

# Annual Financial Report

**30 June 2020**

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**Barnardos  
Australia**

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# Barnardos Australia Directors' Report

The Directors of Barnardos Australia present their report together with the annual financial report for the financial year ended 30 June 2020.

## DIRECTORS

The names of the Directors who have held office during the year and until the date of this report are:

Name	Particulars
<p><b>Janett Margaret Milligan</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Chair from 1 July 2019</b></p> <p>Director since October 2016, appointed Chair July 2019.</p> <p>Janett is a Consultant advising government and non-government organisations on strategy and policy, infrastructure projects and governance arrangements. She is a former Executive Director of Venues NSW and has held senior government appointments in a range of human services including housing, aged and disability services Janett is currently a Trustee of the NSW Responsible Gambling Fund.</p> <p>Qualifications include: Bachelor of Social Science (Hons) (University of New England), Master of Business Administration (University of Sydney), Graduate of the Australian Institute of Company Directors.</p> <p>Member of the People and Practice Committee and Member of the Governance Committee, Board Visitor to Hunter/Central Coast TFC and Kinship Care.</p>
<p><b>Jane Elizabeth Paskin</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director</b></p> <p>Director since May 2012</p> <p>Jane is a former Senior Partner in the financial services practice of Clayton Utz Lawyers and currently a consultant to Clayton Utz. Jane has practised financial services law for over 30 years. Jane is the Chair of Rice Warner a leading research and consultancy business in the financial services industry, and Chair of ClearView Life Nominees Pty Limited, the trustee of the Clearview Retirement Plan and a director of R T Health Fund.</p> <p>Qualifications include: Bachelor of Law (Hons) (University of Technology), Graduate Australian Institute of Company Directors, ASFA Accredited Investment Fiduciary and ASFA Trustee Fellow.</p> <p>Chair of the Risk Committee and Member of the Finance and Audit Committee, Board Visitor to the Auburn Children's Family Centre.</p>
<p><b>John William Pittard</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director</b></p> <p>Director since April 2014</p> <p>John is currently a non-executive director and Chair of ASX Listed company RXP Services Limited and non-executive director of AEMO (Australian Energy Market Operator). John has significant experience in senior executive and Board roles on both listed and private company boards. John has an extensive background leading organisational transformation (business and technology) and the development and execution of technology strategies across multiple industries. Qualifications include: Bachelor of Science (Newcastle University), and Member of the Australian Institute of Company Directors.</p> <p>Chair of the Barnardos Technology Advisory Board, Member of the Governance Committee and Member of the Risk Committee and Board Visitor to Find-A-Family (NSW).</p>

## Barnardos Australia Directors' Report (Cont.)

Name	Particulars
<p><b>Prof Frances Eileen Waugh</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director</b></p> <p>Director since May 2014</p> <p>Fran is a Professor in Social Work, Sydney School of Education and Social Work, University of Sydney. Fran has over 20 years' professional experience as a registered nurse and then social worker, prior to the past 20 years as an academic in the Social Work and Policy Studies Program in the Faculty of Education and Social Work at the University of Sydney. Her practice research has included a focus on child emotional abuse, child protection and domestic violence.</p> <p>Qualifications include: Graduate Certificate in Educational Studies (Higher Education) with merit (University of Sydney), Doctor of Philosophy, Department of Social Work (University of Sydney), Bachelor of Social Work (Honours class 1) (University of New South Wales).</p> <p>Chair of the People and Practice Committee, Board Visitor to South Coast Children's Family Centre.</p>
<p><b>Rhonda Gail Stien</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director</b></p> <p>Director since July 2014</p> <p>Rhonda is currently Director of Plan Plus Consulting, a management consultancy service providing expertise in strategic management, workplace investigation and conflict resolution to government and the not-for-profit sector. Previous experience includes Executive Director Child and Family, NSW Department of Community Services, Chief Executive Officer Uniting Care Burnside. Rhonda worked at Barnardos in the 1980's as Director of Adoption and Foster Care Services.</p> <p>Qualifications include: Master of Business Administration (Macquarie University) and Master of Social Work (University of NSW).</p> <p>Chair of the Governance Committee and Member of the People and Practice Committee and Finance and Audit Committee.</p>
<p><b>Sam George Garland</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director</b></p> <p>Director since May 2017</p> <p>Sam has over 10 years' experience in financial reporting, risk management and governance as a company auditor and professional adviser. Sam is currently a Partner at PwC Australia, leading the statutory and regulatory audits of complex financial institutions. He also advises on regulatory matters, risk management controls and organisational governance. Sam has experience auditing and working with a number of not-for-profit organisations, including in the education and medical sector.</p> <p>Qualifications include: Bachelor of Arts, Business Economics (University of Leeds), Member Chartered Accountants of Australia and New Zealand, registered company auditor (ASIC).</p> <p>Chair of the Finance and Audit Committee.</p>

## Barnardos Australia Directors' Report (Cont.)

Name	Particulars
<p><b>Bradley Clifford Cooke</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director</b></p> <p>Director since May 2017</p> <p>A Bidjigal man from the La Perouse Aboriginal community in the Eastern Suburbs of Sydney, Brad is passionate about building the capability of Indigenous people around the country and telling the history of Indigenous Sports people. A broadcaster on television and radio, Brad is currently on secondment from Jawun as part of the Jawun Indigenous Corporate Leadership Program as a Manager, Emerging Technology with the Commonwealth Bank of Australia.</p> <p>Qualifications include: Executive Education Course, Non Profit/Public/Organisational Management, Performance Measurement for Effective Management of Non-profit organisations (Harvard University, Kennedy School of Government).</p> <p>Member of the Engagement Committee and Board Visitor to BIG and Indigenous capacity building program.</p>
<p><b>Paul Ireland</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director</b></p> <p>Director since November 2017</p> <p>Paul currently works with Boards and Investment Committees providing advice on investment arrangements. Paul was General Manager of MLC Implemented Consulting and previously held senior roles in both the finance industry and TAFE. He has managed successful businesses in the public and private sectors.</p> <p>Qualifications include: Master of Business Administration (AGSM, UNSW), Chartered Financial Analyst (CFA) (AIMR USA), Bachelor of Engineering (Sydney University), Bachelor of Social Studies (Hons) (Sydney University), Diploma of Adult Education (Sydney College of Advanced Education).</p> <p>Member of the Finance and Audit Committee and Member of the Engagement Committee, Board Visitor to the Penrith Children's Family Centre.</p>
<p><b>Julia-Anne Davenport</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director</b></p> <p>A Director since May 2019</p> <p>Julia is a company director and business advisor with particular experience in the design and implementation of cultural change initiatives and strategic oversight in the professional services, environmental management, NFP and industry association sectors. Among other appointments, Julia is a non-executive director of Lindsay Dynan Consulting Engineers and former Deputy Chair of the Children's Book Council of Australia. Julia is founding director of Davenport Marketing and Advisory, a specialist consultancy with a key focus in the development of innovative strategy.</p> <p>Qualifications include: Bachelor of Arts (Information Science) (University of Technology), Graduate Australian Institute of Company Directors.</p> <p>Chair of the Engagement Committee (since November 2019).</p>

## Barnardos Australia Directors' Report (Cont.)

Name	Particulars
<p><b>Dr Stephen Hilary Curwen Mills</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director since August 2019</b></p> <p>Director since 28 August 2019. Stephen is an honorary senior lecturer in the School of Social and Political Sciences at the University of Sydney. His previous experience is as a journalist and editor with Fairfax newspapers, political adviser (speechwriter) to Prime Minister Hon R J L Hawke, and corporate affairs adviser in the financial services sector. He is the former Chair of Australian Business Foundation and former director of ShareGift Australia.</p> <p>Qualifications include: Bachelor of Arts (Hons) University of Melbourne; Master of Public Administration, John F Kennedy School of Government, Harvard University; Doctor of Philosophy, University of Sydney.</p> <p>Member of the Risk Committee and Board Visitor to ACT Together.</p>
<p><b>Amy Kilpatrick</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director since November 2019</b></p> <p>Amy is a lawyer with a background in public interest law and the higher education sector and is currently a Senior Legal Adviser to the ACT Government. Amy has also led not for profit organisations in the social justice sector. Her key areas of practice are administrative law, governance, human rights and discrimination. Amy is also a non-executive director of Directions Health Service.</p> <p>Qualifications include: Barrister and Solicitor of the Supreme Court of the Australian Capital Territory, Bachelor of Law (Hons) (Australian National University), Bachelor of Arts (Politics and Sociology) USA, Graduate Diploma in Politics (University of Melbourne), Graduate of the Australian Institute of Company Directors.</p> <p>Member of the Governance Committee and Board Visitor to Canberra Children's Family Centre and Southern NSW (Queanbeyan).</p>
<p><b>Dr Rosemary Forsyth Howard</b></p> <p>Qualifications and Experience</p> <p>Special Responsibilities</p>	<p><b>Director until 27 November 2019</b></p> <p>Director since November 2010</p> <p>Rosemary is a Child and Adolescent Psychiatrist with over 30 years' experience as a clinician in Child and Adolescent Mental Health Services. Past roles include a Staff Specialist with Northern Sydney and Central Coast Area Health Service and as a Visiting Medical Officer with Western NSW Local Health District in Orange and Bathurst. Rosemary has experience in the Northern Territory, working to support the development of Child and Youth Mental Health Services in Central Australia, including seeing Aboriginal families in Alice Springs and remote communities. Rosemary currently works as a Psychiatrist member on both the NSW and NT Mental Health Review Tribunals.</p> <p>Qualifications include: MBBS (Hons), FRANZCP, Cert in Child Psych.</p> <p>Member of the Risk Committee, Board Visitor to the Sydney Metro Children's Family Centre.</p>

## Barnardos Australia Directors' Report (Cont.)

Name	Particulars
<b>Alyssum (Abbey) McKinnon</b>	<b>Director until 27 November 2019</b>
Qualifications and Experience	<p>Director since October 2010</p> <p>Abbey has extensive experience as a lawyer having practiced as a Barrister in Victoria specialising in commercial crime and as a Solicitor in London and NSW in commercial litigation. Abbey is Co-President of the Peter Pan Committee, the main fundraising auxiliary for Barnardos. Abbey works tirelessly raising funds and awareness as a community advocate for Barnardos.</p> <p>Qualifications include: Bachelor of Arts and Bachelor of Laws (Monash).</p>
Special Responsibilities	<p>Chair of the Engagement Committee until November 2019 and Member of the People and Practice Committee, Board Visitor to Western NSW Safety and Prevention.</p>
<b>Patrick Kerlin</b>	<b>Company Secretary</b>
Qualifications and Experience	<p>Appointed 28th June 1999.</p> <p>Patrick is a Chartered Accountant, who prior to joining Barnardos in 1999 had over 20 years' experience in Commercial Practice, including Business Management, Taxation.</p> <p>Qualifications include: Masters in Policy Studies, School of Education and Social Work (University of Sydney), Graduate Diploma in Company Secretarial Practice with the Governance Institute of Australia.</p>

## PRINCIPAL ACTIVITIES

Barnardos Australia is a child protection and children's social care organisation working and advocating for the welfare of children and young people in Australia. Barnardos currently provides direct services in New South Wales and the Australian Capital Territory and promotes a range of child focussed advocacy programs nationally.

Barnardos aims to find permanent, workable solutions to ensure that children receive the care and support they need throughout childhood, in order to meet their potential and achieve positive life outcomes.

## BARNARDOS VISION

The Vision of Barnardos is that all children and young people have caring families in which they can grow safely and fulfil their potential. Families, children and young people are valued and supported by quality services and engaged communities.

## BARNARDOS VALUES

### Keep the child and young person central

Children and young people are our focus and must always be safe from abuse, neglect, homelessness and reach their full potential. We recognise their critical need for stable, ongoing relationships and their right to be heard and contribute to decisions about their lives.

### Strengthen families

We believe in the importance of family for children and young people's development. We support the least intrusive intervention in family life consistent with a child or young person's safety and wellbeing.

### Pursue social justice

Our work is informed by research and evidence about the ongoing damage to children's development caused by serious disadvantage such as poverty and racism. We work with the most vulnerable children to bring them to a community standard of life. We acknowledge the intergenerational transfer of inequity.

### Be persistent for change

When working for individual children and young people, we don't give up. We confront challenges and aim to make a difference in the community's response to children's needs. We understand that change may be difficult but we must pursue those changes that are important for both individuals or groups of children.

### Take responsibility

Workers, managers, volunteers and Board members take their work seriously and realise the impact of their work for the long-term wellbeing of individual children and young people as well as the agency. We are committed to professional standards, personal responsibility, accountability for our work and actions.

### Relate respectfully

We recognise the need for open and honest communication with children, young people and their families. We acknowledge and respect cultural differences. We aim for positive relationships between carers, partner agencies, volunteers, Board members and employees.

## REVIEW OF OPERATIONS

The operating loss of the company for the year ended 30 June 2020 was \$2.3m (2019 surplus: \$1.2m). The result for the year includes a reduction in bequest revenue of \$3 million, reduction in the Provision for Onerous Contract in relation to the ACT Together Consortium from \$3.5 million as at 30 June 2019 to \$1.1 million as at 30 June 2020, and the booking of a provision for redress and historical matters of \$1.7 million.

### Welfare

Total Welfare expenditure has increased slightly from \$102.0 million (2019) to \$103.2 million. Welfare revenue has increased by 1.5% from \$95.6 million in 2019 to \$97.0 million in 2020.

# Barnardos Australia Directors' Report (Cont.)

## Fundraising

The net contribution from Fundraising activities for the year was \$3.4 million (2019: \$6.7 million). The direct cost of fundraising over the gross income from fundraising ratio for the year was 29.8% (2019: 22.4%).

## Recruitment Services

The operations of abrs Recruitment Services, a recruitment service providing staff for Barnardos Australia as well as welfare workers throughout Australia, continues to build capacity following a reorganisation in the 2019 year, and a slow down in quarter four as a result of the Covid 19 pandemic. Despite the impact of Covid 19, the net contribution to the welfare work of Barnardos for the year ended 30 June 2020 was a profit of \$136,000 (2019 \$146,000).

## Administration

Investment, rental and other income has increased during the year to \$1.2m in 2020 (2019: \$0.6m).

Property, Administration and Communications expenses have increased during the year to \$1.1m in 2020 (2019: \$0.7m).

## CHANGES IN STATE OF AFFAIRS

In March 2020 Barnardos successfully negotiated with the ACT Government for an extension of the ACT Together Out-of-Home Care (OOHC) Contract for the period from 1 February 2021 to 30 June 2022. This extension includes an increase in the funding formula of the contract to lead the group of agencies comprising the ACT Together Consortium for OOHC service delivery in the ACT.

Since 2016 Barnardos and Consortium Partners have achieved improvement in life outcomes for ACT children and young people in OOHC, as part of the significant sector wide ACT government reform – A Step Up for Our Kids. Following a successful mid-term contract review in 2019, which led to an increase in financial commitment to Barnardos for the cost and funding of ACT Together, the lives of the children and young people cared for within the ACT Together Consortium continue to be improved. Whilst the mid-term contract review was successful the program has however continued to sustain financial challenges due to the unanticipated high number of children and young people with intensive needs, and the associated unavoidable costs of meeting the obligations involved in providing the highest standards of care required by the needs of these children and young people. As a direct result of these financial demands, an onerous contract provision of \$1,140,000 remains in place to meet the existing commitments to 31 January 2021.

In August 2019 one of our Consortium Partners, Premier Youth Works (PYW) withdrew from the ACT Together Consortium as a result of financial constraints. Barnardos have managed the 'transition out' and change in structure of the Consortium together with our remaining Consortium Partners and ACT Government, maximising stability of care and ensuring minimal disruption to the children and young people in ACT Together OOHC.

In line with the 2017-2020 second strategic direction, "Our Commitment to Aboriginal People", we continue to work in a culturally meaningful and respectful way with Aboriginal children and families and are committed to working collaboratively and in partnership with Aboriginal and Torres Strait Islander people, organisations and communities. In September we celebrated the transition of our Aboriginal Out of Home Care Program Narang Bir-rong to become an independent Aboriginal Community Controlled Organisation (ACCO), and are proud to say the service is now standing independent and strong within the NSW OOHC sector.

The Louise Voigt Award continues to provide opportunity for Indigenous staff to be supported in ongoing education and development and we are now in our sixth year of the award.

Together with Barnardo's UK we were formally accepted into the Australian Government National Redress Scheme (NRS), as recommended by the Royal Commission into Institutional Responses to Child Sexual Abuse, in December 2019. Barnardos welcomes and supports the NRS in acknowledging and providing compensation for the harm caused to people who were sexually abused as children while in the care of an institution. The scheme provides survivors with a monetary payment of up to \$150,000, with payments assessed centrally by the Australian Government.

In 2017 Barnardos established a Reserve Fund and aims to continue to maintain sufficient reserves to remain a strong and viable organisation. The Reserve Fund is possible due to strong financial governance across the organisation over a number of years, and generous bequests left by a number of Barnardos supporters.

The NSW Permanency Support Program (PSP), which prioritises permanency and stability for children and young people who are unable to reside safely with their parents, continues to operate strongly with Barnardos as a major NSW non-government child protection agency. Barnardos is pleased to be able to continue to deliver permanent outcomes for children, whether this is supporting families to safely care for their children, supporting children to live with kin and relatives, transitioning children to adoptive families or finding permanent foster homes for children in long term OOHC. The NSW PSP reform continues to provide additional funding to assist with permanency both for children who are able to remain with their parents, and those whom the NSW Children's Court has removed from their parents' care.

During 2020, Barnardos continued to achieve a significant number of open adoptions for non-Aboriginal children whom the Court has determined cannot live safely at home for the whole of childhood. Barnardos continues to lead advocacy and research related to open adoption with the longitudinal research project, Barnardos Australia Open Adoption Outcomes. This research is in the final stages of completion, with anticipated release as an internationally published academic book in the forthcoming financial year.

The 2020 year will be remembered for the impact of the Covid-19 pandemic, and Barnardos' revenue was impacted initially in the areas of giving and also recruitment services. Our essential operational service delivery to children was also significantly impacted as a result of government directions, however with thanks to our Information Technology Team, and the persistence of our dedicated and professional child and family staff, Barnardos' direct support to the community has continued throughout the pandemic.

### FUTURE DEVELOPMENTS

In 2020, a new strategic plan has been developed - Towards 2025. To be launched in the new financial year, Towards 2025 will set the strategic direction of Barnardos for the next five years, and it is envisaged that this will build on the work undertaken in the current Strategic Directions and also include a review and refresh of our mission, vision, and values. Barnardos Management and Board have worked together to develop a set of 5-year performance goals, and define aspirations for service development, expansion, and innovation during this period. The process of developing the new Towards 2025 strategy was commenced in September 2019 with an initial Board and Executive workshop, and has included consultation with the full organisation in addition to Barnardos clients and external stakeholders.

As always, Barnardos will continue to focus on identifying the needs of vulnerable children and families within the communities in which we work, delivering protective services and supports. An analysis of client and community need has been conducted this year, resulting in several new initiatives to develop cross-agency approaches in service areas such as domestic violence, early childhood intervention, and therapeutic trauma informed care. Barnardos will continue to develop new services to support vulnerable children and their families, and to advocate for systemic change on children's social care issues.

During 2020 work has progressed on the development of an organisation wide Practice and Outcomes Framework, which will be rolled out across the agency in early 2021. This framework will provide Barnardos with an overarching practice approach that aligns with current research and evidence to underpin all programs and services delivered to children, young people, families and carers, and measure the outcomes and impact our programs and practice are having on children and young people.

Aligning with the new Towards 2025 Strategic Directions, a re-organisation has also been undertaken (in mid 2020) of Barnardos Executive Management Team, resulting in the amalgamation of three operational executive areas into a single Children and Families Executive Portfolio area, and the dissection of the current People and Practice Portfolio into the two new areas of Practice Quality and People and Culture. This re-shaped Executive Leadership Team will directly support the vision and enactment of Barnardos' Towards 2025 Strategic Directions and Plan.

# Barnardos Australia Directors' Report (Cont.)

## SUBSEQUENT EVENTS

Barnardos participated in the tender for the replacement of NSW Family Referral Services which were previously funded by the Ministry of Health, and going forward will be known as Family Connect and Support Services under the auspice of NSW Department of Community and Justice. As a result of this re-tendering process Barnardos long standing Family Referral Service in the Illawarra region will not continue beyond 31 December 2020, however Barnardos services in the Sydney metropolitan region will continue with significant expansion into new areas in Western Sydney.

Barnardos were awarded a tender in 2019 to fit-out and operate a new early childhood pre-school service in the recently re-developed Ultimo Primary School. With fit-out commenced, Barnardos is looking forward to the opening of our newest Early Learning and Care Centre in January 2021.

Barnardos operations have been impacted by the Covid 19 pandemic, both in relation to the way we provide support within the community, and how we manage our dispersed workforce. The use of technology has provided greater flexibility in how we communicate, and we have continued to visit our client base while maintain appropriate safe practices within the community. Our financial sustainability continues to be sound, while we did experience an initial impact to our revenue from our giving and recruitment services, we are confident that we will be able to manage the fluctuations and continue to provide support to the Community.

There has not been any matter or circumstance, other than referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

## SHORT TERM AND LONG TERM OBJECTIVES

Our short term and long term goals are contained within Barnardos Australia Strategic Directions 2017-2020.

Barnardos Australia Strategic Directions 2017-2020 has five headline areas. They are outlined in the table below.

<b>Our children, young people and families</b>	We work together with children, young people and families to break the cycle of disadvantage, creating safe, nurturing and stable homes, connected to family and community.
<b>Our commitment to Aboriginal people</b>	We work in a culturally meaningful and respectful way with Aboriginal families and communities. We are committed to working collaboratively, and in partnership with Aboriginal and Torres Strait Islander people, organisations and communities.
<b>Our voice</b>	As a leader of innovation in Australian child protection, we use our knowledge and expertise to influence government, other non-government organisations and the wider community.
<b>Our people</b>	Our staff, carers and volunteers are engaged, valued and effective in working towards the mission, vision and values of Barnardos.
<b>Our sustainable future</b>	We maintain a strong and viable organisation with systems that enable and support our programs and services for children and families.

## STRATEGY FOR ACHIEVING OBJECTIVES

The Chief Executive Officer, with support and leadership from the Executive Management Team, oversees and monitors the implementation of the Board approved strategies and outcomes identified to support the five Strategic Directions.

## KEY PERFORMANCE INDICATORS

During 2020 a significant consultative process was completed, involving all staff in the Barnardos Management Team, to develop a set of performance indicators and measures aligned to each area of the Strategic Directions. The new reporting framework established from these measures allows the Executive Management Team to monitor progress towards the outcomes in the strategic plan. Barnardos is close to finalising work on the Practice Framework, undertaken in collaboration with the Parenting Research Centre which has developed an overarching client outcomes framework. All management areas have refreshed regular reporting to ensure that indicators provided to the Executive Management Team and Board are strategic and contextualised.

The annual budget establishes key performance measures and results that are reviewed through the board governance model and include fiscal measures, service outcomes, contract compliance, risk analysis as well as best practice standards and other accepted industry benchmarks.

## INDEMNIFICATION OF OFFICERS AND AUDITORS

During the financial year the company paid a premium in respect of a contract insuring the Directors of the company (as named above) and all Executive Officers of the Company against a liability incurred as a Director or Executive Officer to the extent permitted by the Australian Charities and Not-for-profits Commission Act 2012. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. In addition to this insurance, directors of the company have been provided with a Deed of indemnity, insurance and access. The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the company against a liability incurred as such by an officer or auditor.

## ROUNDING

The Company is of a kind referred to in ASIC Corporations Instrument 2016 /191 dated 1 April 2016 and, in accordance with that Instrument, amounts in the financial report and director's report have been rounded off to the nearest thousand dollars, unless otherwise stated.

## DIVIDENDS

Under the terms of the Company's Constitution, the Company is not authorised to pay dividends to its members.

## AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration is included on page 15 of the financial report.

## CORPORATE GOVERNANCE STATEMENT

Barnardos Australia is a not-for-profit income tax exempt organisation incorporated as a Company limited by guarantee in accordance with the Corporations Act 2001 (Cth). Barnardos operates under a Constitution approved by the members of the Company in 2015. As required by the Constitution, all Directors of Barnardos Australia are non-executive directors and receive no remuneration for performing their role as Director. Some expenses incurred by Directors in carrying out their duties as Directors in attending Company meetings are reimbursed on a cost only basis.

Barnardos Australia is a registered charity with the Australian Charities and Not-for-profits Commission. Barnardos Australia has Deductible Gift Recipient status and is a public benevolent institution under Australian Taxation law.

## Barnardos Australia Directors' Report (Cont.)

Barnardos aims to operate with the highest standards of governance in all aspects of its work. Barnardos conducts its operations in accordance with a Board-approved Governance Charter that sets out among other things the role of Directors, the role of the Board, the Code of Conduct for Directors and the role of the Chief Executive Officer.

Barnardos Australia currently has 121 members of the Company and they are all of the same class. There is no limit on the number of members allowed under the Constitution. All of the Directors are also members of the Company. In accordance with the Company's Constitution in the event of winding up of the Company, the members undertake (including for a year after membership expiry) to contribute an amount up to but not exceeding \$10 each towards the payment of the debts and liabilities of the Company or the costs of winding up of the Company in addition to the amount of unpaid membership fees. At the date of this report, the maximum value that members may be required to contribute amounts to \$1,210 (121 x \$10).

During the financial year, the Board of Directors of Barnardos Australia held 7 meetings. In addition, there were meetings of the Governance Committee, Finance and Audit Committee, Risk Committee, People and Practice Committee and Engagement Committee.

The Governance Committee provides advice to the Board on the adequacy of governance arrangements for the Board and organisation. This includes the review of the Governance Charter every three years, ensuring the membership of the Company of Barnardos Australia is of an appropriate size and composition and providing advice and managing the process for Board succession. In late 2018, the Governance Committee assisted in the engagement of an external consultant to undertake a full Board review, a process which is undertaken at least once every 3 years. The next review will be undertaken in 2021, in keeping with best practice corporate governance.

The Finance and Audit Committee reviews the effectiveness of the internal financial controls and oversight both the external and internal audit programs, ensuring the internal controls and financial risk management structures are appropriate for the organisation's requirements. The Finance and Audit Committee also reviews any significant recommendations of the internal and external auditors including changes in accounting practices or policies. The Finance and Audit Committee reviews the policy for the investment of Barnardos reserves and monitors the implementation of this policy.

The Risk Committee provides oversight of the risk management framework within the organisation and monitors the alignment of the Barnardos risk profile and controls with the Board-approved risk appetite. The Risk Committee is also responsible for ensuring the organisation has appropriate insurance with regards to Barnardos circumstances and needs.

The People and Practice Committee provides oversight to ensure that the Strategic Directions concerning Human Resource management and practice are maintained with particular focus on organisational culture, recruitment and retention and support of staff through professional development, leadership and succession planning. The People and Practice Committee also ensures that there is a strong focus on practice across all Barnardos programs and that human resource management and practice are culturally informed for our Aboriginal staff and clients.

The Engagement Committee provides advice to the Board on Barnardos Revenue and Giving and Marketing and Communications strategies, in alignment with the Strategic Directions, and the resourcing and effectiveness of these strategies.

In addition to involvement at Committee level, Directors also act as Board Visitors, visiting specific programs on a regular basis to inform the Board in respect of the development of specific Barnardos programs and to enhance the recognition of the Board and its role to Barnardos' staff.

A Technology Advisory Board was established in 2019, to support the Barnardos Board and Management with ideas, advice, expertise and insight on technology matters. The board is chaired by a Director of Barnardos, and the membership includes two external experts and Management representatives. The Board has met three times during the 2020 year.

# Barnardos Australia Directors' Report (Cont.)

## MEETINGS OF DIRECTORS

During the financial year, 8 Board meetings were held. In addition, 18 Board sub-Committee meetings were held. Director attendances at these meetings were as follows:

Director's Name	Board of Directors		Finance and Audit Committee		Governance Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Janett Milligan	8	8			3	3
Jane Paskin	8	8	4	4		
John Pittard	8	6			3	2
Fran Waugh	8	7				
Rhonda Stien	8	8	2	2	3	3
Sam Garland	8	7	4	4		
Brad Cooke	8	6				
Paul Ireland	8	8	4	4		
Julia Davenport	8	7				
Stephen Mills	8	7				
Amy Kilpatrick	5	2			1	1
Abbey McKinnon	2	1				
Rosemary Howard	2	2				

Director's Name	Risk Committee		Engagement Committee		People and Practice Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Janett Milligan					3	3
Jane Paskin	6	6				
John Pittard	6	6				
Fran Waugh					3	2
Rhonda Stien					3	1
Sam Garland						
Brad Cooke			2	1		
Paul Ireland			2	2		
Julia Davenport			2	2		
Stephen Mills	5	5				
Amy Kilpatrick						
Abbey McKinnon			1	1	1	1
Rosemary Howard	2	2				

Signed in accordance with a resolution of the Directors.

On behalf of the Board

  
 Janett Milligan Chair

Dated at Sydney this 30th day of October 2020.

The Board of Directors  
Barnardos Australia  
60-64 Bay Street  
Ultimo NSW 2000

30 October 2020

Dear Board Members

### **Auditors' Independence Declaration to Barnardos Australia**

In accordance with Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Barnardos Australia.

As lead audit partner for the audit of the financial statements of Barnardos Australia for the financial year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



John Bresolin  
Partner  
Chartered Accountants

## Independent Auditor's Report to the members of Barnardos Australia

### *Opinion*

We have audited the financial report of Barnardos Australia (the "Entity") which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration. In addition, we have audited Barnardos Australia's compliance with specific requirements of the Charitable Fundraising Act 1991 for the year ended 30 June 2020.

In our opinion:

- (a) the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:
  - (i) giving a true and fair view of the Entity's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- (b) the financial report agrees to the underlying financial records of Barnardos Australia, that have been maintained, in all material respects, in accordance with the Charitable Fundraising Act 1991 and its regulations for the year ended 30 June 2020;
- (c) monies received by Barnardos Australia, as a result of fundraising appeals conducted during the year ended 30 June 2020, have been accounted for and applied, in all material respects, in accordance with the Charitable Fundraising Act 1991 and its regulations.

### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### *Other Information*

The directors are responsible for the other information. The other information comprises the information included in the directors' report and supplementary information for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*The Directors' Responsibilities for the Financial Report, for compliance with the Australian Charities and Not-for-profits Commission Act 2012 and the Charitable Fundraising Act 1991.*

The directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the ACNC Act and for compliance with the Charitable Fundraising Act 1991. The Directors are also responsible for such internal control as the directors determine is necessary to enable compliance with the requirements of the Charitable Fundraising Act 1991 and the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Report and Audit of compliance with the Charitable Fundraising Act 1991.*

Our objectives are to obtain reasonable assurance about whether the Entity has complied with the requirements of the Charitable Fundraising Act 1991 and whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of non-compliance with the specific reporting requirements of the Charitable Fundraising Act 1991 and the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## *Inherent Limitations*

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error, or non-compliance with the Charitable Fundraising Act 1991 may occur and not be detected. An audit is not designed to detect all weaknesses in Barnardos Australia's compliance with the Charitable Fundraising Act 1991 as an audit is not performed continuously throughout the period and the tests are performed on a sample basis.

Any projection of the evaluation of compliance with the Charitable Fundraising Act 1991 to future periods is subject to the risk that the procedures, may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.



DELOITTE TOUCHE TOHMATSU



John Bresolin  
Partner  
Chartered Accountants  
Sydney, 30 October 2020

# Barnardos Australia Charitable Fundraising Act Declaration

## BARNARDOS AUSTRALIA CHARITABLE FUNDRAISING ACT DECLARATION

I, Sam Garland, Director/Chair of the Finance and Audit Committee of Barnardos Australia, declare that in my opinion:

- a) The Financial Statements and notes thereto give a true and fair view of all income and expenditure of Barnardos Australia with respect to fundraising appeals and licensing and event activities;
- b) The attached financial statements are in compliance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001;
- c) The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income and notes thereto give a true and fair view of the state of affairs with respect to fundraising appeals and licensing and event activities;
- d) The provisions of the Charitable Fundraising Act 1991 and its regulations, the Charitable Collections Act 1946 and the Charitable Collections Regulations 1947 and the conditions attached to the authority have been complied with; and
- e) The internal controls exercised by Barnardos Australia are appropriate and effective in accounting for all income received and applied by the company from all of its fundraising appeals.

On behalf of the Directors

  
.....  
**Sam Garland**  
**Director/Chair Finance & Audit Committee**

Dated at Melbourne this 30th day of October 2020.

# Barnardos Australia Directors' Declaration

## BARNARDOS AUSTRALIA DIRECTORS' DECLARATION

The directors declare that:

- a) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- b) In the directors' opinion, the attached Financial Statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and in compliance with the Charitable Fundraising Act 1991, including compliance with Australian Accounting Standards – Reduced Disclosure Requirement and giving a true and fair view of the financial position and performance of the entity.

Signed in accordance with a resolution of the directors made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the Directors



.....  
**Sam Garland**  
Director/Chair Finance & Audit Committee



.....  
**Janett Milligan**  
Chair

Dated at Sydney and Melbourne this 30th day of October 2020.

## Barnardos Australia Statement of Profit or Loss and Other Comprehensive Income for the Financial Year Ended 30 June 2020

	Notes	2020 \$000's	2019 \$000's (Restated)
<b>CONTINUING OPERATIONS REVENUE</b>			
<b>FUNDRAISING REVENUE</b>			
Fundraising	2	6,734	10,163
<b>GOVERNMENT SUBSIDIES</b>			
Federal		4,367	4,260
State – NSW		47,944	49,301
State – ACT		44,120	41,392
Local Government and Lead Agencies		518	679
		<b>96,949</b>	<b>95,632</b>
<b>OTHER WELFARE REVENUE</b>			
User Contributions		695	684
Welfare Product		37	1
		<b>732</b>	<b>685</b>
<b>RECRUITMENT SERVICES</b>		<b>3,834</b>	<b>3,055</b>
<b>INVESTMENT, RENTAL AND OTHER REVENUE</b>	3	<b>1,208</b>	<b>634</b>
<b>NET GAIN/(LOSS) ARISING FROM FINANCIAL ASSETS</b>		<b>(347)</b>	<b>99</b>
<b>TOTAL REVENUE</b>		<b>109,110</b>	<b>110,268</b>
<b>DEDUCT EXPENDITURE</b>			
<b>WELFARE CENTRES</b>		<b>103,259</b>	<b>102,023</b>
<b>FUNDRAISING</b>			
Fundraising – salaries and direct costs		2,005	2,272
Fundraising – administration and indirect costs		1,328	1,211
		<b>3,333</b>	<b>3,483</b>
<b>PROPERTY AND ADMINISTRATION</b>			
Administration and Governance		239	59
Communication		820	550
Investment Properties		78	76
		<b>1,137</b>	<b>685</b>
<b>RECRUITMENT SERVICES</b>		<b>3,698</b>	<b>2,909</b>
<b>TOTAL EXPENDITURE</b>		<b>111,427</b>	<b>109,100</b>
<b>PROFIT/(LOSS) FOR THE YEAR REPRESENTING TOTAL COMPREHENSIVE INCOME / (LOSS) FOR YEAR</b>	4	<b>(2,317)</b>	<b>1,168</b>

Notes to the financial statements are included on pages 25 to 46.

**Barnardos Australia**  
**Statement of Financial Position as at 30 June 2020**

	Notes	2020 \$000's	2019 \$000's
<b>CURRENT ASSETS</b>			
Cash and Cash at Bank	7	10,822	5,702
Receivables	9	3,969	5,858
Other Financial Assets	8	287	279
Financial Assets at Fair Value through Profit or Loss	8	5,964	5,980
Prepayments		1,694	1,257
<b>TOTAL CURRENT ASSETS</b>		<b>22,736</b>	<b>19,076</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	10	11,274	11,955
Right of use assets	10	11,130	-
Investment Property	11	2,716	4,699
<b>TOTAL NON-CURRENT ASSETS</b>		<b>25,120</b>	<b>16,654</b>
<b>TOTAL ASSETS</b>		<b>47,856</b>	<b>35,730</b>
<b>CURRENT LIABILITIES</b>			
Payables	12	4,711	4,829
Income Received in Advance		7,707	5,443
Provisions	13	9,770	7,365
Lease Liabilities	14	2,372	-
Other - Funds Held In Trust	22	1,842	1,830
<b>TOTAL CURRENT LIABILITIES</b>		<b>26,402</b>	<b>19,467</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	13	2,160	3,562
Lease Liabilities	14	10,075	-
Other - Funds Held In Trust	22	284	277
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>12,519</b>	<b>3,839</b>
<b>TOTAL LIABILITIES</b>		<b>38,921</b>	<b>23,306</b>
<b>NET ASSETS</b>		<b>8,935</b>	<b>12,424</b>
<b>EQUITY</b>			
Reserves	15	73	73
Retained Earnings	16	8,862	12,351
<b>TOTAL EQUITY</b>		<b>8,935</b>	<b>12,424</b>

Notes to the financial statements are included on pages 25 to 46.

**Barnardos Australia**  
**Statement of Changes in Equity for the Financial Year Ended 30 June 2020**

	Donor Reserve \$000's	Retained Earnings \$000's	Total \$000's
<b>Balance at 30 June 2018 (Restated)</b>	<b>73</b>	<b>11,183</b>	<b>11,256</b>
Profit for the year	-	<b>1,168</b>	<b>1,168</b>
Other comprehensive income	-	-	-
<b>Total Comprehensive Income / (loss) for the year</b>	<b>-</b>	<b>1,168</b>	<b>1,168</b>
<b>Balance at 30 June 2019 (Restated)</b>	<b>73</b>	<b>12,351</b>	<b>12,424</b>
Adjustment made to retained earnings as a result of AASB16 "Leases" implementation	-	<b>(1,172)</b>	<b>(1,172)</b>
Loss for the year	-	<b>(2,317)</b>	<b>(2,317)</b>
Other comprehensive income	-	-	-
<b>Total Comprehensive Income / (loss) for the year</b>	<b>-</b>	<b>(3,489)</b>	<b>(3,489)</b>
<b>Balance at 30 June 2020</b>	<b>73</b>	<b>8,862</b>	<b>8,935</b>

Notes to the financial statements are included on pages 25 to 46.

**Barnardos Australia**  
**Statement of Cash Flows for the Financial Year Ended 30 June 2020**

	Notes	2020 \$000's	2019 \$000's
<b>Cash Flows from Operating Activities</b>			
Receipts from Customers, Donors and Government		121,294	113,641
Bequests		1,720	4,292
Interest Received		132	259
Payments to Suppliers and Employees		(115,488)	(116,706)
<b>Net Cash provided / (used in) by Operating Activities</b>	<b>19</b>	<b>7,658</b>	<b>1,486</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of Property, Plant and Equipment		(1,550)	(1,814)
Receipt / (Payment) of Trust Funds		6	1,830
Proceeds from disposal of available for sale investments		1,350	-
Proceeds from Sale of Property, Plant and Equipment		610	892
<b>Net Cash provided by / (used in) Investing Activities</b>		<b>416</b>	<b>908</b>
<b>Cash Flows from Financing Activities</b>			
Lease payments		(2,946)	-
<b>Net Cash provided by / (used in) Financing Activities</b>		<b>(2,946)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>5,128</b>	<b>2,394</b>
<b>Cash and cash equivalents at the beginning of the Financial year</b>		<b>5,981</b>	<b>3,587</b>
<b>Cash and cash at bank at the end of the Financial year</b>	<b>19</b>	<b>11,109</b>	<b>5,981</b>

Notes to the financial statements are included on pages 25 to 46.

## **NOTE 1: SUMMARY OF ACCOUNTING POLICIES**

### **Statement of Compliance**

The financial report is a general purpose financial report which has been prepared in accordance with the Australian Charities and Non-for-profits Commission Act 2012, Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations, and complies with other requirements of the law. For the purpose of preparing the financial statements, the Company is a non-for-profit entity.

The financial statements were authorised for issue by the directors on 30th October 2020.

### **Basis of preparation**

The financial report has been prepared on the basis of historical cost. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are in Australian dollars, unless otherwise indicated.

### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an annual basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### **Adoption of new and revised Accounting Standards**

In the current year, the entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are mandatory for the current annual reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the entity include AASB 16 'Leases', and the relevant amending standards.

### **Impact of initial application of AASB 16 'Leases'**

In the current year, the entity has applied AASB 16 Leases, which is effective for annual periods that begin on or after 1 July 2019.

AASB 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. Details of these new requirements are described below. The impact of the adoption of AASB 16 on the entity's financial statements is described below.

The date of initial application of AASB 16 for the entity is 1 July 2019.

The change on definition of a lease mainly relates to the concept of control. AASB 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus of "risks and rewards" in AASB 117 and Interpretation 4.

**NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

**Former operating leases**

AASB 16 changes how the entity accounts for leases previously classified as operating leases under AASB 117, which were off balance sheet.

Applying AASB 16, for all leases (except as noted below) the entity:

- Recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments
- Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss
- Separates the total amount of cash paid onto a principal portion (presented within financial activities) and interest (presented within financial activities) in the consolidated statement of cash flows.

Lease incentives (e.g. rent-free period) are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under AASB 117 they resulted in the recognition of a lease incentive, amortised as a reduction of rental expenses generally on a straight-line basis. Under AASB 16, right-of-use assets are tested for impairment in accordance with AASB 136 Impairment of Assets.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as tablet and personal computers, small items of office furniture and telephones) the entity has opted to recognise a lease expense on a straight-line basis as permitted by AASB 16. This expense is presented within "other expenses" in profit or loss.

**Former finance leases**

The main difference between AASB 16 and AASB 117 with respect to contracts formerly classified as finance leases is the measurement of the residual value guarantees provided by the lessee to the lessor.

AASB 16 requires that the entity recognises as part of its lease liability only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by AASB 117. This change did not have a material effect on the entity's financial statements.

**Financial impact of the initial application of AASB 16**

The entity has elected to use modified retrospective approach on adoption of AASB 16 which results in right-to-use asset and the lease liabilities being recognised as of 1 July 2019 (date of adoption). The tables below show the amount of adjustment for each financial statement line item affected by the application of AASB 16 for the current year.

	<b>AASB16 adjustments 2020</b>
	<b>\$000's</b>
<b>Impact on profit or loss for 2018:</b>	
Decrease in operating lease expense	2,553
Increase in depreciation of right-of use asset	(2,476)
Increase in finance cost	(275)
Decrease in lease incentive income	(104)
Decrease in other expenses	85
<b>Increase/(decrease) in profit for the year</b>	<b>(217)</b>

**NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

Impact on assets, liabilities and equity as at 1 July 2019	AASB16 adjustments 2020 \$000's
<b>Increase/(Decrease) to:</b>	
Right-of-use assets	11,672
<b>Net impact on total assets</b>	<b>11,672</b>
Lease liabilities	13,198
Lease make good provision	(354)
<b>Net impact on total liabilities</b>	<b>12,844</b>
<b>Retained earnings</b>	<b>(1,172)</b>

**The impact on the entity as a lessee:**

- The application of AASB 16 to leases previously classified as operating under AASB 117 resulted in:
  - the recognition of right-of-use assets of \$11,672,098 and lease liabilities of \$13,198,451;
  - a decrease in operating expenses of \$2,552,642, a decrease in lease incentive income of \$104,004;
  - an increase in depreciation of \$2,476,117 and interest expense of \$274,933; and,
  - an overall decrease in profit for the year of \$217,195.
- In the prior year, no property, plant or equipment was presented within property, plant and equipment. Finance lease arrangements now presented within the line item "Right-of use assets". The net book value of the "Right-of-use assets" as at 30 June 2020 is \$11,130,346.
- In the prior year, no lease liability classified as finance leases under AASB 117 was presented. As at 30 June 2020, obligations under leases of \$2,372,382 is presented in the line 'Current Lease liabilities' and \$10,075,254 in the line 'Non-Current Lease Liabilities.

**AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers**

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when an NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

An example of a 'related amount' is AASB 15 and in cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, the entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118. The entity has conducted an analysis of the government grant contracts and analysed the terms of each material contract to determine whether the arrangement meets the enforceability and the 'sufficiently specific' criteria under AASB 15. Based on the analysis, the entity has determined that the adoption of these new accounting standards have not had a material impact on the results of Barnardos Australia for the year ended 30 June 2020.

**NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

**Significant Accounting Policies**

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

**a. Revenue Recognition**

- i. **Bequests** - Bequests received are credited to income in the period in which they are received.

Bequests and gifts received in the form of properties or investments are taken into account when received at their market value if they are listed shares or trusts and otherwise at cost, which is deemed to be their probate value. As the majority of bequests do not meet the enforceability and the 'sufficiently specific' criteria under AASB 15, they are recognised once the entity controls the relevant asset.

- ii. **Donations** - Donations received are credited to income in the period in which they are received as they do meet the enforceability and 'sufficiently specific' criteria under AASB 15

- iii. **Gifts in kind** - Gifts in kind including professional pro bono services that can be reasonably valued are brought to account as revenue when the benefit of the service or control of the asset transfers to Barnardos Australia.

The value of volunteer hours, including the time of the Board of Directors, volunteer mentors and fundraisers has not been brought to account because the fair value cannot be reliably determined. Donated goods that are distributed directly to clients have also not been brought to account as revenue and expenditure of the company.

Pro bono services from professional firms, might have readily observable market prices. Such pro bono services that would have been purchased if they were not donated are readily identifiable from the entity's operational requirements. In such circumstances, the pro bono service is measured and reported at fair value.

- iv. **Government Funding Agreements** - Government funding agreements are contracted agreements with the Government to provide a variety of welfare programs services in the community. They are received in the form of transfers of resources to the company in return for past or future compliance with certain conditions relating to the operating activities of the company. Revenue from a contract to provide welfare services is recognised over time.

**NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

- v. Sale of Goods and Disposal of Assets** - Revenue from the sale of goods and disposal of other assets is recognised when the company has transferred the significant risks and rewards of ownership of the goods or other assets to the buyer.
- vi. Interest income** - Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- vii. Rental income** - Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.
- viii. Recruitment Services income** - The entity receives recruitment fees for staff placements and hire of specialist care workers. At contract inception, the entity assess the services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer that is distinct or a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer.

**b. Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and in banks and money market investments readily convertible to cash.

**c. Employee Benefits**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably. Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to reporting date.

**Defined contribution plans**

Contributions to defined contribution superannuation plans are expensed when incurred.

**d. Financial instruments**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Non-derivative financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

## **NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### **Classification of financial assets**

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

The entity's financial assets include trade receivables measured at amortised cost, investments in units of funds classified as financial assets at fair value through profit or loss, term deposits and cash and cash equivalents.

### **Derecognition of financial asset**

The entity derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

### **Classification of financial liabilities**

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The entity's financial liabilities include trade payables measured at amortised cost.

### **Derecognition of financial liabilities**

The entity derecognises financial liabilities when, and only when, the entity's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## **NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

### **Loans and receivables**

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

#### **e. Fundraising**

Fundraising costs are charged to expenses when incurred. Barnardos Australia's practice is to cost allocate all corporate costs including administrative support to all functions of the agency, including the provision of welfare programs and fundraising.

#### **f. Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except:

- i.** Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii.** For receivables and payables, which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### **g. Impairment of Assets**

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When the future economic benefits of the asset are not primarily dependent on the assets ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is the depreciated replacement cost of an asset.

If the recoverable amount of an asset (cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **h. Investment property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured at cost. At the date of transition, the fair value of the properties was deemed to be its cost at that date.

#### **i. Inventories**

Unsold Christmas cards and other inventories are valued at the lower of cost or net realisable value using the average cost method.

**NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

**j. Income Tax**

Confirmation of endorsement as an income tax exempt charitable entity under Subdivision 50-B of the Income Tax Assessment Act 1997 was received on the 8th July 2005.

**k. Leasing**

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). The entity has adopted AASB16 'Leases' on 1 July 2019. Details of the accounting policy adopted and its financial impact are outlined above.

**l. Going Concern Assumption**

As at 30 June 2020, the Company's statement of financial position reported current liabilities greater than current assets (a net current liability position) of \$3,666,000 (2019 \$391,000).

In assessing the Company's going concern, the Directors are satisfied that the Company will be able to meet its working capital requirements after considering the following;

- A successful contract renegotiation and extension for the ACT Together Consortium with the ACT Government.
- Included in current liabilities are employee provisions of \$5 million of which it is anticipated that \$1.5 million are not expected to be disbursed in full in the next 12 months,
- Included in current liabilities is income received in advance totalling \$7.7 million, of which \$7.5 million relates to future contractual commitments that will be expended gradually over the next 12 months in a planned process, and will not require payment to extinguish liability.
- The adoption of Accounting Standard AASB 16 has brought to account a current lease liability of \$2.37 million which is funded by government contracts currently in place.
- There are budgeted cash flows from future fundraising activities that will generate additional cash flows,
- Included in current liabilities is a provision of \$1.7 million for future redress and historical claims, which is classified as current, but is anticipated to be payable over the period of the redress scheme, which is in operation to June 2029, and
- There are number of non-current assets, including investment properties, that can be realised should the need arise.

The financial report has been prepared on the basis that the Company is a going concern which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to the amount and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

**m. Property, Plant and Equipment**

Land and buildings, plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition. Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land and investment properties. Depreciation is calculated on a straight line or diminishing value basis so as to write off the net cost of each asset over its expected useful life.

- i. Depreciation of Buildings** has been provided on the basis of 2% per annum, using the straight line method.

**NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

- i. Depreciation and Amortisation of Leasehold Improvements, Partitions and Furnishings** has been provided on the basis of 10% per annum, using the straight line method.
- ii. Depreciation of Plant and Equipment, including Computer Equipment** has been provided on the basis of 15% to 25% per annum, using the straight line method.  
**Depreciation of Motor Vehicles** has been provided on the basis of 18.5% per annum, using the diminishing value method.

**n. Right of Use Assets and Lease Liabilities**

Right-of-use asset representing the entity's right to use the underlying leased asset and a lease liability representing its obligations to make lease payments for all leases with a term of more than 12 months are recognised, unless the underlying asset is of low value. Details of the accounting policy adopted and its financial impact are outlined above.

**o. Software research and development expenditure**

Expenditure on software research and development activities is recognised as an expense in the period in which it is incurred.

**p. Payables**

Trade payables and other accounts payable are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services.

**q. Provisions**

Provisions are recognised when the company has a present obligation for a future sacrifice of economic benefits, that sacrifice is probable, and the amount of the sacrifice can be measured reliably.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received if the Company settles the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

**r. Statement of profit or loss presentation**

Expenses in the statement of profit or loss are classified based on their function within the entity. Barnardos Australia's policy is to allocate corporate costs including administrative support to all functions of the agency, including the provision of welfare programs and fundraising.

**s. Currency and rounding of amounts**

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency. The Company is an entity to which ASIC Corporation Instrument 2016 / 191 applies. Under the option available to the Company under that Instrument, all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

**t. Critical accounting judgements**

The Company evaluates estimates and judgements incorporated into the financial statements 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 Company.

**i. Leave provisions**

Annual leave provisions as at balance sheet date for the majority of staff is expected to be used within 12 months of balance date.

**NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONT.)**

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases have been taken into account.

**ii. Estimate of asset lives, residual values and depreciation methods**

Property, plant and equipment are depreciated over their useful lives taking into account residual values. Future market conditions determine residual values. Depreciation and amortisation is calculated on an either straight line or diminishing value basis which may not represent the actual usage of the asset.

**iii. Onerous Contract provision**

An onerous contract provision has been recognised as at 30 June 2019 in relation to the ACT Together Contract with the ACT Government. On measuring the provision amount, several key assumptions are used in the calculation, refer to note 13 on page 39.

**iv. Residential Leases**

The Company has a number of short term residential leases, which are taken out to support residential accommodation for clients. The terms of the leases are short term, and can be broken by either parties with little notice and no significant penalty, the Directors have considered the agreements, and consider they do not meet the definition of a lease for the purposes of AASB 16.

**vi. Provision of Redress and Historical Claims**

Following the acceptance of Barnardos and Barnardos UK into the National Redress Scheme in early 2019, the Directors have been able to assess and estimate the future liability in relation to future redress and historical claims, in this estimate several key assumptions are used in the calculation, refer to note 13 on page 39.

**Standards and Interpretations issued not yet effective**

At the date of authorisation of the financial statements, the Standards and Interpretations that were issued but not yet effective are listed below:

Standard/Interpretation	Effective for annual reporting periods beginning on or after
AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business	1 January 2020
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	1 January 2020
AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework	1 January 2020
AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	1 January 2020
AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia	1 January 2020
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	1 January 2022
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022
AASB 2020-4 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions*	1 June 2020

<b>NOTE 2: FUNDRAISING</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
Donors and Appeals	4,678	4,926
Bequests	1,720	4,292
Bequests received in the form of property	-	465
Pro Bono Contributions	72	191
Canberra Branch	45	52
Peter Pan Committee	169	142
Peter Pan Opportunity P/L	50	95
<b>TOTAL FUNDRAISING INCOME</b>	<b>6,734</b>	<b>10,163</b>

<b>NOTE 3: INVESTMENT, RENTAL AND OTHER REVENUE</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
Interest, dividends and distributions	327	435
Sundry Revenue	702	85
Rental Revenue	89	109
Gain (Loss) on Disposal of Property, Plant and Equipment	(90)	5
<b>TOTAL INVESTMENT, RENTAL AND OTHER REVENUE</b>	<b>1,208</b>	<b>634</b>

<b>NOTE 4: PROFIT / (LOSS) FROM OPERATIONS</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
Profit / (Loss) has been arrived at after charging / (crediting) the following income, expenses, gains and losses:		
Depreciation of property, plant and equipment	1,766	1,872
Amortisation of Right of Use Assets	2,476	
Depreciation of investment property	36	45
Defined contribution plans	5,031	4,518
Operating lease rental expense	332	2,882
Bad debt expense	8	-
Onerous Contract Expense (Write Back)	(2,383)	(2,339)

<b>NOTE 5: AUDITOR'S REMUNERATION</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
Audit of statutory accounting policies matters	18	-
Auditing the Financial Report	41	40
Pro Bono Audit Fee	60	60
	<b>119</b>	<b>100</b>

The auditor of Barnardos Australia is Deloitte Touche Tohmatsu. The auditor receives the above contribution toward its generous donation of the cost of its audit. The market value of the total audit has been valued at \$119,000 based on a fee estimate.

**NOTE 6: KEY MANAGEMENT PERSONNEL REMUNERATION**

The directors of Barnardos Australia who held office during the financial year were:

Janett Milligan	(non-executive)	Abbey McKinnon	(non-executive)
Stephen Mills	(non-executive)	Jane Paskin	(non-executive)
Bradley Cooke	(non-executive)	John Pittard	(non-executive)
Sam Garland	(non-executive)	Rhonda Stien	(non-executive)
Rosemary Howard	(non-executive)	Fran Waugh	(non-executive)
Paul Ireland	(non-executive)	Julia Davenport	(non-executive)
Amy Kilpatrick	(non-executive)		

No director has received or become entitled to receive any remuneration from the company in their capacity as a director (2019: \$Nil). Any goods purchased by the directors were acquired at commercial rates.

**Other Key Management Personnel of Barnardos Australia during the financial year were:**

Deirdre Cheers – Chief Executive Officer

**Executive Managers**

Melanie Andrews – Safety and Prevention Metropolitan NSW – up to December 2019

Elizabeth Cox – Out Of Home Care NSW / ACT

Rosa Ciravolo - Safety and Prevention Metropolitan NSW - appointed January 2020

Penny Hood – People and Practice

Patrick Kerlin – Corporate and Financial Services - Company Secretary

Kerry Moore – Safety and Prevention Regional / Rural NSW and ACT

Sarah Spence - Executive Manager, Engagement, Partnerships and Giving

As at 30 June 2020 there were seven Key Management Personnel (2019: seven).

The aggregate compensation of the key executive management personnel of the company is set out below.

	2020	2019
	\$	\$
	1,683,167	1,559,000
	<b>1,683,167</b>	<b>1,559,000</b>

<b>NOTE 7: CASH AND CASH AT BANK</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
Cash on Hand	98	68
Cash at Bank	7,814	3,502
Cash at Bank - "Gift Fund"	675	307
	<u>8,587</u>	<u>3,877</u>
Add: Cash Held in Trust - Restricted Cash <sup>a</sup>	2,235	1,825
	<u><b>10,822</b></u>	<u><b>5,702</b></u>

<sup>a</sup>Cash at Bank YE 2020 includes \$2,235,000 as "Restricted Cash".

This is made up of \$1,825,000 (2019: \$1,825,000) held in Trust on behalf of Barnardos UK in an interest bearing account. Including accrued interest of \$1,138 the amount held in Trust of Barnardos UK is \$1,826,138 (2019: \$1,829,676). A further amount of \$410,157 (2019: Nil) is held on behalf of Premier Youth Works.

<b>NOTE 8: OTHER FINANCIAL ASSETS</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Current</b>		
<b>Held at cost</b>		
Bank Commercial Bills, "Gift Fund"	287	279
	<u><b>287</b></u>	<u><b>279</b></u>
<b>Financial assets at fair value through profit or loss</b>		
Core Fund - Perpetual Trustee Company Limited	2,154	2,115
Reserve Fund - Perpetual Trustee Company Limited	3,810	3,865
	<u><b>5,964</b></u>	<u><b>5,980</b></u>

<b>NOTE 9: RECEIVABLES</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Receivables</b>		
Trade Receivables	3,716	2,837
Other Receivables	253	3,021
	<u><b>3,969</b></u>	<u><b>5,858</b></u>

Note: The average credit period on receivables is 90 days. No interest is charged on trade receivables. The majority of over 90 days relates to NSW Government receivables, which are offset against funds received in advance, and disclosed as income received in advance as at 30 June 2020.

<b>Trade Receivables</b>		
Current	260	1,201
30-60 days	428	695
60-90 days	193	140
90 days +	2,835	801
	<u><b>3,716</b></u>	<u><b>2,837</b></u>

None of the amounts past due above are considered impaired and no provision for impairment is held as a result.

**NOTE 10: PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE ASSETS**

Description	Freehold Land at cost	Buildings at cost	Leasehold Improvements Partitions and Furnishings at cost	Plant and Equip at cost	Motor Vehicles at cost	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Gross Carrying Amount</b>						
<b>Balance at 30 June 2018</b>	491	4,758	4,406	1,615	9,266	20,536
Additions	-	47	233	242	1,292	1,814
Disposals	-	-	(20)	(9)	(2,188)	(2,217)
<b>Balance at 30 June 2019</b>	<b>491</b>	<b>4,805</b>	<b>4,619</b>	<b>1,848</b>	<b>8,370</b>	<b>20,133</b>
Additions	-	-	86	66	1,398	1,550
Transfer from Investment Property	298	167	-	-	-	465
Disposals	(3)	-	(815)	(45)	(1,287)	(2,150)
<b>Balance at 30 June 2020</b>	<b>786</b>	<b>4,972</b>	<b>3,890</b>	<b>1,869</b>	<b>8,481</b>	<b>19,998</b>
<b>Accumulated Depreciation</b>						
<b>Balance at 30 June 2018</b>	-	(1,789)	(916)	(1,137)	(3,794)	(7,636)
Disposals	-	-	21	-	1,309	1,330
Depreciation Expense	-	(112)	(476)	(243)	(1,041)	(1,872)
<b>Balance at 30 June 2019</b>	<b>-</b>	<b>(1,901)</b>	<b>(1,371)</b>	<b>(1,380)</b>	<b>(3,526)</b>	<b>(8,178)</b>
Disposals	-	-	457	-	764	1,221
Depreciation Expense	-	(117)	(422)	(218)	(1,010)	(1,767)
<b>Balance at 30 June 2020</b>	<b>-</b>	<b>(2,018)</b>	<b>(1,336)</b>	<b>(1,598)</b>	<b>(3,772)</b>	<b>(8,724)</b>
<b>WDV 30 June 2019</b>	<b>786</b>	<b>2,954</b>	<b>2,554</b>	<b>271</b>	<b>4,709</b>	<b>11,274</b>

Right of Use Assets	2020 \$000's	2019 \$000's
Right of Use Assets	13,606	-
Accumulated amortisation	(2,476)	-
	<b>11,130</b>	<b>-</b>

<b>NOTE 11: INVESTMENT PROPERTY</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
Balance at the beginning of the financial year	4,699	4,278
Additions	-	465
Disposals	(1,512)	-
Less depreciation	(6)	(44)
Transfer to Property, Plant and Equipment	(465)	-
<b>Balance at the end of the financial year</b>	<b>2,716</b>	<b>4,699</b>

Barnardos Australia currently holds two investment properties,

- A unit located in Mosman was disposed during the year.
- There are two properties located in Shellharbour, NSW. One property is currently an income producing retail outlet, and the other property is held for capital appreciation and is currently being used as a Respite Accommodation facility for clients. The rent receivable for the retail outlet is at market rate and there is a six month clause within the contract to end the agreement.
- A three bedroom house Canberra, bequeathed in the 2019 year and initially classified as an investment, is now being utilised by the ACT Together Consortium, and has been reclassified as Property, plant and equipment.

Based on the latest valuation on investment properties, the market value of the properties are above the net carrying value. No impairment loss is recognised.

<b>NOTE 12: PAYABLES</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
Trade creditors	2,547	1,930
Sundry creditors and accrued expenses	2,164	2,899
	<b>4,711</b>	<b>4,829</b>

Note: The average credit period on purchases is 30 days. No interest is charged on trade creditors.

<b>NOTE 13: PROVISIONS</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Current</b>		
Employee Provision - Annual Leave	4,464	3,114
Employee Provision - Personal Leave	46	-
Employee Provision - Long Service Leave	2,100	1,912
Employee Provision - Redundancies	250	-
Lease Incentive	-	104
Redress and Historical Claims	1,768	-
Onerous Contract (ii)	1,142	2,235
	<b>9,770</b>	<b>7,365</b>
<b>Non-Current</b>		
Employee Provision - Long Service Leave	1,456	1,366
Provision for Make Good (i)	704	816
Lease incentive	-	90
Onerous Contract (ii)	-	1,290
	<b>2,160</b>	<b>3,562</b>

**NOTE 13: PROVISIONS (CONT.)**

	2020	2019
Number of equivalent full time employees at end of financial year	571	568

**i. Provision for Make Good**

The provision for make good represents the present value of the directors' best estimate of the future sacrifice of economic benefits that will be required to remove leasehold improvements from leased property.

**ii. Provision for Onerous Contract**

The Provision for Onerous Contract to be reported as part of the current Annual Financial Report for Year Ended 30 June 2020 is for the remaining duration of the term of the ACT Together contract with the Community Services Directorate of the Australian Capital Territory, up to the commencement of the extension period, which is February 2021. The provision is categorised as Current. There is no early termination option for Barnardos, and Barnardos remains committed to providing the highest level of support to the vulnerable clients within the ACT Together Consortium.

Barnardos has incurred losses in the 2018, 2019 and 2020 financial years in meeting the requirements of the contract, mostly due to an unanticipated variance in the mix of high and low cost clients, and partly due to incurring additional unforeseen high and unavoidable costs in relation to a small number of high needs clients. We envisage these losses are continuing until the end of the current contract in January 2021.

The five year contract contained a provision that allowed for a mid-contract review and this review was undertaken during the 2018/19 financial year, resulting in Barnardos being awarded an increase in financial contribution within the contract, effective from 1 January 2019. Barnardos have during the past year, negotiated an extension of the contract to 30 June 2022, which will incorporate an increased funding allocation to be effective 1 February 2021, and is in the process of finalisation at the date of this report.

In assessing the probability of a future deficit from the contract, we have considered a range of likely outcomes and arrived at the expected value by weighing the possible outcomes of the future deficits going forward by their associated probabilities. The most significant variable being the number and mix of clients under the Consortium's care for the remainder of the contract noting that the future flow and mix of clients through the care system will impact the cost of providing the services, based on the above analysis the Current Provision for Onerous Contract amounts to \$1.14 million.

**iii. Provision for Redress and Historical Claims**

The Provision for Redress and Historical Claims represents an estimate of future payments to past clients. Barnardos (initially as a branch of Barnardos UK and, since July 1996 as Barnardos Australia) has operated a large number of residential and non-residential services over a long period of time caring for vulnerable children and young people. Rigorous procedures have been and continue to be in place for ensuring the safeguarding of children. Our experience, internal and external inspections evidence the high standard of services delivered in the vast majority of cases over this time.

However, Barnardos accepts that there are cases where clients may have experienced harm and that the possibility of future claims from past clients for compensation exists. This includes the potential for claims to be made through the National Redress Scheme that was established in response to the Royal Commission into Institutional Responses to Child Sexual Abuse.

Barnardos Australia, together with Barnardos UK, were accepted into the scheme in December 2019. The Redress Scheme allows for redress of up to \$150,000 for each individual claim.

**NOTE 13: PROVISIONS (CONT.)**

Where claims have been received by Barnardos Australia, these have been assessed for their likely outcome and provision made as required. In addition an estimate has been made of possible future claims payable both under the Redress Scheme and as legal settlements.

The Provision for Redress and Historical Claims is estimated by taking into account the following matters in determining the key assumptions,

1. an acknowledgement by Barnardos and Barnardos UK, that despite the best intentions, there are instances where past practices have resulted in significant damage to clients,
2. The guidelines of the redress scheme,
3. There is an agreement between Barnardos UK and Barnardos Australia, that Barnardos UK will meet any liability for matters prior to 1975. There is a contingent liability to Barnardos Australia should Barnardos UK be unable to meet these claims.
4. Taking into account the total number of past clients and prior settlements,
5. Barnardos has maintained various insurances against such matters since the early 1970's which would be likely to offset a significant amount of any potential liability.

Based on the above assumptions, the Current Provision for Barnardos Australia's Historical matters is \$1,768,000. The cost of making this provision is included within Welfare Centre expenditure in the statement of profit or loss, consistent with the costs of aftercare services provided by Barnardos Australia.

<b>NOTE 14: LEASE LIABILITIES</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Current</b>		
Lease Liabilities	2,372	-
	<u>2,372</u>	<u>-</u>
<b>Non-Current</b>		
Lease Liabilities	10,075	-
	<u>10,075</u>	<u>-</u>

In the current year, the entity has applied AASB 16 Leases, which is effective for annual periods that begin on or after 1 July 2019. These leases are for office commercial office spaces utilise for both service delivery staff and office based support staff.

<b>NOTE 15: RESERVES</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Reserves</b>		
Donor Reserve (i)	73	73
	<u>73</u>	<u>73</u>

**Represented By:**

- i. The donor reserve is made up of a number of bequests with specific terms, Bank Term Deposit – "Gift Fund" Note 7.

<b>NOTE 16: RETAINED EARNINGS</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
Balance at beginning of financial year	12,351	1,183
Adjustment made to retained earnings as a result of AASB16 implementation	(1,172)	-
Profit / (Loss) for the year	(2,317)	1,168
<b>Balance at end of financial year</b>	<u><b>8,862</b></u>	<u><b>12,351</b></u>

NOTE 17: CAPITAL AND LEASING COMMITMENTS	2020 \$000's	2019 \$000's
(a) Rentals charged to operating expenses	332	2,882
(b) Lease Commitments		
Non-cancellable leases:		
Less than one year	2,372	2,649
Between one year and five years	9,125	10,171
More than five years	950	107
	<b>12,447</b>	<b>12,927</b>

The non-cancellable leases are mostly for Special Purpose Welfare Centres and the head office of Barnardos located at Bay Street, Ultimo.

### NOTE 18: SEGMENT INFORMATION

Barnardos Australia is a charity working for the welfare of children and young people in New South Wales and the Australian Capital Territory, Australia.

NOTE 19: NOTES TO THE STATEMENT OF CASH FLOWS	2020 \$000's	2019 \$000's
<b>Profit / (Loss) for the year</b>	(2,317)	1,168
Depreciation and amortisation - property, plant and equipment	1,766	1,872
Amortisation of Right of Use Assets	2,476	-
Depreciation and amortisation - investment property	36	44
Net (gain)/loss on disposal of property, equipment and motor vehicles	90	(5)
Net (gain)/loss on disposal of investments available for sale	132	-
Net (gain)/loss on Perpetual Investments	215	(282)
-Bequest distribution received as investment available for sale	-	(465)
Interest received on Funds held in Trust	6	7
<b>Changes in Assets and Liabilities:</b>		
(Increase)/Decrease in receivables	1,888	(3,652)
Decrease/(increase) in prepayments	(435)	554
Increase/(decrease) in income received in advance	2,264	2,778
(Decrease)/increase in provisions	4,339	(1,624)
Increase/(decrease) in sundry creditors	(2,802)	1,091
<b>Net cash provided / (used in) Operating Activities</b>	<b>7,658</b>	<b>1,486</b>

**NOTE 19: NOTES TO THE STATEMENT OF CASH FLOWS (Cont.)**

	2020	2019
	\$000's	\$000's

**Reconciliation of Cash and cash at bank**

Cash balance comprises:

Cash At Call (note 7)	10,822	5,702
Bank Commercial Bills - "Gift Fund" (note 8)	287	279
<b>Cash Balance as per Cash Flow Statement</b>	<b>11,109</b>	<b>5,981</b>

**NOTE 20: CONTINGENT LIABILITIES**

As at 30 June 2020, the Commonwealth Bank has issued bank guarantees totalling \$585,657 to guarantee various commercial leases entered into by Barnardos Australia.

**NOTE 21: SUBSEQUENT EVENTS**

Barnardos participated in the tender for the replacement of NSW Family Referral Services which were previously funded by the Ministry of Health, and going forward will be known as Family Connect and Support Services under the auspice of NSW Department of Community and Justice. As a result of this re-tendering process Barnardos long standing Family Referral Service in the Illawarra region will not continue beyond 31 December 2020, however Barnardos services in the Sydney metropolitan region will continue with significant expansion into new areas in Western Sydney.

Barnardos were awarded a tender in 2019 to fit-out and operate a new early childhood pre-school service in the recently re-developed Ultimo Primary School. With fit-out commenced, Barnardos is looking forward to the opening of our newest Early Learning and Care Centre in January 2021.

Barnardos operations have been impacted by the Covid 19 pandemic, both in relation to the way we provide support within the community, and how we manage our dispersed workforce. The use of technology has provided greater flexibility in how we communicate, and we have continued to visit our client base while maintaining appropriate safe practices within the community. Our financial sustainability continues to be sound, while we did experience an initial impact to our revenue from our giving and recruitment services, we are confident that we will be able to manage the fluctuations and continue to provide support to the Community.

There has not been any matter or circumstance, other than referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

**NOTE 22: FINANCIAL INSTRUMENTS**

2020  
\$000's

2019  
\$000's

The following Financial Assets and Liabilities are held

**Financial Assets**

Cash and cash at bank	10,822	5,702
Receivables	3,969	5,858
Other Financial Assets	287	279
Financial assets at fair value through profit or loss	5,964	5,980

**Financial Liabilities**

Payables	4,711	4,829
Income received in advance	7,707	5,443
Other – funds held in trust <sup>a</sup>	2,126	2,107

<sup>a</sup> Other – includes funds held in Trust on behalf of Barnardos UK: \$1,841,939 and an estate held on behalf of clients: \$283,941.

The Company's other financial assets are measured at fair value at the end of each reporting period. The fair values of other financial assets in shares are determined based on quoted bid price in an active market.

NOTE 23: INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991	2020 \$000's	2019 \$000's
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**i) Details of aggregate gross income and total expenses of Fundraising Appeals**

**Gross proceeds from Fundraising Appeals:**

Mail Appeals	2,520	2,629
Other Appeals	2,156	2,307
Bequests	1,720	4,757
Auxiliaries	266	279
Pro-bono Contributions	72	191
<b>Total Gross Proceeds from Fundraising Appeals</b>	<b>6,734</b>	<b>10,163</b>
<b>(Less): Direct Costs of Fundraising Appeals</b>	<b>(2,005)</b>	<b>(2,272)</b>
<b>Surplus obtained from Fundraising Appeals</b>	<b>4,729</b>	<b>7,891</b>
<b>(Less): administrative and indirect fundraising costs</b>	<b>(1,328)</b>	<b>(1,211)</b>
<b>Net Surplus from Fundraising</b>	<b>3,401</b>	<b>6,680</b>

**ii) Accounting principles and methods adopted in the Financial Statements**

The accounting principles and methods adopted in the preparation of the Financial Statements are set out in Note 1 of the notes to the Financial Statements.

**iii) Statement showing how funds received were applied to charitable purposes**

1) Net surplus from Fundraising appeals	3,401	6,680
Total Net Surplus	<b>3,401</b>	<b>6,680</b>

2) This was applied to Charitable purposes in the form of expenditure on direct welfare services as set out in the Financial Statements.

**iv) Fundraising appeals conducted during the financial year.**

Mail Appeals, Other Appeals, Auxiliaries and Special Events.

**NOTE 23: INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991**

**v) Comparisons of certain monetary figures and percentages**

Comparison Descriptions	2020		2020 %	2019		2019 %
	\$ '000			\$ '000		
	Direct cost	Gross Income		Direct cost	Gross Income	
Total direct cost of Fundraising / Gross Income from Fundraising	2,005	6,734	29.8%	2,272	10,163	22.4%
Net Surplus from Fundraising / Gross Income from Fundraising	4,728	6,734	70.2%	7,891	10,163	77.6%
Total cost of Fundraising / Gross Income from Fundraising	3,334	6,734	49.5%	3,483	10,163	34.3%
Net Surplus from Fundraising / Gross Income from Fundraising	3,401	6,734	50.5%	6,680	10,163	65.7%
Total costs of services / total expenditure (excluding fundraising and merchandising expenditure).	103,259	108,094	95.5%	101,817	105,410	96.6%
Total costs of services / total income received (net of fundraising and merchandising expenditure).	103,259	106,124	97.3%	101,817	106,848	95.3%

**vi) The Charitable Fundraising Act Declaration is included on Page 19.**

**NOTE 24: ADDITIONAL INFORMATION**

Barnardos Australia is a company, limited by guarantee, operating as a Charity within Australia.

Liability of each member in the event of winding up is \$10.00 (full amount). As at 30 June 2020 the number of members was 121 (2019: 136). The amount that is eligible to be called up in the event of and for the purpose of a winding up as at 30 June 2020 was \$1,210 (full amount) (2019: \$1,360 (full amount)).

Principal place of business and registered office:

60 - 64 Bay Street,  
ULTIMO, NSW, 2007,  
AUSTRALIA.

## Unaudited Barnardos Australia Supplementary Information to the Financial Statements for the Financial Year Ended 30 June 2020

FEDERAL GOVERNMENT SUBSIDIES (DETAILED)	2020 \$000's	2019 \$000's
<b>Auburn Children's Family Centre</b>		
Long Day Care	662	731
	<b>662</b>	<b>731</b>
<b>Canberra Children's Family Centre</b>		
Family Support – Alcohol and Other Drugs (prev kids in focus)	121	120
	<b>121</b>	<b>120</b>
<b>Penrith Children's Family Centre</b>		
Disabled Adolescents Respite Enterprise (NDIS)	641	658
Vacation Care	255	213
	<b>896</b>	<b>871</b>
<b>South Coast Children's Family Centre</b>		
Communities For Children	1,384	1,296
Illawarra Family Referral Service (Bushfire Grant)	59	-
	<b>1,443</b>	<b>1,296</b>
<b>Western (Orana Far West)</b>		
Family First Gilgandra	278	287
Family First Wellington	90	-
Wellington Learning Centre	-	89
	<b>368</b>	<b>376</b>
<b>Youth Programs</b>		
Reconnect - Mudgee, Coolah and Rylstone	198	197
Reconnect - Wellington, Narromine and Gilgandra	198	197
Reconnect - Cobar, Warren and Nyngan	283	281
Reconnect - Marrickville and Canterbury	198	191
	<b>877</b>	<b>866</b>
<b>TOTAL FEDERAL GOVERNMENT SUBSIDIES</b>	<b>4,367</b>	<b>4,260</b>

**Unaudited Barnardos Australia Supplementary Information to the Financial Statements for the Financial Year Ended 30 June 2020 (Cont.)**

STATE GOVERNMENT SUBSIDIES (DETAILED)	2020 \$000's	2019 \$000's
<b>NSW GOVERNMENT SUBSIDIES</b>		
<b>SAFETY AND PREVENTION</b>		
<b>Auburn Children's Family Centre</b>		
Family Accommodation and Support	444	429
Long Day Care	38	29
Family Support and Preservation	649	317
Kinship Care	1,204	-
Temporary Family Care – Auburn and Blacktown	1,131	1,121
	<b>3,466</b>	<b>2,219</b>
<b>Hunter Central Coast</b>		
Temporary Family Care and Kinship Care	4,360	4,416
	<b>4,360</b>	<b>4,416</b>
<b>Penrith Children's Family Centre</b>		
Family Support	622	149
Kinship Care	-	1,271
Temporary Family Care	1,632	1,565
Vacation Care	-	20
Universal Screening and Supports Western Sydney	460	147
Youth Services	149	146
	<b>2,863</b>	<b>3,753</b>
<b>Southern (Queanbeyan) Children's Family Centre</b>		
Queanbeyan Family and Adolescent Counselling Service	175	170
Family Support	237	230
Gatherings	20	20
Brighter Futures – Cooma	233	226
Family Support and Accommodation	616	598
	<b>1,281</b>	<b>1,244</b>

**Unaudited Barnardos Australia Supplementary Information to the Financial Statements for the Financial Year Ended 30 June 2020 (Cont.)**

STATE GOVERNMENT SUBSIDIES (DETAILED) (CONT.)	2020 \$000's	2019 \$000's
<b>Western (Orana Far West)</b>		
Family First – Gilgandra	312	312
Family First – Wellington	168	158
Family Support – Mudgee	266	258
Early Intervention Program	982	957
Family Accommodation and Support	357	425
Intensive Family Preservation	395	383
Domestic Violence Response	311	311
Prison Parenting Program	277	182
Crisis and Short-Term Care	820	553
Kinship Care – Out-of-Home Care	596	563
	<b>4,484</b>	<b>4,102</b>
<b>South Coast Children's Family Centre</b>		
Kids Time Playgroups	319	309
Barnardos Early Years Home Support Service (BEYHSS)	328	266
Bundaleer Child and Family Community Development	100	77
Temporary Family Care (Extended Families)	2,044	1,072
Substance Use In Pregnancy and Parenting Service (SUPPS)	503	502
Kinship Care	739	596
Aboriginal Community Resource Project	-	95
Illawarra Family Referral Service	1,729	1,686
	<b>5,762</b>	<b>4,603</b>
<b>Sydney Metro</b>		
Temporary Family Care	1,588	932
Family Referral Services	3,022	2,769
Intensive Family Support Services	1,249	974
Aboriginal Early Years Project	325	320
	<b>6,184</b>	<b>4,995</b>
<b>Youth Programs</b>		
Post Release Option	318	292
Streetworker	291	286
	<b>609</b>	<b>578</b>
<b>TOTAL SAFETY AND PREVENTION</b>	<b>29,009</b>	<b>25,910</b>

**Unaudited Barnardos Australia Supplementary Information to the Financial Statements for the Financial Year Ended 30 June 2020 (Cont.)**

<b>STATE GOVERNMENT SUBSIDIES (DETAILED) (CONT.)</b>	<b>2020</b>	<b>2019</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>PERMANENCY FOSTER CARE AND OPEN ADOPTION</b>		
Find-a-Family	13,977	16,976
Aftercare	-	12
Narang Bir-rong	937	3,322
Central Western	3,190	1,464
Gudjagang Ngarra li-dhi (GNL)	-	819
Yuranha Walan	831	798
	<b>18,935</b>	<b>23,391</b>
<b>TOTAL NSW GOVERNMENT SUBSIDIES</b>	<b>47,944</b>	<b>49,301</b>
<b>ACT GOVERNMENT SUBSIDIES</b>		
<b>SAFETY AND PREVENTION</b>		
<b>Canberra Childrens Family Centre</b>		
Our Place (formerly YIEAP)	1,355	1,237
Barnardos Child, Youth and Family Services	628	605
Intensive Intervention Services	991	956
Network Coordination Inner North Gungahlin	343	108
Youth Identified Accommodation Support Program	31	50
	<b>3,348</b>	<b>2,956</b>
<b>ACT GOVERNMENT SUBSIDIES – Out-of-Home Care</b>		
ACT Together Consortium	<b>40,772</b>	<b>38,437</b>
<b>TOTAL ACT GOVERNMENT SUBSIDIES</b>	<b>44,120</b>	<b>41,393</b>

## Unaudited Barnardos Australia Supplementary Information to the Financial Statements for the Financial Year Ended 30 June 2020 (Cont.)

WELFARE CENTRES EXPENDITURE (DETAILED)	2020 \$000's	2019 \$000's
<b>SAFETY AND PREVENTION</b>		
<b>After Care</b>	<b>1,522</b>	<b>591</b>
<b>Auburn Children's Family Centre</b>		
Family Accommodation and Support	573	580
Long Day Care	1,217	1,234
Family Support and Preservation	675	783
Kinship Care	1,101	80
Temporary Family Care	1,308	1,187
	<b>4,874</b>	<b>3,863</b>
<b>Canberra Children's Family Centre</b>		
Kids In Focus	139	124
Barnardos Child, Youth and Family Services	695	605
Intensive Intervention Services	1,019	959
Network Coordination Inner North Gungahlin	154	111
Our Place (formerly YIEAP)	1,678	1,533
	<b>3,685</b>	<b>3,332</b>
<b>Penrith Children's Family Centre</b>		
Disabled Adolescents Respite Enterprise (TEEPS)	740	734
Family Accommodation and Support (FAAS)	982	1,073
Kinship Care	-	1,068
Temporary Family Care	2,159	1,704
Vacation Care	344	299
Youth Services	226	285
	<b>4,451</b>	<b>5,163</b>
<b>Southern (Queanbeyan) Children's Family Centre</b>		
Queanbeyan Family and Adolescent Counselling Service	191	307
Brighter Futures – Cooma	253	264
Queanbeyan Gatherings	137	109
Family Support	305	281
Family Accommodation and Support	617	601
	<b>1,503</b>	<b>1,562</b>

**Unaudited Barnardos Australia Supplementary Information to the Financial Statements for the Financial Year Ended 30 June 2020 (Cont.)**

<b>WELFARE CENTRES EXPENDITURE (DETAILED) (CONT.)</b>	<b>2020 \$000's</b>	<b>2019 \$000's</b>
<b>South Coast Children's Family Centre</b>		
Kids Time Playgroups	323	311
Barnardos Early Years Home Support Service (BEYHSS)	735	489
Bundaleer Child and Family Community Development	129	112
Temporary Family Care (Extended Families)	1,940	1,072
Home Interaction Program for Parents and Youngsters (HIPPY)	271	239
Substance Use In Pregnancy and Parenting Service (SUPPS)	509	503
Communities for Children	1,390	1,298
Aboriginal Community Resource Project	-	133
Kinship Care	882	596
Illawarra Family Referral Service	1,865	1,689
	<b>8,044</b>	<b>6,442</b>
<b>Sydney Metro Children's Family Centre</b>		
Temporary Family Care	1,472	920
Family Referral Services	3,046	2,770
Yurungai Child and Family Services	1,124	907
Yurungai Learning Centre	333	334
Aboriginal Early Years Project	393	415
	<b>6,368</b>	<b>5,346</b>

## Unaudited Barnardos Australia Supplementary Information to the Financial Statements for the Financial Year Ended 30 June 2020 (Cont.)

WELFARE CENTRES EXPENDITURE (DETAILED) (CONT.)	2020 \$000's	2019 \$000's
<b>Western (previously Orana Far West)</b>		
Family Support	452	782
Family First – Wellington	506	200
Family First – Gilgandra	664	662
Home Interaction Program for Parents and Youngsters (HIPPY)	260	248
Prison Parenting Program	559	306
Early Intervention Program	1,043	1,058
Wellington Learning Centre	277	354
Kinship Care – Out-of-Home Care	378	312
Network Communities – Wellington	450	387
Domestic Violence Response	688	603
Intensive Family Preservation	833	486
	<b>6,110</b>	<b>5,398</b>
<b>Research, Development and Health Projects</b>	<b>616</b>	<b>657</b>
<b>Youth Programs</b>		
Reconnect – Mudgee, Coolah and Rylstone	250	262
Reconnect – Wellington, Narromine and Gilgandra	251	273
Reconnect – Cobar, Warren and Nyngan	344	350
Reconnect – Marrickville and Canterbury	312	349
Post Release Option	334	328
Streetworker	341	289
	<b>1,832</b>	<b>1,851</b>
<b>TOTAL SAFETY AND PREVENTION</b>	<b>39,005</b>	<b>34,205</b>
<b>PERMANENCY, FOSTER CARE AND OPEN ADOPTION</b>		
ACT Together Consortium – current year expenditure	43,120	42,088
ACT Together Consortium – provision for onerous contract	(2,383)	(2,339)
Find-a-Family	16,908	18,597
Narang Bir-rong	937	3,327
Hunter Central Coast	5,447	6,145
	<b>64,029</b>	<b>67,818</b>
<b>PERMANENCY, FOSTER CARE AND OPEN ADOPTION</b>	<b>64,029</b>	<b>67,818</b>
<b>Financial impact of the initial application of AASB 16</b>	<b>225</b>	<b>-</b>
<b>TOTAL WELFARE CENTRES EXPENDITURE</b>	<b>103,259</b>	<b>102,023</b>

# Barnardos Australia Directory

## CHAIR

Janett Milligan, B Social Science (Hons) (UNE), MBA (Sydney), GAICD

## OTHER DIRECTORS

Bradley Cooke

Julia-Anne Davenport BA (Information Science) (University of Technology), GAICD

Sam Garland, CA, B.A. (Business Economics), (University of Leeds), Registered External Auditor (ASIC)

Paul Ireland, B Eng (Sydney), B SocSc (Hons) (Sydney), MBA, CFA, Dip Adult Education

Amy Kilpatrick, B of Law (Hons) (ANU), BA (Politics and Sociology) USA, Grad Dip in Politics (University of Melbourne), GAICD.

Dr Stephen Mills BA (Hons) (Melbourne), MPA (Harvard), PhD (Sydney)

Jane Paskin, LLB (Hons) (UTS), GAICD, ASFA Accredited Investment Fiduciary.

John Pittard, BSc. MAICD

Rhonda Stien, MBA, (Macquarie), Master Social Work (UNSW) BA Social Work (UNSW)

Fran Waugh, GradCertTeaching (HE)(Sydney), BSW (UNSW), PhD (Sydney).

## EXECUTIVE OFFICERS

### CHIEF EXECUTIVE

Deirdre Cheers, B Soc Stud Hons, Grad. Dip. Couns, MSW (Res), M Pub Admin, MAASW, GAICD.

### EXECUTIVE MANAGERS

Children and Families	Penny Hood, BA Arts (BA), Bachelor of Laws (LLB), Masters of Policy Studies (UNSW), Specialist Certificate, Implementation Science (Melb Uni).
Practice Quality	Elizabeth Cox, B. Social Science, MBA.
Engagement and Giving	Sarah Spence, B Edu, CIV Training and Assessment, M Adult Education and Business, Grad Dip. Marketing and Communications, M Business Management.
People and Culture	Rita D'Arcy, B Comm (Major HRM and IR Law), Masters OD and Strategic HRM, Masters Leadership (Major Change Management), Cert IV Training and Assessment, CFAHRI, FCIPD, GAICD.
Finance and Corporate	Patrick Kerlin, CA, B Bus, Grad. Dip.CSP, ACIS, MPS Social Work, MAICD. (to October 2020) James Barry, CA, B Bus, GAICD.

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**[barnardos.org.au](http://barnardos.org.au)**

Head Office | 60-64 Bay Street Ultimo NSW 2007  
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DX11801 Sydney Broadway  
Tel 02 9218 2300 | Fax 02 9281 0526



**Barnardos**  
**Australia**