

FAMILIES AUSTRALIA INC.

ANNUAL REPORT

2005-06



families
australia

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INTRODUCTION

Families Australia is pleased to present its Annual Report for 2005-06. This is our fifth Annual Report.

The Report comprises: information about Families Australia; a report by the Chair; information about the Board; a report by the Executive Officer, a listing of Members as at 30 June 2006; a report on Families Australia's performance during 2005-06 in relation to the goals contained in the Strategic and Business Plans; and, the financial and auditor's reports.

It is hoped that this Report will assist readers to understand and evaluate Families Australia's work, and stimulate feedback about ways in which our work can further be improved.

ABOUT FAMILIES AUSTRALIA

Established in 2001, Families Australia is Australia's peak independent not-for-profit organisation concerned specifically with family-related issues. Families Australia is funded in part by the Australian Government Department of Families, Community Services and Indigenous Affairs.

Families Australia strives to represent the interests of families in Australia, working from a network of services, organisations, carers, consumers and communities, which takes in a rich diversity of families and communities.

Families Australia envisions a society that recognises the central role of families in our community and embraces its responsibilities for the development, nurturing and well-being of all families in Australia.

Specifically, Families Australia:

- Provides policy advice to government on behalf of families;
- Informs its members and the community about directions in national family policy, services and research; and,
- Actively promotes and celebrates the importance of families, including through National Families Week.

Families Australia has:

- A membership base of 358 family and community sector organisations across Australia (with a combined estimated 100,000+ workers), including 32 General Members, many of which are peak organisations in their own right. As well as national bodies, Families Australia also represents many local and regional community service organisations;
- Mobilised a total of over 300,000 people across Australia to celebrate the vital importance of families during National Families Week in May each year since 2003;
- Raised national awareness of family issues, especially child abuse and neglect, work and family, and family wellbeing via representations to Parliamentary Committees, Ministers and Members of Parliament, as well as by hosting national conferences such as the 2006 'Work, Family and Wellbeing' Forum, the 2004 'Globalisation, Work and Family' Conference, and the 2004 National Child Abuse and Neglect Summit;
- Advanced the views of families and family organisations to a wide range of Australian Government agencies and advisory bodies such as the Australian Taxation Office, the Australian Bureau of Statistics, Centrelink, Medicare, the Australian Council for Children and Parenting, and the Department of Families, Community Services and Indigenous Affairs;
- Taken leadership in developing Australia's first national child protection strategy by chairing the National Child Protection Forum (2006) which brought together leading political, government and community representatives;

- Increased the flow of information to family and community sector organisations about latest developments in national family policy, practice and research through the Families Australia *Bulletin*, *National Family News*, and the Families Australia website (www.familiesaustralia.org.au); and
- Increased the flow of information to government and the family and community sector about the issues facing families by running focus groups across Australia for members of the public.

The Board comprises 11 members, who bring expertise in family policy, practice and research, as well as extensive networks within the community, private and public sectors and society more broadly. Families Australia is served by a Secretariat based in Canberra.

KEY STATEMENTS

Mission

To improve policies and programs affecting families through advocacy and representation at all levels of government.

Values

Families Australia is: an independent advocate for the cultural diversity and the value of families; reflective of Australia's diversity; pro-active in support of justice and equity for Australian Aboriginal and Torres Strait Islander peoples; broad and inclusive; practical, constructive and collaborative; highly strategic and targeted; politically astute; and, well managed and governed.

Process

Families Australia works from a network of services, organisations, carers, consumers and communities, and develops policy and research informed by the rich diversity of families and communities.

Goals

Families Australia:

- 1. Informs and influences national policies in relation to families.**
- 2. Promotes the importance and needs of families.**
- 3. Acts as a two-way conduit for information to and from the family sector.**
- 4. Seeks to strengthen and expand itself as an organisation.**

CHAIR'S REPORT

2005-06, our fifth year of operation, saw Families Australia make further strong gains in promoting the needs and interests of Australia's families.

In May 2006, the 'Work, Families and Wellbeing' Forum brought together a diverse range of business, government, community and research sector representatives to seek practical ways to improve work and family balance.

At the National Child Protection Forum in June 2006, Families Australia played a strong leadership role by facilitating discussions between government and non-government representatives which has led to the drafting of a National Child Protection Strategy.

Families Australia made major policy submissions to the Australian Parliament and the Government on issues such as industrial relations, and work and family. We conducted focus groups to hear directly from families about their issues and represented the views of families, as well as member organisations, in a wide range of government consultative forums and advisory bodies.

In May 2006, Families Australia facilitated the participation of a record number of people in National Families Week events and focused national public attention on the issues faced by many young people and parents.

These achievements were made possible by many organisations and individuals. I wish particularly to thank Families Australia's members for their continued strong support.

Special thanks are due to the Board members, all of whom gave generously of their time and expertise. Finally, I want to acknowledge the excellent leadership provided by our CEO, Brian Babington, and the dedication and hard work of our small staff team.

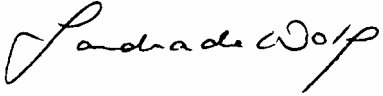
The continuing support of the Australian Government, especially the Hon. Mal Brough MP, the Minister for Families, Community Services and Indigenous Affairs, his Department, Centrelink and many other government agencies is gratefully acknowledged. We also wish to express our appreciation to the former Minister for Family and Community Services, Senator the Hon. Kay Patterson, for her support of Families Australia over several years.

The coming year will be busy and exciting. We intend to expand Families Australia's reach and influence by forging wider connections across government departments and agencies. There will be an added emphasis on growing and diversifying the organisation's income by seeking additional members and private sector sponsorship.

In addition to running National Families Week, we will seek to focus national attention on the issue of family wellbeing at a national symposium in June 2007. We will continue

to run family focus groups and will conduct a series of expert forums on key or emerging family policy issues.

I commend the Annual Report for 2005-06 to you.

A handwritten signature in black ink that reads "Sandie de Wolf". The signature is written in a cursive, flowing style.

Sandie de Wolf
Chair

GOVERNANCE AND BOARD

The Families Australia Board of Management in 2005-06 comprised:

Name	Position	Nominating Organisation
Ms Sandie de Wolf (on leave of absence, July-December 2005)	Chair	Child and Family Welfare Association of Australia
Ms Bev Orr (acting Chair, July-December 2005)	Deputy Chair	Australian Foster Care Association
Ms Anne McLeish (acting Deputy Chair, July-December 2005)	Secretary	Grandparents Australia
Ms Jane Allen	Member	Association of Services Supporting Australia's Families
Mr Adam Blakester	Member	The NAPCAN Foundation
Ms Anne Butcher (resigned 6 February 2006)	Member	Australian Association of Social Workers
Mr Richard Eckesley	Co-opted Member	National Centre for Epidemiology and Population Health, Australian National University
Dr Marie Leech	Member	Mission Australia
Mr Ian O'Reilly (resigned 6 February 2006)	Member	Australian Youth Affairs Coalition
Mr Julian Pocock	Member	The Secretariat of National Aboriginal and Islander Child Care
Mr Paul Rajan	Co-opted Member	Northern Territory Government
Ms Prue Warrilow	Member	National Association of Community Based Children's Services
Ms Sharron Williams	Member	The Secretariat of National Aboriginal and Islander Child Care

In 2005-06, the Board held five meetings: 1 July 2005 (Melbourne), 28 October 2005 (Melbourne), 26 September 2005 (teleconference), 6 February 2006 (teleconference), and 20-21 April 2006 (Sydney).

EXECUTIVE OFFICER'S REPORT

Families Australia's primary role is to nurture a national policy environment which supports greater wellbeing for all Australia's families. That means working closely with governments and the community to keep families at the forefront of their thinking and actions, and suggesting ways to improve family wellbeing, particularly the wellbeing of the most vulnerable families.

2005-06 was a year of strong advances for Families Australia, especially in its four major designated policy areas: family wellbeing; child protection; Indigenous family issues; and work and family.

Families Australia formulated its Family Wellbeing policy, which will form an important basis for the National Family Wellbeing Symposium in June 2007.

National Families Week in May 2006 was a particular success, setting a record in terms of the number of people who participated in events across Australia and the extent of media coverage. 105,000 people participated in community events, a 25% increase in participation compared with 2005.

Families Australia played a leadership role in chairing the National Child Protection Forum in June 2006 and subsequent working group deliberations to draft the National Child Protection Strategy. It is hoped that the draft will soon be adopted by governments and become the basis for better protecting and promoting the interests of children.

Families Australia closely monitored the issue of Indigenous child abuse and provided advice on out-of-home care for Indigenous people through the Australia Council for Children and Parenting. Indigenous issues were the subject of numerous reports in *National Family News*.

We co-hosted the 'Work, Families and Wellbeing' Forum at The Australian National University, bringing together leading national and international speakers from a diverse range of sectors to discuss work and family issues.

Families Australia further strengthened its policy capacities. Many public focus groups were held across Australia and Families Australia members were surveyed to obtain views about family issues and possible policy solutions. The resulting information was used as the basis for several submissions to Parliamentary inquiries and in Families Australia's representation roles on community consultative committees run by government departments and agencies such as Centrelink, the Australian Taxation Office and the Australian Bureau of Statistics.

Families Australia is poised for further expansion, a position which results from the dedication and hard work of many individuals and organisations, as well as the generous support of the Australian Government.

I wish to thank the Board for their unstinting support throughout the year and fellow staff members – Jennifer Horsfield, Grace Concannon and Jerry Feng – for their high quality work and dedicated professionalism. I wish also to thank the Families Australia members for their participation across a range of activities through the year such as National Families Week and in relation to policy surveys.

The year ahead will see Families Australia do more to promote the interests of families at the national level, drawing on a strengthened in-house policy capacity and the outcomes of regular consultations with members and families themselves. We will further increase the flow of information to members and the public about national family policies, practice and research. A major challenge is to expand and diversify the organisation's financial base. To that end, we will be re-doubling our efforts to attract corporate support and to increase the number of members.

Finally, feedback about our performance is vital, and we would welcome suggestions and ideas about ways we can do our job more effectively in the interest of all Australian families.

A handwritten signature in black ink that reads "Brian Babington". The signature is written in a cursive, flowing style.

Brian Babington

LIST OF MEMBER ORGANISATIONS

As at 30 June 2006, there were 32 General and 326 Associate Members of Families Australia. They are listed below.

Foundation Members

Association of Services Supporting Australia's Families (ASSAF)
Australian Foster Care Association (AFCA)
Child and Family Welfare Association of Australia (CAFWAA)
The Secretariat of National Aboriginal and Islander Child Care (SNAICC)

General Member Organisations

Advocates for Survivors of Child Abuse
Australian African Children's Aid & Support Association Inc.
Australian Association of Social Workers
Australian Council for Adoption Inc.
Australian Red Cross
Australian Scholarships Group
Barnardos
Care Leavers Australia Network Inc. (CLAN)
COTA National Seniors
CREATE Foundation
DepressioNet
Family Services Australia
Good Beginnings Australia
Grandparents Australia Inc.
Lifeline Australia Inc
Lone Fathers Association (Australia)
Mission Australia
NAPCAN Foundation
National Association of Community Based Children's Services
National Council of YMCAs of Australia
National Ethnic Disability Alliance Inc
National Family Day Care Council
Parenting & Family Support Centre
Playgroup Australia Inc.
Relationships Australia National
SIDS and Kids
The Salvation Army Eastern Territory
The Smith Family
Volunteering Australia

Associate Member Organisations

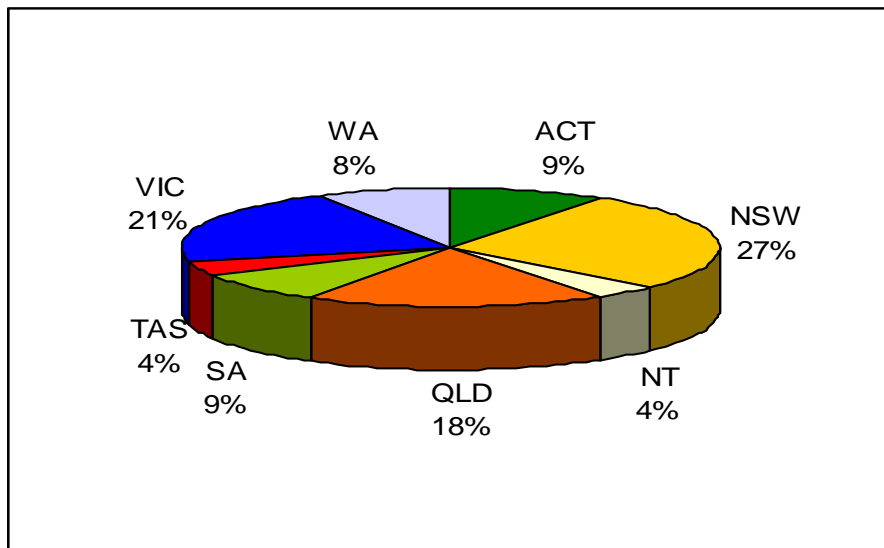
Aboriginal Children's Centre, TAS
Aboriginal Family Support Services, SA
Abused Child Trust, QLD
Agencies for South West Accommodation (ASWA) Inc, WA
AGL, NSW
Albert Hall Preschool, NSW
Alcohol & Other Drugs Council of Australia, ACT
Anglican Community Care, SA
Anglican Counselling Service, NSW
Anglicare (Migrant Services), NSW
Anglicare Diocese of Sydney, NSW
Anglicare South Australia, SA
Anglicare South Australia (Alternative Care), SA
Anglicare Southern Queensland, QLD
Anglicare Tasmania, TAS
Anglicare Victoria, VIC
Anglicare Youth and Family Services, NSW
ASTERIA Services, VIC
Atherton Neighbourhood Centre, QLD
Australian Institute of Family Studies, VIC
Australian Nursing Federation, ACT
Australian Red Cross New South Wales, NSW
Australian Society for Intercountry Aid for Children - NSW, NSW
Ballarat Community Health Centre, VIC
Bankstown Family Day Care Co-op Ltd, NSW
Banyule City Council, VIC
Baulkham Hills Shire Council (Group Manager Community Development), NSW
Bay Islands Community Services Inc, QLD
Bayside City Council Children's Services Co-Ordinator, VIC
Belconnen Community Service, ACT
Berry Street Victoria, VIC
Betania Christian Centre, SA
Bethany Community Support Inc, VIC
Blue Care Brisbane Central Region (Unicare), QLD
Boundary Lane Children's Centre, NSW
Bowen Community Council, QLD
Bramwell House, SA
Brighton Council Children's Services, TAS
Brisbane Youth Service, QLD
Broken Hill Family Support Inc, NSW
Business Performance SA, SA
Caboolture Area Youth Service Inc, QLD
Caboolture Neighbourhood Centre, QLD
Camcare, VIC
Cape/Gulf Remote Area Aboriginal and Torres Strait Islander Child Care (RAATSICC) Advisory Association, QLD
Careforce Community Service, VIC
CareforKids.com.au, NSW
Carers Australia, ACT
Caroline Chisholm Society, VIC
Carpentaria Shire Council, QLD
Centacare Adelaide, SA
Centacare Newcastle, NSW
Centacare Port Pirie Diocese, SA
Centacare Tasmania, TAS
Centacare Wollongong, NSW
Central Queensland Aboriginal and Islander Child Care Agency Inc, QLD
Centre for Community Child Health, VIC
Centre for Excellence in Child and Family Welfare, VIC
Centre for Work Leisure and Community Research, QLD
Centrelink Darwin, NT
Cerebral Palsy Support Network, VIC
Child & Family Support Outreach Service, Kaziw Asesered Le Inc., QLD
Child and Family Care Network, VIC
Child and Family Services Ballarat, VIC
Child Care NSW, NSW
Children's Services Resource and Advisory Program, ACT, ACT
Children's Services Support Program (Central Australia), NT
Children's Services Support Unit (Western Australia) Inc, WA
Chrysalis Support Services, WA
Churches of Christ Care, QLD
City of Kingston, VIC
CLAN WA, WA
CLAN WA - Mirrabooka, WA
CLASS Inc, SA
Colony 47, TAS
Commonwealth Carer Respite Centre, NSW
Communicare Inc, WA
Communities @ Work, ACT
Community Accommodation and Respite Agency Inc, SA
Community Activities Lake Macquarie, NSW
Community Life, Fairfield City Council, NSW
Community Link & Network Midland Inc, WA
Community Living Association, QLD
Community Programs Inc, NSW
Connect Child & Family Services Inc, NSW
Craigieburn and Districts Family Day Care, VIC
CRC, NSW
Creative Times - Samaritans, NSW
Cross Cultural Child Care Unit, QLD
Daisy Hill Playschool Child Care Centre, QLD

Darebin Family Services, Darebin City Council, VIC
 Darwin Skills Development Scheme, NT
 DECS Family Day Care - West Group of Districts, SA
 Department for Community Development, WA
 Department of Child Safety, QLD
 Department of Communities, QLD
 Department of Education & Children's Services, SA
 Department of Education & Children's Services, SA
 Department of Health and Human Services, TAS
 Dianella Community Health, VIC
 Dingley Village CAB, VIC
 Disability Advocacy & Complaints Service of SA Inc., SA
 Djerriwarh Health Services, VIC
 Doncaster Community Care and Counselling Centre, VIC
 Drummond Street Relationship Centre, VIC
 Early Childhood Management Services, VIC
 Eatons Hill Outside School Hours Club, QLD
 Edith Cowan University, WA
 Eltham East OSHC, VIC
 ESCARE Inc, WA
 Expect A Star Education Services, NSW
 FABRIC, ACT
 FaCSIA - South Australia State Office, SA
 Family Action Centre, NSW
 Family Advocacy Inc, SA
 Family and Child Care Service, VIC
 Family Based Care Association North West Inc, TAS
 Family Day Care Association Queensland, QLD
 Family Day Care Schemes of WA Inc., WA
 Family Services City of Greater Geelong, VIC
 Family Support and Parenting Network, ACT
 Family Support Services Assoc Tasmania Inc, TAS
 Fern Valley Child Care Centre, NSW
 Fleurieu Families - Alexandrina Council, SA
 Fleurieu Regional Community Services Advisory Committee, SA
 Fredrick Street Child Care and Early Education Centre, QLD
 FSG Australia, QLD
 Galilee Inc, ACT
 Gap Community Child Care Centre, NT
 Geraldton Family and Youth Support Service, WA
 Glastonbury Child and Family Services, VIC
 Glenhaven Family Care Inc, TAS
 Good Beginnings (Northern Suburbs), TAS
 Goulburn Family Support Service, NSW
 Goulburn Valley Family Care Inc, VIC
 Greenacres Association, NSW
 Griffith Law School, QLD
 Hanover Welfare Services, VIC
 Hanover Welfare Services, VIC
 Harvey Early Learning Centre, WA
 Holdsworth Street Community Centre, NSW
 Holroyd Community Aid Inc, NSW
 Holy Family School, NT
 Homestart National Inc, NSW
 Hornsby Shire Council, NSW
 Humpty Doo Community and Child Care Centre, NT
 IFSU, QLD
 Illawarra Children's Services, NSW
 Ingle Farm East Primary School, SA
 Institute for Family Advocacy, NSW
 Integrated Family & Youth Service Inc, QLD
 International Social Service Australian Branch, VIC
 Jane Smyth & Associates, ACT
 Johnson Street Out of School Hours Care Inc, NSW
 Kaziw Asesered Le Association, QLD
 Kemblawarra Child and Family Centre, NSW
 Kids Help Line, QLD
 Kildonan Child and Family Services, VIC
 Kilmany Uniting Care, VIC
 Kingston East Neighbourhood Group Inc, QLD
 Koolyangarra Kindergarten and Child Care Centre, NSW
 KU Children's Services Resource Centre, NSW
 Kyabra Community Association Inc, QLD
 Kyabram Community and Learning Centre, VIC
 Lady Gowrie Caboolture Family Day Care Scheme, QLD
 Lady Gowrie Child Centre, NSW
 Lapstone Preschool Kindergarten Assoc Inc, NSW
 Lavington Occasional Child Care Association, NSW
 Learning Centre Link, WA
 Lifeline Cairns Region, QLD
 Lifeline Community Care - Families Plus, QLD
 Lifeline Family Support Programme, QLD
 Lifeline Newcastle and Hunter, NSW
 Lifeline Northern Beaches Inc, NSW
 Lisa Lodge, VIC
 Lismore District Family Day Care Inc, NSW
 Lorikeet Child Care Centre St George Hospital, NSW
 Lower Mountains Family Support Service, NSW
 Lutheran Community Care, SA
 Macarthur Legal Centre Inc, NSW
 Mackay Children's Support Programs Inc, QLD
 MacKillop Family Services, VIC
 Mai Wel Ltd, NSW

Mallee Family Care Inc, VIC
 Mareeba Information and Support Centre, QLD
 Marian Centre, NSW
 Maroochy Neighbourhood Centre, Family Support Program, QLD
 Maroochy Shire Council Child & Family Services, QLD
 Martin Street Community Child Care Centre, QLD
 Marymead Child & Family Centre, ACT
 McCarthy Management, NSW
 Meerilinga Young Children's Foundation, WA
 Melba Support Services Inc, VIC
 Melbourne City Mission, VIC
 Mens Information & Support Association, QLD
 Mensheds Pty Ltd, NSW
 Menzies Incorporated, VIC
 MercyCare, WA
 Micah Projects Inc, QLD
 Migrant Resource Centre North East, VIC
 Miller Community Preschool & Early Intervention Service, NSW
 Mirabel Foundation Inc, VIC
 Miriam High Special Needs Centre, SA
 Mission Australia, NSW
 MOFFLYN, WA
 Monaro Family Support Service, NSW
 Montessori Long Day Care Gordon, ACT
 Mookai Rosie-Bi-Bayan, QLD
 Mount Druitt Community Cottage, NSW
 Nambour Good Beginnings, QLD
 Napier Street Children and Family Resource Centre, VIC
 National Alliance of Disability Resource and Training Agencies (NADRATA), VIC
 National MRC South East Region Migrant Resource Centre, VIC
 National Rural Health Alliance, ACT
 Nerang Neighbourhood Centre Inc, QLD
 Network of Community Activities, NSW
 New England Carer Respite Centre, NSW
 New England Resource and Support Programme, NSW
 New South Wales Indo-China Chinese Association Inc, NSW
 Newcastle Family Support Services, NSW
 Newtrain Inc, NSW
 Noah's Ark - Learning and Development, VIC
 North Belconnen Community Association Inc, ACT
 North Queensland Combined Womens Services Inc, QLD
 North West Advocacy Organisation Inc, QLD
 NSW Health Department, NSW
 Office For Children, Youth and Family Support, ACT
 Office of the Employment Advocate, QLD
 Out of Home Care Policy - DoCS, NSW
 Ovens and King Community Health Service, VIC
 Paddington Childrens Centre, NSW
 Parenting Australia, VIC
 ParentLine, ACT
 Parkerville Children & Youth Care, WA
 Parkes/Forbes Family Day Care Parkes Shire Council, NSW
 PeakCare Queensland Inc, QLD
 Pennell Child Care Centre, VIC
 People with Disability Australia, NSW
 Personal Advocacy Service, WA
 Petrie Community After School Care, QLD
 Phoenix Consulting, NT
 Pigeons & Doves Childcare Centre, QLD
 Pika Wiya Health Service Inc, SA
 Playgroup Western Australia, WA
 Port Mission Family Centre, SA
 Port Stephens Family Support Service Inc, NSW
 Positive Solutions, TAS
 Possum Place Child Care Centre, NSW
 Public Health Association, ACT
 QLD Childcare Services, QLD
 Qld Police-Citizens Youth Welfare Association, QLD
 QLD Working Women's Service Inc., QLD
 Quantum Support Services, VIC
 Queen Elizabeth II Family Centre, ACT
 Queensland Children's Activities Network (QCAN) Inc, QLD
 Ranges Youth Centre, SA
 Reconciliation Australia, ACT
 Regional Social Development Group Inc., NSW
 Royal College of Nursing Australia, ACT
 RUCSN, WA
 SA Career Consultants, SA
 Saltwater Child Care Centre, VIC
 Save the Children Fund Queensland, QLD
 School of Social Work and Community Welfare, QLD
 Scots Child Care Centre, TAS
 SDN Children's Services Inc, NSW
 Secret Harbour Childcare Centre, WA
 Signpost Volunteer Advisory Service, NSW
 Snugglepot Day Care Centre Inc, NSW
 Somerville Community Service, NT
 Southside Community Services Inc, ACT
 Speak Out Association of Tas Inc, TAS
 Springvale Community Aid and Advice Bureau, VIC
 St Luke's Anglicare, VIC
 St Peter's Afterschool Care, QLD
 Starick Services Inc, WA
 Stepfamily Association of Victoria Inc, VIC

Sussex Street Community Law Service, WA
 Sutherland Shire Family Support Service, NSW
 Sydney Children's Hospital, NSW
 Tangentyre Council, NT
 Technical Aid to the Disabled, NSW
 Tennant Creek Child Care Centre, NT
 Tennant Creek Domestic Violence Counselling Service, NT
 The Benevolent Society, NSW
 The Cerebral Palsy Association of Western Australia, WA
 The Mayumarri Trust Fund, NSW
 The Parenting Puzzle, NT
 The Salvation Army Community Services, SA
 The Salvation Army Crossroads West, WA
 The Salvation Army Peninsula Youth and Family Services, VIC
 The Salvation Army Southern Territory, VIC
 Toowoomba Youth Service, QLD
 Towards Independence - Top End, NT
 Travellers Aid Society of Victoria, VIC
 Tweddle Child & Family Health Service, VIC
 Unicentre Children's Services University of Wollongong, NSW
 Uniting Care Wesley - Homelink SA, SA
 UnitingCare Connections, VIC

UnitingCare Wesley Port Pirie, SA
 University of Melbourne Children's Services, VIC
 University of SA - CRSHC, SA
 Upper Hume Community Health Service Inc, VIC
 Upper Murray Family Care, VIC
 Warlga Ngurra Womans and Childrens Refuge, NSW
 Warwick Farm Children's Centre, NSW
 Woden Community Service Inc, ACT
 Wollondilly Shire Community and Children's Services, NSW
 Women's Centre for Health Matters Inc, ACT
 Wyndarra Centre Inc, TAS
 Wynnum Family Day Care, QLD
 Wyong Neighbourhood Centre Inc, NSW
 Wyong Shire Family Day Care, NSW
 YMCA of Darwin Inc, NT
 YMCA of Sydney, NSW
 Yorganop Child Care Aboriginal Corporation, WA
 Youth Involvement Council, WA
 Youth off the Streets Ltd., NSW
 YWCA NSW, NSW



Families Australia
 Membership by State/Territory as at 30 June 2006

GOALS AND PERFORMANCE

The Families Australia Strategic Plan 2005-07 specifies four goals:

1. Inform and influence national policies in relation to families.
2. Promote the importance and needs of families.
3. Act as a two-way conduit for information to and from the family sector.
4. Strengthen and expand the organisation.

The 2005-06 Business Plan specifies activities which will be undertaken to achieve these goals. The following report provides information on Families Australia's performance in relation to the four goals and the associated Business Plan activities.

1. Inform and influence national policies in relation to families

- Families Australia played a leading role on child protection issues by chairing and participating in the June 2006 National Child Protection Forum. The Forum agreed to a first draft of a National Child Protection Strategy, which is being refined under Families Australia's leadership with representatives from the community, government and research sectors. The final draft strategy is expected to be presented to the Australian Government in late 2006.
- In association with the National Centre for Epidemiology and Population Health, Families Australia conducted the 'Work, Families and Wellbeing' Forum at The Australian National University in June 2006. The Forum report was widely disseminated, including to Families Australia members and politicians. Families Australia commenced the follow-up of Forum outcomes with government departments and the private sector, especially in relation to the proposal to establish an on-line clearinghouse on work and family research and practice.
- Families Australia acted as a conduit between member organisations and the Australian Government in respect of issues such as the likely impacts on child care workers of proposed changes to Commonwealth child care contracts, and the possible consequences for foster carers of the proposed Welfare-to-Work measures.
- Families Australia provided major submissions to the Parliamentary Inquiries into the Family Law (Shared Responsibility) Bill and the Workplace Relations Amendment (Work Choices) Bill 2005, and to the Human Rights and Equal Opportunity Commission Inquiry into Work and Family. We also issued a discussion paper on the proposed changes to Industrial Relations law to members, other interest groups and politicians.
- A framework policy on family wellbeing was devised and distributed widely, including to the Australian Government. Planning commenced for the 2007 National

Family Wellbeing Symposium. Families Australia was frequently quoted in the media in relation to family wellbeing issues.

- Families Australia intensified its direct consultation with families and with Families Australia member organisations. Sixteen family focus groups were held in NSW, ACT, SA, Victoria and WA involving 131 participants, and Families Australia member policy forums were held in Sydney and Melbourne. The outcomes of these consultations were contained in a final report (June 2006), which was circulated to Families Australia members, politicians and other stakeholders.
- Indigenous issues were the subject of numerous reports in *National Family News*. Families Australia closely monitored the issue of Indigenous child abuse, and factored those understandings into the National Child Protection Forum in June 2006. Families Australia provided advice on the issue of out-of-home care for Indigenous people through the Australian Council for Children and Parenting. Families Australia also met a wide range of Indigenous leaders and their organisations.

2. Promote the importance and needs of families

- National Families Week was held between 14 and 20 May 2006. Particular emphasis was placed on the needs and interests of young people aged 12 to 18 years and on parenting. The slogan was ‘Take time for *TLC* – Talking, Listening, Connecting’.
- National Families Week attracted a record number of participants (in excess of 105,000 people), a 25% increase compared with 2005. The Week was opened by the Minister for Families, Community Services and Indigenous Affairs, the Hon. Mal Brough MP, in conjunction with the launch of the Australian Parenting Website (www.raisingchildren.net.au).
- Several Ambassadors were appointed to promote National Families Week, including former Australian of the Year Sir Gus Nossal and Indigenous entertainer Jimmy Little. Promotional products included a refrigerator magnet containing ‘a dozen good parenting tips’ devised by ParentLine (ACT). Families Australia gave numerous media interviews, including on national television.

3. Act as a two-way conduit for information to and from the family sector

- Families Australia participated in a wide range of government forums, namely, Centrelink’s Community Reference Group, the Australian Taxation Office’s 30% Child Care Rebate Working Group, the Australian Taxation Office’s Personal Tax Advisory Group, and the Australian Bureau of Statistics’ Family Statistics Advisory Group. Families Australia participated in the ACT Drug Summit and acted as a conduit with its members in relation to the development of the charter for the Australian National Council on Drugs.

- Families Australia participated (as Deputy Chair) on the Australia Council for Children and Parenting (ACCAP) and chaired the Council's Parenting and Raising Children Working Group. In this role, Families Australia provided advice on issues such as parenting education and child protection. We served on the judging panel for the 2005 National Child Protection Awards.
- Families Australia continued to build strong working relationships with key stakeholders, especially Ministers, Ministerial Advisers and Government officials, through meetings and written communications. Over 200 meetings with external stakeholders were held in order to inform Families Australia's representation work with government. Families Australia forged close working relationships with many key organisations, for example, Centrelink, Australian Institute of Family Studies, the Human Rights and Equal Opportunity Commission, Reconciliation Australia, The Australian National University, and the University of Canberra.
- We participated in a wide range of conferences, including the National Foster Care Conference (July 2005), the National Investment for the Early Years (NIFTeY) Conference (February 2006), and the Forgotten Australians Conference (June 2006).
- Families Australia issued the Spring 2005 edition of Families Australia *Bulletin* and issued *National Family News* on a monthly basis (except December and January) commencing in August 2005 to provide members and other stakeholders with latest information about national family policy, research and practice.

4. Strengthen and expand the organisation

- Management systems were further strengthened, including through the development and implementation of new finance, human resources and information technology policies and procedures, the adoption of a comprehensive Governance and Management Manual, the development and implementation of a risk assessment model, and upgrading of office information technology systems.
- The Board reviewed performance against the goals contained in the Families Australia Strategic, Business and Work Plans at every Board meeting.
- Plans were put in place to increase and diversify the organisation's income, including through corporate sponsorship. This is a major priority for 2006-07 and beyond.
- All contractual reporting and performance obligations to the Department of Families, Community Services and Indigenous Affairs were fully met in relation to the National Secretariat Program and National Families Week.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

FINANCIAL REPORT
FOR THE PERIOD ENDING 30 JUNE 2006

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

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FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

COMMITTEE'S REPORT

Your committee members submit the financial report of the Families Australia Incorporated for the financial year ended 30 June 2006.

Committee Members:

The names of committee members throughout the year and at the date of this report are:

Sandie de Wolf (Chair)	Julian Pocock
Bev Orr (Deputy Chair)	Paul Rajan
Anne McLeish (Secretary)	Prue Warrilow
Jane Allen	Sharron Williams
Adam Blakester	Ian O'Reilly (Resigned February 2006)
Richard Eckersley	Anne Butcher (Resigned February 2006)
Marie Leech	

Committee members have been in office since the start of the period to the date of this report unless otherwise stated.

Operating Result

The profit of the association for the period amounted to \$3,685 (2005 Surplus of \$46,347).

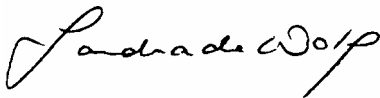
Significant Changes

No significant changes in the state of affairs of the association occurred during the period.

Principal Activities

The principal activities of the association during the period were to represent the interests of families in Australia.

Signed in accordance with a resolution of the Members of the Committee.



Sandie de Wolf



Anne McLeish

Dated this 20th day of October 2006

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

INCOME STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2006

	Note	2006	2005
		\$	\$
Revenue	3	387,719	381,742
Employee benefits expense		(191,169)	(143,607)
Depreciation and amortisation expenses	4	(6,352)	(3,758)
Advertising		(53,786)	(23,883)
Other expenses		(132,727)	(164,147)
		<hr/>	<hr/>
Profit from operations		3,685	46,347
		<hr/>	<hr/>

The accompanying notes form part of these financial statements

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

BALANCE SHEET
AS AT 30 JUNE 2006

	<i>Note</i>	2006	2005
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	6	120,970	133,605
Trade and other receivables	7	-	317
Other current assets	8	9,096	9,485
TOTAL CURRENT ASSETS		130,066	143,407
NON-CURRENT ASSETS			
Property, plant and equipment	9	12,327	16,084
TOTAL NON-CURRENT ASSETS		12,327	16,084
TOTAL ASSETS		142,393	159,491
CURRENT LIABILITIES			
Trade and other payables	10	22,578	49,444
Provisions	11	11,660	5,577
TOTAL CURRENT LIABILITIES		34,238	55,021
TOTAL LIABILITIES		34,238	55,021
NET ASSETS		108,155	104,470
EQUITY			
Retained earnings	12	108,155	104,470
TOTAL EQUITY		108,155	104,470

The accompanying notes form part of these financial statements

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2006

	<u>Reserves</u>	<u>Retained</u> <u>Earnings</u>	<u>Total equity</u>
	\$	\$	\$
Balance at 1 July 2004	-	58,123	58,123
Profit attributable to members	-	46,347	46,347
Balance at 30 June 2005	-	104,470	104,470
Profit attributable to members	-	3,685	3,685
Balance at 30 June 2006	-	108,155	108,155

The accompanying notes form part of these financial statements

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2006

	Note	2006	2005
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and Operating grants		418,354	416,775
Payment to suppliers and employees		(411,093)	(388,833)
Interest received		6,381	2,856
GST Recovered/(Paid)		(23,682)	-
Net cash provided by operating activities	16	(10,040)	37,550
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of other non current assets		-	4,364
Purchase of property, plant and equipment		(2,595)	(9,532)
Net cash used in investing activities		(2,595)	(5,168)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		-	-
Net cash used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(12,635)	25,630
Cash and cash equivalents at the beginning of the period		133,605	107,975
Cash and cash equivalents at the end of the period	6	120,970	133,605

The accompanying notes form part of these financial statements

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act 1991 of the Australian Capital Territory.

The financial report covers Families Australia Incorporated as an individual entity incorporated in the Australian Capital Territory under the Associations Incorporation Act 1991.

The financial report of Families Australia Incorporated as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

Basis of preparation

First-time adoption of Australian Equivalents to International Financial Reporting Standards

Families Australia Incorporated prepared financial statements in accordance with the Australian equivalents to international Financial Reporting Standards (AIFRS) from July 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the accounts resulting from the introduction of AIFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied.

These accounts are the first financial statements of Families Australia Incorporated to be prepared in accordance with AIFRS.

The accounting policies set out below have been consistently applied to all years presented. The entity has however elected to adopt the exemptions available under AASB 1 relating to AASB 132: Financial Instruments: Disclosure and Presentation, and AASB 139: Financial Instruments: Recognition and Measurement. Refer Note 23 Change in Accounting Policy for further details.

Reconciliations of the transition from previous Australian GAAP to AIFRS have been included in Note 2 First-time Adoption to AIFRS to this report.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDING 30 JUNE 2006 (Continued)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

a. Income Tax

No provision for income Tax has been raised, as the association is exempt from income Tax under Division 50 of the income Tax assessment ACT 1997.

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, is depreciated over the useful lives of the assets to the Association commencing from the time the asset was held ready for use.

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

Class of Fixed Asset	Depreciation Rate	Depreciation Basis
Office Equipment	20%	Straight Line
Computer Equipment	33%	Diminishing Value

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDING 30 JUNE 2006 (Continued)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

c. Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the association assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

d. Impairment of Assets

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e. Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

f. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDING 30 JUNE 2006 (Continued)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

g. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

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

h Government Grants

- Income is recognised when the entity obtains control of the contribution or the right to receive the contribution. It is probable that the economic benefits comprising the contribution will flow to the entity and the amount of the contribution can be measured reliably.

I. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

j. Comparative Figures

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

k. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Association are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Association will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduced the liability.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDING 30 JUNE 2006 (Continued)

1. Critical Accounting Estimates and Judgments

The committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key Estimates — Impairment

The association assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgments — Doubtful Debts Provision

The committee members believe that \$1,650 due from memberships due from associate and general members will not be recoverable as at 30 June 2006.

NOTE 2: FIRST TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

On transition to AIFRS, there are no adjustments to equity or profit or loss between previous Australian GAAP and AIFRS.

NOTE 3: REVENUE	2006	2005
	\$	\$
Operating activities		
— Subsidies and Grant	363,009	363,309
— Member subscriptions	18,329	15,577
— Interest received	6,381	2,856
	<u>387,719</u>	<u>381,742</u>

NOTE 4: PROFIT

a. **Expenses**

Depreciation of non – current assets		
- Plant and equipment	6,352	3,758
Net loss on disposal of non – current assets		
- Property, plant and equipment	-	2,205

NOTE 5: AUDITORS' REMUNERATION

Auditing or reviewing the financial report	2,400	3,000
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NOTE 6: CASH AND CASH EQUIVALENTS

Cash at bank	120,838	133,405
Cash on hand	132	200
	<u>120,970</u>	<u>133,605</u>

The effective interest rate on short-term bank deposits was 5.80% (2005: 4.00%).

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDING 30 JUNE 2006 (Continued)

NOTE 6: CASH AND CASH EQUIVALENTS (Continued)

	2006	2005
	\$	\$

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	120,970	133,605
	120,970	133,605
	120,970	133,605

NOTE 7: TRADE AND OTHER RECEIVABLES

CURRENT

Trade debtors	1,650	-
Provision for doubtful debts	(1,650)	-
Other Debtors	-	317
	-	317
	-	317

NOTE 8: OTHER CURRENT ASSETS

Prepayments	2,812	3,201
Others	6,284	6,284
	9,096	9,485
	9,096	9,485

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

Office equipment

At cost	8,169	7,352
Accumulated depreciation	(6,160)	(4,688)
	2,009	2,664

Computer Equipment

At cost	26,429	24,651
Accumulated depreciation	(16,111)	(11,231)
	10,318	13,420

Total Property, Plant and Equipment	12,327	16,084
	12,327	16,084

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Office Equipment	Computer Equipment	Total
2006	\$	\$	\$
Balance at the beginning of year	2,664	13,420	16,084
Additions	817	1,778	2,595
Disposals	-	-	-
Depreciation expense	(1,472)	(4,880)	(6,352)
Carrying amount at the end of year	2,009	10,318	12,327

NOTE 10: TRADE AND OTHER PAYABLES

2006 **2005**
\$ \$

CURRENT

Trade payables	1,950	17,512
Sundry accruals and payables	20,628	31,932
	22,578	49,444

Note 11: PROVISIONS

CURRENT

Employee benefits	11,660	5,577
	11,660	5,577
Aggregate employee benefits	11,660	5,577

NOTE 12: RETAINED EARNINGS

2006 **2005**
\$ \$

Retained profits at the beginning of the financial year	104,470	58,123
Net profit (loss) attributable to members of the entity	3,685	46,347
Retained profits at the end of the financial year	108,155	104,470

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 13: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no known contingent liabilities at the date of this report that should be brought to account.

NOTE 14: EVENTS AFTER THE BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the period, which significantly affected or may affect the operations of the association, the results of those operations, or the stake of affairs of the association in future periods.

NOTE 15: RELATED PARTY TRANSACTIONS

	2006	2005
	\$	\$

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

The membership of Families Australia includes four (4) directors from the founding members of the organisation. These members have prescribed membership fees that are paid in full for each financial year

Related party transactions during the year amounted to:	660	660
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NOTE 16: CASH FLOW INFORMATION

	2006	2005
	\$	\$

Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax

Profit after income tax	3,685	46,347
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Cash flows excluded from profit attributable to operating activities:

Non-cash flows in profit

— Depreciation	6,352	3,758
— Net (gain)/ loss on disposal of property, plant and equipment	-	2,205
— Movement in provision for doubtful debts	1,650	-

Changes in assets and liabilities:

— (Increase)/decrease in trade and term debtors	(1,650)	-
— Net (gain)/ loss on disposal of property, plant and equipment	-	2,205
— (Increase)/decrease in other assets	317	(3,239)
— (Increase)/decrease in prepayments	389	-
— Increase/(decrease) in payables	(15,562)	(1,884)
— Increase/(decrease) in other creditors & accruals	(4,609)	-
— Increase/(decrease) in provisions	6,083	(16,389)
— Increase/(decrease) in GST	(6,695)	-
	(10,040)	30,798

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDING 30 JUNE 2006

NOTE 17: FINANCIAL INSTRUMENTS

a. **Financial Risk Management**

The association's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable.

The association does not have any derivative instruments at 30 June 2006.

I. **Financial Risks**

The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the association.

Price risk

The association is not exposed to any material commodity price risk.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDING 30 JUNE 2006

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

b. Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non Interest Bearing		Total	
	2006 %	2005 %	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$
Financial Assets:								
Cash	5.80	4.00	120,970	133,405	132	200	121,102	133,605
Receivables	-	-	-	-	6,284	6,601	6,284	6,601
Total Financial Assets			120,970	133,405	6,416	6,801	127,386	140,206
Financial Liabilities:								
Trade and sundry creditors	-	-	-	-	22,578	49,444	22,578	49,444
Total Financial Liabilities			-	-	22,578	49,444	22,578	49,444

Fixed Interest Rate Maturing

	Within 1 Year		1 to 5 Years	
	2006 %	2005 %	2006 \$	2005 \$
Financial Assets:				
Cash and cash equivalents	-	-	-	-
Receivables	-	-	-	-
Total Financial Assets	-	-	-	-

c. Net Fair Values

For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 18: CHANGE IN ACCOUNTING POLICY

- a. The association has adopted the following accounting standards for application on or after 1 January 2005:
- AASB 132: Financial Instruments: Disclosure and Presentation
 - AASB 139: Financial Instruments: Recognition and Measurement

The changes resulting from the adoption of AASB 132 relate primarily to increased disclosures required under the Standard and do not affect the value of amounts reported in the financial statements.

- b. The following Australian Accounting Standards issued or amended and are applicable to the association but not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amend- ment	AASB Standard Affected	Nature of change in Accounting Policy and Impact	Application Date of the Standard
2005-5	AASB 1: First-time Adoption of AIFRS	No change, no impact	1 January 2006
	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2006
2005-10	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2007
	AASB 101: Presentation of Financial Statements	No change, no impact	1 January 2007
	AASB 114: Segment Reporting	No change, no impact	1 January 2007
	AASB 117: Leases	No change, no impact	1 January 2007
	AASB 132: Financial Instruments: Disclosure and Presentation	No change, no impact	1 January 2007
	AASB 1: First-time Adoption of AIFRS	No change, no impact	1 January 2007

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 18: CHANGE IN ACCOUNTING POLICY (Continued)

New Standard	AASB 7: Financial Instruments: Disclosure	No change, no impact	1 January 2007
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All other pending Standards issued between the previous financial report and the current reporting dates have no application to the association.

AASB

Amendment AASB Standard Affected

2004-3	AASB 1: First-time Adoption of AIFRS
	AASB 101: Presentation of Financial Statements
	AASB 124: Related Party Disclosures
2005-1	AASB 139: Financial Instruments: Recognition and Measurement
2005-2	AASB 1023: General Insurance Contracts
2005-4	AASB 139: Financial Instruments: Recognition and Measurement
	AASB 132: Financial Instruments: Disclosure and Presentation
2005-9	AASB 4: Insurance Contracts
	AASB 1023: General Insurance Contracts
	AASB 139: Financial Instruments: Recognition and Measurement
	AASB 132: Financial Instruments: Disclosure and Presentation
2006-1	AASB 121: The Effects of Changes in Foreign Exchange Rates New Standard
New Standard	AASB 119: Employee Benefits: December 2004

NOTE 19: ASSOCIATION DETAILS

Principal place of business is:

Families Australia Incorporated
Unit 3, 7 National Circuit
Barton ACT 2600

NOTE 20: ECONOMIC DEPENDENCY

The continuance of Families Australia Incorporated is dependant upon the supply of Government funding.

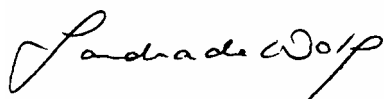
FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 22 to 37:

1. Presents a true and fair view of the financial position of Families Australia Incorporated as at 30 June 2006 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Families Australia Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



Sandie de Wolf



Anne McLeish

Dated this 20th day of October 2006

Di Bartolo Diamond & Mihailaros

An Australian Capital Territory Partnership



Chartered Accountants
And Business Advisers

Level 7, 28 University Ave
GPO Box 588
Canberra City, ACT 2608

Tel: (02) 6257 7500
Fax: (02) 6257 7599
Email canberra@pkf.com.au

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF FAMILIES AUSTRALIA INCORPORATED

Scope

The Financial report and committee's responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of changes in equity, accompanying notes to the financial statements, and the statement by members of the committee for Families Australia Incorporated for the year ended 30 June 2006.

The committee of the association is responsible for the preparation and true and fair presentation of the financial report in accordance with the Associations Incorporation ACT 1991. This includes responsibility for the maintenances of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent on the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the association.

Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Associations Incorporation Act 1991, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the association's financial position, and of its performances as represented by the results of its operations and cash flows.

We formed our audit opinion on these procedures, which include:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosure in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

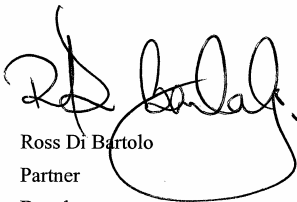
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of Families Australia Incorporated presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia the financial position of Families Australia Incorporated as at 30 June 2006, and the results of its operations and its cash flows for the year then ended.

PKF – Di Bartolo Diamond & Mihailaros
Level 7, 28 University Avenue
Canberra City ACT 2601



Ross Di Bartolo
Partner

Dated: 23.10.2006.

Di Bartolo Diamond & Mihailaros

An Australian Capital Territory Partnership



Chartered Accountants
And Business Advisers

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FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

DISCLAIMER TO THE MEMBERS OF FAMILIES AUSTRALIA INCORPORATED

The additional financial data presented on page 42 is in accordance with the book and records of the association, which have been subjected to the auditing procedures applied in our statutory audit of the association for the financial year ended 30 June 2006. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Families Australia Incorporated) in respect of such data, including any errors of omissions therein however caused.

PKF – Di Bartolo Diamond & Mihailaros
Level 7, 28 University Avenue
Canberra City ACT 2601

Ross Di Bartolo
Partner

Dated 23.10.2006

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

PRIVATE INFORMATION FOR THE COMMITTEE OF MANAGEMENT
ON THE 2006 FINANCIAL STATEMENTS

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
INCOME		
Interest	6,381	2,856
Membership subscriptions	18,329	15,577
Subsidies and grants	363,009	363,309
TOTAL INCOME	387,719	381,742
LESS EXPENSES		
Accounting fees	-	14,270
Administration costs	28,318	39,142
Advertising	53,786	23,883
Annual leave	6,083	-
Audit fees	2,400	3,000
Cleaning	1,371	1,357
Computer expenses	1,508	3,065
Conference and seminar costs	473	(182)
Consultancy fees	10,935	1,200
Depreciation	6,352	3,758
Doubtful debts/bad debts expense	1,650	-
Electricity	811	684
Holiday pay	-	(15,268)
Insurance	5,873	2,282
Loss on disposal/revaluation of non current assets	-	2,205
Magazines, journals and periodicals	-	1,816
Motor vehicles expenses	11,966	15,592
Office expenses	177	189
Operating expenses	4,652	5,364
Postage	9,367	5,436
Printing and stationery	25,655	27,622
Recruitment costs	-	4680
Rent	27,046	24,243
Repairs and maintenance	944	788
Salaries and wages	160,041	143,608
Staff training and welfare	1,327	1,485
Sundry expenses	352	4,175
Superannuation	15,057	13,782
Telephone	4,376	5,417
Travelling expenses	3,514	1,802
TOTAL EXPENSES	384,034	335,395
OPERATING PROFIT/(LOSS) FOR THE YEAR	3,685	46,347

These financial statements should be read in conjunction with the attached Disclaimer

Notes

Notes

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