



THE SALVATION ARMY AUSTRALIA EASTERN TERRITORY

Annual Report



2017

“SHOW MERCY. NO SOUL EVER WAS MADE POOR BY LOVING TOO MUCH, OR INJURED BY FORGIVING TOO OFTEN.”

CATHERINE BRAMWELL-BOOTH



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The Salvation Army acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of this nation. We acknowledge their Elders, past, present and future generations. We acknowledge their unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society.

Mission and Values

The Salvation Army is a Christian movement dedicated to sharing the love of Jesus. We share the love of Jesus by:

CARING FOR PEOPLE

- Being there when people need us most
- We offer care and compassion as a sacred encounter with transformative potential

CREATING FAITH PATHWAYS

- Taking a holistic approach to the human condition that values spirituality
- We graciously share the Good News of Jesus and grow in faith together

BUILDING HEALTHY COMMUNITIES

- Investing ourselves in relationships that promote mutual flourishing
- We find the wholeness God intends for us in community

WORKING FOR JUSTICE

- Tackling the social systems that harm creation and strip away human dignity
- We join God's work to build a fairer world where all can thrive

Recognising that God is already at work in the world, we value:

INTEGRITY

Being honest and accountable in all we do

COMPASSION

Hearing and responding to pain with love

RESPECT

Affirming the worth and capacity of all people

DIVERSITY

Embracing difference as a gift

COLLABORATION

Creating partnerships in mission

We commit ourselves in prayer and practice to this land of Australia and its people, seeking reconciliation, unity and equity.

Message from the Chief Secretary

This year's annual report is evidence that God has chosen to bless the work and ministry of The Salvation Army, Australia Eastern Territory.

The Bible states that "unless the Lord builds the house, the builders labour in vain" (Psalm 127:1) and I am grateful to God for his continued blessing upon the work and ministry of The Salvation Army.

This report summarises the achievements of some of our departments and mission centres across New South Wales, the Australian Capital Territory and Queensland. There are many other stories that could be told, but through this report you will gain an insight into how lives are being transformed through God-inspired innovation and the hard work of passionate and dedicated Salvation Army personnel.

People who use our services have been able to find acceptance without discrimination, hope that circumstances can change and courage to overcome adversity in its many and varied forms.

I would take this opportunity to thank all the supporters of The Salvation Army. The trust you place in us is not taken for granted and truly appreciated. As donors, year-round partners and board members, you are part of any success we may have achieved. We view "success" in terms of seeing lives transformed as we partner together to make a difference in the lives of countless individuals.

I must also express thanks and appreciation to my predecessor Colonel Mark Campbell for his leadership of the territory until January this year. His role is now the National Chief Secretary for the Australia One project. Thank you Colonel for your leadership of the territory.

Our vision for The Salvation Army in Australia is...

"Wherever there is hardship or injustice, Salvos will live, love and fight alongside others to transform Australia one life at a time with the Love of Jesus."

Thank you for another year of working alongside us as we endeavour to bring hope to every Australian.

God bless,



LIEUTENANT-COLONEL KELVIN PETHYBRIDGE
Chief Secretary
Australia Eastern Territory

Cabinet advisory board

The Salvation Army Australia Eastern Territory Cabinet is made up of five senior officers who between them possess a broad range of skills and experience. The cabinet that sat during the 2016-2017 financial year comprised:

LIEUTENANT-COLONEL KELVIN PETHYBRIDGE

Chief Secretary

Lieutenant-Colonel Kelvin Pethybridge has been a Salvation Army officer for 35 years. He currently holds the position of Chief Secretary and his previous appointment was as Chief Secretary-in-charge. Kelvin has also served as Secretary for Business Administration, Divisional Commander, Corps Officer, Divisional Youth and Candidates Secretary, and Divisional Secretary and Second-In-Command. Kelvin has a Bachelor of Professional Studies and Master in Administrative Leadership with the University of New England, and is a member of the Australian Institute of Company Directors. He has a keen interest in change management and organisational change. Kelvin and his wife Cheralynne have three married children and three grandchildren.

LIEUTENANT-COLONEL CHERALYNNE PETHYBRIDGE

Territorial Secretary for Women's Ministries

Lieutenant-Colonel Cheralynne Pethybridge has served as an officer for 35 years alongside her husband Lieutenant-Colonel Kelvin Pethybridge. Together they are territorial leaders for the Australia Eastern Territory, with Cheralynne serving as Territorial Secretary for Women's Ministries. Cheralynne has held numerous corps, divisional and territorial appointments throughout Australia. She has completed courses in mentoring and attended the International College for Officers in London. She is passionate about developing leadership skills, and encouraging and mentoring women.

LIEUTENANT-COLONEL CHRIS REID

Secretary for Personnel

Lieutenant-Colonel Chris Reid has served in Salvation Army church leadership across the Australia Eastern Territory as an officer for 28 years. For the past seven years, she has served in leadership roles within Salvation Army divisional and territorial headquarters. She loves working with people and found a unique fit as Secretary for Personnel, allowing her to speak into how best to equip and support officers, employees and volunteers within The Salvation Army.

LIEUTENANT-COLONEL LAURIE ROBERTSON

Secretary for Program

During his officership, Lieutenant-Colonel Laurie Robertson has served alongside his wife, Simone, in church and divisional leadership, communications, editorial, territorial and international positions. Prior to entering The Salvation Army Training College in 1978, he was a journalist in Broken Hill. He is passionate about learning, building capacity in people, and connecting people and teams to create effective partnerships.

LIEUTENANT-COLONEL JOHN HODGE

Secretary for Business Support

Lieutenant-Colonel John Hodge came out of retirement to be the Secretary for Business Administration. Coming from a teaching background, John trained as a Salvation Army officer and was commissioned and ordained in January 1972. Since that time, appointments have included experience in five territories of the world (Australia Eastern Territory, Papua New Guinea, Philippines, Caribbean and New Zealand). He holds a Master of Business Administration, Bachelor of Arts, Diploma of Teaching, and is a Graduate of the Australian Institute of Company Directors.

Territorial advisory board

Our Territorial Advisory Board is comprised of leaders from across the corporate sector who provide invaluable strategy and governance advice to the leadership team. Membership of the advisory board is voluntary.

The Territorial Advisory Board held its final meeting in June 2017 and has since been disbanded. This is to make way for the formation of a new national board as part of our transition into one national territory. The Salvation Army Australia Eastern Territory would like to thank all Advisory Board members for their time, expertise and contribution to the policies and work of The Salvation Army.

Chair: Roger Corbett AO

Company Director

Greg Couttas

Partner, Deloitte Touche Tohmatsu

Mark Dalglish

Executive Chairman, C4 Communication
Photon Internet & E Commerce Division

Nancy Dolan

Advisory board member and consultant in professional services, health and tertiary education sectors

Robert Hamilton

Director, Urban Growth

John Harkness

Director, Goodman Group
Chairman, Reliance Rail Group
Chairman, Charter Hall Retail REIT

Belinda Hutchinson AM

Macquarie Bank Ltd

Malcolm Irving AM

Director, O'Connell Street Associates Pty Ltd

Stephen Loosley AM

Non-Executive Chair & Director

Major Gary Masters (secretary)

Communications and Fundraising Secretary,
NSW/ACT Division

Rod McGeoch AO, LLB

National Chairman of Partners,
Corrs Chamber Westgarth

Sam McKay

Managing Director Brands, Consolidated Press Holdings

Warwick Negus

Director, CEO, CFS Global Asset Management

Lieut-Colonel Kelvin Pethybridge

Chief Secretary, Australia Eastern Territory

Robert Rae

Director, McClintock Associates Securities Ltd
Director, McKinsey & Company

Lieut-Colonel Chris Reid

Secretary for Personnel, Australia Eastern Territory

Lieut-Colonel Laurie Robertson

Secretary for Program, Australia Eastern Territory

Tom Saar

Director, McKinsey & Company

Annabel Spring

Group Executive, Wealth Management

Alison Tarditi

Chief Investment Officer, Commonwealth
Superannuation Corporation

Update on Australia One

A MESSAGE FROM THE NATIONAL COMMANDER

Since 16 June 2016, The Salvation Army in Australia has been on a journey to unite as one Army. For a large part of the 137 years that the Army has operated in Australia, the movement has been administered by two territories. Coming together as one is a milestone moment and an unprecedented opportunity to deliver an aligned vision, a united voice, increased innovation, stronger partnerships, better stewardship and greater impact for The Salvation Army throughout the nation.

I am pleased to report substantial and positive progress on the activities of the Australia One project – the project specially devised to align and unite the two existing territories. Right now we stand at an exciting juncture in the journey of Australia One as we mobilise our national vision, implement a fresh strategy and imbed new governance frameworks so that ultimately we are transforming even more Australian lives through the Army's work in the future.

Firstly, I recognise and celebrate the unique, immense and passionate expression of service from officers, staff and volunteers as they continue to contribute to transforming Australia one life at a time. The Salvation Army is blessed to have such gifted leaders and staff to walk alongside others. I also pay tribute to the faithful and loyal supporters of the Army and our partners in ministry and

mission. Without you it would be impossible to achieve the impact we have on hundreds of thousands of Australian lives today, and for that we thank you.

As you will read in the following pages of this report, the stories of transformation, the stories of hope, the stories of “loving thy neighbour” are interlinked by one common theme: walking alongside others. This is central to our national vision for Australia and being a Christian movement: to live, love and fight alongside others to transform Australia one life at a time with the love of Jesus. Throughout The Salvation Army over the past year, this national vision has been articulated and mobilised so that every Salvo captures the vision and future direction as one Army in Australia. As we seek to live out this national vision, we are reminded of our mission and values to be a Christian movement dedicated to sharing the love of Jesus by caring for people, creating faith pathways, building healthy communities, and working for justice.

With both internal and external support, we have made significant progress to align the operations and strategy of each existing territory by 1 January 2019. The timeline (pages 10-11) outlining the achievements of the Australia One project throughout this financial year demonstrates the achievements of our journey thus far. In addition, we have established a clear, long-term strategy of key directions we will pursue and how

we will measure our success. Our national strategy outlines a high-level plan to bring transformation, focus, innovation and accountability which will be used to inform and direct our social programs and spiritual life development for Australians. We have also made significant strides to recruit the best and brightest talent from throughout Australia to lead our key business units, alongside our highly skilled and committed officer leaders.

As we move to a more centralised administration model to support local mission delivery, we are excited about how these changes will make our work with the most vulnerable and disadvantaged Australians more innovative, missional, equitable and forward thinking.

We look forward to partnering, journeying and walking alongside you on this new and exciting national endeavour for The Salvation Army in Australia.

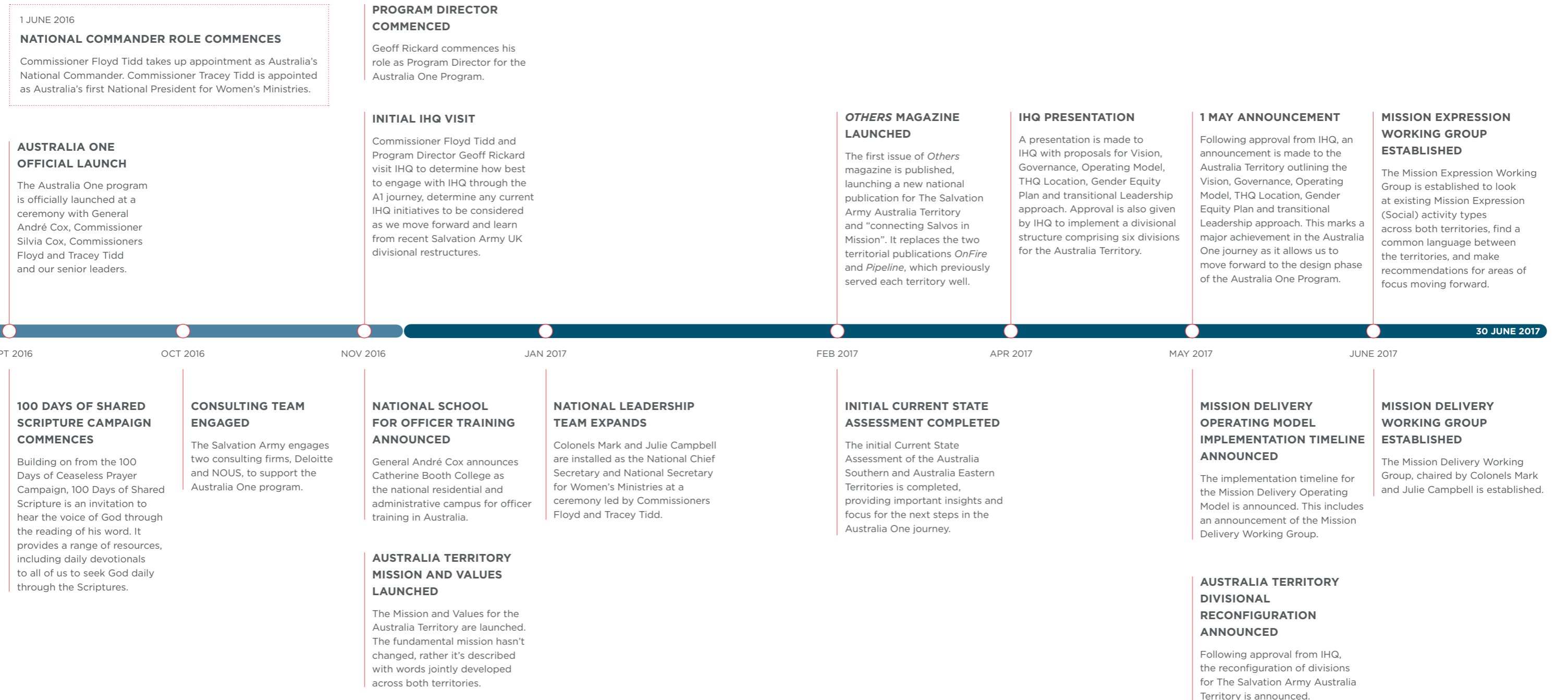
May God bless you each one.

COMMISSIONER FLOYD TIDD
National Commander
The Salvation Army Australia

*Commissioners Floyd
and Tracey Tidd*



Australia One - A year in review



Cutting-edge business

Aged Care Plus and Salvos Legal

Whether it's care for the aged or legal advice for asylum seekers, The Salvation Army is committed to being a leading provider of its services offered to the community.

TRANSFORMATIVE CARE FOR RESIDENTS WITH DEMENTIA

A new philosophy for The Salvation Army Aged Care Plus is empowering residents living with dementia and improving their wellbeing.

Mountain View Aged Care Plus Centre in Narrabundah, Canberra, and The Cairns Aged Care Plus Centre at Chapel Hill, Brisbane, began a pilot in July 2016 of the Butterfly Household Model of Care. This internationally awarded model – developed, pioneered and operated by Dementia Care Matters in the United Kingdom – forms part of Aged Care Plus' dementia care philosophy, Making Moments Matter.

Traditionally, dementia care is task-focused and routine-based, often resulting in a lack of resident engagement, high levels of falls and staff dissatisfaction.

The Butterfly Household Model of Care provides unscheduled days, which allow residents to openly express their feelings and participate in activities according to their desires. Furthermore, as part of the overall philosophy, the interiors of the aged care homes are created to appear

more home-like, staff dress casually to facilitate a 'family' feel and nutritious home-style meals are served.

Since piloting the Butterfly Household Model of Care, Aged Care Plus has seen significant improvements in the quality of life and levels of contentment experienced by those living with dementia. Staff satisfaction has also risen.

Specifically, after just six months, the model saw a 100 per cent reduction in expressive behaviours (such as aggression, wandering and confusion) among residents at Mountain View Aged Care Plus Centre, and a 25 per cent reduction at The Cairns Aged Care Plus Centre.

"Valuing the individual is at the heart of this model," says Amanda Jackson, the daughter of Sue Jackson, a resident of Mountain View Aged Care Plus Centre. "I can already see how the program is providing greater quality of life for the residents when compared with the older programs."

Due to the success of the pilot program, this model of care is now being rolled out to Elizabeth Jenkins Place Aged Care Plus Centre in Collaroy, Sydney.

LEGAL FIRM EXTENDS ITS REACH

Salvos Legal continues to be a first-class legal service, servicing an increasing number of humanitarian clients. Since its inception in 2010, Salvos Legal has provided about 40,000 hours of free legal assistance in more than 18,850 humanitarian cases.

In August 2016, the firm opened an Asylum Seeker Legal Clinic (ASC) in Brisbane, which went on to provide 4165 hours of pro-bono assistance. The opening of this clinic was in response to a recognised need of 3500 unrepresented asylum seekers in Queensland who urgently needed legal assistance with their protection visa applications. Also this financial year, in April 2017, Salvos Legal Humanitarian opened its doors in Melbourne. Salvos Legal now offers full eastern seaboard coverage through 16 offices and advice bureaus, plus a free national telephone service for people in rural and remote communities.

To encourage other law firms to make a social impact, Salvos Legal launched an educational podcast, 'The Good Law Podcast by Salvos Legal'. Available for purchase at salvoslegal.com.au/goodlaw, the podcast helps fund Salvos Legal Humanitarian services.



Educating our people

Booth College and Salvo Academy

Education unlocks passion, potential and innovation. Through online opportunities and scheduled events, The Salvation Army is equipping its people for action.

ONLINE STUDY OPTIONS EXPAND BOOTH COLLEGE'S REACH

The Salvation Army's Booth College offers a range of training options, from personal study to vocational courses and higher education degrees. The college, based in Bexley North, Sydney, delivers training through its schools and various vocational sites in NSW and Queensland.

This past year, Booth College expanded its online suite of courses and more than 10 certificate and diploma courses were delivered online for the first time to approximately 350 students. Courses covered areas such as financial counselling, community services, alcohol and other drugs work, and leadership and management.

To facilitate online delivery, the enhanced interactive online learning environment saw improved access to lecturers, peers, fellow students and learning support. Specifically, the library introduced an eBook subscription collection and the website underwent refurbishment.

Local facilitation groups called 'Learning Communities' were also introduced. These are small groups of Booth College students who study online but meet with a skilled facilitator in their local area to reflect on their learning and apply it

to ministry and real-world situations. Students find these communities help them thrive in their studies due to the increased connectedness and supportive learning environment.

In 2016, 76 per cent of higher education students chose to study by distance or online. Booth College students and teaching staff were located in all states and territories of Australia as well as overseas, including the United States, Germany, Papua New Guinea, Indonesia, Kenya and the United Arab Emirates. Students based in countries where internet is limited have flexible study options, including receiving course material and submitting assignments via post.

EQUIPPING BELIEVERS TO BE SOCIAL-MINDED

Social justice has been at the core of The Salvation Army since the movement's inception more than 150 years ago. William Booth, The Salvation Army's founder, famously said, "while women weep, children go hungry and men go to prison, I'll fight". He was committed to seeing justice brought to the world.

In early 2016, The Salvation Army's Social Justice Department saw a need to encourage members of The Salvation Army to engage in meaningful discussions on topics related

to social justice. Salvo Academy was born and is now a regular event run in consultation with Stanmore House – the inner-city Sydney campus of Booth College.

Salvo Academy is designed to equip believers of Jesus to engage with social issues facing the world, and learn how these issues intersect with our Christian faith. The events invite various, well-informed speakers to share through keynote presentations and discussions. Salvo Academy does not shy away from tackling the tough questions facing The Salvation Army and provides a space for people to engage with the issues in a meaningful way.

NEW NATIONAL COLLEGE FOR A UNITED SALVATION ARMY

The Salvation Army has inaugurated a new national college which is named after the much-loved Australian officer, the late General Eva Burrows.

The Eva Burrows College, which was ratified on 13 September 2017, ushers in a new chapter in Salvationist theological, ministry and leadership training in Australia, uniting the students and faculties of Booth College in Sydney and Catherine Booth College in Melbourne into a single entity. The college will be based in Ringwood, Melbourne.



When we are needed

Strategic disaster management

HOPE IN THE MIDST OF DISASTER

In March this year, Tropical Cyclone Debbie caused significant storm damage and flooding in Queensland and northern NSW, and led to 14 deaths.

Given the slow-moving nature of the cyclone, The Salvation Army's response teams were able to prepare for the relief operation before the storm hit.

Drawing upon previous experience, the Strategic Disaster Management team swung into action. A list of skilled and experienced personnel who can be deployed in disaster helped determine resourcing of the response. Previously formed relationships with internal and external stakeholders – for instance, Salvation Army leadership, the Communications and Fundraising

Department, Woolworths, government and non-government organisations – also enabled a coordinated and collaborative response.

Disaster-affected people at evacuation centres and emergency services personnel at their staging areas received food and support from Salvation Army Emergency Services (SAES) teams. Immediate relief, material assistance and personal support were also offered to community members affected by the storm.

“Although our volunteers were extremely busy and worked tirelessly, I do not believe The Salvation Army Emergency Services was overwhelmed,” says Norm Archer, SAES Director. “We did not exhaust our resources, and in a complex and constantly changing environment, managed to meet essentially all tasks we

were requested to provide.”

The Queensland State Government pledged \$1 million to four leading charities assisting with the emergency response. The Salvos also launched a public appeal. The total disaster appeal raised \$1.5 million.

“We are putting that money to work ... assisting those who need immediate help with Woolworths and universal gift cards, so people can get what they need straight away,” said Kim Lee, Territorial Strategic Disaster Manager.

As always, in the wake of a disaster, The Salvation Army is committed for the long haul. Major Bryce Davies, Communities of Hope Coordinator, explains, “The loss of work is a huge

factor in people's stress. Business has dried up; it's all on hold.”

Hospitality, cleaning and tourism businesses, in particular, were severely affected. One woman, whose house was damaged and tourism business decimated, visited the Salvos hoping for a \$50 welfare card.

“We were able to give her a lot more than she was asking for, as well as some additional assistance,” says Major Davies. “She broke down in tears, so thankful for our support.” The Salvation Army's long-term response to Tropical Cyclone Debbie is still underway. The recovery process in disaster-affected communities can last for many years and The Salvation Army is committed to standing alongside communities throughout the journey.

Pictured above (left to right): Heavy machinery was brought in to clean up destroyed stock from the Lismore Salvos Family Store after the floods in March 2017; Samuel Bacon, of Lismore Corps, volunteering in the kitchen to cook for people affected by the floods; The Salvation Army's Major Bryce Davies, who was part of a relief team in the Airlie Beach area after Cyclone Debbie.



Salvation Army personnel involved in responding to Tropical Cyclone Debbie:

360

Salvation Army Emergency Services volunteers in Queensland

54

Personnel (employees, officers and retired officers) deployed to assist with disaster response and recovery work

60

Salvation Army Emergency Services volunteers in NSW



Total number of people assisted with clothing, household items, food, financial assistance, referrals and spiritual support:

7336

in Queensland – totalling \$808,000

1754

in NSW – totalling \$504,000



Total number of meals provided:

4100

in Queensland

2000

in NSW

Transforming communities

Disability services and Oasis, ACT

The Salvation Army is passionate about supporting young people with their education, empowering them to live independently and providing outlets for community involvement to help transform future generations.

PARTNERSHIP WITH SCHOOL HELPS YOUNG PEOPLE IN TRANSITION

Oasis Youth Services, ACT, works with young people aged 16-25 who are experiencing homelessness, or who are at risk of homelessness. The program, run in partnership with Canberra Youth Residential Service, provides case management support to help young people transition into independent, affordable and stable housing.

Over the past financial year, the Oasis Youth Emergency Accommodation Network (YEAN) has provided support to 141 young people. Often, they will arrive at Oasis with limited possessions – a considerable challenge for when the time comes to move from Oasis to more permanent accommodation.

To assist with this transition, the Marist College Canberra partnered with Tuggeranong YEAN to create a 'Next Step' Shed. The shed was built using a donation from the school of \$30,000, raised during their 2016 walkathon. The shed stores donated goods – such as beds and bedding, small appliances and clothing – that are available to young

people when they are transitioned out of Oasis. So far, the shed has supported seven young people with their fresh start to life.

“The stuff from the shed helped me out considering I didn't have a bed to sleep on when I was moving out ... I was also able to pick up a 'Pizza, Pasta and Polenta' cookbook to help out with my studies as an apprentice chef,” said a 22-year-old male.

Upon receiving the donation at a Marist College school assembly, an Oasis staff member was able to speak to the school body about the impact of the donation. This speech is in addition to other opportunities Oasis has had to speak to the students about their work with young people.

EQUIPPING AND EMPOWERING YOUNG PEOPLE WITH DISABILITIES

The Salvation Army Individual Lifestyle Support Services (SAILSS) in Brisbane enhanced its services to young people with disabilities this year through the introduction of a respite-based education program. The program helps facilitate the learning of young people aged 10 to

18. One-on-one support from staff is provided in accordance with individual needs and goals. Any young person with an intellectual disability – including autism, intellectual impairment, ADHD and OCD – who receives government funding from the Department of Communities, Disability Services, is eligible to access the SAILSS program.

Already, SAILSS is seeing positive impact from this program.

“We had one young person who had dropped out of school because he was failing and behind in his education,” says Aaron Pimlott, Manager, SAILSS Brisbane and Darling Downs. “Within the first three to six months of entering the program, the young person began catching up. Within 12 months, the young person was fully caught up and obtaining B and C grades in his subjects. This person is now set to finish his high school education.”

TRANSITION TO INDEPENDENCE

In January 2017, SAILSS commenced the transitional housing program. This helps four young adults – at a time – learn

living skills such as cooking, finance management, finding employment and catching public transport. In addition to teaching young people how to live with others, The Salvation Army signs a tenancy agreement with the individuals, which further assists them with finding long-term accommodation.

This program helps individuals become more self-reliant and self-empowered.

“We have seen individuals make more decisions by themselves, maturing and learning to engage with others,” says Aaron. “We have seen improvements in communication, confidence and self-worth within the individuals accessing the service.”



Did you know...?

The Salvation Army in Australia is broad and our services vary according to community needs. For instance, did you know...?

- **THE COLLAROY CENTRE** – a Salvation Army conference, camp and retreat centre on Sydney's northern beaches – has a growing reputation for hosting community groups. It is exceeding in catering to the Duke of Edinburgh Award expeditions (response expectations exceeded by over 50%) and regularly hosts mental health training conferences for the police department.
- The Salvation Army's data collection department, **SAMIS (SERVICE AND MISSION INFORMATION SYSTEM)**, has been successfully re-certified by the Australian Institute of Health and Welfare for Specialist Homelessness Services data collection. This allows SAMIS to continue supporting The Salvation Army's homelessness and accommodation programs on a national level.
- In the past year, **THE SALVATION ARMY EMPLOYMENT PLUS** assisted more than 70,000 people seeking jobs, Australia-wide. Of these, around 11% were Aboriginal or Torres Strait Islander peoples, 21% were aged 15-24 and 15% were aged over 50. Approximately 20% of Employment Plus job seekers experience some form of disability and 5% were refugees and/or people seeking asylum. Finding the unemployed a job empowers them and helps provide a sense of dignity.
- Fourteen weekly **ENGLISH CONVERSATION CLASSES** are run by The Salvation Army throughout Western Sydney and the Illawarra. These Inclusive Australia-supported English classes are attended by 190 students and facilitated by 65 volunteers.
- Since the Australia One announcement in 2016, The Salvation Army's **INFORMATION TECHNOLOGY DEPARTMENT** has worked towards significant achievements for resourcing staff. The release of the intranet improves efficiency and productivity of workflow by the provision of a central and secure place for policies, organisation contacts, requests for assistance and department/program activities. Furthermore, the introduction of video conferencing functionality facilitates improvements in collaboration and aims to reduce travel expenditure.
- In February 2017, The Salvation Army began a pilot project to determine our impact on the community. The project, called **STRENGTH IN NUMBERS**, measures the outcomes of individual programs and corps ministries and can also be applied to the whole organisation.

There are 21 programs taking part in the pilot, including all Australia Eastern social programs, two corps community activities and our indigenous ministry. Their insights are helping us understand how we can serve our community better.

The Salvation Army has developed this project in partnership with the Centre for Social Impact (CSI). This approach works on understanding our purpose and our process, in order to measure our program outcomes.

By building a better understanding of the impact of our work, The Salvation Army will be better able to tell our story. This helps to celebrate our local corps ministry and champion our social services in an ever-changing funding environment.
- The Salvation Army's financial counselling arm, **MONEYCARE**, assisted more than 7000 people with their financial hardships in the past year. Moneycare also commenced three 'Financial Resilience' services in regional and remote Queensland through funding from the Queensland Government. These are the first services of this kind in Australia. Recognising the outstanding work of Moneycare, two financial counsellors have been honoured for their contributions to the sector. Susan Cook, based at the Cairns office, was honoured by the Financial Counsellors Association of Queensland for being a leading person in the sector. Similarly, Graham Shakespeare, from Sydney, was honoured for his outstanding contribution to the sector by the Financial Counsellors Association of NSW.
- **THE FINANCE DEPARTMENT** underwent some significant changes during the 2016-17 financial year, the most prominent being the departure of long-serving Chief Financial Officer, Ian Minnett.

Ian had held the role for 16 years. In February 2017, he took up an International Headquarters position as The Salvation Army's International Project Director, based in Sydney.

Ross Lamb came in as the Finance Department head and throughout 2017 helped the department navigate through the Australia One initiative as The Salvation Army moves towards one territory in Australia with Melbourne as its headquarters.

Ross left the role in November, taking on the position as Chief Executive Officer at Salvos Legal.
- As The Salvation Army Australia works towards a national office, the **STRATEGIC CHANGE UNIT** has also been facilitating a myriad of other territorial projects. To inform these transitions, the Strategic Change Unit members developed a framework. The methodology is called 'Learn, Design, Implement and Sustain' or LDIS. This enables change to be planned and managed accordingly with a tailored approach – scaled to fit the size of the project.
- Recognising a changing Australia, The Salvation Army's NSW/ACT Division is finding new ways of connecting faith with the community. This has seen the emergence of three new terms for describing church life. **KINGDOM TABLES** refer to informal gatherings of two to 12 people, who meet for conversations about life and faith. **GATHERED WORSHIPPING COMMUNITIES** focus on celebrating Jesus and being equipped to share the good news of Jesus. And **COMMUNITIES OF HOPE** are expressions of church that gather around identified needs within the community. For instance, in response to seeing a large number of lonely people in the local area, an open-to-all community meal is organised. The intention of all of these initiatives is to provide many ways for people to explore faith while responding to need in a holistic way.

Impacting families

Communities for Children and Family Tracing

Our work with families ranges from evidence-based local community support networks to reuniting parents with their missing children.

UNIVERSITY PROVIDES FRAMEWORK FOR WORK WITH FAMILIES

The Salvation Army Communities for Children (CfC) in Logan, Queensland, adopts a whole-of-community approach to child and family wellbeing by supporting and strengthening local service networks. In conjunction with other community groups, CfC offers a range of programs for parents and carers including tailored playgroups, antenatal education and breastfeeding support.

In mid-2017, CfC launched its Family Place Approach Framework of Practice at the Child Aware Approaches Conference. This research- and evidence-based framework was developed in partnership with Queensland's Griffith University. It encourages supportive and trusting relationships among service network professionals, and assists parents and carers with designing their own plans for family support.

The Family Place Approach emphasises play as a primary way for families to build relationships. It recognises play as an equaliser. It breaks down power relationships and provides opportunities

for families and practitioners to connect in a respectful, fun, non-threatening and non-stigmatising way. Play helps build trust and rapport.

The Family Place Approach Framework adopts a high-quality, soft-entry, universal, early-intervention and prevention practice. This sees CfC providing fun and engaging opportunities for families to connect with support services (soft entry), offering available and accessible programs (universal), and helping families reduce risk factors and deal with potential problems before issues arise (early intervention/prevention).

An example of the work of CfC can be seen in the traditional games resource packs being developed for local schools and libraries. These packs include individual and team games traditionally played by Aboriginals and Torres Strait Islanders. They allow children, parents and educators to learn more about the original inhabitants of Australia in a fun, playful way.

MOTHER REUNITED WITH DAUGHTER

In May 2016, Ivy's adult daughter, Sandy,

disappeared. Ivy was grief-stricken. "I ran out of tears in the end," she says. "I had terrible thoughts of where she might be."

Sandy's youngest daughter, aged 13, lived with Ivy and she also desperately missed her mother. The sadness and worry began to take its toll on her, behaviourally and emotionally.

When a friend from church told Ivy about The Salvation Army's Family Tracing and Post Adoption Service, Ivy lost no time in lodging her request.

"And then I got the lovely phone call that they'd found her," says Ivy. "It was only 14 months of her being missing, but it felt so much longer."

Ivy and her granddaughter organised to see Sandy. They found out during the time Sandy was missing, she had given birth to another little girl.

"It was so lovely to see Sandy again," says Ivy. "There was crying and laughing; happiness. It was wonderful." During the time Sandy was missing, she had been living on the streets and receiving help for crisis accommodation and food

from agencies, including some Salvation Army services. One charity was able to find her stable accommodation while she was heavily pregnant. Sandy and her baby now live in their own two-bedroom apartment. Her teenage daughter and Ivy visit regularly.

This story is one of many successful reunions that the Family Tracing and Post Adoption Service has been involved in this past year. The office has received 316 requests for new searches in the past financial year, with 278 people found.





The Salvation Army's Ellie Woodfield (far left) and Leigh Cleave (far right) with 'Selling Houses Australia' hosts Andrew Winter, Shayna Blaze and Charlie Albone at the Petersham property.

Innovative fundraising

Communications and Fundraising

Innovative ways of raising awareness and driving donations helps equip Salvation Army mission and ministry

INNOVATION APPEALS TO RED SHIELD APPEAL CASHLESS DONORS

This year, The Salvation Army's Community Fundraising team introduced a new way for an increasingly cashless society to donate to the Red Shield Doorknock. "Donation Point Tap" technology saw more than 500 portable tap-and-go payment facilities designed into a life-sized cardboard door. They were rolled out across Australia for the annual fundraising appeal in May.

The initiative was funded by Bendigo Bank and Community Sector Banking and equipped by technology provider Quest Payment Systems.

This technology for collecting donations provides The Salvation Army with useful statistics on the most successful donation times, locations and amounts. Each door could be pre-set to a donation amount ranging between \$2 and \$20. Most locations used a \$10 pre-set donation.

More than 5500 donors used the tap-and-go devices. Their feedback to volunteers manning the doors was overwhelmingly positive. In particular, the Donation Point

Tap facility was successful at McDonald's, where it led to a fourfold increase in donations. Many small businesses were also eager to install a Donation Point Tap terminal at their payment points as a show of charity partnership.

Given the positive feedback from donors and volunteers, there are plans to increase the roll-out for the 2018 Red Shield Appeal.

TV SHOW SHINES SPOTLIGHT ON SALVATION ARMY WORK

A Foxtel lifestyle show helped The Salvation Army sell a historic house in Petersham, NSW, for a record \$2.3 million. The *Selling Houses Australia* program renovated the property and auctioned it off as part of the show's 100th episode. All proceeds from the sale – reported as the highest-ever auction result from the series – will support the work and ministry of The Salvation Army.

The Salvation Army bought the four-bedroom Petersham house in 1920 for £1150. Originally used as the residence for the School for Officer Training principal,

the property later housed a succession of Salvation Army officers. It is now a heritage foundation listed house.

Renovations began in November 2016. The show's hosts – Andrew Winter, Shayna Blaze and Charlie Albone – and Salvation Army volunteers and employees pitched in to help professional tradesmen with the property overhaul.

The *Selling Houses Australia* episode, which aired in March, promoted the work of The Salvation Army. The Salvos Public Relations team organised three people to share their stories. Jessica, Anthony and Owen spoke about the impact of The Salvation Army's services at William Booth House (recovery) and Oasis Youth Support Network (homelessness).

Selling Houses Australia renovates homes that are struggling to sell in the current real estate market. As a way to celebrate 10 seasons on television, Beyond Productions, which produces the lifestyle makeover program, chose to give back to the community by renovating a not-for-profit property. The Salvation Army's Property team chose the Petersham house due to previous plans to sell this property.

Thank you Australia

Thank you for helping us give hope where it's needed most. We are empowered by the generous support of the Australian community and a large number of corporate, government, community, family and individual supporters.

<i>Fundraising results</i>	2017 \$'000	2016 \$'000	Difference %
Income			
Red Shield Appeal	46,641	42,014	
Sponsorship and other income	2,520	2,455	
Wills and bequests	23,709	37,017	
Total fundraising	72,870	81,486	-10.6
Expenses			
Red Shield Appeal	16,265	15,167	
Other transactions	3,558	1,996	
Wills and bequests	777	684	
Total expenses	20,600	17,847	15.4
Fundraising ratio	28.3%	21.9%	

During the financial year, Wills and Bequest total revenue was \$23.71m (2016 \$37.02m), which includes Social Work \$4.15m (2016 \$8.24m) and the General Work \$19.56m (2016 \$28.78m) of The Salvation Army Eastern Territory.

CHARITABLE TRUSTS AND FOUNDATIONS

AN Carmichael Memorial Fund managed by Equity Trustees	Kerr Neilson	Stan and Maureen Duke Foundation
Abedian Foundation	Kmart Australia Limited	Sunland Foundation
Adani Australia	Manildra Foundation	Technology One Limited
BHP	Matana Foundation for Young People	The Donald & Joan Wilson Foundation
Brazil Family Foundation	Mellow Yellow Products Trust	The Gloria McKerrow Foundation
Campbell Edwards Trust	Mrs Barbara Maidment	The Lady Proud Foundation Limited
ClubsNSW (in-kind)	Mrs Jessica Hore	The McKay Family
Community Sector Banking	Myer Community Fund	The Profield Foundation
Dick & Pip Smith	Patricia McAlary	The Sylvia & Charles Viertel Charitable Foundation
Evolhope Pty Ltd	Paul & Heather Musgrave	Tim Fairfax AC & Gina Fairfax
Frank & Rosie Halloran	Project Futures Ltd	Tony & Karen Haggarty
Goldburg Family Foundation	Queensland Community Foundation	Toyota Motor Corporation Australia Limited (in-kind)
JLL	Quest Payment Systems Pty Ltd (in-kind)	Twin Towns Services Club
John T Reid Charitable Trusts	Roger Massy-Greene & Belinda Hutchinson AM	Westpac Banking Corporation
Johnson & Johnson Family of Companies ANZ	Sargents Charity Limited	Woolworths Limited

GOVERNMENT PARTNERS

ACT Community Services Directorate	NSW Department of Corrective Services	QLD Department of Community Safety
ACT Department of Education and Training Directorate	NSW Department of Education and Training	QLD Department of Corrective Services
ACT Department of Health	NSW Department of Emergency Services	QLD Department of Education and Training
ACT Department of Housing and Community Services	NSW Department of Fair Trading	QLD Department of Fire and Emergency Services
Commonwealth Department of Education and Training	NSW Department of Family and Community Services	QLD Department of Health (Queensland Health)
Commonwealth Department of Foreign Affairs and Trade	NSW Department of Health (NSW Health)	QLD Department of Housing and Public Works
Commonwealth Department of Health	NSW Department of Industry	QLD Department of Justice and Attorney-General
Commonwealth Department of Prime Minister and Cabinet	NSW Department of Justice	QLD Department of the Premier and Cabinet
Commonwealth Department of Social Services	NSW Rural Fire Service	QLD Department of Communities, Child Safety, and Disability Services
Fire & Rescue NSW	QLD Department of Communities, Child Safety, and Disability Services	QLD Government
NSW Department of Aged, Disability and Home Care		

Snapshot of our services



The Salvation Army Australia Eastern Territory assisted over 76,000 clients in a significant way between July 2016 and June 2017.

- 168 corps and missions (churches) – where we are active in a range of community activities.
- Over 630 social services and programs.
- 4289 employees.
- 463 active officers.



ACCOMMODATION AND HOUSING SERVICES

- Approximately 4600 people assisted by homelessness services, by way of case-management support.
- Over 200 families housed in secure housing (Salvos Housing).



CHAPLAINCY

- Over 11,650 contacts made by chaplains.



DOORWAYS / SALVOS CONNECT

Our innovative, best-practice emergency-relief model provides support for people experiencing short-term hardship and offers case-management assistance for complex needs.

- Over 37,000 families assisted by emergency relief services.
- Over 14,000 sessions provided by emergency relief case workers to over 3000 people.



FAMILY AND DOMESTIC VIOLENCE

- Over 2000 women helped by domestic violence services.



MIGRANT SERVICES

- Approximately 320 people assisted by migrant and refugee services.



RECOVERY SERVICES

- 7212 people assisted with addiction issues (alcohol, drugs or gambling).



YOUTH SUPPORT

Our youth services provide safe places and support for disconnected, disadvantaged and homeless young people.

- 1300 young people assisted by Youth Support Services, with an additional 9000 contacts with young people through street outreach and drop-in centres.

THE SALVATION ARMY AUSTRALIA EASTERN TERRITORY SOCIAL WORK

Financial Report *30 June 2017*

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Trustees' Report

The Salvation Army's international mission statement sets the identity and direction for all its commands and centres throughout the world.

The statement says:

"The Salvation Army, an international movement, is an evangelical part of the universal Christian Church. Its message is based on the Bible. Its ministry is motivated by love for God. Its mission is to preach the gospel of Jesus Christ and meet human needs in his name without discrimination."

Some Salvation Army territories also have an internal mission statement that conveys the local focus. Here in the Australia Eastern Territory (New South Wales, Australian Capital Territory, and Queensland), our mission is to "save souls, grow saints and serve suffering humanity". Our values flow from this - we value Compassion, Transformation and Integrity.

Our missions are manifested in the various expressions of work of The Salvation Army. The Salvation Army Australia Eastern Territory has divided its work into General Work (i.e. church work) and Social Work. This financial report only includes the Social Work's operations.

The Trustees of The Salvation Army Australia Eastern Territory present the following report for the year ended 30 June 2017.

The financial report of the Social Work of The Salvation Army Australia Eastern Territory incorporates:

- The Salvation Army (New South Wales) Property Trust ABN 57 507 607 457
- The Salvation Army (Queensland) Property Trust ABN 32 234 126 186
- The Salvation Army (New South Wales) Trust as Trustee for The Social Work ABN 46 891 896 885 (DGR)*
- The Salvation Army (Queensland) Property Trust as Trustee for The Social Work ABN 22 035 976 360 (DGR)*
- Salvos Legal Limited ABN 14 147 213 214*
- Salvos Legal (Humanitarian) Limited ABN 36 147 212 940 (DGR)*
- The Salvation Army Community Housing Service ABN 47 152 257 728 (DGR)*
- The Salvation Army (Australia) Self Denial Fund (For Overseas Aid) ABN 52 609 689 893 (DGR)*

The general purpose financial statements of The Salvation

Army Australia Eastern Territory have been prepared under Section 60-95 of the Australian Charities and Not For Profit Commission (ACNC) Act.

The above listed controlled entities marked with an asterisk form part of the 'ACNC reporting group' consolidated in the financial statements of The Salvation Army Eastern Territory.

The Trustees of The Salvation Army (New South Wales) Property Trust also act as Trustees for The Salvation Army activities operated in, and property held in, the Australian Capital Territory. This is in accordance with The Salvation Army (Australian Capital Territory) Ordinance 1934.

Trustees

The following persons were Trustees of The Salvation Army Australia Eastern Territory Property Trusts during the financial year and to the date of this report:

- Colonel MTS Campbell
- Lieutenant-Colonel KR Pethybridge
- Lieutenant-Colonel LE Robertson
- Mr PM Alward
- Lieutenant-Colonel JR Hodge was appointed as a Trustee on 1 February 2017 until 31 July 2017.
- Commissioner FJ Tidd was appointed as a Trustee on 1 June 2016 and continues as a Trustee at the date of this report.
- Lieutenant-Colonel SR Evans and Lieutenant-Colonel WJ Merrett were appointed as Trustees on 1 August 2017 and continue as Trustees at the date of this report.
- Lieutenant-Colonel CJ Reid was a Trustee from the beginning of the financial year until 31 July 2017
- Mr IC Minnett was a Trustee from the beginning of the financial year until 31 January 2017.

Statement of Trustees' responsibilities

The Trustees prepare this annual report and financial statements in order to discharge their duty of stewardship. This report gives a true and fair view of The Salvation Army Australia Eastern Territory Social Work's state of affairs and its incoming resources and resources expended. It is the responsibility of the Trustees to safeguard the assets of The Salvation Army Australia Eastern Territory Social Work and take all reasonable steps to prevent fraud and other irregularities.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of The Salvation Army Australia Eastern Territory Social Work. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements/decisions that are reasonable and prudent;
- state whether applicable accounting standards have been followed; subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue to operate.

Principal activities

During the year the principal continuing activities of The Salvation Army Australia Eastern Territory Social Work comprised of (in alphabetical order):

- aged care;
- chaplaincies including hospital, court and prison, defence forces;
- counselling services;
- crisis support including community housing service;
- drug, alcohol and gambling addiction rehabilitation;
- emergency/disaster services;
- family support services including family tracing;
- humanitarian services;
- legal service/representation;
- overseas aid;
- sale of donated goods; and
- youth, employment and training programs.

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

Review of operations

The Salvation Army Australia Eastern Territory Social Work's comprehensive income for the year after transfers to reserves was \$4,350,000 (2016: loss \$13,077,000). The comprehensive income after transfers to reserves included a net transfer of \$3,764,000 to various reserves (2016: \$25,159,000 to reserves) for later use for specific purposes in compliance with donors' restrictions and The Salvation Army's policies.

The improvement in the total comprehensive income after reserves allocations in 2016/17 was mainly due to the following transfer/contribution required in 2015/16:

- \$6,500,000 set aside from the accumulated surpluses to a Social Program Reserve to fund future social programs; and
- a \$5,000,000 contribution made to The Salvation Army Australia Eastern Territory General Work for the new Territorial Headquarters.

Further, the distributions from deposits held in General Work has increased by \$4,712,000 as a result of stronger investment returns.

On 1 March 2016, The Salvation Army International Headquarters announced the amalgamation of the Australia Eastern and Southern Territories. The objective of this amalgamation is to provide a structure for The Salvation Army to best deliver our spiritual and social mission to all Australians. The amalgamation process is in progress with the goal for the national Australia Territory to be fully operational by January 2019.

It is expected that the amalgamation will produce significant and lasting benefits, including:

- A clear and consistent mission strategy and mission culture across the whole of Australia, ensuring that all our efforts and resources are being used for greatest effect;
- A unified national strategy for solving the spiritual and social issues that affect vulnerable Australians;
- Improving our capacity for innovation and strategic thinking by building on the best of each Territory;
- The ability to speak and act with a single voice for greater impact on matters of national interest, including social justice, care for the vulnerable and other matters of spiritual and community significance;

Trustees' Report (continued)

- The ability to build a stronger national partnership with other denominations and Christian organisations, Federal Government, news and media organisations, national corporate and business organisations, national peak bodies, other agencies and community organisations; and
- Releasing more personnel and financial resources for front-line mission by reducing duplication and streamlining systems and processes.

Matters subsequent to the end of the financial year

No other matters or circumstances have arisen since 30 June 2017 which have significantly affected, or will adversely affect, the results of The Salvation Army Australia Eastern Territory Social Work in subsequent financial years.

Likely developments and expected results of operations

In the opinion of the Trustees, there are no likely changes in the operations of The Salvation Army Australia Eastern Territory Social Work which will adversely affect the results of The Salvation Army Australia Eastern Territory Social Work in subsequent financial years.

Environmental issues

The operations of The Salvation Army Australia Eastern Territory are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Insurance of officers

The Salvation Army has insured the Trustees for any potential claims arising from their work as Trustees of The Salvation Army Australia Eastern Territory. The Trustees have not included the details of the nature of the liabilities covered or the amount of the premium paid in respect of the Trustees' liability and legal expenses, insurance contracts, as such disclosure is prohibited under the terms of the contract.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Trustees of The Salvation Army, and any other payments arising from liabilities incurred by the Trustees in connection with such proceedings. This does not include liabilities that arise from conduct involving a wilful breach of duty by the Trustees or the improper use by the Trustees of their position or of information to gain advantage for themselves or someone else or to cause detriment to the organisation.

Auditor

KPMG Australia continues as The Salvation Army Australia Eastern Territory Social Work's (The Salvation Army) auditor at the date of this report.

Corporate governance

The Salvation Army, being a not-for-profit organisation, is not required to include a statement of the main corporate governance practices which is required of listed corporations. However, it is considered appropriate by the Trustees to ensure best practice in reporting by including corporate governance practices in this Trustees' report.

The Salvation Army has its International Headquarters (IHQ) in London. At the head of the International Salvation Army is the General of The Salvation Army, who is elected at the High Council and is based in London.

The General directs Salvation Army operations throughout the world in collaboration with the administrative departments of IHQ in London, which are headed by International Secretaries.

The Chief of the Staff, a commissioner appointed by the General to be second-in-command, is the Army's chief executive whose function is to implement the General's policy decisions and effect liaison between departments. As well as the handling of day-to-day business and the allocation of resources, IHQ is concerned with strategic, long-term planning and acts as a resource centre for the worldwide Army and as a facilitator of ideas and policies.

The IHQ's internal auditors carry out an independent audit on the Territory's operations and finances once every three years and embrace the following:

- review and report on the financial statements of the Territorial Headquarters and any sections of the Territory as may be required;
- appraise the economy and efficiency with which resources are employed;
- interpret trends, point out the financial strengths and weaknesses and, where applicable, make recommendations for ensuring better management of finances;
- verify that business has been conducted in accordance with International Salvation Army principles and procedures;

- review systems established to ensure compliance with Salvation Army policies and procedures and orders and regulations;
- review operations and ascertain whether results achieved are consistent with the goals and objectives originally planned;
- consider present and future financial policies;
- see that account keeping meets the basic requirements of Salvation Army accounting; and
- review the reliability and integrity of both financial and operating information.

At Territorial level, the Territorial Commander is appointed by IHQ as the leader and is based at the Territorial Headquarters (THQ) in Sydney. The Territorial Councils and various executive committees, while not relieving the Territorial Commander and other officers of personal responsibility for the success of the work, are to:

- give strength to decisions taken;
- guard against ill-considered action;
- provide information first hand from people who are constantly in close personal touch with aspects of the work; and
- secure counsel and advice on all matters involving the expenditure of the Army's funds.

Territorial Policy and Mission Council

The Territorial Policy and Mission Council is the policy-making body for the strategic and mission direction of The Salvation Army. The TPMC meets on a weekly basis and is responsible for the approval of:

- Army policies;
- Official Minutes (non-financial);
- remuneration review;
- internal audit program;
- Red Shield and Self Denial Appeals' goals; and
- risk management policy.

As at 1 August 2017 the Territorial Policy and Mission Council was replaced by the Australia One Policy and Mission Council. This national Council will operate during the transitional period 1 August 2017 to 30 June 2018 while the two Australian Territories continue to operate separately, but under national leadership.

Territorial Operations Council (TOC)

This Council is the supreme decision making body that makes decisions on major financial and property matters. This Council normally meets three times a month and is responsible for the approval of:

- the Territorial budgets;
- Official Minutes (financial);
- all non-budgeted asset purchases;
- the furniture requisition for executive officers;
- the allocation of legacies;
- the disbursement of reserves;
- the review of theft/fraud reports;
- the investment of funds;
- the sale and purchase of property;
- the annual financial statements;
- new leases and major property improvement and repair; and
- the minutes from various Team Executive Committees.

Membership of the TOC is approved by The Salvation Army IHQ and consists of a chairman (Chief Secretary in Charge who is also a Trustee) and seven members. The number of TOCs held during the year ended 30 June 2017 and the number of meetings attended by each Trustee were:

Trustee	Number attended	Number eligible to attend
Commissioner FJ Tidd	-	34
Colonel MTS Campbell	16	34
Lieutenant-Colonel KR Pethybridge	31	34
Lieutenant-Colonel LE Robertson	29	34
Lieutenant-Colonel CJ Reid	20	34
Lieutenant-Colonel JR Hodge	14	17
Mr IC Minnett	15	20
Mr PM Alward	33	34

Trustees' Report (continued)

In order to enable the TOC to fulfil its responsibilities, a number of bodies are established to provide professional advice and support. They include the following:

- Finance Team Executive Committee
- Property Team Executive Committee
- Social Programme Executive Board

The above Committees meet on a monthly basis and discuss matters within their delegated jurisdiction. The minutes from these Committees are tabled at TOC for review and approval.

Territorial Risk and Compliance Board

The Territorial Risk and Compliance Board (previously known as Territorial Risk and Audit Board) holds five meetings yearly and provides oversight of the Territory's risk profile, ensuring it remains within appetite. The Board consists of 11 members including two external independent experts in finance and risk and is chaired by the Chief Secretary.

Risk assessment and management

The aim of risk management is to manage the uncertainty inherent in the operations of The Salvation Army to ultimately enable the achievement of the organisation's mission and objectives. To that end, the risk management practices employed across the organisation are tightly aligned with the Army's strategy and mission.

In 2015, the Territorial Risk Appetite Statement was revised and implemented. Territorial departments reviewed their risks and established remediation plans to ensure risks are in line with the Territorial appetite. Risk and remediation plans are reported to the Territorial Risk and Compliance Board.

The Territorial Risk Management Framework continues to undergo improvement reviews to enhance the practices in place and ensure alignment with best practice industry standards. Current practices include annual reviews of the Risk Management Framework and Risk Appetite Statement, risk assessments at the Organisational, Departmental and Divisional levels, and regular reporting across the board.

Internal Audit

The internal audit function was outsourced to KPMG. The main objective of Internal Audit is to assess the operation and effectiveness of the processes and procedures in place to manage risk within the Territory's appetite, and report upon those processes and procedures, to give assurance, via independent audit reports to the Territorial Risk and Compliance Board, that internal controls in place are applied appropriately.

Audit Advisory Committee

The Audit Advisory Committee was established to oversee The Salvation Army's external audit prior to the annual accounts being signed off by the Trustees at the Territorial Operations Council.

Membership of the Audit Advisory Committee is by invitation of the Territorial Commander and the members have no executive responsibility for the management of The Salvation Army. At the date of the report, it comprised the following members:

- Greg Couttas, FCA (Chairperson)
- Christopher George, FCA
- John Gordon, FCA

Investment Advisory Board

The Investment Advisory Board provides independent advice to the Territorial Operations Council (TOC) on matters relating to management of investment assets in order to achieve the investment objectives set by TOC. The Board comprises eight members and one secretary, four of whom are recruited from outside The Salvation Army and drawn from relevant professional and commercial sectors of the community. The Board is responsible for working closely with the Trustees and makes recommendations to the Trustees on investment management.

TOC has appointed an external investment consultant to provide management services to The Salvation Army's investment portfolio. The investment consultant's responsibilities are to provide a quarterly report summarising the performance of each investment manager and to make recommendations about strategies that are appropriate to the current investment market at the end of each quarter. The Investment Advisory Board's monitoring involves the following:

- review the investment consultant's quarterly report;
- assess the extent to which The Salvation Army's investment objectives are being achieved;
- ascertain the existence of any particular weakness in the manager(s) and the investment strategy; and
- allow the Board to continually assess the ability of manager(s) and the investment strategy to successfully meet The Salvation Army's objectives.

The Investment Advisory Board is held quarterly and will meet more often if required in cases of market disturbance.

Policies and Codes of Conduct

The following is an overview of The Salvation Army's key policies and codes of conduct that apply to both Salvation Army officers and employees throughout the Australia Eastern Territory.

Orders and Regulations

Orders and Regulations are documents published by the IHQ of The Salvation Army, which outline the principles and procedures specific to various types of activity undertaken in The Salvation Army. They apply to all Salvation Army officers throughout the world, irrespective of rank, appointment or territory.

These orders and regulations aim to prevent misunderstanding, and are intended to ensure that the decisions arrived at, and the work undertaken, are in harmony with the interests, principles and aims of The Salvation Army as a whole.

It was never envisaged that The Salvation Army would be governed solely by orders and regulations, for a living army engaged in resolute defence and aggressive warfare sometimes has to make expedient decisions on the spot related to the circumstances of the time. Nevertheless, in general, guidelines are necessary, which are based on Christian principles and the best methods discovered from experience. Every officer, cadet and candidate for officership may learn from these.

Even the subjects covered by the orders and regulations will not deal with every possible contingency. Principles, however, are paramount and serve as a proven guide in every situation which demands an officer's personal judgement.

Official Minutes

The Salvation Army issues a variety of policies by way of its Official Minutes. They apply to all Salvation Army officers and employees. These are statements of policy covering operational, financial, administrative and organisational issues affecting the organisation.

The IHQ of The Salvation Army issues Official Minutes to all territories and commands throughout the world, on matters of policy and procedure supporting the mission and values of The Salvation Army.

The Salvation Army Australia Eastern Territory issues its own Official Minutes, on the authority of the Chief Secretary, to address policy and procedural matters relating to a wide range of activities and situations that confront the Territory. These policy statements are regularly reviewed and updated, to ensure that they remain relevant to the current needs of the Territory, including its officers, employees and members.

This report has been made in accordance with a resolution of the Trustees.



Colonel MTS Campbell

(BA Leadership (UNE), MA Theological Studies (SCD))
National Chief Secretary
Trustee



Lieutenant-Colonel KR Pethybridge

(B Professional Studies, MA Admin Leadership)
Territorial Chief Secretary
Trustee

Sydney, 24 October 2017

Statement of comprehensive income

For the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
Revenues	4	395,937	389,627
Other income	5	4,364	141
Total income		400,301	389,768
Expenses	6		
Social programs		160,196	137,538
Aged care		121,512	119,673
Employment and youth training		45,587	49,843
Recycling operations - Salvos Stores		45,156	48,857
Appeal expenses		16,265	15,167
Overseas Aid		3,706	6,160
Total expenses		392,422	377,238
Operating surplus		7,879	12,530
Other comprehensive income			
Items that may be reclassified subsequently to operating surplus			
Changes in the fair value of available for sale financial assets		235	(448)
Total comprehensive income for the year		8,114	12,082
Allocations (to) capital reserves	7	(3,764)	(25,159)
Total comprehensive income/(loss) after allocations		4,350	(13,077)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

For further information on the surplus from continuing operations before allocations, please refer to the review of operations in the Trustees' Report on page 30.

Statement of financial position

As at 30 June 2017

	Note	2017 \$'000	2016 \$'000
ASSETS			
Cash and cash equivalents	8	15,233	8,649
Financial assets at fair value through profit or loss	9	4,444	11,340
Receivables	10	210,973	226,983
Deposits	12	53,000	53,000
Available for sale financial assets	20	16,407	15,321
Held to maturity deposits		623	623
Inventories	11	1,748	2,376
Other receivables	13	12,650	11,129
Property, plant and equipment	14	408,014	370,493
Intangibles	15	490	600
Total assets		723,582	700,514
LIABILITIES			
Trade payables		19,569	16,812
Prepaid income		4,661	3,426
Accruals and other payables	16	8,787	8,178
Accommodation bonds/Refundable Accommodation deposits/Residents loans	17	161,102	152,332
Provisions	18	27,258	25,252
Interest bearing liabilities	19	2,019	2,442
Total liabilities		223,396	208,442
Net assets		500,186	492,072
Capital reserves and accumulated funds			
Capital contributions - property		350,670	337,905
Designated reserves - allocated to social program		35,324	46,524
Donor restricted reserves		81,709	79,510
Investments revaluation reserve		490	255
Accumulated surplus		31,993	27,878
Total capital reserves and accumulated funds		500,186	492,072

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in capital reserves and accumulated funds

For the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
Capital reserves			
Capital contributions - property			
Balance 1 July		337,905	338,582
Movement in reserves	7	12,765	(677)
Balance 30 June		350,670	337,905
Designated reserves - allocated to social program			
Balance 1 July		46,524	30,466
Movement in reserves	7	(11,200)	16,058
Balance 30 June		35,324	46,524
Total designated reserves		385,994	384,429
Donor restricted reserves			
Balance 1 July		79,510	69,732
Movement in reserves	7	2,199	9,778
Balance 30 June		81,709	79,510
Available for sale investments revaluation reserve			
Balance 1 July		255	703
Movement in reserves		235	(448)
Balance 30 June		490	255
Total capital reserves		468,193	464,194
Accumulated Surplus			
Balance 1 July		27,878	40,507
Surplus for the year before allocations		7,879	12,530
Transfers (to) capital reserves	7	(3,764)	(25,159)
Balance 30 June		31,993	27,878
Total capital reserves and accumulated funds		500,186	492,072

The purpose of each reserve mentioned above is explained in note 7.

The above statement of changes in capital reserves and accumulated funds should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
Cash flows from operating activities			
Cash receipts in the course of operations		387,371	334,864
Cash payments in the course of operations		(367,242)	(368,256)
Dividends and distributions received		13,604	9,330
Interest received		2,906	3,782
Net cash inflow/(outflow) from operating activities		36,639	(20,280)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		7,071	2,060
Payments for property, plant and equipment		(56,873)	(26,532)
Payments for investments		(852)	(548)
Proceeds from sale of investments		6,996	4,192
Net cash (outflow) from investing activities		(43,658)	(20,828)
Cash flows from financing activities			
Refundable accommodation deposits/loans from residents of aged care centres/retirement villages		56,282	66,528
Repayment of residents' refundable accommodation deposits/loans		(42,256)	(37,574)
Residents' trust and other deposits received		578	1,514
Repayment of residents' trust and other deposits		(1,001)	(1,771)
Net cash inflow from financing activities		13,603	28,697
Net increase/(decrease) in cash and cash equivalents		6,584	(12,411)
Cash and cash equivalents at the beginning of the financial year		8,649	21,060
Cash and cash equivalents at the end of the financial year	8	15,233	8,649

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

30 June 2017

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1 Reporting entity

The Salvation Army is a not-for-profit organisation and has been operating in Australia since 1880. The Australia Eastern Territory completed 96 years of operation from Sydney in 2017. The Territory is incorporated by the following Acts and Ordinances of Parliament:

- The Salvation Army (New South Wales) Property Trust Act 1929;
- The Salvation Army (Queensland) Property Trust Act 1930; and
- The Salvation Army (Australian Capital Territory) Ordinance 1934.

This general purpose financial report covers The Salvation Army Australia Eastern Territory Social Work (“The Salvation Army” or “Social Work”). The financial report is presented in Australian dollars, rounded to the nearest thousand unless otherwise stated.

The Salvation Army Australia Eastern Territory is an organisation domiciled in Australia and the address of the organisation’s registered office is:

The Salvation Army Australia Eastern Territory
Territorial Headquarters
261- 265 Chalmers Street,
Redfern NSW 2016

In the opinion of the Trustees, having regard to the not-for-profit nature of The Salvation Army, the terms used in the prescribed format of the statement of comprehensive income are not appropriate. The word ‘surplus’ has been substituted for the term ‘profit’ in the prescribed format of the statement of comprehensive income.

2 Basis of preparation

(a) Statement of compliance

The financial report is Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB-RDRs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission (ACNC) Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013.

The financial statements were authorised for issue by the Territorial Operations Council on 24 October 2017.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments (refer note 3(h)), and loans receivable (refer note 3(j)), all of which are measured at fair value. Cost is based on the fair values of the consideration given in exchange for assets.

(c) Functional and presentation currency

The financial statements are presented in Australian dollars, which is the organisation’s functional currency, rounded to the nearest thousand unless otherwise stated.

(d) Presentation of statement of financial position on liquidity basis

The Trustees have chosen to present the statement of financial position under the liquidity presentation method (AASB 101) on the basis that it presents a reliable and more relevant view. An estimate of the timeframe of likely settlements of accommodation bonds/residents loans and long service leave as either within 12 months or after 12 months is provided at notes 17 and 18.

(e) Use of estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Salvation Army makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In order to present the statement of financial position on a liquidity basis, management has made judgements based on past statistical trends, to determine the timeframe of settlement as either within 12 months or after 12 months.

Notes to the financial statements 30 June 2017

3 Significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise specified. The financial statements as at and for the year ended 30 June 2017 of the Social Work cover The Salvation Army Australia Eastern Territory Social Work entities on a consolidated basis.

(a) Basis of consolidation

The Social Work financial report incorporates the assets (including certain land and buildings registered under the name of The Salvation Army Property Trusts) and liabilities as at 30 June 2017 and the results for the year then ended.

The balances and effects of transactions between Social Work entities have been eliminated.

The financial report does not include income and expenditure, assets and liabilities of The Salvation Army Australia Eastern Territory General Work.

(b) The Salvation Army Employment Plus Program

The Salvation Army Australia Eastern Territory in conjunction with The Salvation Army Australia Southern Territory has been jointly involved in the management of the national Salvation Army Employment Plus program since 1 May 1998. This project commenced when The Salvation Army in Australia won a tender from the Federal Government to provide employment services to long-term unemployed persons. This project is considered to be consistent with the overall aims of The Salvation Army and with the aims to assist the long-term unemployed. This program is not considered to be a stand alone operation. The 50% interest of The Salvation Army Australia Eastern Territory in the assets, liabilities, income and expenses of the Employment Plus joint program activity have been incorporated in this financial report.

(c) Income tax

The Salvation Army being a charitable organisation is exempt from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997. The following entities are registered as a deductible gift recipient for tax:

The Salvation Army Red Shield Appeal;
The Salvation Army Christmas Appeal;
The Salvation Army (Australia) Self Denial Fund (for Overseas Aid);
The Salvation Army Disaster Relief Fund;
Salvos Legal (Humanitarian) Limited; and
The Salvation Army Community Housing Service.

(d) Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable when the organisation is legally entitled to receive it. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office. Revenue is recognised for the major business activities as follows:

(i) Government funding

Grants and subsidies from governments are recognised at their fair value in the period in which the services are provided, having regard to the stage of completion of the service obligations, where a performance and return obligation exists. Where no such obligation exists, the grants are recognised when the right to receive the grant is established as contributions received/receivable (refer to d(iv)).

(ii) Legacies and bequests

Legacies are recognised when received at Territorial Headquarters. The Territorial Operations Council approves all allocations of bequests in accordance with the expressed terms of the Will. The legacies are allocated to reserves mostly for capital purposes.

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

(iii) Donations and fundraising

Donations and fundraising income are recognised when received. The primary fundraising activity is the annual Red Shield Appeal.

The Salvation Army has implemented systems of control to ensure the monies received at its offices are properly recorded in the accounting records.

(iv) Contributions received/receivable

Grant income is recognised in accordance with AASB 1004 'Contributions' when:

- the entity obtains control or the right to receive the contribution;
- the amount of the contribution can be measured reliably; and
- it is probable that the future economic benefits comprising the contribution will flow to the entity.

The expenditure, to which the grant relates, is expensed as incurred and may not correlate to the timing of grant receipts.

(v) Interest, dividends and distributions

Interest income is recognised as it accrues. Dividends and distributions are recognised as revenue when the right to receive payment is established.

(vi) Donated goods

Donated goods received for Salvos Stores are not valued due to the inability to reliably measure their value. Revenue is only recognised when goods are sold.

(e) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash at bank, cash on hand and deposits held at call with financial institutions.

(f) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. The majority of receivables are due for settlement in no more than 30 days.

Collectibility of debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off as samaritan relief expenses. A provision for doubtful receivables is established when there is objective evidence that The Salvation Army will not be able to collect all amounts due according to the original terms of receivables.

(g) Inventories

Inventory includes welfare prepaid cards, stock purchased for Salvos Stores and livestock for one of the social centres. The inventories are stated at the lower of cost and net realisable value. Cost is determined on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Investments and other financial assets

The Salvation Army classifies its investments in the following categories: financial assets at fair value through profit and loss, held to maturity, loans and receivables and available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held to maturity, re-assesses this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise a managed investments portfolio acquired principally for the purpose of selling in the short term with the intention of making a positive return to fund the Social Work's operations. Financial assets at fair value through profit and loss are carried at fair value based on quoted prices in an active market. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category, including interest and dividend income, are presented in the statement of comprehensive income within other income or other expenses in the period in which they arise.

(ii) Available for sale financial assets

Available for sale financial assets comprise principally a managed investment portfolio, generally held for periods in excess of 12 months.

Available for sale financial assets are carried at fair value.

Gains or decreases in fair value below cost arising from changes in the fair value of the available for sale investments are recognised in equity.

For the available for sale financial assets, all declines in fair value below cost in excess of 30 per cent of the investment cost or a continuing decline in the market value below cost of greater than 12 months without any increase in fair value are indicators that an asset is impaired. Further, management also considers recovery in fair values subsequent to the reporting date until the date that the audit report is signed in the assessment.

If any such evidence exists for available for sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in the profit and loss - is removed from equity and recognised in the operating surplus in the statement of comprehensive income. Subsequent recoveries of impairment losses recognised in the statement of comprehensive income on equity instruments classified as available for sale are not reversed through profit and loss in the statement of comprehensive income.

When investments classified as available for sale are sold, the accumulated fair value adjustment recognised in equity is included in the statement of comprehensive income as part of the gain or loss on disposal.

Notes to the financial statements 30 June 2017

(iii) Held to maturity

Held to maturity deposits are non-derivative financial assets with fixed and determinable payments and fixed maturities that the Trustees have the positive intention and ability to hold to maturity. These investments normally have a maturity of more than 12 months from the date of acquisition. Held to maturity financial assets are recognised at amortised cost.

The Salvation Army assesses whether there is objective evidence that a financial asset or group of financial assets is impaired at each balance date.

(i) Property, plant and equipment

Freehold properties are stated at cost or, if donated, at appraised value at the date of the gift. Policies set by The Salvation Army IHQ do not allow for the revaluation of property.

Under IHQ accounting policies and procedures, funds utilised to finance the acquisition of freehold properties are matched as a transfer from accumulated funds to the capital contribution - property reserve. These contributions are set aside to meet ongoing building depreciation costs and/or impairment costs, thus relieving the impact on the working capital.

When disposing of freehold properties, the original capital contribution funds (net of allocations to the statement of comprehensive income to meet building depreciation costs) for those properties are transferred from the capital contribution - property to a designated property reserve. The purpose of the transfer is to preserve the designated capital funding for future capital projects. The profit or loss on the sale of the property is recorded in the statement of comprehensive income and then transferred to a designated property reserve.

Land is not depreciated. All other property, plant and equipment is stated at historical costs less depreciation. Depreciation is calculated using the straight-line method to allocate their costs, net of residual values, over their estimated useful lives, as follows:

Buildings	50 years
Plant and equipment	4-5 years
Motor vehicles	5 years
Aircraft	20 years

Leasehold improvements lease term (maximum of 5 years)

The Salvation Army's policy is to commission property assets three months after the building has been officially opened.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (refer to note 3 (m)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

(j) Loan receivables

Loan receivables include the refundable loans from 99-year leases that The Salvation Army purchased from independent living units to accommodate residents from one of its Independent Living Units to make way for the aged care development. The loan receivables are recognised at fair value net of a management fee payable over a maximum of 10 years and incorporate any fair value adjustment in relation to a terminal value. The terminal value results in The Salvation Army sharing in any capital gain or loss.

(k) Leased assets

Leases in terms of which The Salvation Army assumes substantially all the risks and rewards of ownership are classified as finance leases. On initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Other leases are operating leases and are not recognised in the statement of financial position.

The Salvation Army leases some shops and office facilities. The conditions of these leases are such that substantially all the risks and benefits of ownership of the property are retained by the lessors and accordingly, in the financial statements, they are classified as operating leases.

Payments made under operating leases are expensed on a straight-line basis over the term of the lease. Refer note 22(b) for details of non-cancellable operating lease commitments.

(l) Intangible assets

(i) Bed licences

Residential aged care bed licences have been granted to The Salvation Army by the Department of Health (formerly the Department of Social Services) in the past at no cost. It is not possible for The Salvation Army to measure the fair value reliably at acquisition date as the acquisition dates are not always available. Acquisitions since 2005 are recorded at fair value as at the date of acquisition, as determined by independent valuation.

(ii) Software

Where computer software costs are not integrally related to associated hardware, they are recognised as an intangible asset where they are clearly identifiable, can be readily measured and it is probable they will lead to future economic benefits that the Social Work controls.

The Social Work carries capitalised computer software assets at cost less amortisation and any impairment losses.

These assets are amortised over the estimated useful lives of the computer software (being between 3 to 5 years) on a straight-line basis. Computer software maintenance costs are expensed as incurred. Any impairment loss is recognised in the statement of comprehensive income when incurred.

(m) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment. If any indication of impairment exists, the asset's recoverable amount is estimated. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. As the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is the depreciated replacement cost of an asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Payables

These amounts represent liabilities for goods and services provided to the Social Work entities prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid under normal business terms.

(o) Maintenance and repairs

Maintenance, repair and minor renewal costs are charged as expenses as incurred, except where they relate to the replacement of a component of an asset in which case the costs are capitalised and depreciated in accordance with note 3(i).

(p) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if The Salvation Army 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.

(ii) Other long-term employee benefits

The Salvation Army's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in surplus or deficit in the period in which they arise.

(q) Refundable accommodation deposits/Residents Loans

(i) Refundable accommodation deposits (RAD) are paid by residents upon their admission to facilities and are settled after a resident vacates the premises in accordance with the Aged Care Act 1997. Providers must pay a base interest rate on all refunds on the RADs within legislated time frames and must pay a penalty on refunds made outside legislated time frames. Accommodation bond balances held prior to 1 July 2014 are reduced by annual retention fees charged in accordance with the Aged Care Act 1997.

Notes to the financial statements 30 June 2017

RAD refunds are guaranteed by the Government under the prudential standards legislation. Providers are required to have sufficient liquidity to ensure that they can refund bond balances as they fall due in the following twelve months. Providers are also required to implement and maintain a liquidity management strategy. This is updated on an annual basis.

(ii) Resident loans are non-interest bearing liabilities to residents of independent living units (ILUs). The loans represent the initial payments made by residents to The Salvation Army to gain entry to an independent living unit net of the accrued deferred management fee. The loans are payable to a resident on the termination of the resident's occupation rights to the independent living unit.

Notwithstanding the expected term of an occupancy is several years, the resident has the option to cancel the residency agreement at any time. As this option constitutes a demand feature, the liability is not discounted (based on the expected date of settlement). Liabilities to ILU residents are stated net of deferred management fees recoverable.

(r) Warringah Place lease refurbishment contribution

Warringah Place is one of The Salvation Army's resident funded ILUs. Residents of Warringah Place are Registered Interest Holders under the Retirement Villages Act 1999 (NSW). The ILUs are issued under long-term leases and residents share in capital gains and losses.

The lease refurbishment contribution is calculated as either 2.5 per cent of the original lease premium for each year of the lease to a maximum of 10 years or 10 per cent of the original lease premium for each year of the lease to a maximum of 30 per cent, and accounted for as refurbishment contribution receivable.

(s) Goods and services tax (GST)

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, Australian Taxation Office (ATO) is included as part of receivables or payables in the statement of financial position.

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, ATO is classified within operating cash flows.

(t) Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

(u) Prepaid income

Government funding received in advance where there is a present obligation for the funds to be repaid, where certain conditions are not met, is accounted for as prepaid income.

(v) Deposits

Deposits represent excess cash deposited with The Salvation Army Australia Eastern Territory General Work ("General Work") which then invests these funds in managed investment portfolios. Deposits are held at cost. As future cash flows cannot be predicted with any certainty, and deposits can be called at any time, the carrying value has not been amortised. The return received by the Social Work does not necessarily reflect the returns made on the investment portfolios held by General Work.

(w) Make-good provision

A make-good provision is recognised if the Social Work has a present legal or constructive obligation to return a rental premises to its original condition on conclusion of the lease, the cost can be estimated reliably, and it is probable that an outflow of economic resources will be required to settle that obligation. The make-good provision is determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The unwinding of the discount is recognised as a finance cost.

(x) Personal injury claims provision

A personal injury claims provision is recognised if the Social Work has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is to cover claims currently received and being/yet to be processed.

(y) New standards and interpretation not yet adopted

At the date of authorisation of the financial statements, the following relevant Standards and Interpretations were issued but not yet effective:

- AASB 15 Revenue from Contracts with Customer, AASB 2014-15 Amendments to Australian Accounting Standards arising from AASB 15, and AASB 1058 Income of Not-for-profit Entities (effective 1 January 2019).
- AASB 9 Financial Instruments, AASB 2009-11 Amendment to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010), AASB 2012-6 Amendments to Australian Accounting Standards-Mandatory Effective Date of AASB 9 and Transition Disclosures, AASB 2013-9 Amendments to Australian Accounting Standards-Conceptual Framework, Materiality and Financial Instrument, AASB 2014-1 Amendments to Australian Standards (Part E : Financial Instruments), AASB 2014-7 Amendments to Australian Standards arising from AASB 9 (December 2014), and AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB 9 (December 2010) (effective 1 January 2018).
- AASB 16 Leases (effective 1 January 2019)

The Salvation Army is assessing potential impact on its financial statements of these new and revised Standards and Interpretations.

Notes to the financial statements 30 June 2017

	2017 \$'000	2016 \$'000
4 Revenues		
From continuing operations		
Government funding	188,611	181,106
Red Shield Appeal	46,641	42,014
Social services client contributions	58,728	57,703
Sale of donated goods	59,605	56,128
Legacies and donations	7,781	11,591
Overseas Aid	4,298	4,927
<i>Other revenue</i>		
Other	13,763	23,046
Dividends	1,075	1,098
Distributions from deposits held by General Fund (refer to note 12)	12,529	8,232
Interest	2,906	3,782
	<u>395,937</u>	<u>389,627</u>
5 Other income		
Net gain on disposal of property, plant and equipment	4,264	201
Net investment revaluation (loss)	100	(60)
	<u>4,364</u>	<u>141</u>
6 Expenses		
Operating surplus from continuing operations before allocations		
Depreciation/amortisation		
Buildings	7,781	7,735
Plant and equipment	8,743	8,515
Intangible assets	131	136
Total depreciation/amortisation	<u>16,655</u>	<u>16,386</u>
Employee entitlements		
Annual leave	789	(205)
Long service leave	466	-
Superannuation expense	15,443	14,243
Total employee entitlements	<u>16,698</u>	<u>14,038</u>
Rental expense relating to operating leases		
Minimum lease payments	11,271	11,025
Samaritan relief expenses (refer to note 3 (f))	1,846	443

	2017 \$'000	2016 \$'000
7 Allocations to/(from) capital reserves		
Allocations have been made to/(from) the following capital reserves		
Capital contributions - property	12,765	(677)
Designated reserves	(11,200)	16,058
Donor restricted reserves	2,199	9,778
	<u>3,764</u>	<u>25,159</u>

Transfers to reserves are funds allocated from current year/or accumulated surplus for specific purposes in compliance with donors' restrictions and The Salvation Army policies, which will be utilised for future front-line programs and capital projects. The specific purposes for the above reserves are as follows:

(i) Capital contributions - property

These funds are reserved and relate to properties purchased by The Salvation Army in its social work throughout the Territory.

(ii) Designated reserves

These are unrestricted incoming funds which have been designated by The Salvation Army to fund specific projects. These projects cover front-line programs, capital projects, and support costs of a wide variety of social work throughout the Territory.

(iii) Donor restricted reserves

These are restricted incoming funds, which can only be expended in accordance with the specific terms laid down by the donors.

8 Cash and cash equivalents

Cash at bank	14,903	8,295
Cash on hand	330	354
	<u>15,233</u>	<u>8,649</u>

The deposits are bearing floating effective interest rates between 1.07% and 1.31% (2016: 1.30% and 1.54%).

9 Financial assets at fair value through profit or loss

Carrying amount at the beginning of the year	11,340	11,396
Revaluation/(Devaluation) (Redemptions)/Additions	100 (6,996)	(60) 4
Carrying amount at the end of the year	<u>4,444</u>	<u>11,340</u>

Changes in fair values of the financial assets at fair value through profit or loss are recorded in the statement of comprehensive income.

Notes to the financial statements 30 June 2017

	2017 \$'000	2016 \$'000
10 Receivables		
Receivables - external parties	14,406	19,584
Provision for doubtful debts - external parties	(539)	(5,349)
Receivables from General Work	197,106	212,748
	<u>210,973</u>	<u>226,983</u>

Social Work deposits cash to General Work which is then invested by General Work. All The Salvation Army Australia Eastern Territory investment portfolios are held under The Salvation Army (New South Wales) Property Trust and accounted for in the General Work. The receivable from General Work attracts monthly interest calculated at the rate stipulated in the Official Minute and included in the statement of comprehensive income. The returns from the receivable are utilised to fund the Social Work's operations. The receivable from General Work bears interest at an average 1.71% per annum (2016: 3.13%), is unsecured and can be recalled at any time. Refer to note 23(b) for further details.

Samaritan relief expenses (bad debts written off)

The Social Work has recognised a loss of \$1,846,267 (2016: \$442,632) in respect of samaritan relief expenses during the year ended 30 June 2017. This loss has been included in the statement of comprehensive income.

11 Inventories

Welfare cards - at cost	145	1,362
Raw materials and stores - at net realisable value	1,603	1,014
	<u>1,748</u>	<u>2,376</u>

12 Deposits

Deposits in General Work	<u>53,000</u>	<u>53,000</u>
--------------------------	---------------	---------------

Social Work contributes its excess cash to General Work which is then invested by General Work. All The Salvation Army Australia Eastern Territory's investment portfolios are held under The Salvation Army (New South Wales) Property Trust and accounted for in the General Work. The deposits in General Work can be recalled at any time if required. Social Work is entitled to receive monthly distributions from General Work. The return received by the Social Work does not necessarily reflect the returns made on the investment portfolios held by General Work. The net return achieved in 2017 was 23.64% (2016: 15.53%). Refer to note 23(b) for further details.

13 Other receivables

Prepayments and security deposits	643	607
Loan receivables - Independent Living Units	4,632	3,768
Independent Living Unit lease refurbishment contribution	7,375	6,754
	<u>12,650</u>	<u>11,129</u>

	2017 \$'000	2016 \$'000
14 Property, plant and equipment		
Freehold land		
- at cost	44,114	38,454
Freehold buildings		
- at cost	412,967	399,486
- accumulated depreciation	(114,880)	(107,475)
	<u>298,087</u>	<u>292,011</u>
Total land and buildings	<u>342,201</u>	<u>330,465</u>
Plant and equipment		
- at cost	88,291	81,914
- accumulated depreciation	(69,893)	(60,845)
Total plant and equipment	<u>18,398</u>	<u>21,069</u>
Work in progress - at cost	<u>47,415</u>	<u>18,959</u>
	<u>408,014</u>	<u>370,493</u>

Motor vehicles, aircraft, furniture and fixtures and leasehold improvements are aggregated into plant and equipment.

Reconciliations	Land & buildings \$'000	Work in progress \$'000	Plant & equipment \$'000	Total \$'000
Reconciliations of the carrying amount for each class of property, plant and equipment are set out below:				
Cost				
Balance at 1 July 2016	437,940	18,959	81,914	538,813
Transfer from work in progress and additions	21,881	28,456	8,079	58,416
Disposals	(2,740)	-	(1,702)	(4,442)
Balance at 30 June 2017	<u>457,081</u>	<u>47,415</u>	<u>88,291</u>	<u>592,787</u>
Accumulated Depreciation				
Balance at 1 July 2016	107,475	-	60,845	168,320
Depreciation	7,789	-	8,876	16,665
Provisions transfer from General Work	-	-	1,423	1,423
Disposals	(384)	-	(1,251)	(1,635)
Balance at 30 June 2017	<u>114,880</u>	<u>-</u>	<u>69,893</u>	<u>184,773</u>
	<u>342,201</u>	<u>47,415</u>	<u>18,398</u>	<u>408,014</u>

Notes to the financial statements 30 June 2017

14 Property, plant and equipment (continued)

A leased property \$5,963,000 is included in freehold buildings. During 2012/13 financial year, The Salvation Army entered an agreement with the Department of Disability, Housing and Community Services, Australian Capital Territory (the "ACT") for the building of community housing on Crown land leased by The Salvation Army. The building is used to provide accommodation to disadvantaged members of the community, particularly the aged and those who are at risk of becoming homeless. In accordance with the terms of the agreement, building costs of \$5,963,000 were covered by the ACT. During the 20-year term, the ACT retains control of the building as The Salvation Army does not have the right to dispose of the building without the approval of the ACT. However, since all risks and rewards incidental to ownership of the building are transferred to The Salvation Army, the building costs are accounted for as a leased property but with no lease liability as it is waived.

	2017 \$'000	2016 \$'000
15 Intangibles		
Computer software		
Cost		
Balance at 1 July	5,023	4,902
Additions	21	165
Disposals	-	(44)
Balance at 30 June	5,044	5,023
Computer software		
Accumulated Depreciation		
Balance at 1 July	4,423	4,331
Additions	131	136
Disposals	-	(44)
Balance at 30 June	4,554	4,423
Carrying value at 30 June	490	600
16 Accruals and other payables		
Accruals	6,062	4,662
Other payables	2,725	3,516
	8,787	8,178

The majority of the accruals relate to salary and wages which are paid within the first month of the new financial year.

	2017 \$'000	2016 \$'000
17 Refundable accommodation deposits/Residents loans/Accommodation bonds		
Refundable accommodation deposits		
- likely to be repaid within 12 months	41,665	35,404
- likely to be repaid after 12 months	112,650	109,851
	154,315	145,255
Residents loans for Independent Living Units		
- likely to be repaid within 12 months	1,697	1,725
- likely to be repaid after 12 months	5,090	5,352
	6,787	7,077
	161,102	152,332
18 Provisions		
Annual leave	13,100	12,311
Long service leave		
- likely to be settled within 12 months	848	894
- likely to be settled after 12 months	8,755	8,243
	9,603	9,137
Personal injury claims provision	4,000	3,513
Make good provision		
Carrying amount at the beginning of the year	291	185
Additions	264	225
(Payments)	-	(119)
	555	291
	27,258	25,252
19 Interest bearing liabilities		
Residents trust funds	2,019	2,442
	2,019	2,442

The aged care residents deposit funds with The Salvation Army Social Work and receive interest at an average 1.04% per annum (2016: 1.38%).

Notes to the financial statements 30 June 2017

	2017 \$'000	2016 \$'000
20 Available for sale financial assets		
At the beginning of the year	15,321	15,057
Additions	851	545
Revaluation/(Devaluation)	235	(281)
At the end of the year	16,407	15,321
Managed portfolio - at market value	16,407	15,321

The available for sale financial assets were not impaired (2016: nil) as at 30 June 2017

21 Contingencies

Since January 2015, The Salvation Army has welcomed the work of the Royal Commission into Institutional Responses to Child Sexual Abuse and has openly and transparently co-operated with the Royal Commission. The Salvation Army remains committed to working with survivors for their healing process. Notwithstanding the provision for personal injury claims made at 30 June 2017 (refer notes 3(x) and 18), given the circumstances, The Salvation Army is unable to completely quantify the future claims which might be lodged during the healing process. The Trustees do not expect the unknown future claims to have a material effect on The Salvation Army's financial position.

The claims paid have not been funded from Red Shield Appeal donations.

22 Commitments

(a) Capital commitments

The Salvation Army Australia Eastern Territory Social Work is continuously engaged in planned and ongoing construction projects requiring the commitment of significant funds. This expenditure is contracted for at the reporting date but not recognised as a liability.

	2017 \$'000	2016 \$'000
Cost to complete property contracts in progress	45,453	65,041
Property projects approved but not commenced as at 30 June	1,591	1,269

(b) Lease commitments

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2017 \$'000	2016 \$'000
Within 1 year	9,930	9,324
Later than 1 year but not later than 5 years	16,893	13,360
Later than 5 years	364	186
Total	27,187	22,870

The Salvation Army Australia Eastern Territory Social Work holds six long-term leases of land with the Australian Capital Territory ('the lessor'), which are all classified as operating leases. Under the terms of the leases, The Salvation Army pays nominal rent to the lessor. The notional fair value of the approximate lease rental amounting to \$520,594 (2016: \$533,352) has been recognised as an expense in surplus or deficit. However, this is offset by a contribution income from the lessor of the same amount which is also recognised in surplus or deficit. Accordingly, there is no significant net impact on the net surplus or deficit for the current and previous years.

23 Related parties transactions

(a) Key management personnel

During the financial year the total amount of remuneration paid or payable to a group of key management personnel was \$737,581 (2016: \$862,530).

(b) Other transactions with related parties

During the year, The Salvation Army Australia Eastern Territory Social Work has paid \$196,784 (2016: \$222,469) to The Salvation Army IHQ as management fees. As at 30 June 2017, there was no outstanding balance.

The Salvation Army Australia Eastern Territory Social Work has received contributions from The Salvation Army Australia Southern Territory for some joint programs/initiatives (Red Shield Defence Services, National Secretariat, software development project, International Disaster Management Project and the tax consultant) amounting to \$1,809,485 (2016: \$935,698). As at 30 June 2017, a balance of \$767,075 was outstanding and was classified within receivables.

The Salvation Army Australia Eastern Territory Social Work has received contributions from The Salvation Army New Zealand, Fiji and Tonga Territory for an International Disaster Management Project and a software development project amounting to \$123,120 (2016: \$123,751). As at 30 June 2017, there was no outstanding balance.

Included in receivables is an amount of \$197,105,783 (2016: \$212,747,892) owing from General Work to Social Work, being Social Work's contribution towards investments which are held in General Work. Social Work received total interest of \$2,400,157 (2016: \$3,100,229) from these investment contributions. Further, Social Work has made deposits of \$53,000,000 (2016: \$53,000,000) to General Work for investment purposes and received total distributions of \$12,529,342 (2016: \$8,232,344).

24 Subsequent events

No matters or circumstances have arisen since 30 June 2017 which have significantly affected, or will adversely affect the results of The Salvation Army Australia Eastern Territory Social Work in subsequent financial years.

Trustees' Declaration

30 June 2017

In the opinion of the Trustees of The Salvation Army Australia Eastern Territory Social Work:

(a) the financial statements set out on pages 36 to 55 are drawn up so as to give a true and fair view of The Salvation Army Australia Eastern Territory Social Work's financial position as at 30 June 2017 and its financial performance for the financial year ended on that date.

(b) the financial statements and notes have been drawn up in accordance with applicable Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Regulation 2014; and

(c) at the date of this declaration, there are reasonable grounds to believe that The Salvation Army Australia Eastern Territory Social Work will be able to pay its debts as and when they fall due.



Colonel MTS Campbell

(BA Leadership (UNE), MA Theological Studies (SCD))
National Chief Secretary
Trustee



Lieutenant-Colonel KR Pethybridge

(B Professional Studies, MA Admin Leadership)
Territorial Chief Secretary
Trustee

Dated at Sydney the 24th day of October 2017

Auditor's Independence Declaration



Auditor's Independence Declaration under subdivision 60-c section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Trustees of The Salvation Army Australia Eastern Territory Social Work

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2017 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.



KPMG



Kathy Ostin

Partner
Sydney
24 October 2017

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Independent Auditor's Report



To the Trustees of The Salvation Army Australia Eastern Territory Social Work

OPINION

We have audited the **Financial Report** of The Salvation Army Australia Eastern Territory Social Work (the Entity).

In our opinion, the accompanying Financial Report gives a true and fair view of the financial position of the Entity as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with *Australian Accounting Standards - Reduced Disclosure Requirements* for the purpose of fulfilling the Trustees' reporting requirements under the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2017
- Statement of comprehensive income, Statement of changes in capital reserves and accumulated funds, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Declaration by Trustees of the Entity

BASIS FOR OPINION

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 fulfilled our other ethical responsibilities in accordance with the Code.

RESTRICTION ON USE AND DISTRIBUTION

The Financial Report has been prepared to assist the Trustees of The Salvation Army Australia Eastern Territory Social Work for the purpose of fulfilling the Trustees' reporting requirements under the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Trustees of The Salvation Army Australia Eastern Territory Social Work and should not be used by or distributed to parties other than the Trustees of The Salvation Army Australia Eastern Territory Social Work. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the Trustees of The Salvation Army Australia Eastern Territory Social Work or for any other purpose than that for which it was prepared.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL REPORT

The Trustees are responsible for:

- preparing the Financial Report that gives a true and fair view for the purpose of fulfilling the Trustees' reporting requirements under the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error



- assessing the Entity's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our objective is:

- to obtain reasonable assurance about 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

http://www.auasb.gov.au/auditors_files/ar3.pdf.

This description forms part of our Auditor's Report.

KPMG

Kathy Ostin

Partner

Sydney

24 October 2017

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Our contacts

Most of The Salvation Army's services are available at a wide range of locations throughout NSW, ACT and Queensland, both in the city and in country areas. For more information, look under "Salvation Army" in the Telstra White Pages directory, visit our website salvos.org.au or contact the Army's state headquarters closest to you.

THE SALVATION ARMY AUSTRALIA EASTERN TERRITORY

William Booth - Founder

André Cox - General

Kelvin Pethybridge - Chief Secretary

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Copies of the annual report and the full financial statements, which are audited by KPMG, can be obtained from:

Secretary for Business Administration

The Salvation Army

PO Box A435

Sydney South NSW 1235

The Salvation Army (Australia) Self Denial Fund for Overseas Aid audited financial statement for 2017 is available at:

salvos.org.au/international-development



Annual Report 2017 | The Salvation Army Australia Eastern Territory

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For more information regarding The Salvation Army and its services, visit: salvos.org.au

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