone who is caring for a child in a kinship arrangement, a child in a kinship placement or a professional working with a kinship family.

Support was provided to 110 carers and 160 children.

We run two monthly **support groups for kinship carers** that are open to any kinship carer living in our catchment area. **Support was provided to around 30 carers.**

Our longer term clients also can access OzChild's **out of hours on call service** when issues arise.



Care and support provided during 2010-2011

Child & Family Support Program	Families/ Carers	Children
Volunteer Family Support	95	340
Intensive Therapeutic Family Support	75	160
Families First and Together Again	35	75
Counselling	300	75
Kinship Care- Placement and Support	115	160
Kinship Care – Family Support	100	150
Kinship Care – Information and Advice	110	160
Kinship Care – Support Groups	30	
Total	860	1120

Disability Services

OzChild's *Disability programs* offer support to families including ~~Full~~ time foster care, shared care, short term intensive placements, regular host family based respite weekends, an individual child mentor, high needs, siblings and koori camps, and a range of in home and community respite activities as well as individualised planning services for young adults leaving school, and those with DHS provided ISP packages.

Liz, Craig and Danny's story

Liz and Craig were at the point of despair and had begun questioning their ability to continue caring for their 10 year old son, Danny, who has severe autism. Then they heard about OzChild's Disability Services respite program for children with high needs.

While some of his more extreme behaviours had been modified and he was attending a Special School, it still felt as though looking after Danny and worrying about him seemed to take up most of Liz's waking hours, and often a good part of the night. Her health was suffering and it was getting harder to keep the depression at bay. There just never seemed to be enough time for Liz and Craig to spend time with their other two children, or with each other.

The family was referred to OzChild's respite program, which

gave them access to weekend respite once a month with a volunteer carer. Danny was also able to join in activities through the Recreation program, where he was allocated his own volunteer, to ensure that his behaviours could be managed in the group.

For Liz and Craig, having a regular break has made all the difference to their lives. Their stress levels are down, Liz's health has improved and they have more time to do special things with their two girls when Danny is away from home.

For Danny there are lots of benefits from the different respite options OzChild has been able to offer the family. Danny has been able make a good connection with the carer and now looks forward to spending time with her. Having the same respite carer has helped lessen his anxiety about new situations.

Participating in the Recreation Program has also helped him break out of some of his routines and he now copes much better with the new surroundings and different people. His communication skills have improved as he has adapted to the need to interact with people who don't know him as well as his parents. His confidence has increased from joining in the various day activities and best of all he is having fun with other children. As Liz said, "*OzChild gave us a wonderful gift - it gave us back our family*".

Disability Services Year in Review

Over the past 12 months, through the Disability program, we have provided support for 282 children and young people aged five to 25.

Throughout the year we have also provided:

- 1,745 nights of overnight respite;
- 14 weekend and school holiday camps; and
- Over 8,000 hours of flexible respite & community activities, in home support 1:1 care.

Our families are generally a stable client group, with very little movement in and out of the program. Many of our young people in Foster Care have been in full time placements from five to 10 years, often with the same carer. Most family based respite placements average between two and five years, allowing stable relationships to develop between child, carer and often, birth family.

We currently have 52 carers and 40 volunteers working with our program providing services ranging from full-time foster care, to babysitting, assistance with transporting, camps and activities, and helping children participate in their local community.

We continue to have a significant demand for respite placements and emergency placements from both DHS Disability Client Services and Child Protection. This has

precipitated the development of fee for service respite programs to meet client needs.



Lifestyle Planning

Our *Lifestyle Planning* services encompass the DHS funded programs of ISP and Futures for Young Adults.

We have provided assistance with lifestyles planning and transition support for 72 young people in the last 12 months.

A change in Government focus towards individualised funding and self determination has provided the impetus for the program to review and redevelop its service delivery with a view to remaining competitive in a newly consumer driven environment.

Disability Health and Wellbeing

This is a new service provision area for our program. The program aims to offer the broader community 'better access' to a diverse range of Allied Health Services. These services include those provided by

Psychologists, Occupational Therapists, Speech Pathologists, Exercise Physiologists, Social Workers and Physiotherapists.

Our program adopts a multidisciplinary wraparound approach to the provision of Allied Health services and now provides an increased range of preventive healthcare services to complement its existing diverse range of programs.

We have become approved providers of Allied Health Services under the Federal Helping Children with Autism and Better Access Schemes.



Education and Training Services

OzChild's Education and Training Services enable children, young people and adults to develop into confident and resilient individuals, with effective relationships and positive life directions.

Charlie's Story

Charlie is a 17-year old boy who, for some time, has not been able to live at home and from the outset was disengaged with regular secondary school, failing academic subjects consistently.

His teachers described him as a bright student capable of much more than was evident from his participation in school activities. His attendance was sporadic and deteriorated as the year progressed. When he was at school his behavioural problems led to exclusion from many class activities, which resulted in wagging school and hanging around the streets. Consequently, he failed year nine and was told that he would need to repeat if he wanted to stay at school.

His school referred him to OzChild's Community Victorian Certificate of Applied Learning (CVCAL) program. Charlie came to the selection interview with his foster parents, who he had lived with for a number of years and who were very supportive and concerned for him.

Charlie was accepted into the program, starting term one, 2011. Initially he was difficult to engage with as the many years of failure in the secondary system had left him feeling that he did not fit in.

However, the informal approach of the CVCAL trainers and the smaller class sizes allowed a connection between Charlie and the CVCAL staff and gradually he began to respond to the hands-on practical approach to learning.

Charlie started to see positive results from the effort he put into learning and became encouraged by his own success. He began to develop social bonds not only with the staff but also with other students who shared similar learning experiences.

Pathway Plans established for all the students encourage them to research different careers and courses that lead to employment options and as part of the program Charlie developed an interest in animals.

Charlie found a Certificate program in Equestrian Studies which seemed an appropriate entry point for careers in this industry.

Unfortunately the cost of attending this program was out of his reach and his family had little spare money and were unable to pay for him to attend.

Through OzChild's scholarship program *A Chance To Shine*, which

provides support for children and young people to obtain educational opportunities which would otherwise be financially unavailable to them, Charlie was able to obtain a grant to attend this program.

Charlie has attended every day of this program and intends to continue his studies in this area when he completes his VCAL program at the end of 2011.

Charlie is just one story of a young person headed towards an uncertain future because the regular school setting was unable to cater for his needs.

For many of the students who attend the CVCAL program it is the last chance we get to try to motivate them to attend an educational program and to consider future career pathways.

This is a positive outcome, not only for the individual student, but also for families and the community itself. Research suggests that disengaged young people with few educational and career options have a high risk of becoming involved with the Justice system.

For many students this is the first time an adult has listened to them, heard them and seen them for who they are. The impact this has on self esteem and self confidence is evident in the way the students relate to these remarkable trainers.

Education and Training Services Year in Review

Community Victorian Certificate of Applied Learning

OzChild provides the Community Victorian Certificate of Applied Learning (CVCAL) program to 59 students in Pakenham and Cranbourne.

The program caters for students who do not respond to the 'one size fits all' secondary school environment.



Many of these students have had difficulty with academic studies, some have had behavioural issues and all have been unable to engage with the regular school environment.

The smaller class sizes and emphasis on practical work related skills gives these students a unique opportunity to build confidence and to explore career options.

This is often the last chance we get as a community to intervene and help these students turn their lives around and become engaged with

learning through a 'hands on' approach.

A Chance To Shine

A Chance To Shine provides support for children and young people to obtain educational, cultural and social opportunities that would otherwise be unavailable to them due to a lack of financial and/or broader supports.

This assistance program provides funds to encourage and support young people to develop pathways and build their future.

A Chance To Shine provides opportunities for young people:

- through education and pathways to careers;
- to develop their talent and passion, including for example, music, creative arts, and sport; and
- to enhance their social opportunities.



- We also have funding for *A Chance To Shine* Gippsland which offers the same opportunities to young people in Gippsland who have the added disadvantage of living in a rurally isolated community.

Shine Assist

OzChild's *Shine Assist* program enables families and schools to work together in partnership with General Practitioners, Paediatricians, Psychiatrists and Psychologists to address the psychological and emotional wellbeing of children and young adults.

These young people often have problems which significantly impact on their emotions, thoughts, social skills and decision making and can have behavioural issues such as difficulty managing their anger.

OzChild currently has 11 psychologists working in 16 schools as well as our School Services which employs 10 speech pathologists, five psychologists and one social worker across 30 schools per week, providing support services to over 250 students per week.

School Focused Youth Service

The *School Focused Youth Service (SFYS)* aims to strengthen support for vulnerable 10-18 year-olds by facilitating partnerships and co-ordination of services between schools and community service organisations at a local level.

These partnerships facilitate the identification of key issues and the development of innovative strategies to address service gaps for vulnerable children and young people.

OzChild manages SFYS programs over three regions in Gippsland, Baw Baw, Latrobe and Wellington.

Registered Training

OzChild became a registered training organisation in 2010 and has a growing range of services that is continually developing its expertise in theoretical and operational terms.

We delivered Children's Services qualifications especially designed for those who are working or intending to work within the children's services industry.

The qualifications provide knowledge and understanding about caring for and supporting the development of young children.



Our scope of delivery has increased and we now offer a range of integrated support and education programs for young people, including those who may not thrive in a traditional school environment.

Other courses we deliver to the wider community in the Southern

region include Certificate III in Education Support, First Aid and AUSLAN Training.

Participant numbers continue to increase for each course and we are soon to total 400 students since becoming registered as a training provider.



During the year we were the recipients of two \$50,000 grants.

The two projects are:

Maori and Pacific Islander Youth Re-engagement Program

The project involves research and delivery of a literacy and numeracy program that will target young learners from 15 – 21 years of age from Maori and Pacific Island communities not currently participating in mainstream education or employment.

An innovative approach to learning will be delivered that engages students in an informal, community-based environment and takes a holistic approach to student personal development and pathways.

Engagement Strategies using Social Media

OzChild will research and implement a range of innovative social media strategies to enable us to engage more effectively with the young learner cohort particularly those who are disengaged from mainstream education, increase learner participation and completion rates of learners involved with our courses.

A training calendar is currently being developed to offer innovative professional development courses for teachers, school executives and the community services sector utilising OzChild's extensive experience and expertise in providing services to children.



Treasurer's Report

OzChild's total comprehensive surplus for the year was \$949,384 compared with a \$10,027 deficit in 2010 and a \$725,759 deficit in 2009.

This year's results reflect a much improved return from our investment portfolio and exceptional copyright income from our Children Australia journal. They help balance deficits incurred in previous years and support the ongoing sustainability of our much needed services for children, youth and families.

Total revenue this year was \$15.1M compared with \$11.3M the previous year. The increase mainly reflects a change in accounting policies regarding the recognition of client funds and brokerage as income. This change in accounting policies has increased both revenue and expenditure by \$2.5M.

Fee for service income was \$2.2M (\$1.8M in 2010) - an increase of nearly \$400k and continued growth is expected. Investment income is approx \$600k higher than in 2010 reflecting positive market conditions.

Donations and fundraising income has fallen from \$370,654 in 2010 to \$267,571 in 2011. This reflects a trend that first appeared in 2010 (post the global financial crisis). We hope to reverse this trend through

the reinvigoration of our marketing and fundraising initiatives.

Net assets as at 30 June 2011 were \$21.7M compared with \$20.7M in 2010. Current assets were \$9.5M compared with current liabilities of \$3.6M, giving a current ratio of 2.6 and indicating a strong capability to meet payments as they fall due.

Our financial situation remains secure and we have continued to proactively identify and respond to children, families and their communities.

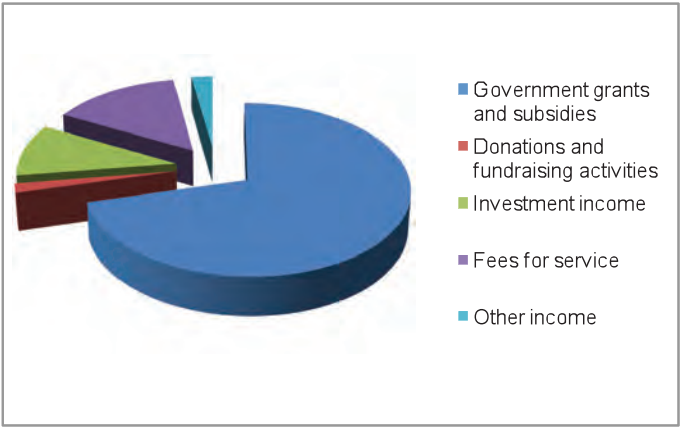
On behalf of the Finance Audit and Risk Committee, I would like to thank OzChild and in particular, the Finance team for their efforts throughout the year.

*David Fraser, CA,
Honorary Treasurer*

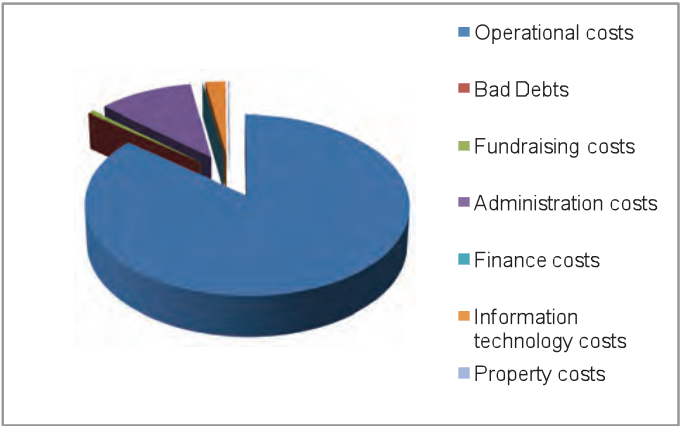
NB This report includes a summarised version of the audited financial statements. A full set of the financial statements is available on our website www.ozchild.org.au.



Operating Revenue



Operating Expenses



Statement of Comprehensive Income for the year ended 30 June 2011

	2011 \$	2010 \$
Operating Revenue		
Government grants and subsidies	10,772,775	7,581,132
Donations and fundraising activities	267,571	370,654
Investment income	1,547,062	953,135
Fees for service	2,230,145	1,842,720
Other income	371,348	597,487
Total Operating Revenue	15,188,901	11,345,128
Operating Expenses		
Operational costs	12,554,508	9,132,888
Bad Debts	12,802	-
Fundraising costs	89,512	55,825
Administration costs	1,592,458	1,686,697
Finance costs	3,752	4,038
Information technology costs	341,952	316,568
Property costs	20,660	106,454
Impairment of general investments	-	59,432
Loss on sale of general properties	-	30,000
Total Operating Expenses	14,615,644	11,391,901
Operating Surplus/(Deficit) For The Year	573,257	(46,773)
Endowment Funds Revenue		
Profit /(loss) on sale of endowment properties	-	(380,000)
Fair value gain on endowment investment properties	75,000	150,000
Impairment of endowment investments	-	(557,657)
Investment income (loss)	1,348	1,284
Endowment Surplus/ (Deficit)	76,348	(786,373)
Operating And Endowment Surplus/(Deficit) For The Year	649,605	(833,146)
Other Comprehensive Income		
Fair value movements on available-for-sale financial assets	271,279	694,618
Gain on revaluation of service properties	28,500	128,500
Other Comprehensive Surplus/(Deficit)	299,779	823,118
Total Comprehensive Surplus/(Deficit) For The Year	949,384	(10,027)

The surplus for the year includes non - operating endowment funds income/(loss) of \$76,348 (2010: loss of \$786,373) .
The income from the endowment funds is available to be applied in accordance with the directions of each endowment towards the services provided by Children Australia.

This statement also shows Other Comprehensive Income which includes unrealised gains and losses on market based investments and service properties.

Statement of Financial Position as at 30 June 2011

	2011 \$	2010 \$
Current Assets		
Cash and cash equivalents	3,047,582	2,519,623
Receivables	1,010,914	459,721
Financial assets	5,393,671	6,195,225
Inventories	22,264	45,498
Other assets	98,958	69,550
Total Current Assets	9,573,389	9,289,617
Non-Current Assets		
Financial assets	11,952,386	10,973,871
Property, plant and equipment	2,297,083	2,300,114
Endowment property	1,675,000	1,600,000
Total Non-Current Assets	15,924,469	14,873,985
Total Assets	25,497,858	24,163,602
Current Liabilities		
Provisions	3,076,593	2,534,996
Payables	533,382	633,797
Total Current Liabilities	3,609,975	3,168,793
Non-Current Liabilities		
Provisions	160,387	216,696
Total Non-Current Liabilities	160,387	216,696
Total Liabilities	3,770,362	3,385,489
Net Assets	21,727,496	20,778,113
Equity		
Endowment funds	17,918,818	17,842,470
Asset revaluation reserve	840,813	812,313
Financial asset valuation reserve	1,112,633	841,353
Accumulated surplus	1,855,233	1,281,976
Total Equity	21,727,496	20,778,112

Statement of Changes in Equity for the year ended 30 June 2011

	Endowment Funds	Asset Revaluation Reserve	Financial Asset Valuation Reserve	Accumulated Surplus	Total
	\$	\$	\$	\$	\$
Balance at 30 June 2009	18,628,843	683,813	146,735	1,328,748	20,788,139
Operating Deficit	-	-	-	(833,146)	(833,146)
Increment in endowment investment properties	150,000	-	-	(150,000)	-
Investment income	1,284	-	-	(1,284)	-
Change in market value of managed funds	-	-	635,187	-	635,187
Loss on sale of investment properties	(380,000)	-	-	380,000	-
Gain on revaluation of service properties	-	128,500	-	-	128,500
Transfer impairment of general investments	(557,657)	-	59,432	557,657	59,432
Balance at 30 June 2010	17,842,470	812,313	841,354	1,281,975	20,778,112
Operating Surplus	-	-	-	649,605	649,605
Increment in endowment investment properties	75,000	-	-	(75,000)	-
Investment income	1,348	-	-	(1,348)	-
Change in market value of managed funds	-	-	271,279	-	271,279
Gain on revaluation of service properties	-	28,500	-	-	28,500
Balance at 30 June 2011	17,918,818	840,813	1,112,633	1,855,233	21,727,496

Statement of Cash Flows for the year ended 30 June 2011

	2011 \$	2010 \$
Cash Flows from Operating Activities		
Grants received	8,614,933	8,856,738
Investment and rental income	126,325	187,962
Fundraising income	292,748	370,626
Interest and dividends received	1,148,416	599,626
Fees for service	2,172,232	1,842,720
Other receipts	371,348	597,487
Payments to suppliers and employees	(12,188,163)	(11,100,974)
Net Cash Provided by/(Used in) Operating Activities	537,839	1,354,185
Cash Flows from Investing Activities		
Payments for property, plant and equipment	(100,394)	(132,141)
Proceeds from disposal of property	-	2,490,000
Proceeds from disposal of plant and equipment	20,000	63,636
Investment in term deposits	801,554	(586,655)
Investment in managed funds	(731,040)	(1,991,612)
Net Cash Provided by/ (Used in) Investing Activities	(9,880)	(156,772)
Net increase (decrease) in cash and cash equivalents held	527,959	1,197,413
Cash and cash equivalents at the beginning of the year	2,519,623	1,322,210
Cash and Cash Equivalents at the End of the Year	3,047,582	2,519,623

Independent Audit Report

**Hayes Knight Audit**chartered accountants
your partners in successHayes Knight Audit Pty Ltd
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• email info@hayesknightsaudit.com.au
• www.hayesknightsaudit.com.au

Registered Audit Company 291969

Children Australia Inc.

Independent Audit Report to the Members of Children Australia Inc.

Opinion

In our opinion the financial report gives a true and fair view of the financial position of Children Australia Inc. as at 30 June 2011, and of its performance for the year ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporations Act 1981*.

Hayes Knight Audit Pty Ltd
Melbourne
Geoff S. Parker
DirectorDated this 27 day of October 2011Independent member of
the Hayes Knight Group
and Morison InternationalLiability limited by a scheme
approved under Professional
Standards Legislation

Adelaide • Auckland • Brisbane • Melbourne • Perth • Sydney

Thank You

We thank our loyal donors and supporters who have given so generously in many ways, including making financial contributions, fundraising, donating products, knowledge or time, over the last financial year.

Our Patron

The Hon. Alex Chernov AO, QC,
Governor of Victoria

Our Volunteers

- Board members
- Committee members
- Disability Program carers
- Disability Recreation Program
- Family Solutions
- Family Support
- Communities for Children
- Kinship
- Foster carers
- Great Connections
- Mornington Peninsula Family Support
- National Australia Bank
- Opportunity U'hop

OzChild Ambassadors

- Michael Argyrou
- Shane Delia
- Andrew Thomas
- Frank Cetrola
- Beverley O'Connor
- Steve Cadden
- Terry Lee
- Andrew Pearce
- Craig Regan
- Peter Kharsas

- Sarah Campbell
- Rob Goldstein
- Diana Barnett
- Greg Bate
- Alan Evers-Buckland
- Mellissah Smith
- Norm Davidson

Working Partnerships/Alliances

- Victorian Department of Human Services
- Good Shepherd Youth and Family Service
- ForChildren
- Anglicare
- Centre for Excellence

Fundraising Activities

A special thank you toK

- All who donated presents in support of children in our care for our *Christmas Wishing Tree*
- Cadet Shoes for their support through Shine Your Shoes For Kid
- Annual Charity Golf Day sponsors and supporters



thank you everyone!



OzChild Unite is our business to business network which collectively benefits business, children and the community - **thank you to all our Unite members:**

- **Acceleron**
- **BDM Direct**
- **BDO Kendalls**
- **Becks Wiggins Stokes P/L**
- **Bensons Property Group P/L**
- **Booran Motors**
- **CBD Asset**
- **Chatfield Airconditioning & Electrical Services**
- **Claps**
- **Clarendon Lawyers**
- **Drake International**
- **Eventra**
- **Excelerate P/L (NEM)**
- **Garage Door & Gate Solutions P/L**
- **Iron Mountain Australia P/L**
- **Jasco Network Solutions**
- **Kliger Partners**
- **Logical Staff Solutions Group**
- **McLean Delmo**
- **Minuteman Press**
- **o.d.t. Engineering P/L**
- **Oz Plan Financial Services**
- **Pax Printers**
- **Pow Wow Group**
- **Stratum Communications**
- **Task Technology P/L**
- **Teska Carson**
- **The Cartridge Family**
- **Upstream Print Solutions**
- **Village Roadshow Ltd**
- **Word Nerds**
- **Worldwide Online Printing**



OzChild Staff

- 'Looking After our Own'

Payroll and Community Giving

- Bosch Chassis Systems Australia P/L
- Bill Cosimi
- Booran Holden
- Charities Aid Foundation
- Community Real Estate
- Country Fire Authority
- Cranbourne CWA
- Cryologic Pty Ltd and CSIRO
- David Fraser
- Five Sons Winery
- Frank Catanuso, Lexicon Artwork
- Frankston Police, Community Support Group
- Chisholm Institute – Beauty Therapy and Massage Therapy
- Grand Hotel, Mornington
- Great Connections
- Heinz
- Historic Touring Car Association of Victoria
- Immune Deficiencies Foundation of Australia
- Impulse Snack Foods
- Ivan Halstead-Smith
- Kraft Foods
- International Flavours & Fragrances (Australia Pty Ltd)
- Karingal Bowling Club
- Lions Club of Melbourne Markets
- Maha Bar & Grill
- Lioness Endeavour Hills
- Melbourne Football Club
- National Foods Limited
- Nutrimerics distributors - Jeanette St. Clair, Kim Parsons, Stacey Holland
- Oasis Nursery, Five Ways
- Oz Plan Financial

- People's Play House
- Ritchies Stores Pty Ltd
- Rotary Club of Preston
- The Angel Op-Shop, Rosebud
- Patchaholics, Emerald
- Stage Door Promotions
- Table Matters & Morning Star Estate
- The 59 Club Australia
- Thomas Duryea Consulting
- United Way Sydney
- Wendy Lewis, Guides Victoria



Grants

- Adult Community & Further Education (ACFE)
- Commercial Eyes Pty Ltd
- DOG Foundation
- ForChildren
- Hickory Developments Pty Ltd
- Laiki Bank
- Mornington Peninsula Shire
- Norma Foster Perpetual Gift
- Sandy Beach Centre
- State Trustees Australia Foundation
- Terry Lee & Associates Pty Ltd
- The Shirley Foundation
- Vanguard Investments Australia Ltd
- Victorian Department of Planning & Community Development
- Winter Sports Australia
- Communities for Children

Trusts

- ANZ Trustee Program
- Edith & Maurice Feitel Fund
- Estate of Edward Davies
- Estate of George Warman
- Estate of Henry Brough Smith
- Estate of John Lambrick
- Estate of Paul Edward Dehnert
- Harvey Patterson Fund
- Henry & Robert Taylor Charitable Fund
- Joe White Bequest
- Joseph Kronheimer Charitable Trust
- Lord Mayor's Charitable Fund
- Morris Family Trust
- Murison Estate
- Thomas & Louisa Cowell Fund
- William & Bessie Lennox Trust

About Max – Melbourne Orphanage resident number 53

Each year OzChild hosts a Melbourne Orphanage Reunion. Dr Max Kirwin has enjoyed attending.

The number 53 was his Melbourne Orphanage number.

All children accepted by the Orphanage were allotted a number and their details were carefully recorded in a book which is retained by OzChild to this day.

2008 was a very significant for him. That year he proudly said, "This year I have been a practising as a doctor for 53 years."

Max has fond memories of the Melbourne Orphanage in Brighton. He said, "It helped to mould my life and become a successful, caring doctor."

Max remembers, "enjoying plenty of space with cows, chooks, pigs, the swimming pool and assembly hall and Sunday roasts with the crackling and potatoes cooked to perfection."

He was in care from 1933 to 1941 and is still in contact with OzChild.



Corporate Directory

OzChild - Children Australia Inc
ABN 90 680 959 928

OzChild is endorsed as an Income
Tax Exempt Charitable entity and
Deductible Gift Recipient.

Head Office

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F 03 9696 0507

E ozchild@ozchild.org.au

www.ozchild.org.au

Make a difference

To find out about:

- Caring or volunteering
- Donating
- Making a bequest
- OzChild Unite
- Getting involved in our fundraising activities
- Running your own fundraiser for OzChild

Please contact us.





protecting
and building
futures

OzChild

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