

Thomas Kelly Youth Foundation Limited
(A Company Limited By Guarantee)
A.B.N. 61 161 682 962

General Purpose Financial Report
30 June 2017

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Thomas Kelly Youth Foundation Limited
A.B.N. 61 161 682 962

Company Particulars
For the year ended 30 June 2017

Directors

David Anstee
Justin Greiner (Chairperson appointed 8 August 2017)
Kathryn Kelly (appointed 20 July 2016)
Ralph Kelly
Mark Langsworth (Deputy Chairperson)
Geoff Lucas (resigned 6 April 2017)
Simon McGrath
Ian Penman (Chairperson until 8 August 2017)

Secretary

Ms Natalie Zelinsky

Registered Office in Australia

406/56 Bowman Street
Pyrmont NSW 2009
AUSTRALIA

Principal Place of Business

406/56 Bowman Street
Pyrmont NSW 2009
AUSTRALIA

Auditors

PricewaterhouseCoopers
Chartered Accountants
GPO Box 2650
Sydney NSW 1171

Bankers

Westpac Banking Corporation
319-323 Bong Bong Street
Bowral NSW 2576

Directors' Report
For the year ended 30 June 2017

The Directors present their report, together with the financial statements of the Thomas Kelly Youth Foundation Limited (the 'Company' or the 'Foundation') for the year ended 30 June 2017.

1. Directors

The following persons were Directors of the Thomas Kelly Youth Foundation ('TKYF') during the financial year and up to the date of the report, unless otherwise shown:

David Anstee
Justin Greiner (Chairperson appointed 8 August 2017)
Kathryn Kelly (appointed 20 July 2016)
Ralph Kelly
Mark Langsworth (Deputy Chairperson)
Geoff Lucas (resigned 6 April 2017)
Simon McGrath
Ian Penman (Chairperson until 8 August 2017)

The director meeting attendance for the year was as follows:

	Total	Possible
Mr Ian Penman	12	13
Mr. Mark Langsworth	12	13
Mr. Ralph Kelly	11	13
Mr. David Anstee	11	13
Ms. Kathy Kelly	9	13
Mr. Geoff Lucas	8	11
Mr. Simon McGrath	12	13

2. Principal activities

The company is a not for profit registered charitable institution established and located in Australia. The company was formed on 17 December 2012 to raise funds to foster a more responsible drinking culture and ultimately a safe and healthier community.

The principal activity of the Company is to promote the minimisation of harm from alcohol, self-harm, suicide and anti-social behaviour amongst young people in Australia. The Company has adopted an ongoing strategy of raising community awareness, contributing to the formation of government regulation, facilitating community support programs and the development of initiatives and strategies that contribute to government programs and industry practice.

3. Long Term Objective

The 2017 milestones and 5 year outcomes were developed in September 2016 with the annual strategy review scheduled for November 2017 . The Foundation's longer term objective "to get our youth home safely" also incorporates the vision to "keep our youth safe".

Directors' Report (continued)
For the year ended 30 June 2017

4. Key Strategies

The Foundation's 2017 key milestones support the Foundation's mission in promoting harm prevention and driving behavioural change in our communities, families, youth and sport and influencing reform. The Thomas Kelly Youth Foundation values remain unchanged and are to be:

- inclusive
- courageous
- respectful and
- never give up

5 Year Outcomes

The 5-year Foundation outcomes are:

- the Foundation will influence safe behaviour of young people
- be an evidence based thought leader organisation
- be a well-resourced and sustainable organisation
- the Take Kare program is owned by the community
- the development of a national network of Take Kare Safe Spaces and volunteers
- becoming the governments' sought after partner
- the media are positive champions

2017 Milestones

The 2017 milestones are:

1. Publish a well-researched and credential based report on the economic benefits of "Getting our youth home safely"
2. Form an effective communications capability driving positive and relevant messaging
3. All leaders have messaging, values training and tool kit
4. A voluntary external clean audit of TKYF governance
5. Three new Take Kare Safe Spaces operating successfully
6. Develop an education framework, and identify target partners with one pilot underway
7. Quarterly meetings with TK community with 80% attendance
8. A defined five-year sustainable business model
9. Expand the organisation to drive strategic agenda and raised minimum \$1.0M
10. Secure a partnership with NSW Health

The 2017 milestones are scheduled for review at the November 2017 annual strategy review meeting.

Directors' Report (continued)
For the year ended 30 June 2017

5. Explanation of how business activities helped meet key objectives

The principal object of the Company is the promotion of the prevention or the control of human behaviour that is harmful or abusive to human beings, including but not restricted to behaviour arising from substance abuse relating to alcohol consumption, self-harm and suicide.

In pursuing the principal object, the Foundation engages in the following principal activities:

- Raising community awareness through various digital and print media, social media and community presentations;
- Actively seeking opportunities to contribute to the prevent of harm and the promotion of welfare of the general community through government programs and industry practice;
- Supporting research conducted by the University of NSW in the evaluation of the prevention of harm and the community and economic benefits of the Take Kare Safe Spaces;
- Provision of Take Kare Safe Space programs in Sydney, (Town Hall, Kings Cross and initiating the Darling Harbour Trial). This community program is provided through a service provision partnership with by St John Ambulance;
- Maintaining an interactive social media platform to engage with youth and general community;
- Raising funds to support the development and expansion of Take Kare ('TK') initiatives including Take Kare Safe Space programs and Take Kare educational programs;
- Pursuing improved community support outcomes for victims of violence;
- Maintain a public fund, the sole purpose of which is to receive all gifts of money or property for the objectives; and
- Do all things as are incidental or conducive to the attainment of any or all the objectives.

The Foundation reviewed its constitution in relation to self harm and suicide. There were no significant changes in the nature of these principal activities during the year.

6. Measurement of performance

The Foundation engaged in a number of activities in the 2016/2017 financial year that contributed to the pursuit of the principal object and positive outcomes. A summary of these activities is listed below:

- The Foundation partnered with Channel Nine, Nine World of Sports through the Nine Cares program to promote prevention of harm and raise community awareness.
- The Foundation partnered with APN Media to promote prevention of harm through national messaging on billboards.
- The Foundation partnered with Fairfax Media to promote the prevention of harm through advertising.
- From inception to 30 June 2017 Take Kare Safe Space programs supporting nightlife in Sydney assisted 44,273 people to get home safely. The following two incidents are examples of the numerous interventions by Take Kare Ambassadors (TKAs').

1) Whilst debriefing at the end of a shift, the TK Team were approached by two members of the public who were concerned for the welfare of a young woman who was by herself. They pointed out a nearby man who they had seen following and harassing the woman along George Street. A member of the Take Kare team caught up with the intoxicated woman. The woman was quite upset and explained that she was waiting for a friend to pick her up. She did not know the man at all. The man was still lingering nearby, watching her. A TK Team Leader confronted the man regarding his knowledge of the woman, after which he left the scene. TKA's ensured that the woman was not harassed until she was soon picked up by her friend.

Directors' Report (continued)
For the year ended 30 June 2017

6. Measurement of performance (continued)

2) A traffic controller ran to the Town Hall Safe Space alerting the team to a male lying on the footpath on Park Street with a crowd of people surrounding him. The incident was referred to a nearby roving team. The man had an epileptic and disability bracelet and was unconscious. One member of the TK team called an ambulance while the other TK member was observing vital signs. The team stayed with the man until the ambulance was able to arrive and then assisted the paramedics.

- The commencement of a new service provision partnership on 1 July 2016 with St John Ambulance who share a similar vision to the Foundation.
- \$527,887 raised for the Take Kare Safe Space programs of which \$200,000 was paid directly by funding partners to St John Ambulance.
- On 28 October 2016 the Foundation hosted a stakeholders and partners update event that provided information on the Foundation's activities and achievements.
- The Foundation participated in the NSW Wales Police Community Awareness of Policing Program (CAPP) 10-12 March 2017.
- The Foundation presented with the Conviction Group (Men's Health) West on 31 March 2017 and North on 16 June 2017.
- On 4 April 2017 the Foundation hosted a stakeholders and partners update event that provided information on the Foundation's activities and achievements.
- In April 2017 Foundation commenced providing support for the two year evaluation study of the social and economic benefits of the Take Kare Safe Spaces. This evaluation study is being conducted by the University of New South Wales.
- The Foundation has nominated the Take Kare Safe Space programs, and is a semi-finalist, for the 2017 Impact 100 Sydney North grant. This grant is awarded to a program that supports young people at risk. Impact 100 Sydney North is a collective giving body that administers this annual grant which will be awarded on 16 November 2017.
- The Take Kare Safe Space program has been nominated for the Australia Institute of Criminology Prevention of Violence Awards with winners to be announced in October 2017.
- The Foundation entered into discussions of a partnership agreement with the University of Technology in relation to the development and maintenance of the Take Kare app and the UTS Soul program for students. This agreement is expected to be finalised in October 2017.
- The Foundation participated in the Harvard Club Program for Not for Profit Leaders on 19-20 May 2017. This Not for Profit leadership program provided skills in developing strategies for scale and transforming impact.
- A Take Kare Volunteers Dinner was held on 11 May 2017 in Sydney.
- The Foundation presented at the Parramatta District Referees Association on 11 July 2017.
- The Foundation hosted 60 Minutes on 30 June 2017 at the Take Kare Safe Spaces.
- In the last quarter the Foundation actively sought the recruitment of two additional directors with specialist expertise. A leading member of the finance and business community and a director of youth communications.

7. Trading results

The profit from ordinary activities for the Company for the year ended 30 June 2017 after income tax expense was \$21,955 (2016: loss of \$37,247).

Directors' Report (continued)
For the year ended 30 June 2017

8. Review of operations

In the opinion of the directors, the results of the operations of the Company for the year ended 30 June 2017 were not affected by any item, transaction or event of a material or unusual nature. The directors note that two out of five of the Foundation's Take Kare Safe Space funding partners paid the service provider directly. The City of Sydney and the Macquarie Group Foundation both paid \$100,000 directly to St John Ambulance Australia.

9. Changes in the state of affairs

The following significant changes have occurred during the financial year:

1. The Thomas Kelly Youth Foundation has contracted St John Ambulance as the new service provider effective 1 July 2016 to 30 June 2018.
2. Macquarie Group Foundation has funded the Executive Officer role of the Foundation from February 2017 for 12 months as part of its capacity building contribution. The Foundation has appointed Natalie Zelinsky into the role of Executive Officer.
3. Mark Langsworth has been placed in the Director of Finance role following the resignation of Geoff Lucas.

10. Dividends

No dividends have been paid, declared or recommended since the company's incorporation.

11. Information on directors

Justin Greiner

Chairperson / Director of Risk (appointed August 8 2017)

Justin Greiner's experience spans over 20 years across Banking, Advisory, Wealth Management and Retail. Justin is a values-centred leader with a strong track-record of strategy development and delivery, people engagement and transformational change. Justin is currently the CEO of JBWere Australia and New Zealand, and oversees more than \$50b in Funds Under Advice. JB Were provides a wide range of investment, advisory and philanthropic services and has over 500 employees. Prior to joining JBWere, Justin was General Manager, Transformation for ANZ Wealth. In this role, he had responsibility for the customer transformation agenda with a specific focus on the digital, online and physical channels. Justin holds a Master of Business Administration (MBA) from Harvard Business School and a Bachelor of Accounting from the University of Technology, Sydney. He is also the President of the Harvard Club of Australia, a Director of the Financial Industry Community Aid Program (FICAP), a Director of the Institute of Bone & Joint Research and an Advisory member of the Youngcare Sydney Leadership Team. Passionate about diversity and leadership, Justin is also a current member of the JBWere Diversity Council.

Directors' Report (continued)
For the year ended 30 June 2017

11. Information on directors (continued)

Ian Penman

Chairperson / Director of Risk (resigned August 9 2017)

Ian has had a long and successful career in the IT industry at IBM, Compaq and at Volante, a publicly listed company. Ian brings a wealth of international and domestic experience to the TKYF including 16 years as CEO and an incredible track record of strategic corporate development. During Ian's stewardship of Compaq in the APAC region, he built a company from one employee to 2860 employees with revenues of \$1.6 Billion and exceptional profitability. His expertise in building complex organizations, executive teams, exceeding stakeholder expectations and the management of risk will be invaluable to the internal review and transition of the Thomas Kelly Youth Foundation. Ian's expertise will also enable the provision of sound advice in repositioning, strategy and finance.

Mark Langsworth

Deputy Chairperson / Director of Governance

Mark is an experienced Banking and Finance senior executive and business originator who has been active on the Australia financial markets for over 25 years. Mark's roles have encompassed risk management, sales and distribution, origination, product development and strategic planning. He has the ability to drive business initiatives and has extensive strategic management experience in the finance industry and as well as positioning capabilities and product strengths. Mark's extensive risk management experience will prove invaluable in his role as Director of Governance.

Directors' Report (continued)
For the year ended 30 June 2017

11. Information on directors (continued)

David Anstee

Director of Marketing, Fundraising and Sponsorship

David Anstee is co-founder of rapporr and is a seasoned founder with CEO experience across the start-ups, media and technology sectors. He founded and sold two media and communications businesses to establish Australia's 2nd largest direct advertising agency. Very early in his professional career David worked with American Express, he then founded what was to become a leading Direct Response Advertising and Communications Group, with prestigious clients including American Express, British Airways and St George Bank. Selling the business to McCann Erickson, David led the combined agency to become the country's 2nd largest. David later founded a new start-up, MMI, which he built to become a leading provider of customer loyalty services running British Airways Frequent

Kathy Kelly

Founder Thomas Kelly Youth Foundation

Director for Kelly Family (appointed July 20 2016)

Kathy Kelly is the mother of Thomas. Kathy is an advocate for behavioural change in the community, harm reduction and the provision of social support for victims of violence. She sees communication, prevention and education as key platforms supporting the drive for social change. Kathy is able to provide powerful advocacy for the Foundation as she engages with people from across the community, communicates social issues from the heart and motivates action to create change. She is a firm believer in the need to take a pro-active approach to exploring and implementing strategies for harm reduction. Kathy is passionate about education as she sees social change and behavioural change as being interwoven into core social knowledge and values.

Ralph Kelly

Founder Thomas Kelly Youth Foundation

CEO, Director of Foundation Operations, Initiatives, Sponsorship and Relationships

Ralph Kelly is the father of Thomas. Initially with the support of a friend and then as CEO of the Thomas Kelly Youth Foundation, Ralph has pro-actively campaigned for behavioural change in the community, social support for victims of violence as well as violence protection. This has resulted in the provision of Take Kare Safe Spaces in the Sydney CBD, Dept. of Justice and a soon to be implemented UNSW research study of the Safe Space programs. Notably the Take Safe Space program has recorded a total of 17,304 incidents of assistance between December 2014 and April 2016. Ralph continues to oversee Take Kare program initiatives, day to day operations and relationship management of all stakeholders.

Directors' Report (continued)
For the year ended 30 June 2017

11. Information on directors (continued)

Geoff Lucas

Director of Finance (Resigned April 6 2017)

Geoff is an experienced professional CEO with specific career skills in working with and delivering exceptional results for growth oriented founders of successful companies. With over 25 years commercial experience from a background in accounting, finance and financial services, Geoff specialises in developing and executing strategies for growth in successful companies with experience in both private and public listed companies. Currently engaged in the Australian real estate profession as Chief Operating Officer for McGrath Group, who achieve over \$12 billion in annual residential sales. Geoff has lead companies engaged in the venture capital, wine, tourism, software development and financial services sectors requiring commercial rigour and the development of a professional leadership team. Geoff also has an impressive track record in providing corporate advice to small to medium enterprises on growth options.

Simon McGrath

Director of Strategy

Simon joined Accor Hotels in 2005 as General Manager, Sofitel Reef Casino Cairns and was later appointed Regional General Manager, overseeing all hotel operations in Northern Australia and Western Australia. In December 2006 Simon was appointed to the position of Vice President Australia responsible for all Accor's Australian hotels and in May 2012 Simon was promoted to the role of Chief Operating Officer for Accor Hotels Pacific. In his role as the Chief Operating Officer of Accor Hotels in the Pacific Simon currently oversees the operation of 250 hotels, employing 11,000 employees with annual revenue of over 1.6 billion. Simon currently sits on a number of Boards including Tourism and Transport Forum (TTF), Accommodation Association of Australia (AAA), Blue Mountains International Hotel Management School and Genesis Care.

Simon brings great depth of experience to his role in Strategy and Finance as well as excellent input into our community programs. Simon has played a major advocacy role in advancing Indigenous employment in hospitality and wider economic employment. He has also championed and taken a lead role to greatly improve gender diversity in the tourism sector. Simon has been recognised for his contribution to the hospitality industry with numerous company and individual awards of excellence. He was awarded Australasian Hotelier of the Year 2009 in the HM (Hotel Management Awards) and Accor Hotels was named Best Accommodation Chain 2013 also at the HM (Hotel Management) Awards. In addition, Simon received a Gold Bernache - the highest accolade for Accor Hotels globally - for Performance in 2012.

Directors' Report (continued)
For the year ended 30 June 2017

12. Information on committees

Audit and Risk Committee

The audit and risk committee will assist the board in exercising its authority and effective discharge of its authorities for statutory reporting, internal control systems, risk management systems, insurance and legal proceedings, and the internal and external audit functions.

Members

Justin Greiner (appointed August 8 2017)

Mark Langsworth

Ian Penman (resigned August 9 2017)

Finance Committee

The finance committee will assist the board in exercising its authority and effective discharge of its authorities for by providing advice and guidance on issues affecting the financial strategy. The finance committee will ensure financial controls are in place, review and monitor expenditure on a monthly basis, and report income and expenditure against annual budget.

Members

Justin Greiner (appointed August 8 2017)

Mark Langsworth

Geoff Lucas (until resignation April 6 2017)

Ian Penman (until resignation August 9 2017)

13. Information on advisory board

To bring specialist skills to the programs and operations of the TKYF and provide non-binding strategic advice through an informal and flexible process.

Elizabeth Broderick AO

Legal and Violence against Women

Elizabeth has brought together captains of industry, governments and Defence Force chiefs to address gender inequality in Australia and beyond. As Australia's longest serving Sex Discrimination Commissioner (2007-2015), Elizabeth worked tirelessly to break down structural and social barriers faced by women and men, and to promote gender equality. A key advocate for Australia's paid parental leave scheme, Elizabeth influenced changes to regulations to increase the numbers of women at decision-making level, and to elevate the voices of women in marginalised communities. She also established and convenes the globally recognised 'Male Champions of Change' strategy, enlisting a 'who's who' of powerful male leaders to tackle workplace gender inequality. Her review into the treatment of women in the Australian Defence Force led to sweeping cultural reforms. She is a powerful and influential voice in the struggle for gender equality, enlisting both women and men as agents of change.

13. Information on advisory board (continued)

Elizabeth is Special Advisor to the Executive Director of UN Women on Private Sector Engagement, and Global Co-Chair of UN Global Compact's Women's Empowerment Principles Leadership Group. She is a member of the Australian Defence Force Gender Equality Advisory Board, the Australian Rugby Union Board, and formerly a member of the World Bank Gender Advisory Council. She is Senior Advisor to the Australian Federal Police Commissioner on cultural change. In 2016 Elizabeth was appointed an Officer of the Order of Australia and was named 2016 NSW Australian of the Year. She holds Honorary Doctorates of Law from the University of Sydney, University of New South Wales, and the University of Technology Sydney.

Howard Brown

Community Programs (Victims of Violence)

Howard is a 61 year-old failed legal student who after studying Law for six years found himself unable to pass the subject of Taxation. He then became a Private Investigator and was working as same in 1988 when one of his friends was murdered. It was at this point that Howard realised that what he had learned at Law School was not really accurate and that there was no real protection for Victims of Crime. Howard attended the inaugural meeting of VOCAL and became a member and went straight onto the committee, in 1989. Howard then established the Sydney arm of the Victims of Crime Assistance League (Vocal) in 1991.

Howard is a member of the Victims Advisory Board, NSW Sentencing Council, and the DNA Review Panel. He provides assistance to Homicide Victims Support Group, Enough is Enough, Mission Australia, Stacsa (stand together against Sexual Abuse) Gunnedah, Homicide Victims Association. He has also held the positions of President, Vice-President of VOCAL Hunter, and is a Life Member.

Howard is a Victims Advocate for Victims of Crime before the Mental Health Review Tribunal and NSW Parole Authority. He is also engaged in restorative justice programs through The Department of Juvenile Justice and was involved as a Victims representative in the trial of the Forum Sentencing Scheme out of Liverpool Court. Howard is now working with Burwood Court as the rollout of Forum Sentencing is extended to that court. Howard was awarded the Order of Australia Medal in June of 2004 for his work with Victims of Crime. In 2011 Howard was made an Honorary Fellow of the University of New South Wales for his work with the University and for Victims of Crime.

Professor Peter Miller

Research Partnerships and Community Programs

Peter Miller is Professor of Violence Prevention and Addiction Studies at the School of Psychology, Deakin University. Peter has recently completed three of the largest studies ever conducted into licensed venues, comparing 11 Australian cities (and Wellington, NZ) over 5 years and talking to more than 15,000 patrons. Peter has edited one book and has over 100 peer-reviewed articles as well as numerous government reports.

Directors' Report (continued)
For the year ended 30 June 2017

13. Information on advisory board (continued)

Peter's current projects include: an Australia Research Council Linkage grant in collaboration with the Cancer Council and the Foundation for Alcohol Research and Education (FARE) to investigate the role of vested interests such as the tobacco, alcohol and gambling in preventing effective health policy; Drug and Alcohol intoxication and Subsequent Harm in night-time Entertainment Districts (DASHED), examining the relationship between alcohol consumption, intoxication, substance use, crime and other risky behaviour in and around licensed premises in Canberra and Hobart; Alcohol and Drug Involvement in family and Domestic Violence in Australia (ADIVA), focusing on alcohol and other drug (AOD) - related violence and the impact of different police responses on recidivism rates; and an ARC Discovery project evaluating risk-based licensing (RBL) schemes for the sale of alcohol at on-licensed premises in Australia. Peter is also working with eight Emergency Departments across Australia on systematic screening of alcohol-related harm including a public health intervention identifying the sources of alcohol which drive emergency department attendances.

14. Member's guarantee

In accordance with the company's constitution, if the company is wound up during the time of a Member's membership or within one year afterwards, each member undertakes to contribute to the assets of the Company for payment of:

- (a) debt and liabilities of the Company contracted before the Member's membership ceases;
- (b) costs, charges and expenses of the winding up of the Company; and
- (c) adjustment of the rights of the contributions amongst themselves, such amount as may be required, but not exceeding \$10.00

15. Events subsequent to balance date

In the opinion of the directors, there are no other matters or circumstances that have arisen since the end of the financial period which are not otherwise dealt with in this report, that have significantly affected or may significantly affect the operations of the Company, the results of those or the state of affairs of the company in subsequent financial periods.

16. Likely developments and expected results of operations

The directors are not aware of any matter or circumstance that will have had or may have on the operation of the operations of the company, the results of those operations or the state of affairs of the company in subsequent years.

17. Indemnification and insurance of officers and auditors

The Company has not, since the end of the previous financial year, in respect of any person who is or has been an officer or auditor of the Company:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Directors' Report (continued)
For the year ended 30 June 2017

18. Directors benefits

The Directors are not entitled to be paid for their services. Subject to the approval of the Directors, the Directors may be reimbursed for all expenses properly incurred in attending or in connection with their attendance at any meeting of the Company or of the Board or any committee of Directors. Ralph Kelly was employed by the Company up until 30 June 2016 and remunerated accordingly as disclosed in Note 14(a).

19. Related party transactions

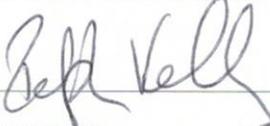
Effective 1 July 2016 Ralph Kelly is no longer employed by the company. Ralph Kelly remains in a voluntary capacity, as the CEO and as a Director of the Company.

20. Auditor's independence declaration

The auditors' independence declaration as required under section 60-40 of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 is set out on page 16 and forms part of the Director's report.

This report is made in accordance with a resolution of directors.

On behalf of the directors:



Ralph Kelly
Director

Sydney

Dated: 11 October 2017



Auditor's Independence Declaration

As lead auditor for the review of Thomas Kelly Youth Foundation Limited for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink that reads 'SJ Hadfield'.

SJ Hadfield
Partner
PricewaterhouseCoopers

Sydney
11 October 2017

Statement of Comprehensive Income
For the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Revenue			
Program sponsorship	4(a)	216,623	-
Other donations	4(b)	121,956	268,739
Public fund donations	4(c)	39,437	99,589
Grant income		41,667	-
Other income	5	1,250	197
Revenue and other income		<u>420,933</u>	<u>368,526</u>
Expenses			
Fundraising expenses	6(a)	(16,856)	(29,024)
Program fees	6(a)	(243,243)	(132,562)
Donations		(30,686)	(107,750)
Contractors		(29,017)	-
Travel		(7,636)	(2,017)
Telephone		(4,731)	(4,743)
Computer expenses		(4,653)	(4,515)
Administrative expenses		(7,713)	(5,842)
Employee expenses	6(b)	(49,176)	(114,414)
Support costs		(1)	(7)
Insurance		(5,267)	(4,899)
Total expenses		<u>(398,978)</u>	<u>(405,773)</u>
Net (deficit) / surplus for the period		<u>21,955</u>	<u>(37,247)</u>
Other comprehensive income		-	-
Income tax expense		-	-
Total comprehensive income for the year (after tax)		<u><u>21,955</u></u>	<u><u>(37,247)</u></u>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position
As at 30 June 2017

	Notes	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	7	253,686	161,943
Trade and other receivables	8	1,048	1,352
Other current assets	9	<u>5,405</u>	<u>3,663</u>
Total current assets		<u>260,139</u>	<u>166,958</u>
Non-current assets			
Total assets		<u>260,139</u>	<u>166,958</u>
Current liabilities			
Trade and other payables	10	10,986	217
Deferred grant income		58,333	-
Provision for employee benefits	11	<u>2,124</u>	<u>-</u>
Total current liabilities		<u>71,443</u>	<u>217</u>
Non-current liabilities			
Total liabilities		<u>71,443</u>	<u>217</u>
Net assets		<u>188,696</u>	<u>166,741</u>
Equity			
General funds	12	<u>188,696</u>	<u>166,741</u>
Total equity		<u>188,696</u>	<u>166,741</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Thomas Kelly Youth Foundation Limited
A.B.N. 61 161 682 962

Statement of Changes in Equity
For the year ended 30 June 2017

	Accumulated Profits \$	Total \$
Balance at 30 June 2015	203,988	203,988
Total comprehensive loss for the year	<u>(37,247)</u>	<u>(37,247)</u>
Balance at 30 June 2016	<u>166,741</u>	<u>166,741</u>
Total comprehensive income for the year	<u>21,955</u>	<u>21,955</u>
Balance at 30 June 2017	<u>188,696</u>	<u>188,696</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Thomas Kelly Youth Foundation Limited
A.B.N. 61 161 682 962

Statement of Cash Flows
For the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Donations and gifts		478,016	368,329
Payments to suppliers and employees		(386,534)	(443,242)
Interest received		261	197
Net cash inflow / (outflow) from operating activities	13	<u>91,743</u>	<u>(74,716)</u>
Cash flows from investing activities		<u>-</u>	<u>-</u>
Cash flows from investing activities		<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents		91,743	(74,716)
Cash and cash equivalents at the beginning of the financial year		<u>161,943</u>	<u>236,659</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>253,686</u></u>	<u><u>161,943</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
For the year ended 30 June 2017

1. Corporate information

Thomas Kelly Youth Foundation Limited is a company limited by guarantee, incorporated and domiciled in Australia. The company was registered by the Australian Charities and Not-for-profit Commission on 17 December 2012. The nature of the operations and principal activities of the company are described in the directors' report.

2. Basis of preparation

(a) Statement of Compliance

These general purpose financial statements have been prepared in accordance with Australian Charities and Not-for-profits Commission (ACNC) Act 2012, Australian Accounting Standards - Reduced Disclosure Requirements, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements were authorised for issue by the Board of Directors on 11 October 2017.

The company is a not-for-profit entity for the purposes of preparing these financial statements.

(b) Basis of measurement

The financial statements are prepared on the historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

(c) Functional and presentation currency

The Company financial statements are presented in Australian dollars, which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing 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.

In the current and prior year, management consider that there were no significant judgements or estimation uncertainties encountered in the preparation of the financial statements.

3. Significant accounting policies

(a) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

3. Significant accounting policies (continued)

(a) Revenue recognition (continued)

(i) Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

(ii) Legacies

Legacies are recognised when the company is notified of an impending distribution or the legacy is received, whichever occurs earlier.

Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the company becomes legally entitled to the shares or property.

(iii) Government funding

The company's activities are supported by grants received from the federal, state and local governments. Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants is recognised when the company obtains control of the funds.

(iv) Interest income

Interest income is brought to account when the company's right to receive payment is established. Interest income is brought to account using the effective interest method.

(v) Program sponsorship

Program sponsorship income is recognised as revenue when the company establishes the right to receive payment, economic benefits are probable and the amount of income can be measured reliably.

(vi) Grants

Grants received for specified services are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled.

(b) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

Fundraising costs are those incurred in seeking voluntary contributions by donation and do not include costs of disseminating information relating to the activities carried on by the company.

Support costs are those costs directly incurred in supporting the objectives of the company and include project management carried out by central administration, bank fees and travel expenses.

Research grants are amounts granted to institutions in Australia that specialise in research into reducing alcohol-related violence and anti-social behaviour amongst young people in Australia. Grants are recognised when paid to the institution or when there is an obligation to make payment under a contract.

3. Significant accounting policies (continued)

(c) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less where the investment is convertible to known amounts of cash and is subject to insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

(d) Trade and other receivables

Trade receivables include amounts when the economic right to receive payment is established. Interest is accrued at the reporting date from the time of last payment using the effective interest rate method. Amounts are generally received within 30 days of being recorded as receivables.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

(e) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(f) Taxation

Income tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flow arising from investing and financing activities that is recoverable from or payable to the Australian Taxation Office is classified as operating cash flow.

3. Significant accounting policies (continued)

(g) Employee benefits

- (i) Wages and salaries and annual leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.
- (ii) Short-term benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.
- (iii) Long term employee benefits
The Company's net obligation in respect of long-term employee benefits, other than pension plans, is the amount of future benefit expected to be settled by the company that employees have earned in return for their service in the current and prior periods plus related on-costs.

It is noted that the charity has one employee at year end 30 June 2017.

(h) New accounting standards and interpretations

The Company has changed some of its accounting policies as the result of new and revised accounting standards which became effective for the annual reporting period commencing on 1 July 2016. The new and revised standards adopted by the Company are:

- (i) AASB 124 Related Party Disclosures (effective from 1 July 2016) addresses the disclosure of related party relationships and transactions, including the identifying outstanding balances and commitments between an entity and its related parties. The application of this new standard does not impact the type of information disclosed in the notes to the financial statements.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Company for the annual reporting period ended 30 June 2017. The impact of these standards and interpretations has been assessed and to the extent applicable to the Company are discussed below. Standards and Interpretations that are not expected to have a material impact on the Company have not been included.

- (i) AASB 1058 Income Of Not-For-Profit Entities (effective from 1 January 2019) aim to ensure not-for-profit entities more closely reflect the economic reality of transactions that are not contracts with customers. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset received by an entity. The Company does not expect that there will be a significant impact on its financial statements.
- (ii) AASB 9 Financial Instruments (effective from 1 January 2018) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement and a single forward-looking 'expected loss' impairment model. AASB 9 includes requirements for a simplified approach for classification and measurement of financial assets compared with the requirements of AASB 139. The Company does not intend to early adopt AASB 9 as permitted by the standard.

Notes to the Financial Statements
For the year ended 30 June 2017

	2017 \$	2016 \$
4. Revenue		
(a) Program sponsorship		
Program sponsorship revenue	216,623	-
Total program sponsorship	<u>216,623</u>	<u>-</u>
(b) Other donations		
Other donations (non-tax deductible)	121,956	268,739
Total other donations	<u>121,956</u>	<u>268,739</u>
(c) Public fund donations		
Public fund donations (tax deductible)	39,437	99,589
Total public fund donations	<u>39,437</u>	<u>99,589</u>
	2017 \$	2016 \$
5. Other revenue		
Interest income	261	197
Other income	989	-
Total other revenue	<u>1,250</u>	<u>197</u>
	2017 \$	2016 \$
6. Expenses		
Profit includes the following specific expenses:		
(a) Fundraising expenses		
Administration fees	760	4,927
Advertising/brand development	12,915	19,523
Commissions paid	1,919	436
Program Fees	243,243	132,562
All other fundraising expenses	1,262	4,138
Total fundraising	<u>260,099</u>	<u>161,586</u>
(b) Employee expenses		
Wages and salaries	36,145	103,624
Superannuation	9,112	9,347
Staff amenities	425	-
Total employee expenses	<u>49,176</u>	<u>114,414</u>

Notes to the Financial Statements
For the year ended 30 June 2017

	2017 \$	2016 \$
7. Cash and cash equivalents		
Cash at bank	253,686	161,943
	<u>253,686</u>	<u>161,943</u>
	2017 \$	2016 \$
8. Trade and other receivables		
GST receivable	1,048	-
ATO receivable	-	698
PAYG withholding	-	654
	<u>1,048</u>	<u>1,352</u>
	2017 \$	2016 \$
9. Other current assets		
Prepayments	5,405	3,663
	<u>5,405</u>	<u>3,663</u>
	2017 \$	2016 \$
10. Trade and other payables		
Sundry creditors	3,300	-
PAYG withholding	7,686	-
GST payable	-	217
	<u>10,986</u>	<u>217</u>
	2017 \$	2016 \$
11. Provision for employee benefits		
Provision for annual leave	2,123	-
	<u>2,123</u>	<u>-</u>

Notes to the Financial Statements
For the year ended 30 June 2017

12. Total funds

(a) Movements in funds

Details of the movement in reserves and funds are provided in the Statement of Changes in

(b) Details of reserves and funds included in the Statement of Changes in Equity.

General funds

The general funds represents the funds of the charity that are not designated for particular purposes.

(c) Members' guarantee

The company is limited by guarantee.

If the Company is wound up during the time of a Member's membership or within 1 year afterwards, each Member undertakes to contribute to the assets of the Company for payment of:

- (i) debts and liabilities of the Company contracted before the Member's membership ceases;
- (ii) costs, charges and expenses of the winding up of the Company; and
- (iii) adjustment of the rights of the contributories amongst themselves, such amount as may be required but not exceeding \$10.00.

2017 **2016**
\$ \$

13. Cash flow information

Reconciliation of net cash outflow from operating activities to profit from ordinary activities after income tax :

Net surplus / (deficit) for the period	21,955	(37,247)
Changes in assets and liabilities		
- Decrease in trade and other receivables	304	3,034
- (Increase) in other current assets (prepayments) and provisions	(1,742)	(30)
- Increase / (decrease) in trade and other payables	12,893	(40,473)
- Increase in deferred grant income	58,333	-
Net cash inflow / (outflow) from operating activities	<u>91,743</u>	<u>(74,716)</u>

Notes to the Financial Statements
For the year ended 30 June 2017

14. Related parties and related party transactions

(a) Directors' compensation

The directors act in an honorary capacity and receive no compensation for their services in this capacity. During the year \$7,636 (2016: \$1,443) of travel expenses incurred by the directors in fulfilling their role were reimbursed.

Effective 1 July 2016 Ralph Kelly's role as CEO became voluntary. Ralph Kelly remains a Director of the Company.

	2017 \$	2016 \$
Short-term employee benefits	-	103,624
Post-employment benefits	-	9,347
	<u>-</u>	<u>112,971</u>

(b) Transactions with director-related entities

During the year, no other payments were made to directors or director related entities. No amounts are payable to or receivable from directors or director-related entities at the reporting date.

15. Economic dependency

The company is dependent upon the ongoing receipt of grants and donations to ensure the continuance of its operations.

16. Auditors' remuneration

The auditors received no remuneration for services provided during the period (2016: nil).

17. Events occurring after reporting date

Except for the above matters disclosed, the directors are not aware of any other matters or circumstances that have occurred since the end of the period that have significantly affected or may significantly affect the operations of the Company, the results for the financial period or state of affairs.

Directors' Declaration
For the year ended 30 June 2017

1. In the opinion of the directors of Thomas Kelly Youth Foundation:
 - (a) the financial statements and notes, set out on pages 17 to 28, are in accordance with the Australian Charities and Not-for-profit Commission (ACNC) Act 2012, including:
 - (i) complying with Accounting Standards - Reduced Disclosure Requirements, the ACNC Act 2012 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance, for the financial year ended on that date;
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Ralph Kelly
Director

Sydney

Dated: 11 October 2017



Independent auditor's review report to the members of Thomas Kelly Youth Foundation Limited

Report on the Financial Report

We have reviewed the accompanying financial report of Thomas Kelly Youth Foundation Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, selected explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the Company 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 *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements *ASRE 2415 Review of a Financial Report – Company Limited by Guarantee, or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* including giving a true and fair view of the entity's financial position as at 30 June 2017 and its performance for the year ended on that date; and complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulations 2013*. As the auditor of Thomas Kelly Youth Foundation Limited, ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the annual financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*.

Basis for Qualified Conclusion

Cash from donations and other fund raising activities are a significant source of revenue for the Company. The Company's directors have determined that it is impractical to establish control over the collection of cash donations and other fund raising activities prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from cash donations and other fundraising activities was limited, our review procedures with respect to revenue from these sources had

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to be restricted to the amounts recorded in the Company's financial records. As a result, we are unable to express a conclusion as to whether revenue from cash donations and other fund raising activities is complete.

Qualified Conclusion

Based on our review, which is not an audit, except for the possible effects of the matter described in the Basis for Qualified conclusion paragraph, we have not become aware of any matter that makes us believe that the financial report of Thomas Kelly Youth Foundation Limited is not in accordance with the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* including:

1. giving a true and fair view of the entity's financial position as at 30 June 2017 and of its performance for the year ended on that date;
2. complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulations 2013*.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive style.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'SJ Hadfield' in a cursive style.

SJ Hadfield
Partner

Sydney
11 October 2017