



FamiliesAustralia
Annual Report 2015-2016

Contents

About Families Australia	2
From the Chair	3
From the Chief Executive Officer	4
Our members and national network	5
Our performance	6
Our governance	10
Our staff and organisation	12
Our finances	13
With thanks.....	40

About Families Australia

Established in 2001, Families Australia is a national, not-for-profit, peak organisation that strives to improve the wellbeing of Australian families, especially the most vulnerable and marginalised.

We do this by providing policy advice to the Commonwealth Government and Parliament on behalf of more than 800 member organisations around Australia.

Our four key goals are to build stronger Australian families in all their diversity, end child abuse and neglect, eliminate family and domestic violence, and advance the needs of Aboriginal and Torres Strait Islander families and communities.

Families Australia's achievements to date have been made possible by the generous support of many individuals and organisations, including its member organisations and Australian Governments.

Our vision

Australian families, in all their diversity, enjoy the greatest possible wellbeing.

Our mission

Families Australia strives to improve the wellbeing of all Australian families by initiating, inspiring, informing and influencing national public policy debates.

Families Australia works to promote a national policy environment in which the needs and interests of families, especially those experiencing vulnerability and marginalisation, are heard and addressed.

Our identity and values

Families Australia is an organisation that:

- is a national leader, highly respected for the quality and independence of its work;
- strives to foster a national public policy environment in which family-related issues and the family sector can prosper;
- informs and influences at the highest government levels;
- works closely with its members in developing policy;
- strongly advocates for the diversity and value of families;
- proactively supports Aboriginal and Torres Strait Islander peoples and organisations;
- takes a broad and inclusive approach and is practical, constructive and collaborative; and
- is governed and managed to the highest standards.

From the Chair

Prue Warrilow

2015-16 was another highly successful year for Families Australia as it promoted national policies that focussed on the needs of families experiencing the greatest vulnerability and disadvantage.

Families Australia continued to play a key leadership role in promoting child safety and wellbeing. We led the development of the Third Action Plan (2015-18) under the National Framework for Protecting Australia's Children 2009-2020 (the 'National Framework'), and continued to provide strong leadership of the National Coalition on Child Safety and Wellbeing which supports and informs the National Framework. Consequently, it was gratifying to see aspects of the National Framework supported in the Commonwealth Government's May 2016 Budget.

The highly successful 4th Child Aware Approaches Conference was attended by 340 participants from around Australia. As well as being an exciting opportunity to share innovative child and family practices, June Oscar AO delivered a deeply moving and inspirational Families Australia's Oration that drew attention to the needs of Aboriginal and Torres Strait Islander communities, families and children.

In terms of community outreach, Families Australia brought together a record number of 130,000 participants in around 1,000 National Families Week events in May 2016. These local events celebrated the vital role that families play in our society.

We broadened our efforts to reach wider audiences through policy forums in Perth, Canberra, Melbourne and Sydney that were attended by 250 people including Families Australia members, colleagues and Commonwealth, State and Territory officials.

All our speakers inspired dynamic conversations between policymakers and Families Australia members under our 'Building Stronger Australian Families' initiative. Key speakers included Distinguished Professor Alan Hayes AM (University of Newcastle), Assoc. Professor Lyndall Strazdins (Australian National University), Professor Kerry Arabena (University of Melbourne), and Ms Sue West (Murdoch Childrens Research Institute).

Families Australia concluded the highly successful Child Aware Local Initiative pilot program, working



closely with our colleagues at the Australian Centre for Child Protection and seven regional community partners across Australia, each of whom developed and implemented innovative local plans of action to enhance child safety and wellbeing.

We worked hard to communicate our policy ideas to a range of external audiences through our website, electronic publications and YouTube channel. We prepared detailed policy submissions to all political parties contesting the 2016 Federal election, as well for the Royal Commission into Institutional Responses to Child Sexual Abuse, and the Productivity Commission.

Our Chief Executive Officer delivered numerous speeches on family-related issues. Families Australia also contributed to the work of many advisory bodies, such as SNAICC's Family Matters Steering Group, the Australian Institute of Family Studies' Child Family Community Australia, and Southern Cross University's Centre for Children and Young People.

We were delighted to relaunch Families Australia's website and corporate branding, as well as add new websites devoted to National Families Week and the Child Aware National Initiative.

The Board gave considerable attention to corporate governance improvement. This resulted, for example, in updated Board conflict of interest and code of conduct policies. Our work on governance and management improvement continues.

In closing, I wish to record my sincere thanks to the Board and staff for their outstanding efforts. In particular, I wish to acknowledge the exceptional efforts of our Chief Executive Officer, Dr Brian Babington, and his team.

From the Chief Executive Officer

Dr Brian Babington

What must we do to achieve major and lasting improvements in the safety and wellbeing of Australia's children? That remains one of the most significant and urgent questions facing our nation.

This year, Families Australia sought to contribute answers to that question in a variety of ways. The National Framework for Protecting Australia's Children 2009-2020 (the 'National Framework') remained at the centre of our work as a primary vehicle to promote greater child safety and wellbeing. I was proud of our work to help devise the Third Action Plan 2015-18 under the National Framework. Useful new directions were added, in particular, to make the first thousand days for a child as safe and nurturing as possible.

Families Australia co-chaired the National Forum for Protecting Australia's Children, the high-level standing group comprising senior Commonwealth, State and Territory Government officials and representatives of the National Coalition on Child Safety and Wellbeing which is charged with overseeing the Third Action Plan.

Families Australia also chaired the National Forum's Strategy Working Group 1 which developed and commenced implementation of the Third Action Plan's National Strategy 1 to advance early intervention with a focus on the early years.

The Child Aware Approaches Conference in May 2016 again successfully brought together hundreds of policymakers, researchers and practitioners from around Australia to share their ideas about how to better assist and encourage children and families who experience vulnerability. At the heart of the conference was June Oscar's moving Oration which drew our attention to the wonderful work that she and her team do in Fitzroy Crossing to try to tackle the problem of foetal alcohol spectrum disorders.

The Child Aware Local Initiative certainly hit its stride during the year. The seven trial sites around Australia all delivered their local plans of action to help make their communities more aware of the needs and interests of children. Thank you to all our local partners and our colleagues at the Australian Centre for Child Protection.

In seeking to promote the importance of families more broadly, National Families Week 2016 (15-21 May) saw a record of 130,000 people participating in hundreds of community-level events around the



country. Feedback continued to be extremely positive about the value of the Week.

In our advisory role to the national Parliament and Government, we made a number of submissions to inquiries and policy development processes. These included submissions concerning the Third Action Plan under the National Framework and to the Senate Inquiry into Out-of-Home Care. It was gratifying to see several of our perspectives reflected in committee reports.

In the lead-up to the July 2016 Federal election, we provided all Federal politicians with recommendations on ways to assist families experiencing marginalisation and disadvantage.

We continued to strengthen links with our members, including through numerous speeches, social media communications, policy forums and publications. Families Australia continued to maintain strong levels of income and cash reserve. Another unqualified external audit report was received.

I wish to thank all our members and supporters, especially the Commonwealth Government Department of Social Services. Thank you to the Chair and Board of Families Australia for their leadership and support.

I continue to have the great privilege of working with an extraordinary staff at Families Australia. The achievements mentioned in this Report would not have been possible without their skill, enthusiasm and dedication.

Our members and national network

As at 30 June 2016, Families Australia had 846 members, comprising: three Founding Members; 24 General Members; and 819 Associate Members. The Founding and General Members are listed below.

Founding Members

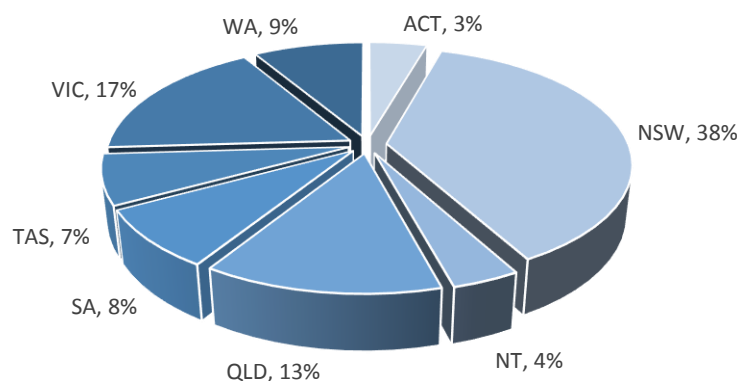
Australian Foster Care Association
Child and Family Welfare Association of Australia
The Secretariat of National Aboriginal and Islander Child Care

General Members

Aboriginal and Torres Strait Islander Healing Foundation
Anglicare Australia
Alliance for Forgotten Australians
Australian Association of Social Workers
Australian Community Children's Services
Australian Council on Children and the Media
Barnardos
Blue Knot Foundation
CREATE Foundation
Family and Relationship Services Australia
Family Inclusion Network Australia
Foundations Care
Grandparents Australia
NAPCAN
Our Watch
Parenting & Family Support Centre
Playgroup Australia
Public Health Association of Australia
Relationships Australia National
The Alannah and Madeline Foundation
The Benevolent Society
UnitingCare Australia
WISE Employment
YMCA Australia

Families Australia's 819 Associate Members cover a diverse range of organisations from large State organisations to local family day care providers. Every State and Territory of Australia is represented by Families Australia Associate Members.

Associate Members by State and Territory



Our performance

Strategic settings

To help achieve its vision and objective, Families Australia undertakes a range of work in three time-horizons—the next decade (2015-25), the next three years (2015-18), and the 2015-16 financial year.

Strategic goals 2015-18

Families Australia's strategic goals are to:

- improve the quality of national policies and programs relating to families;
- promote the importance and needs of families to the Australian community at large;
- further strengthen engagement with members, potential members, and other key stakeholders and support the non-government sector and civil society; and
- continue to strengthen Families Australia's governance and management capacities.

In doing so, Families Australia will focus its policy attention on assisting families experiencing vulnerability or marginalisation. Within that frame of reference, Families Australia will focus most attention on the safety and wellbeing of children. It will further develop its understanding of work and family issues and family violence.

In all its work, Families Australia will continue to advocate strongly on Aboriginal and Torres Strait Islander family issues. Families Australia respects the rights of Aboriginal and Torres Strait Islander people to preserve and practise their culture and to make decisions about their future.

Key business goals 2015-16

To advance these strategic goals, the Families Australia Board established 10 key business goals for 2015-16.

1. Implement the *Building Stronger Australian Families* policy initiative.
2. Complete phase 1 of the Child Aware Local Initiative.
3. Work to ensure that the safety and wellbeing of children and young people receives priority national policy attention through the National Framework for Protecting Australia's Children 2009-2020 (the 'National Framework').
4. Facilitate collaboration and knowledge exchange between Families Australia members and advise the Commonwealth Government and Parliament on family-related policy issues.
5. Convene National Families Week 2016.
6. Convene 2016 Child Aware Approaches Conference and Annual Oration.

7. Further strengthen links with members and expand membership to other sectors.
8. Further strengthen links with key stakeholders.
9. Maintain and improve governance and management standards.
10. Devise and implement an Aboriginal and Torres Strait Islander Reconciliation Plan (2015-18).

Following is a report on how Families Australia performed in 2015-16 in relation to these goals.

Business Goal #1

Implement the *Building Stronger Australian Families* policy initiative

Families Australia convened a series of policy forums to advance innovative and future-oriented national policy ideas to help families to thrive in the coming decades.

The forums brought together key thought-leaders from the fields of service provision, academia and government. This process and subsequent policy papers helped to broaden our understanding about important issues facing Australian families, including the likely impacts of national and international economic, social and political trends.

Policy papers and presentations from the forums were shared with the Department of Social Services as well as with Families Australia members via Families Australia publications, website and YouTube channel.

Business Goal #2

Complete phase 1 of the *Child Aware Local Initiative*

Phase 1 of the Child Aware Local Initiative (CALI) was completed successfully in 2016. CALI was a key element of the Second Action Plan of the National Framework.

CALI Phase 1 aimed to enhance community awareness of issues that negatively affect the wellbeing of children and young people and to assist trial site communities to undertake actions that foster safe and nurturing environments for children.

Families Australia collaborated with the Australian Centre for Child Protection at the University of South Australia to assist seven communities to finalise the design, development and implementation of their local community action plans.

All seven sites worked to activate Child Aware philosophies and principles through their plans. The community plans demonstrated ways in which communities aspire to, and play, major roles in putting the safety and wellbeing of children and young people at the centre of thinking and actions.

The seven national trial sites were Geeveston (Tasmania), Katherine (Northern Territory), Lismore (New South Wales), Maryborough (Victoria), Seaford (South Australia), Townsville (Queensland), and Tuggeranong South (Australian Capital Territory).

Families Australia contracted Murdoch Childrens Research Institute to review CALI Phase 1. That review demonstrated that CALI, as a method of activating the community and identifying appropriate responses for children and young people, had been successful. Community leaders showed great enthusiasm for identifying risks and creating active, new ways to support children, young people and their families.

We anticipate that learnings from CALI Phase 1 will contribute to future iterations of place-based initiatives under the National Framework.

The CALI resources, videos, community plans and achievements can be found on the Child Aware website: <childaware.org.au>.

Business Goal #3

Work to ensure that the safety and wellbeing of children and young people receives priority national policy attention through the National Framework for Protecting Australia's Children 2009-2020

Families Australia continued to play a lead role in coordinating and implementing the National Framework, Australia's first-ever national plan endorsed by the Council of Australian Governments to enhance the safety and wellbeing of children.

Families Australia's significant contributions to the negotiation and launch of the Third Action Plan (2015-18) included leadership of national consultations which informed key themes and national actions. The Third Action Plan was launched by the Minister for Social Services, the Hon Christian Porter MP, in December 2015.

Dr Babington continued to convene the National Coalition on Child Safety and Wellbeing (the 'National Coalition') and the National Coalition Steering Group. We assisted the engagement of the National Coalition Steering Group and National Coalition membership in the implementation of 2016 milestones.

Dr Babington served as co-Chair of the National Forum for Protecting Australia's Children. He also chaired Strategy Working Group 1, which provided direction and oversight of early intervention and prevention strategies and actions.

Families Australia continued to grow the National Coalition from 168 to 180 organisations, research institutes and academics.

Families Australia participated in the reference groups for the preparation and dissemination of the National Framework *Annual Report 2013-2014* and the *National Framework Baseline Evaluation Report* (2015), which was undertaken by ACIL Allen.

Families Australia played an active role in promoting the National Framework with the aim of enhancing public awareness of its potential to harness concerted national effort in bringing about improvements to the safety and wellbeing of children.

Families Australia senior staff delivered numerous speeches and presentations at conferences and policy forums. Dr Babington was also guest editor of the Association of Children's Welfare Agencies' *Developing Practice* journal (Issue 44, 2016) which focussed on the National Framework.

Business Goal #4

Facilitate collaboration and knowledge exchange between Families Australia members and advise the Commonwealth Government and Parliament on family-related policy issues

As well as hosting policy forums and producing policy papers that analysed trends and themes under the banner of *Building Stronger Australian Families*, we conducted an annual national policy survey, which we developed in consultation with the Department of Social Services. The survey identified a range of challenges experienced by the sector as well as emerging national policy issues.

Families Australia produced the fortnightly publication, *National Family News*, which regularly reached more than 1,500 organisations and individuals across the country and internationally, including government officials, service providers and academics.

Business Goal #5

Convene National Families Week 2016

For each of the past 14 years, Families Australia has hosted National Families Week, enabling the participation of hundreds of thousands of Australians in thousands of community-led events to celebrate the vital role played by families.

Over 130,000 people participated in more than 1,000 National Families Week events between 15 and 21 May 2016. The theme for National Families Week 2016 was *Stronger families, stronger communities*.

As in past years, Families Australia managed National Families Week on behalf of the Department of Social Services.

The 'National Families Week Ambassadors' initiative continued. Ambassadors included Mr Finn Pratt AO PSM, Secretary of the Department of Social Services, Dr John Falzon OAM, CEO, St Vincent de Paul Society National Council, Ms Deirdre Cheers, CEO, Barnardos Australia, and 20 other prominent Australians.

Feedback from participating organisations continued to show a very high degree of satisfaction with arrangements for the Week, including the look and practicality of promotional materials and Families Australia's support.

Business Goal #6

Convene 2016 Child Aware Approaches Conference and Annual Oration

Families Australia successfully convened the 4th Child Aware Approaches Conference in Brisbane between 23 and 24 May 2016. With the theme *Valuing, Protecting and Promoting Child Wellbeing*, the conference provided a platform for sharing innovative practices and resources and contributed to the national campaign to make the safety and wellbeing of Australia's children everyone's business and shared responsibility.

Ms Barbara Bennett, Deputy Secretary, Department of Social Services, opened the conference. The conference was attended by 340 delegates representing the community, government and academic sectors across Australia. In all, there were 65 presentations, including papers, interactive workshops, resource and poster displays, where experts shared their thinking, knowledge and innovative practice.

June Oscar AO delivered the Families Australia Oration. Her address was entitled *Healing to thrive*:

building the collective strengths of our families for positive generational change.

Several important conference keynote presentations were delivered based on the three key themes of the conference. Professor Kerry Arabena, Director, Indigenous Health Equity Unit, University of Melbourne, spoke about the Australian model of the first thousand days for a child. Professor Ross Homel AO, Foundation Professor of Criminology and Criminal Justice, Griffith University, addressed the theme of building child safe organisations and environments utilising 'collective impact' approaches.

A panel of young experts who had a 'care' experience were joined by State and Territory Childrens' Commissioners to emphasise the value of 'agency' and self-determination for young people in support of the conference theme about supporting young people to flourish into adulthood from out-of-home care.

A National Framework Symposium was presented by representatives of the National Coalition, and Commonwealth, State and Territory Governments.

Conference feedback identified that 91-100% of respondents believed the conference met or exceeded expectations for quality of program content, the quality of keynote speakers, and the cross-cutting focus placed on Aboriginal and Torres Strait Islander children and families. In addition, delegates noted that networking, venue, catering and customer service were exceptional.

Business Goal #7

Further strengthen links with members, and expand membership to other sectors

Families Australia committed to greater engagement with its members and key stakeholders. Around 250 people attended policy forums which were held in Perth (September 2015), Canberra (November 2015), Melbourne (February 2016), Canberra (April 2016), and Sydney (May 2016). The format of the forums aimed to enhance discussion on strategies and solutions to issues for families experiencing the greatest vulnerability.

Families Australia's membership maintained the record levels reached in 2015 with 846 members at the end of the year. New Families Australia members included organisations representing early childhood care and education, youth and family support services, and community sectors.

Business Goal #8

Further strengthen links with key stakeholders

Families Australia gave emphasis to strengthening links with all members, government officials and professional networks, including through policy forums in capital cities.

We provided support for delegates from rural and remote locations to attend the Child Aware Approaches Conference. Families Australia staff met regularly with senior officials from Commonwealth, State and Territory Governments, as well as held discussions with Ministers and their advisers on key child and family policy matters.

Families Australia utilised the 2016 annual member national policy survey to help share knowledge and experience between the Commonwealth Government and our membership. Policy papers were shared with Department of Social Services officials and the non-government sector as well as being distributed via electronic media.

In response to the 2016 member satisfaction survey, it was gratifying that the majority of members and stakeholders participating indicated that Families Australia had been successful in working for better national policies for families and children.

Business Goal #9

Maintain and improve governance and management standards

Families Australia met all its financial and legal obligations. It received another unqualified external audit report. It completed all legally contracted activities to agreed standards of quality, quantity and timeliness. Families Australia again performed well in terms of income and cash reserves. Please see the accompanying financial statements.

The Families Australia Board held four face-to-face meetings and one teleconference. Four meetings of the Finance and Financial Audit Sub-committee and three meetings of the Corporate Governance Sub-committee were also held during the year. These processes contributed to the Board's performance and in meeting the highest levels of probity.

The Board initiated a review of Board governance policies and practices. An external consultant, BoardConnect, undertook the review. Several recommendations were implemented.

The Families Australia website was extensively remodelled and new websites were created for

National Families Week and the Child Aware National Initiative. Corporate re-branding of Families Australia was undertaken as part of this process to create a uniform corporate identity in line with our mission, values and strategic plan.

Office infrastructure, including IT and telecommunications were updated and made more effective and secure. Implementation of the staff health and skills development plan included first aid training for staff and continuation of existing wellbeing programs.

Business Goal #10

Devise and implement an Aboriginal and Torres Strait Islander Reconciliation Plan (2015-18)

Families Australia strengthened linkages across and between Aboriginal and Torres Strait Islander controlled organisations through all its activities and communications. In particular, Dr Babington provided significant support to the development of the Family Matters campaign, which was led by the Secretariat of National Aboriginal and Islander Child Care. This national campaign aims to reduce the over-representation of Aboriginal and Torres Strait Islander children and young people in child protection systems.

Families Australia worked with National Coalition members to encourage a greater emphasis on Aboriginal and Torres Strait Islander children, families, and communities in the Third Action Plan under the National Framework.

Families Australia promoted Aboriginal and Torres Strait Islander contributions to, and participation in, National Families Week, the Child Aware Approaches Conference and policy forums as well as by sharing Aboriginal and Torres Strait Islander promising practices, resources and publications through e-publications.

Sixteen per cent of Child Aware Approaches Conference delegates who responded to the post-conference survey identified as working in the Aboriginal and Torres Strait Islander sector and 91% believed the conference met or exceeded expectations on the focus placed on Aboriginal and Torres Strait Islander children and families.

Families Australia also undertook an extensive consultation with Aboriginal and Torres Strait Islander controlled organisations and Board members in the development of its next Reconciliation Action Plan.

Our governance

Role and functions of the Board

The Families Australia Board is responsible for guiding the organisation and is accountable for the actions and impacts of the organisation as a whole.

The Board's main governance functions are to:

- define and review the organisation's mission and key strategic objectives and review programs, purposes, priorities and vision for the future;
- approve and monitor an annual budget, and recommend to the Annual General Meeting the appointment of an independent auditor;
- oversee and evaluate programs, ensure that Families Australia is aware and informed of changes in the external environment, and be an advocate for the organisation in the community;
- ensure that Families Australia conforms to its legal obligations under relevant Australian laws;
- ensure that Families Australia conforms to its legal obligations under contracts with its funding bodies, such as the Commonwealth Government;
- establish Sub-committees as appropriate to assist the Board in its deliberations;
- ensure that audited financial statements are submitted annually; and
- ensure that the performance of the Board and staff meets the needs and strategic directions of the organisation.

Board structure

Under Families Australia's *Constitution*, the Board is comprised of up to 12 members. As at 30 June 2016, the Board comprised the following 12 members.

- Ms Prue Warrilow: Chair, and nominee of Australian Community Children's Services
- Ms Tricia Murray: Deputy Chair, and nominee of the Child and Family Welfare Association of Australia
- Ms Bev Orr OAM: Secretary, and nominee of the Australian Foster Care Association
- Ms Alison Brook: nominee of Relationships Australia
- Professor Alan Hayes AM: Co-opted Member (under the Families Australia *Constitution* Article 11(3)(d))
- Ms Sue-Anne Hunter: nominee of the Secretariat of National Aboriginal and Islander Child Care
- Ms Anne McLeish OAM: nominee of Grandparents Australia

- Dr Sue Packer AM: nominee of the National Association for Prevention of Child Abuse and Neglect
- Mr Paul Rajan: Co-opted Member (under the Families Australia *Constitution* Article 11(3)(d))
- Mr Simon Schrapel: nominee of UnitingCare Australia
- Mr David Templeman: nominee of The Public Health Association of Australia
- Mr Richard Weston: nominee of The Aboriginal and Torres Strait Islander Healing Foundation

Ms Sharron Williams (nominee of the Secretariat of National Aboriginal and Islander Child Care) ended her term on the Families Australia Board in 2015-16.

Meetings

The Families Australia *Constitution* specifies that the Board shall meet at least four times each year, which may occur in person or by telecommunications but at least two shall be face-to-face. In 2015-16, the Board held four face-to-face meetings and one teleconference.

Performance

Board members provided feedback on Board meetings at the conclusion of each meeting. The Board engaged BoardConnect to undertake a review to support Board continuous governance improvement. In keeping with annual practice, the Chief Executive Officer's performance was reviewed by the Board.

The Board has established two Board Sub-committees: the Corporate Governance Sub-committee and the Finance and Financial Audit Sub-committee. In 2015-16, the members of the Sub-committees were as follows:

Corporate Governance Sub-committee:

Ms Prue Warrilow (Convenor)
 Ms Alison Brook
 Ms Anne McLeish OAM
 Ms Tricia Murray
 Ms Bev Orr OAM
 Mr David Templeman

Finance and Financial Audit Sub-committee:

Ms Tricia Murray (Convenor)
 Ms Bev Orr OAM
 Mr David Templeman
 Mr Richard Weston



Above (left to right) at the Child Aware Approaches Conference, 23 May 2016: Mr Simon Schrapel; Ms Alison Brook; Ms Bev Orr OAM (Secretary, Families Australia); Mr Paul Rajan; Ms Anne McLeish OAM; Ms Sue-Anne Hunter; Ms June Oscar AO (Families Australia 2016 Oration speaker, non-Board member); Professor Alan Hayes AM; Ms Prue Warrilow (Chair, Families Australia); Dr Brian Babington (Chief Executive Officer, Families Australia); Mr David Templeman; Dr Sue Packer AM; Ms Stella Conroy (Deputy Chief Executive Officer, Families Australia); and Ms Tricia Murray (Deputy Chair, Families Australia). Absent: Mr Richard Weston.

Board members' meeting attendance 2015-16

Board Member	Full meetings of the Board		Meetings of Sub-committees			
	Held	Attended	Corporate Governance		Finance and Financial Audit	
			Held	Attended	Held	Attended
Ms Prue Warrilow	5	5	3	3		
Ms Tricia Murray	5	4	3	3	4	3
Ms Bev Orr OAM	5	4	3	3	4	3
Ms Alison Brook	5	5	3	2		
Professor Alan Hayes AM (from 1 July 2015)	5	3				
Ms Sue-Anne Hunter (from 10 March 2016)	2	1				
Ms Anne McLeish OAM	5	3	3	3		
Dr Sue Packer AM	5	5				
Mr Paul Rajan	5	3				
Mr Simon Schrapel	5	5				
Mr David Templeman	5	4	3	3	4	3
Mr Richard Weston	5	4			4	2
Ms Sharron Williams (until 29 February 2016)	3	0				

Our staff and organisation

As at 30 June 2016, Families Australia had two full-time and six part-time staff members.

- Dr Brian Babington, Chief Executive Officer
- Ms Stella Conroy, Deputy Chief Executive Officer
- Ms Jennifer Horsfield, Office Manager and Manager of National Families Week
- Ms Elizabeth Hunter, Events and Communications Officer
- Ms Helen Bedford, Policy Officer
- Ms Fiona Smart, Policy Officer
- Ms Eileen O'Brien, Policy Officer
- Ms Fiona Langford, Accounts Manager

Families Australia continued to build a workplace that supported and rewarded excellent performance and which maximised family-friendliness for all staff.

The organisation maintained a close watch on its occupational health and safety responsibilities and ensured that time was taken to acknowledge achievements as well as critically assess areas for improvement.

Our finances

**FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225**

**FINANCIAL REPORT
FOR THE YEAR ENDING 30 JUNE 2016**

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

TABLE OF CONTENTS

Board Report	15
Financial Statements	
Statement of Comprehensive Income	17
Statement of Financial Position	18
Statement of Changes in Equity	19
Statement of Cash Flows	20
Notes to the Financial Statements	21
Statement by Members of the Board	37
Independent Auditor's Report	38

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

BOARD REPORT

Your Board members submit the financial report of Families Australia Incorporated for the financial year ended 30 June 2016.

Board Members

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

Prue Warrillow (Chairperson)	Dr Sue Packer AM
Tricia Murray (Deputy Chair)	Paul Rajan
Bev Orr OAM (Secretary)	Simon Schrapel
Alison Brook	David Templeman
Professor Alan Hayes AM (from 1 July 2015)	Richard Weston
Sue-Anne Hunter (from 10 March 2016)	Sharron Williams (until 29 February 2016)
Anne McLeish OAM	

Objectives

Short term objectives

Families Australia's strategic goals are to:

- Improve the quality of national policies and programs relating to families
- Promote the importance and needs of families to the Australian community
- Further strengthen engagement with Members, potential members, and other key stakeholders and support the NGO sector and civil society
- Continue to strengthen Families Australia's governance and management capacities.

In doing so, Families Australia will focus its policy attention on assisting families who experience vulnerability or marginalisation and those under pressure. Within that frame of reference, Families Australia will focus most attention on the safety and wellbeing of children.

In all its work, Families Australia will continue to advocate strongly on Aboriginal and Torres Strait Islander family issues. Families Australia respects the rights of Aboriginal and Torres Strait Islander people to preserve and practise their culture and to make decisions about their future.

Long term objective

Vision

Australian families, in all their diversity, enjoy the greatest possible wellbeing.

Objective

Families Australia's objective is to work towards the recognition of, and support for, the social, economic, cultural, spiritual, and developmental needs of families, young people and children in Australian communities, in particular, by relieving the suffering, distress and helplessness of those who experience vulnerability and disadvantage, so as to enhance their physical, social and emotional wellbeing.

This objective will contribute to a united Australia that provides justice and equity for all, in particular for those who experience vulnerability and disadvantage, and which recognises the fundamental importance of families and the heritage and culture of all Australians, including the original inhabitants, the Aboriginal and Torres Strait Islander peoples.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

BOARD REPORT (CONTINUED)

Strategy for Achieving the Objectives

To achieve these objectives, Families Australia:

- (a) leads national conversations about the importance and needs of families, and
- (b) works with governments and other stakeholders to identify and bring to fruition policy ideas that maximize family wellbeing, especially amongst families that experience the greatest degree of vulnerability and marginalisation.

Principal activities

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

Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

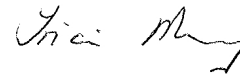
The surplus/(deficit) of the Association for the year amounted to (\$420), 2015: \$144,235.

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



Prue Warrilow

Dated 7 October 2016



Tricia Murray

Dated 7 October 2016

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue	2	1,138,838	1,159,662
Administration Costs		(85,492)	(87,435)
Conference and seminar costs		(194,470)	(131,991)
Depreciation and amortisation expenses	3	(10,611)	(13,755)
Employee benefits expense		(549,233)	(513,287)
Rent		(36,934)	(35,294)
Publication costs		(159,344)	(77,759)
Other expenses		(103,174)	(155,906)
Surplus before income tax		(420)	144,235
Income tax expense		-	-
Surplus/(Deficit) attributable to members of the entity		(420)	144,235
Other comprehensive income		-	-
Total comprehensive income		(420)	144,235
Total comprehensive income attributable to members		(420)	144,235

The accompanying notes form part of this financial statement

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	6	154,153	458,600
Investments	7	380,813	372,755
Trade and other receivables	8	117,143	230
Other current assets	9	45,462	7,005
TOTAL CURRENT ASSETS		<u>697,571</u>	<u>838,590</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	54,082	60,449
TOTAL NON-CURRENT ASSETS		<u>54,082</u>	<u>60,449</u>
TOTAL ASSETS		<u>751,653</u>	<u>899,039</u>
CURRENT LIABILITIES			
Trade and other payables	11	209,011	339,949
Borrowings	12	14,734	5,250
TOTAL CURRENT LIABILITIES		<u>223,746</u>	<u>345,199</u>
NON CURRENT LIABILITIES			
Trade and other payables	11	343	10,913
Borrowings	12	-	14,944
TOTAL NON CURRENT LIABILITIES		<u>343</u>	<u>25,857</u>
TOTAL LIABILITIES		<u>224,089</u>	<u>371,056</u>
NET ASSETS		<u>527,564</u>	<u>527,983</u>
EQUITY			
Retained earnings		527,564	527,983
TOTAL EQUITY		<u>527,564</u>	<u>527,983</u>

The accompanying notes form part of this financial statement

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Retained surplus	Total
	\$	\$
Balance at 1 July 2014	383,748	383,748
Surplus attributable to members	144,235	144,235
Balance at 30 June 2015	527,983	527,983
Balance at 1 July 2015	527,983	527,983
Deficit attributable to members	(420)	(420)
Balance at 30 June 2016	527,563	527,563

The accompanying notes form part of this financial statement

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and operating grants		983,473	966,083
Payment to suppliers and employees		(1,287,233)	(1,268,116)
Interest received		17,073	24,927
Net cash provided by operating activities	17	<u>(286,687)</u>	<u>(277,106)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(4,244)	(1,709)
Purchase of investments		(8,058)	-
Net cash used in investing activities		<u>(12,302)</u>	<u>(1,709)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds/ (Repayments) from borrowings		(5,460)	(13,197)
Net cash used in financing activities		<u>(5,460)</u>	<u>(13,197)</u>
Net increase/(decrease) in cash and cash equivalents		(304,448)	(292,012)
Cash and cash equivalents at the beginning of the period		458,600	750,612
Cash and cash equivalents at the end of the period	6	<u><u>154,152</u></u>	<u><u>458,600</u></u>

The accompanying notes form part of this financial statement

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers Families Australia Incorporated as an individual entity. Families Australia Incorporated is an association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991*.

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations and the *Associations Incorporation Act (ACT) 1991* of the Australian Capital Territory.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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 as indicated 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 directors to ensure it is not in excess of the recoverable amount from these 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.

The cost of fixed assets constructed within the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of fixed asset	Depreciation rate	Depreciation basis
Office equipment	10-20%	Straight line
Computer equipment	25-33%	Diminishing value
Motor vehicles	22.5%	

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation (continued)

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.

c) 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 by recording an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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 ownership over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

d) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Financial instruments (continued)

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

- (i) *Financial assets at fair value through profit or loss*
Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss. The association has not held any financial assets at fair value through profit or loss in the current or comparative financial year.
- (ii) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.
- (iii) *Held-to-maturity investments*
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method. The association has not held any held-to-maturity investments in the current or comparative financial year.
- (iv) *Available-for-sale financial assets*
Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.
- (v) *Financial liabilities*
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At each reporting date, the association assesses 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 an impairment has arisen. Impairment losses are recognised in the income statement.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) 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.

f) 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. 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. These cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

g) 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.

h) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the financial year.

Government Grant 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 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 components of investing and financing activities, which are disclosed as operating cash flows.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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) Key estimates

Impairment

The association assesses impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

l) Key judgements

Provision for impairment of receivables

The Board has received undertakings from the debtors that such unpaid amounts will be paid and therefore no provision for impairment has been made.

m) New standards and interpretations issued but not yet effective

New, revised or amending Accounting standards and interpretations adopted

The incorporated association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 30 June 2016. The incorporated association's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the incorporated association, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The incorporated association will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the incorporated association.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) New standards and interpretations issued but not yet effective (continued)

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The incorporated association will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the incorporated association.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The incorporated association will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the incorporated association.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 2. REVENUE

	2016	2015
	\$	\$
Operating activities:		
Subsidies and Grant	866,697	940,568
Member subscriptions	10,516	14,205
Conference Registration/Sponsorship	238,709	170,814
Other Operating Revenue	5,843	9,148
Interest received	17,073	24,927
	<u>1,138,838</u>	<u>1,159,662</u>

NOTE 3. SURPLUS/(DEFICIT) FOR THE YEAR

Depreciation of non-current assets:		
- Computer Equipment	3,051	3,020
- Motor Vehicles	3,757	4,848
- Office Equipment	3,803	5,887
Total depreciation	<u>10,611</u>	<u>13,755</u>
Operating lease expense	36,934	35,294
Finance costs	236	2,090

NOTE 4. AUDITORS' REMUNERATION

Auditing or reviewing financial reports	9,370	9,500
	<u>9,370</u>	<u>9,500</u>

NOTE 5. KEY MANAGEMENT PERSONNEL COMPENSATION

	Short-term benefits	Long-term benefits	Post retirement benefits	Total
	\$	\$	\$	\$
2016				
Total compensation	174,631	8,948	16,708	<u>200,287</u>
2015				
Total compensation	152,574	6,178	16,965	<u>175,717</u>

NOTE 6. CASH AND CASH EQUIVALENTS

Cash at bank	154,076	458,437
Cash on hand	77	163
	<u>154,153</u>	<u>458,600</u>

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 7. INVESTMENTS

	2016	2015
	\$	\$
Term deposits	380,813	372,755
	380,813	372,755
	380,813	372,755

NOTE 8. TRADE AND OTHER RECEIVABLES

Trade debtors	117,143	230
	117,143	230
	117,143	230

Current trade receivables are non-interest bearing loans and are generally receivable within 30 days. A provision for impairment is recognised against subscriptions where there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2016 (2015: Nil).

Credit risk

The entity has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

The following table details the entity's subscriptions receivable exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the association and the member or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the entity.

The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount \$	Past due and impaired \$	Past due but not impaired				Within initial trade terms \$
			Days overdue				
			< 30 \$	31 - 60 \$	61 - 90 \$	> 90 \$	
2016							
Trade and other receivables	117,143	-	117,143	-	-	-	-
Total	117,143	-	117,143	-	-	-	-
2015							
Trade and other receivables	230	-	230	-	-	-	-
Total	230	-	230	-	-	-	-

The entity does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

Collateral held as security

No collateral is held as security for any of the trade and other receivable balances.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 9. OTHER CURRENT ASSETS

	2016	2015
	\$	\$
Prepayments	39,178	721
Deposit Bond	6,284	6,284
	<u>45,462</u>	<u>7,005</u>

NOTE 10. PROPERTY, PLANT AND EQUIPMENT

Computer Equipment

At cost	28,101	23,858
Accumulated depreciation	(22,103)	(19,051)
	<u>5,999</u>	<u>4,807</u>

Motor Vehicles

At cost	32,816	32,815
Accumulated depreciation	(19,876)	(16,118)
	<u>12,940</u>	<u>16,697</u>

Office equipment

At cost	53,200	53,200
Accumulated depreciation	(18,057)	(14,255)
	<u>35,143</u>	<u>38,945</u>

Total Property, Plant and Equipment

	<u>54,082</u>	<u>60,449</u>
--	----------------------	----------------------

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:

	Computer equipment	Motor vehicles	Office equipment	Total
	\$	\$	\$	\$
2015				
Balance at the beginning of year	6,117	21,544	44,834	72,495
Additions	1,709	-	-	1,709
Depreciation expense	(3,019)	(4,847)	(5,889)	(13,755)
Carrying amount at the end of year	<u>4,807</u>	<u>16,697</u>	<u>38,945</u>	<u>60,449</u>
2016				
Balance at the beginning of year	4,807	16,697	38,945	60,449
Additions	4,244	-	-	4,244
Depreciation expense	(3,051)	(3,757)	(3,803)	(10,611)
Carrying amount at the end of year	<u>5,999</u>	<u>12,940</u>	<u>35,142</u>	<u>54,082</u>

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 11. TRADE AND OTHER PAYABLES

	2016	2015
	\$	\$
CURRENT		
Unsecured liabilities:		
Trade payables	4,515	6,201
Sundry accruals and payables	17,156	23,423
Grant funding in advance and unexpended grants	80,000	237,713
Annual leave liability	41,061	29,903
Long Service leave liability	66,279	42,709
	209,011	339,949
NON CURRENT		
Long service leave liability	343	10,913
	343	10,913

NOTE 12. FINANCIAL LIABILITIES

CURRENT		
Lease liability	14,734	5,250
NON CURRENT		
Lease liability	-	14,944
Financial liabilities at amortised cost classified as borrowings	14,734	20,194

NOTE 13. CAPITAL AND LEASING COMMITMENTS

13 a. Finance Lease Commitments

Payable — minimum lease payments		
Not later than 12 months	15,182	6,266
Between 12 months and 5 years	-	15,216
Minimum lease payments	15,182	21,482
Less future finance charges	(448)	(1,288)
Present value of minimum lease payments	14,734	20,194

The motor vehicle lease is a non-cancellable lease with a four-year term, with rent payable monthly in advance.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 13. CAPITAL AND LEASING COMMITMENTS (CONTINUED)

13 b. Operating Lease Commitments

	2016	2015
	\$	\$
Payable – minimum lease payments	-	-
Not later than 12 months	28,771	7,409
Between 12 months and 5 years	7,246	-
	<u>36,017</u>	<u>7,409</u>

The property lease is a non-cancellable lease with a two year term, with rent payable monthly in advance.

Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by CPI and/or market rates per annum.

An option exists to renew the lease at the end of the two year term for an additional term of two years.

NOTE 14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

NOTE 15. 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 state of affairs of the association in future periods.

NOTE 16. RELATED PARTY TRANSACTIONS

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 Incorporated includes directors from the founding members of the organisation. These members have prescribed membership fees that are paid in full for each financial year on normal commercial terms and conditions. No related party transactions during the year.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 17. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with surplus

	2016	2015
	\$	\$
Profit / (Loss) after income tax	(420)	144,235
Cash flows excluded from profit attributable to operating activities:		
Non-cash flows in profit		
Depreciation	10,611	13,755
Loss on disposal of non-current assets	-	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and term debtors	(116,913)	1,555
(Increase)/decrease in other current assets	(38,457)	7,751
Increase/(decrease) in accruals and payables	(7,952)	(53,270)
Increase/(decrease) in unearned income	(157,713)	(401,287)
Increase/(decrease) in provisions	24,157	10,155
	<u>(286,687)</u>	<u>(277,106)</u>

NOTE 18. FINANCIAL INSTRUMENTS

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2016	2015
		\$	\$
Financial assets			
Cash and cash equivalents	6	154,153	458,600
Other receivables	8	117,143	230
		<u>271,296</u>	<u>458,830</u>
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	11a	21,672	29,624
- borrowings	12a	14,734	20,194
		<u>36,406</u>	<u>49,818</u>

The association's Board is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Finance and Financial Audit Committee monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, financial risk, and interest rate risk. Discussions on monitoring and managing financial risk exposures are held quarterly and minuted by the Board.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 18. FINANCIAL INSTRUMENTS (CONTINUED)

The Finance and Financial Audit Committee's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Specific Financial Risk Exposures and Management

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

a. Interest rate risk

The association is not exposed to any significant interest rate risk since cash balances are maintained at variable rates.

b. Liquidity risk

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The association manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

The table on the following page reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle finance leases reflect the earliest contractual settlement dates.

Financial liability and financial assets maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables (excluding est. annual leave and grants receivable in advance)	21,672	29,624	-	-	-	-	21,672	29,624
Finance lease liabilities	14,734	5,250	-	14,944	-	-	14,734	20,194
Total contractual outflows	36,406	34,874	14,944	14,944	-	-	36,406	49,818
Total expected outflows	36,406	34,874	14,944	14,944	-	-	36,406	49,818

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 18. FINANCIAL INSTRUMENTS (CONTINUED)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets — cash flows realisable								
Cash and cash equivalents	154,153	458,600	-	-	-	-	154,153	458,600
Investments	380,813	372,755	-	-	-	-	380,813	372,755
Trade and other receivables	117,143	230	-	-	-	-	117,143	230
Total anticipated inflows	652,109	831,585	-	-	-	-	652,109	831,585
Net (outflow)/inflow on financial instruments	615,703	796,711	-14,944	-14,944	-	-	615,703	781,767

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability. Refer to Note 12 for further details

c. Foreign exchange risk

The association is not exposed to fluctuations in foreign currencies.

d. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness. Subscriptions are expected to be paid prior to the commencement of the subscription period. All subscriptions receivable are past due.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Board has otherwise cleared as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

There is no collateral held by the association securing trade and other receivables.

The association has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 7.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 8.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 18. FINANCIAL INSTRUMENTS (CONTINUED)

e. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors for commodities. Currently the association does not hold available-for-sale investments where they may be exposed to securities price risk.

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Areas of judgment and the assumptions used have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

	Footnote	2016		2015	
		Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	154,153	154,153	458,600	458,600
Investments		380,813	380,813	372,755	372,755
Trade and other receivables	(i)	117,143	117,143	230	230
Total financial assets		652,109	652,109	831,585	831,585
Financial liabilities					
Trade and other payables	(i)	21,672	21,672	29,624	29,624
Lease liability	(ii)	14,734	14,734	20,194	20,194
Total financial liabilities		36,406	36,406	49,818	49,818

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for relating to annual leave which is not considered a financial instrument.
- (ii) These liabilities are fixed interest leases carried at amortised cost. Differences between carrying value and net fair value represent decreases in market interest rates.

**FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 19. ASSOCIATION DETAILS

Principal place of business is:
Families Australia Incorporated
Suite 3, 7 National Circuit
Barton ACT 2600

NOTE 20. ECONOMIC DEPENDENCY

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

Families Australia received verbal confirmation of the likely continuation of expired contracts.

FAMILIES AUSTRALIA INCORPORATED
ABN 21 830 960 225

STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the Board the financial report as set out on pages 21 to 36:

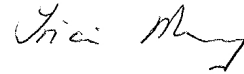
1. Presents a true and fair view of the financial position of Families Australia Incorporated as at 30 June 2016 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards 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 Board and is signed for and on behalf of the Board by:



Prue Warrilow

Dated 7 October 2016



Tricia Murray

Dated 7 October 2016



RSM Australia Pty Ltd

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61(0) 2 6217 0300

F +61(0) 2 6217 0401

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
FAMILIES AUSTRALIA INCORPORATED

We have audited the accompanying financial report of Families Australia Incorporated (“the entity”), which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by Members of the Board.

Directors' Responsibility for the Financial Report

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and *Associations Incorporation Act (ACT) 1991*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Families Australia Incorporated as at 30 June 2016 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and *Associations Incorporation Act (ACT) 1991*.

RSM Australia Pty Ltd



RODNEY MILLER
Director

Canberra, Australian Capital Territory
Dated: 7 October 2016

With thanks

Families Australia would like to thank all its supporters.

In particular, Families Australia gratefully acknowledges its members and the Commonwealth Government for their ongoing support.

© Families Australia 2016

Websites: www.familiesaustralia.org.au | www.nfw.org.au | www.childaware.org.au

Phone: 02 6273 4885

Address: Suite 3, 7 National Circuit, Barton ACT 2600

Email: admin@familiesaustralia.org.au



FamiliesAustralia