

2013



annual report

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our mission

Set within the framework of the United Nations Convention on the Rights of the Child, OzChild's mission is:

protecting
and building
futures

our purpose

Our purpose is to improve the quality of care, life opportunities and status of children by:

- taking or initiating action to protect or enhance the rights of children
- providing or enabling direct services, through a variety of disciplines, for the benefit of children
- influencing decisions or actions of individuals, organisations and governments, where relevant to children and their families.





This sector is all about people; special people choosing to redress the many inequalities within our community.

The people who work for OzChild are among the most special of the special. They work with children, often in circumstances of great dismay; they work with the precious future of society and in doing so, they sacrifice what might be for them – for what can be for children.

Their passion comes from knowing they can help shelter a child from an impossible situation, provide respite for exhausted parents, help children in early learning or coping difficulties, or provide the support that stops disheartened teenagers making a wrong turn. Very special people indeed.

OzChild's leadership challenge is to nurture the nurturers; the best way we can do this is by creating a work culture that supports, recognises and appreciates them and reassures them the way they are spending their life has great value.

All indications suggest OzChild has an excellent culture, and the caring, paternal attitude of retiring CEO, Tony Pitman, is largely responsible for this. His vision to minimise work silos has benefited clients and also encouraged a holistic approach where the 'whole child is treated by the whole organisation'.

Tony has been a long-term impassioned leader for OzChild, whose enthusiasm, persuasion and drive has summoned a wide base of support and taken OzChild to a position of very good health. His radar for finding and fixing the gaps, his willingness to tackle challenges because they are right, rather than easy, reflects visionary leadership. He is loved and will be greatly missed; he must be fulsomely thanked.

But OzChild is 162 years old and greater than any one individual; it cannot rest, but must go from strength to strength. A new leader will take it to new heights, in a new environment, as will a re-structured Board made up of the very best minds and experience.

Age however offers no guarantee of survival in an increasingly tough battle for the charity dollar. The way forward for OzChild needs balance; it must keep the culture and history sacrosanct while fostering a renewed energy for the future. The OzChild Board is committed to the preservation of the agency's culture and quality ethos, regardless of its restructure.

This last year has seen a great deal of input from a revitalised Board Executive including Vice Presidents Helen Maxwell-Wright, and Erica Frydenberg and Treasurer Jason Henman. The Services Committee and Risk and Compliance Committee also continue to work hard in their governance roles.

David Impey was inducted as a casual replacement for Nader Gayed. David Fraser has stepped down after many years as Treasurer, for which, many thanks. David Huggins, whose life in the higher reaches of education and insight into the State Government has helped steer our course, and Michael Bugelly, whose expert investment advice has tremendously influenced the OzChild coffers, have both signaled they will soon be moving on. My own time as a board member will shortly be coming to a close.

The agency is stronger, fitter, better respected and more effective than it was when this team, all of whom having served for a decade or more, came 'on board'. In passing on the baton, this team can look back with satisfaction, while knowing that the fight can never be over, on any front.

We wish the new iteration of OzChild all the best, while having every confidence that it shall be so. Because the best culture always attracts the best people, who are impassioned to do the best job... it's all about the people.

Christopher Ralph
President - OzChild



As I write this, my last official annual report as OzChild's CEO, I am drawn to reflect not only on the 2012-2013 year, but how far and how honestly this agency has travelled towards increasingly meeting the goals of its mission; a mission created by some visionaries who redirected the history in the early 90s. I feel immensely proud of the fact that OzChild, its staff and Board have resisted the popular trends of recent decades to pursue the goal of "bigger is better" but rather to pursue "quality of purpose is better". Whilst there has been growth in the numbers of staff, revenue and assets, it has been a byproduct of a commitment to quality outcomes for children and young people rather than growth as a goal itself.

Through a broadening and integrating of practice models and theories, and by increasing our awareness of the differing circumstantial trajectories of children, we have been able to look more holistically rather than just programmatically at the needs of Australian children. This is a country where opportunity can vary greatly and be anything but equal. To serve the mission authentically, OzChild should be able to speak with authority about better opportunities for all types of Australian childhood experiences; growth in our capacity to do that has been our direction.

At the beginning of this financial year OzChild further extended this understanding by moving into new contexts within the western region of Victoria. This has taken us directly into the issues for young people living in a range of rural environments - in the cities and in the remote small towns, in rural wealth and rural poverty.

Our entry into family law also took us into a world of better understanding the nearly 50% of children who live through the marriage breakdown of their parents, with the all too often domestic anger, abandonment and the trauma.

Further, whilst the diagnoses for rural children with a disability might be the same as for children in urban contexts, the tyranny of distance compounds the effects of disability along with poverty and difficult access to support. Similarly, now working in some ten schools in the rural west, all theoretically within the same education system, issues of limited choice, daily travel, access and pathways to local employment and available support services all highlight quite different childhood experiences and opportunities from those of urban children.

The west has given us an opportunity to form strong links with an organisation dedicated to the huge range of indigenous issues and to seek partnerships which will hopefully reduce the gap for one of our statistically proven most disadvantaged groups of children - the first Australians.

None of this has been without its costs. Financially our entry to the west has reduced our reserves and will take three years to return the budget to surplus. From a personnel perspective, staff have invested effort way beyond the normal expectations, to develop new relationships with FaHCSIA, schools, local agencies and media and to bring local staff into the OzChild culture. Whilst the staff rose to the challenge without attention, the benefits they bring to the region will be gradual, and again without fanfare. The dedicated teamwork of service providers and back-of-office staff, along with particular individual efforts and sacrifice, are to be applauded.

Special recognition also needs to be given to those Board members who spent days and evenings in the region and those who met weekly to support management through the transition process. When the whole team was needed the whole team was there!

The west has been a heavy investment to strengthen the quantity and quality of our mission and to broaden our authority and expertise as a "go to" organisation and an authoritative voice for children in Australia. The developments have been challenging but significant in the true purpose of the agency. Our goal has been to further the mission rather than to grow by collecting "low hanging fruit."

Another initiative of the year was to acquire an ailing disability agency in the South East that was placed under voluntary administration. A number of agencies were invited to apply as potential merger partners and OzChild was nominated as the successful agency to take over operations. Three of the defining qualities of OzChild, agreed unanimously by the selection panel, were evidence of sound governance, quality of existing service and a demonstrated culture of caring for staff and for clients.

In the meantime, the ongoing services of OzChild continued with their best practice being recognised through multiple presentations at international, national and statewide conferences and published papers.

The ownership of staff culture has been wholeheartedly embraced by Human Resources and Managers. This has been demonstrated through high scores in outsourced staff culture surveys; better than benchmark data on staff retention; few new WorkCover claims, one industrial claim (where it was found OzChild did not have a case to answer); and positive exit surveys and recruitment interviews indicating OzChild is an employer of choice. The staff owned program "Looking After Our Own " continues and has supported approximately 30 families and their children within the OzChild community through unexpected misfortune.

There are many people to thank for OzChild's achievements. Obviously the aligned and committed staff, the managers and leaders and a truly committed Board are all integral parts of a passionate, mission driven and high quality organisation. The value of a strong partnership between the two captains, of governance and management, has been well demonstrated in OzChild and, along with Board and management, I would like to thank our President Chris Ralph for his commitment to and support of the agency's success. We have also been fortunate to have the strong support of our Ambassadors and many corporates who have no reason to give their time and resources other than their belief in the opportunities we offer the future.

One must give particular thanks to our carers and volunteers whose tireless and often inconspicuous generosity of heart shows how the real work of this agency comes into the lives and homes of our clients. Collectively we have impacted on the lives of many young people in quite different ways to improve their individual lifetime opportunities and for this I thank each of you and ask you to thank each other for being a part of that success.

Tony Pitman
CEO - OzChild



Every child has rights - observing these rights and ensuring the safety and protection of our children is at the heart of OzChild's work.

For more than 160 years OzChild has been protecting the rights of Australian children and making sure they have the best opportunities for a brighter future.

The children we work with are often abused, vulnerable and disadvantaged and it is our role to protect them, nurture them, develop them and give them a voice.

Our programs include foster care for children from birth through to 18 who can no longer live at home; services for children and adults with disabilities; support such as counselling for families experiencing difficulties; respite for families whose children often have complex needs, education and development programs and scholarships for underprivileged youth.





When we talk about providing a safe and nurturing home to children, it's sometimes hard to imagine that not all children have somewhere safe to live where they are cared for and protected. Sadly for children such as Emily* and Sam*, this was precisely the case.

At just six months old Emily was placed in foster care with Mary* and Jim* after being removed from her parents by Child Protection due to significant concerns of violence and abuse of alcohol by her parents. At two and a half Emily was returned home and not long after her baby brother Sam* was born.

Seven months later Emily and Sam were again removed by Child Protection, due to concerns about violence. Not surprisingly Emily developed a number of significant and troubling behaviours including hour-long tantrums, soiling and sleeping difficulties.

With each placement in foster care, Emily was included in The Circle Program, a therapeutic foster care program. This involved establishing a team of people who worked to provide both Emily and Sam with consistent and reassuring messages of safety, and strategies and plans designed to meet the childrens' developmental needs.

Mary, Jim and OzChild's foster care team have had the joy of seeing significant improvements in Emily and Sam's behaviours and in their emotional stability. Through the continued support of the care team and the commitment of Mary and Jim, Emily and Sam will continue to have positive experiences while developing an increased sense of security.

* names changed for privacy and protection purposes

a safe and nurturing home

At the core of everything OzChild does is the health, wellbeing and development of the child. In order to achieve this OzChild works not only with children, but also with families to ensure the needs of the child are viewed and responded to holistically.

children

We protect, develop and nurture children by:

Protecting children's rights

Providing a safe and nurturing home

Supporting healthy child development

Providing youth mentoring

Offering specialist child development services

Promoting safety and wellbeing of children

Building better educational outcomes

Providing alternative education

Improving opportunities for children and young people

Empowering disadvantaged young people

Developing confidence

Protecting vulnerable children

Enabling people with a disability to fully participate within the community

Providing scholarships for disadvantaged children and young people

Advocating on behalf of children

Giving children a voice



families

We support and nurture families by:

**Preventing family breakdown and
keeping families together**

Providing counselling

Helping families after separation

Helping reconnect families

**Providing respite for families
caring for a child with a disability**

**Re-uniting children
and families**

**Facilitating alternative
permanent care options for
children with a disability**

**Guiding families through complex
and emotional situations**

**Providing overnight
respite in a home
environment for
children with a
disability**

Hailey and Paul from Mt Eliza are an inspirational young couple who at only 22 and 23 care full-time for Scotty and Ryan who both have disabilities. Here Hailey opens up about what it's like to be a carer and what she and Paul have gained from it.

"At 21 I was working in disability and I had a friend who was a carer for OzChild. They talked to me about what was involved and it was something I was interested in but I had many questions, like was I too young and did I have enough experience?

I was old enough to become a carer and OzChild offered me and my partner Paul full training. We are now full-time carers to 18 year-old Scotty and 19 year-old Ryan and have been for over a year now.

We love that we care for older boys, we are like room-mates to Ryan and Scotty. We are not trying to be their parents, we are there to show guidance and mentor them.

We find foster caring very rewarding; it gives you a different perspective on life. I love seeing the boys learn and grow, they are part of our extended families. When Scotty came to live with us he was mainly using his wheelchair, Paul and I have encouraged Scotty to walk over the last year and now he mainly walks everywhere.

Sometimes it can be tiring, but then when Ryan is knocking on your bedroom door at 6.30am and has brought you breakfast in bed, how can you not want to get up and start the day after that lovely gesture. Paul and I are still young and we can't go out with friends every weekend however, we love spending time with both of them.

Paul and I get two weekends a month where OzChild arranges for the boys to stay in respite so we still get time to ourselves and time to meet friends for a coffee and have a sleep-in. The boys also go to school during the week and the financial reimbursement from OzChild assists in allowing me time to study.

Being a carer changes your life for the better and it gives you a new outlook on life."





OzChild's operating and endowment deficit for the year was \$1,878,627, compared to a deficit of \$21,775 in 2012.

Total comprehensive deficit for 2013 was \$681,965 compared with a \$738,082 deficit in 2012. This year's deficit is a result of a number of items:

- OzChild's first year of operations in western Victoria. While some costs associated with this investment have been greater than expected, as Tony Pitman highlighted in his CEO report, OzChild's Board and management had planned for deficits for the first two years of expansion. This reflects our long-term commitment to children and families in that region.
- A greater than expected deficit from our Registered Training Organisation (RTO) operations.
- Change in investment allocations, with the resultant change in the timing of income from investments.

Our fee-for-service income continued to contribute more than \$2M in revenue in 2013. Donations and fundraising income was \$378,201 in 2013, compared to \$546,811 in 2012. We expect this to grow substantially in the coming years.

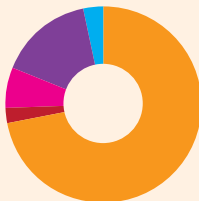
While our operating result was not as expected, it is important to note that OzChild is still in a very strong financial position. Net assets as of 30 June 2013 were approximately \$20.3M compared with \$21M in 2012. Current assets are \$6.5M compared with current liabilities of \$4.6M, which means that we continue to be able to comfortably meet payments as they fall due.

That we do have such financial strength is a testament to the financial management of OzChild over a long period of time. This allows us to continue to deliver a suite of excellent services and proactively identify new opportunities to support children, youth and families.

On behalf of the Risk & Audit Committee, I would like to thank OzChild staff, particularly the finance and business development teams, for their efforts throughout the year. In addition, my thanks to our retiring CEO, Tony Pitman, for his two-decade long contribution to OzChild, and his broader contribution to improving Australian children's and families' lives.

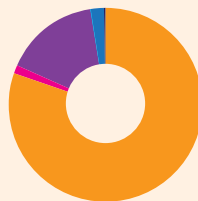
Jason Henman
Treasurer - OzChild

operating revenue



- Government grants and subsidies
- Donations and fundraising activities
- Investment income
- Fees for service
- Other income

operating expenses



- Operational costs
- Fundraising costs
- Administration costs
- Finance costs
- Information technology costs
- Property costs

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



Statement Of Comprehensive Income

For The Year Ended 30 June, 2013

OPERATING REVENUE

	2013 \$	2012 \$
Government grants and subsidies	11,495,937	9,129,883
Donations and fundraising activities	378,201	546,811
Investment income	1,085,683	1,423,817
Fees for service	2,478,278	2,727,275
Other income	511,517	309,966
TOTAL OPERATING REVENUE	15,949,616	14,137,752

OPERATING EXPENSES

Operational costs	14,439,175	11,740,393
Bad Debts	-	41,803
Fundraising costs	203,572	73,874
Administration costs	2,850,603	1,931,528
Finance costs	6,851	4,915
Information technology costs	408,201	372,754
Property costs	21,328	20,676
TOTAL OPERATING EXPENSES	17,929,730	14,185,943
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR	(1,980,114)	(48,191)

ENDOWMENT FUNDS REVENUE

Fair value gain on endowment investment properties	100,000	25,000
Investment income (loss)	1,487	1,416
ENDOWMENT SURPLUS/(DEFICIT)	101,487	26,416
OPERATING AND ENDOWMENT SURPLUS/(DEFICIT) FOR THE YEAR	(1,878,627)	(21,775)

OTHER COMPREHENSIVE INCOME

Fair value movements on available-for-sale financial assets	1,118,162	(738,627)
Gain on revaluation of service properties	78,500	22,320
OTHER COMPREHENSIVE SURPLUS/(DEFICIT)	1,196,662	(716,307)
TOTAL COMPREHENSIVE SURPLUS/(DEFICIT) FOR THE YEAR	(681,965)	(738,082)

The surplus for the year includes non - operating endowment funds surplus/(deficit) of \$101,487 (2012: Surplus of \$26,416).

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, 2013

	2013 \$	2012 \$
CURRENT ASSETS		
Cash and cash equivalents	524,367	1,796,302
Receivables	928,879	970,791
Financial assets	2,951,442	3,259,818
Inventories	20,676	22,264
Other assets	115,863	159,164
Non current assets held for sale	1,999,905	-
TOTAL CURRENT ASSETS	6,541,132	6,208,339
NON-CURRENT ASSETS		
Financial assets	13,038,641	11,942,520
Property, plant and equipment	2,488,156	5,617,459
Endowment property	3,095,000	1,700,000
TOTAL NON-CURRENT ASSETS	18,621,797	19,259,979
TOTAL ASSETS	25,162,929	25,468,318
CURRENT LIABILITIES		
Financial Liabilities	11,786	-
Provisions	3,622,179	3,291,808
Payables	971,087	947,013
TOTAL CURRENT LIABILITIES	4,605,052	4,238,821
NON-CURRENT LIABILITIES		
Provisions	250,427	240,082
TOTAL NON-CURRENT LIABILITIES	250,427	240,082
TOTAL LIABILITIES	4,855,479	4,478,903
NET ASSETS	20,307,450	20,989,415
EQUITY		
Endowment funds	18,046,721	17,945,234
Asset revaluation reserve	941,633	863,133
Financial asset valuation reserve	1,492,168	374,006
Accumulated surplus	(173,071)	1,807,042
TOTAL EQUITY	20,307,450	20,989,415

The work we do would not be possible without the incredible support of many organisations and individuals. We thank our loyal donors, supporters and volunteers 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

Alex Chernov AO QC Governor of Victoria

Carers and volunteers

OzChild Ambassadors

- Alan Evers-Buckland
- Andrew Pearce
- Andrew Thomas
- Beverley O'Connor
- Craig Regan
- David Impey
- Diana Barnett
- Frank Cetrola
- Greg Bate
- Jason McClintock
- Max Waller
- Mellissah Smith
- Michael Argyrou
- Norm Davidson
- Peter Kharsas
- Rob Goldstein
- Sarah Campbell
- Shane Dehila
- Steve Cadden
- Terry Lee

Government

- Australian Government Department of Social Services
- Cardinia Shire Council
- Mornington Peninsula Shire
- Victorian Department of Education and Early Childhood Development
- Victorian Department of Human Services

Working Partnerships / Alliances

- Alannah & Madeleine Foundation
- Anglicare
- Australian Childhood Foundation
- Big Fat Smile
- Centre for Excellence
- Child Protection
- Communities for Children
- Community of Christ Church Frankston
- Communities that Care
- CREATE

- Foodbank Victoria
- ForChildren
- Good Shepherd Youth and Family Services
- Hanover Children's Resource Fund
- Kids Under Cover
- Lighthouse Foundation
- Melbourne Street Art
- MOAT
- Partner schools - Pakenham, Lyndhurst, Cranbourne, Kambrya, Koo Wee Rup, Cranbourne East Secondary Colleges
- VACCA

Corporate Partners

- Community Bank® branches of the Bendigo Bank - Lang Lang, Carrum Downs, Pearcedale, Beaconsfield District, Koo Wee Rup, Bunyip and District, Narre Warren South, Lakeside Pakenham and Tooradin & Coastal Villages
- Hickory
- Village Roadshow Limited

Contributors

- A special thank you to all those people and groups who so generously donated their time and money including:
- All those who ran for OzChild in Run Melbourne
 - All those who ran their own fundraising event for OzChild
 - All who donated presents for our Christmas Wishing Trees
 - Blue Illusion
 - Booran Holden
 - Bosch Chassis Systems Australia P/L
 - BP Plumbing
 - Charities Aid Foundation
 - Coates
 - Community Sector Banking
 - Cranbourne CWA
 - CSIRO
 - Drummond Golf
 - Decor (Australia Pty Ltd)
 - Endeavor Hills Lioness
 - Excel Concrete
 - Four C Realty
 - Frank Catanuso, Lexicon Artwork
 - Infinite Supplies
 - International Flavours & Fragrances
 - Jasco Network Solutions
 - JB Were
 - Konstruct
 - Make A Difference Office Supplies
 - Maha Bar and Grill
 - Mattadoor
 - MC Labour

- Mount View Primary School
- National Foods Limited
- NewsExpress
- Nutrimerics distributors – Jeanette St. Clair, Kim Parsons, Stacey Holland.
- Oakstone Bridge
- Omni
- Organisers and participants in Mods versus Rockers
- ProLac Painting
- Provincial Home Loans
- Quiltiholics
- Ritchies Stores Pty Ltd
- Shine & Dine participants, including Feature Set and the All Abilities Choir
- Table Matters & Morning Star Estate
- Taylor Made Events
- The 59 Club Australia
- Thomas Duryea
- Wendy Lewis, Guides Victoria

OzChild Staff

- 'Looking After our Own'

Grants

- Adult Community & Further Education (ACFE)
- Cassandra Gantner Foundation
- Commercial Eyes Pty Ltd
- DOG Foundation
- ForChildren
- Hickory Developments Pty Ltd
- Hightett Community Bank® Branch of Bendigo Bank
- Mornington Peninsula Shire
- Norma Foster Perpetual Gift
- Sandy Beach Centre
- State Trustees Australia Foundation
- 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 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
- Morris Family Trust
- Murison Estate
- Thomas & Louisa Cowell Fund
- William & Bessie Lennox Trust



At OzChild we believe there is nothing more important than protecting the rights of children. Sadly there are many children in Australia who do not have access to their basic rights and at OzChild it is our job to ensure that they do.

You can help us do this! Although government funds a number of OzChild's programs there are many programs and initiatives that OzChild delivers or would like to deliver which government does not fund.

There are a number of ways you can help

If you would like to make a real difference and help us protect the rights of Australian children please contact OzChild's Marketing Department or visit our website www.ozchild.org.au

- Make a donation
- Become a corporate partner
- Run a fundraising event for OzChild
- Make a bequest in your Will
- Implement payroll giving at your work
- Donate goods in-kind

Become a carer

You might also like to consider becoming a foster parent or a respite carer for a child with a disability.

To find out more about becoming a foster parent for OzChild please visit www.fosterparenting.org.au

To find out more about caring for a child with a disability through OzChild please visit www.whynotcare.org.au

we need your help



locations

South Melbourne (Head Office)

Cranbourne
Dandenong
Frankston
Hamilton
Highett
Mornington
Pakenham
Portland
Sale
Trafalgar
Warrnambool

contact us

OzChild - Children Australia Inc

ABN 90 680 959 928

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

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www.ozchild.org.au

