



INNOVATION IN REDUCING HOMELESSNESS
BY BUILDING CAPACITY

Annual Report
2017







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ACKNOWLEDGEMENT OF COUNTRY

Path 2 Change is committed to reconciliation and recognises and respects the significance of Aboriginal and Torres Strait Islander peoples' communities, cultures and histories.

Path 2 Change acknowledges and respects the Aboriginal and Torres Strait Islander peoples, as the traditional custodians of this land.



VISION

To prevent and reduce homelessness.

MISSION

To support and empower people at risk of (or experiencing), homelessness, to achieve independence and connection with the community. We collaborate and build meaningful partnerships and programs, to help people foster their capacity to realise a preferred future.

VALUES

Underpinning our work and relationships is a commitment to values of:



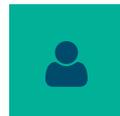
Inclusiveness

Supporting collaboration between individuals and their community.



Passion

Being genuine in wanting to make a difference



Client Driven

Being proactive to respond to individual client needs



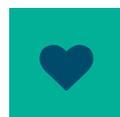
Integrity

Actions and behaviours defined by mutual respect and trust



Innovation

Determination to fill gaps in service delivery



Empathy

A commitment to understand the challenges and feelings of others



CHAIRPERSON'S REPORT

Over the past year, P2C has continued to stabilise its operations and funding streams after significant structural changes to Government funding models within the homelessness sector. P2C achieved its short term stabilisation strategic plan, in 2016/2017. In October 2017, the board arrived at a three year strategic plan to transform the organisation, to ensure we continue to be dedicated to prevent and reduce homelessness over the medium term and beyond.

At the outset, I wish to record my appreciation and admiration of the long standing Director, Donna Smith, who is retiring from the Board as a result of reaching the maximum number of six consecutive years that a Director is eligible to serve on the board. Donna has made a significant contribution to the organisation, and her expertise will be missed. Her tenure as Director has been during some of the most challenging times for the organisation, and I'm sure all stakeholders would agree with my assessment, of her significant contribution.

I would also like to acknowledge all the staff at P2C for their resilience and professionalism over the past several years. The organisation continually, and consistently, achieves outcomes that are life changing for people utilising P2C's services.

I would like to record my appreciation for those Board members who voluntarily left the organisation during the year, and wish them all the best for the

future. We have been able to add new talent to the Board during the year. The new Board members provide further depth to the Board of Directors' skills matrix, ensuring the organisation maintains good governance.

“There is a world of opportunity to support and enable people at risk of (or experiencing) homelessness, to achieve independence and connection with the community.”

P2C has faced, and responded to its challenges over recent history and has made significant progress towards preventing and reducing homelessness. P2C core service delivery and funding is currently



centered on two pillars, Youth Pathway Program (YPP) and Premier's Youth Initiative (PYI). The YPP funding was extended during the year to 2020. The PYI was a new program secured by P2C and operates in partnership with three other community organisations, as part of a consortium. This was a significant achievement for P2C and is also funded until 2020.

In addition to the core services, P2C secured three grants from community organisations to run complimentary programs. P2C's volunteer program commenced and important partnerships have been developed. Overall, we have certainly raised the profile of P2C, increased funding, and developed programs and partnerships for the benefit of our clients and the community.

Moving forward with transforming P2C, we are excited about the opportunities ahead. Over the next three years our strategy consists of

three main strategic priorities. OUR STRATEGIC PRIORITIES focus on developing and expanding capacity, customer service, financial strength, internal systems and process improvements and efficiencies, and learning and growth of P2C.

P2C has a long and iconic history and reputation of preventing and reducing homelessness. There is a world of opportunity to support and enable people at risk of (or experiencing) homelessness, to achieve independence and connection with the community. We will continue to collaborate and build meaningful partnerships and programs, to help people foster their capacity to realise a preferred future. To conclude, 2016 / 2017 for Path 2 Change, has been a year of intense focus on laying the strategic foundations, for our future success.

Chad Rapsey, Chairperson.

EXECUTIVE MANAGER'S REPORT

It has been my honour to have had the opportunity to contribute to Path 2 Change for the past seven years. Being part of a value based and mission driven not-for-profit organisation is both a privilege, and a huge responsibility with new challenges and opportunities. Path 2 Change has been on a course of continuing transformation and growth, which has been the focus of our future directions.

The successes of our core program, Youth Pathway Program, and a new program, Premier's Youth Initiative, securing Family and Community Services (FaCS) funding until 2020, is a testament to the valuable work we are doing in our community. Our funding partners recognise the "contribution Path 2 Change makes to improve the lives of people who are homeless or at risk" (FaCS, A/District Director, Hunter New England).

I am proud of the collaborative work Path 2 Change (P2C) has done to strengthen our culture and operational practices. Working collaboratively with Specialist Homelessness Services (SHS), Government and other community organisations has enabled us to ensure our clients are receiving holistic and client centred support.

I would like to take the opportunity to recognise the contribution of our enthusiastic and motivated staff and volunteers, who are integral to our work at Path 2 Change, in delivering innovative, integrated services that make a long-term, sustainable difference to people's lives. Contributing to providing support, access and opportunities to our most disadvantaged members of the community and watching the transformations and sustainable longer-term outcomes in their lives, are why our staff turns up, day after day.

The organisation's confidence to look over the horizon and move towards the leading edge has been largely as a result of the vision and drive of its people. I would like to acknowledge and express the utmost gratitude to our Board members that

dedicate their time and have assisted P2C to continue our important work in the community. I would like to thank Chairperson, Chad Rapsey for his contribution in accessing funding and business opportunities, and being proactive in guiding P2C through the 2016-17 strategic objectives. I would also like to make a special mention of retiring director Donna Smith, for six years of commitment throughout the organisation's challenges and transformations. Her support and expertise will be much missed.

"Our funding partners recognise the 'contribution Path 2 Change makes to improve the lives of people who are homeless or at risk' (FaCS, A/District Director, Hunter New England)."

Over the past year we have achieved many things and continue to lay the foundations for a sustainable future. The year ahead will present many opportunities and challenges for all of us involved in this vital work, our belief and pride in our board, staff, stakeholders, partners, supporters and clients is stronger than ever. Together, with a shared commitment, we will lead the way in meeting these challenges, with innovation and expertise and with real impact on those we work with.

Jennifer O'Sullivan, Executive Manager.



BUSINESS DEVELOPMENT MANAGER'S REPORT

The growth of Path 2 Change's service delivery and scope in the last 12 months has been substantial. Opportunities have arisen organically as well as being sourced to build a more holistic support system for clients.

Through the process, Path 2 Change's name and reputation for quality service delivery has expanded. The realities of drawing income through fundraising and sponsorship can be challenging and a barrier to growth for a small organisation. Grants have assisted in providing funding for wrap around services for clients, but substantial funding for core service remains hard to find.

GRANTS AND FUNDING

The last 12 months has brought success in the area of grant funding, securing 3 separate income streams to run complimentary programs that address gaps in identified client needs. The 'Me Unlimited' program, sponsored by nib foundation, has had a positive impact on the clients involved with the program. The successes achieved to date shine a light on what can be achieved with

the right interventions. Whilst there is no ongoing funding available for the program, an evaluation by the University of Newcastle will provide an evidence base of outcomes, to use in seeking a new financial partner, and allow more clients to engage in the program and reap the rewards. Similarly, the 'Empower Me' program has not only assisted and up-skilled Path 2 Change clients but disadvantaged youth throughout the region, referred by our partners. The interest in these types of programs by industry partners gives evidence to potential future paths for the organisation.

Receiving funds to set up a volunteer mentor program, 'P2Connect', has been a big coup. Whilst still in its infancy, the pairing of volunteer and client over the first few months has had successful outcomes.



BUSINESS COMMUNITY

Through networking and involvement in the community, our opportunities for young people to gain work experience have continued to gain momentum. Joining the Hunter Business Chamber has proven to be beneficial on a number of levels, including lending a voice to the organisation through the email newsletter editorials. A partnership with ATB Training produced successful employment outcomes for young people in the area of traffic control.

Lambourne Partners Charity Golf Day was a key fundraiser for the organisation and we sincerely thank Lambourne Partners for their support.

A special thank you is extended to Wildara who continues to look for opportunities to support young people in the construction area, with sponsorships for client training on offer.

SECTOR ENGAGEMENT

Participation in the sector as a whole was an important objective for the organisation. Sitting on the working group for Hunter Homeless Connect Day was a great vehicle to connect with other industry partners, keep in touch with industry developments, and develop a better understanding of the service gaps for homeless people that exist in our community.

BUSINESS READY

Last year we identified the need for an improved system to facilitate the organisations ability to grow. Salesforce Not-For-Profit was secured under their fee free program, and has been established as the database for non-client information. With the introduction of volunteers, email marketing and first steps to corporate and community engagement, having a formalised information platform, has been integral to our ability to manage these advances.

Looking ahead, to achieve our vision requires strengthening our resources and this will require strategic alignment with suitable partners to embark on our next chapter.

Marisa Wilson, Business Development Manager

OUR BOARD

Path 2 Change's governance and performance is the responsibility of our Board of Directors. A team of dedicated, professional and skilled individuals regularly offer their time and expertise, to Path 2 Change, to provide services for people who experience and are impacted by homelessness.



CHAIRPERSON

Chad Rapsey, BA Business. Restructuring, Insolvency and Turnaround Practitioner, Chartered Accountant, Registered Liquidator and Trustee, Rapsey Griffiths, Newcastle.



SECRETARY

Jane Mendelson, MBA, Dip in Project Management, Dip in Quality Auditing. Winton Consulting.



TREASURER

Debbie Laarkamp, Master in Education, Graduate Dip – Australian Institute Company Directors, Dip Business, Dip Training and Assessment, Dip Front Line Management. Director External Relations & Strategy – Hunter TAFE, Newcastle.



DIRECTORS

Angela Higgins, Masters of Accountancy, Certified Public Accountant (South Caroline, USA) Private Clients Director– Pricewaterhouse Coopers, Newcastle.

Lyn McBriarty, Diploma of Education, University of Newcastle, Bachelor of Arts (Honours), University of Newcastle, Company Directors Graduate, Member of the Australasian Research Management Society (ARMS), Convener of the ARMS Educational and Professional Development Committee ARMS Accreditation Assessor- Strategic Advisor. Research and Innovation Division, University of Newcastle.

Donna Smith, BA (majoring in Community Welfare and Human services) Bachelor of Laws. Lawyer, O'Brien Winter Partners Newcastle.

Natasha MacNeill, CPA Program, Bachelor of Commerce. Special Purpose and Trust Fund Accountant, Manager of medical staff specialist private practice and charitable trust fund accounts, Calvary Mater Hospital, Newcastle.

Dr Yelena Dawson, Doctor of Business Administration, CPA Australia, Diploma of Financial Services, Master of Economics. Finance Administrator, First Cv hance, Newcastle.

Tim McGilchrist, Postgraduate of Marketing, Bachelor of Design (Hons) Industrial, Dip Project Management, Certified Practicing Marketer. Group Marketing Manager, ATB Morton Group of Companies, Newcastle.

WHO WE ARE

Path 2 Change (P2C) not-for-profit organisation was established over 35 years ago, and is committed to reducing and preventing homelessness, supporting those at risk of, or experiencing homelessness, overcome barriers towards a sustainable future. Homelessness is an increasingly complex issue in terms of both the profile and needs of our clients; the network of support services needed to address barriers towards accessing and sustaining housing; and a critical shortage of affordable housing.

Acknowledging that homelessness is about human rights is important for how people who are homeless are viewed and treated by the community. People who are homeless are not merely objects of charity, seeking help and compassion. "Like all Australians, they are individuals entitled to protection and promotion of their human rights" (humanrights.gov.au).

The main reasons people become homeless are due to housing stress, often driven by poverty and accumulating debt, family breakdown particularly driven by domestic violence, poor life transitions such as transitions out of the child protection system, prison or statutory care, and untreated mental health and substance use disorders leading to the loss of housing, education, employment, family and other relationships.

"Many vulnerable members of our community 'fall through the cracks' leading to isolation and disconnection from the community."

P2C believes in providing care, protection, support and advice through identifying gaps in the current system and investing in strategies to provide successful responses that help prevent ongoing homelessness.



WHY WE ARE HERE

Working to address the underlying causes and not the symptoms, Path 2 Change offers individualised support and case management, aimed to assist each person to recognise and utilise their strengths and abilities, to rise to their full potential. Our Board, management, staff and volunteers have a shared commitment to responding to the needs of vulnerable people in the community, with a focus on service responses tailored to addressing factors present in a person's situation.

Our strategies include a holistic approach working collaboratively with Government, non-Government, community and businesses to make a real difference to those most vulnerable in the community. Path 2 Change provides advocacy, referral and support for many of the social issues that can contribute to homelessness including; unemployment, domestic violence, mental health issues, drug and alcohol abuse and addictions and poverty.

The issues our clients face are often interconnected and rooted in the complex lives of individuals, families and communities. In response to this, we continue to work hard to deliver better outcomes for our clients, as well as offering innovative programs with a holistic focus, to addressing homelessness issues.

***“Engaging and supporting homeless people to create personal and professional change in their lives over time, either through program participation, study, employment or accessing outside services, is why I believe P2C provides a unique and necessary service no other provider has matched”.
- P2C Caseworker.***

2017-2020 STRATEGIC DIRECTIONS

one

POSITION THE ORGANISATION TO DEVELOP AND EXPAND CAPACITY

- Determine appropriate merger, collaboration, and/or acquisition opportunities.
- Increase the profile and impact of the organisation.

The journey to enable our vision and mission cannot be travelled alone. Collaboration and connection that draws on the strength of partnership synergy will be a key driver in our strategic direction for the next 3 years.

two

STRENGTHEN OUR SERVICE EFFECTIVENESS

- Expand the range of service delivery programs funded and provided
- Ensure high quality service delivery practices across all programs.

Path 2 Change is committed to meeting the changing needs of those experiencing homelessness is its many forms. Developing and adapting our service to meet gaps in service delivery and ensuring that the quality of the service we deliver meets best practice standards, drives our planning and service delivery.

three

STRENGTHEN OUR RESOURCES AND SUPPORT BASE

- Customise the financial reporting system to improve measurement and management
- Develop an evaluation framework to deliver effective reporting on programs
- Develop staff training and development initiatives promoting continuous improvement, and a positive work culture

Our people are our strength. Investing in our staff and the tools and will ensure effective use of resources ensure that as a small organisation, we are creating the biggest impact.



BETTER SERVING PEOPLE IN NEED

OUR KEY FOCUS AREAS

We have set ourselves an ambitious goal – to prevent and reduce homelessness, but we believe that it is possible if we work collaboratively and with clear direction.

Releasing a new Strategic Plan, developed through extensive consultation with the Board of Directors, management and staff across the organisation, we have a framework to achieve our purpose.

This year we have continued to align our service delivery with our strategic priorities. Path 2 Change continues to adapt in an environment of growing need and funding challenges. The future years will see a continued focus on financial performance and service viability to ensure long term sustainability. Priorities include securing and diversifying income streams to support service delivery.

We will develop a measurement system to report on our impact enabling continued improvement of services and adherence to goal delivery for clients. Creating opportunities to gather feedback from our clients, collaborative partners and the community will ensure we are meeting client's needs, and changing their lives in the longer term.

Our policy, advocacy, research and evaluation activities are aligned with our goal to prevent and reduce homelessness by allowing client's to gain greater independence including the ability to achieve their potential, and participate fully in life.



"Our service really values and appreciates the value that P2C adds to the experience of our clients and it undoubtedly improves the chances of these clients to move out of the cycle of disadvantage and homelessness."

- SHS Caseworker

OUR CORE PROGRAMS

In 2015-16, more than 18,400 young people aged 15-24 years accessed homelessness services in NSW.

Some were alone and had been living in unstable housing, which means they were sleeping rough, living in boarding houses, motels or in crisis refuges, or couch-surfing with family and friends.

Young people experiencing homelessness are very vulnerable.



more than 90 per cent have witnessed violence in their home



60 per cent have been in out-of-home care



more than 50 per cent have mental health conditions. (nsw.gov.au)



YOUTH PATHWAY PROGRAM (YPP)

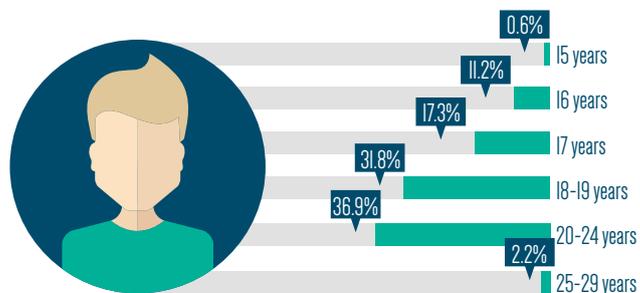
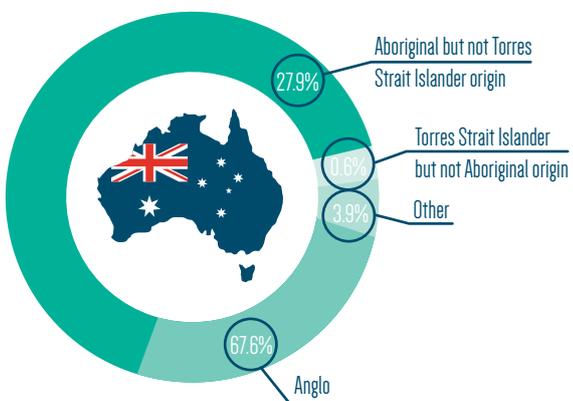
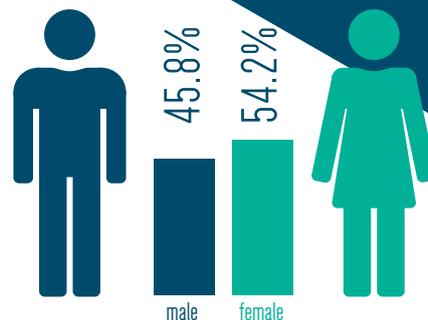
WORKING WITH YOUNG PEOPLE

This generation of diverse and dynamic young people are a significant resource for Australia, yet without support, many struggle to access opportunities and reach their full potential at a greater cost to us all. The transition to adulthood can be challenging enough for young people from safe, nurturing and healthy families. But the young people, who access our services, have undergone profoundly destructive experiences. Many are scared, traumatised, and confused, and as young as 15, trying to navigate their transition into adulthood without the support of family or community. This can lead to poor outcomes – higher risk of homelessness, disruptions to education pathways, lower prospects of employment, poverty, drug and alcohol abuse, higher rates of incarceration and struggles with mental and physical health.

The Youth Pathway Program working collaboratively with Specialist Homelessness Services (SHS) provides support for young people who are homeless or at risk of homelessness to access education, training and employment pathways and opportunities, building toward the prevention of repeated homelessness. Our dedicated case managers work closely and consistently with each individual, helping them to connect to education, work and income opportunities that will empower them to move towards independence and positive longer-term outcomes.

P2C are culturally sensitive and responsive to the needs of Aboriginal and Torres Strait Islander young people, the LGBTI community, and those from diverse cultural backgrounds. We have developed and continued to strengthen our partnerships and collaboration with SHS and other stakeholders, including Government and non-Government, training and education providers, employers, and employment services to ensure our young people are provided with holistic supports.

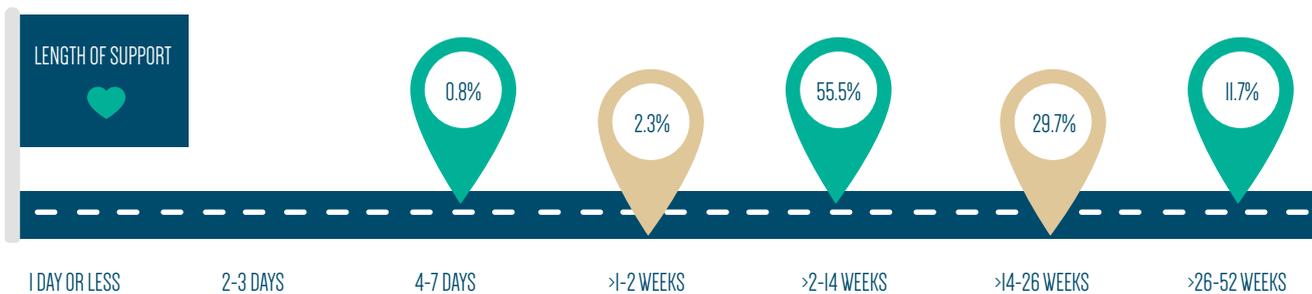
YEAR TO DATE



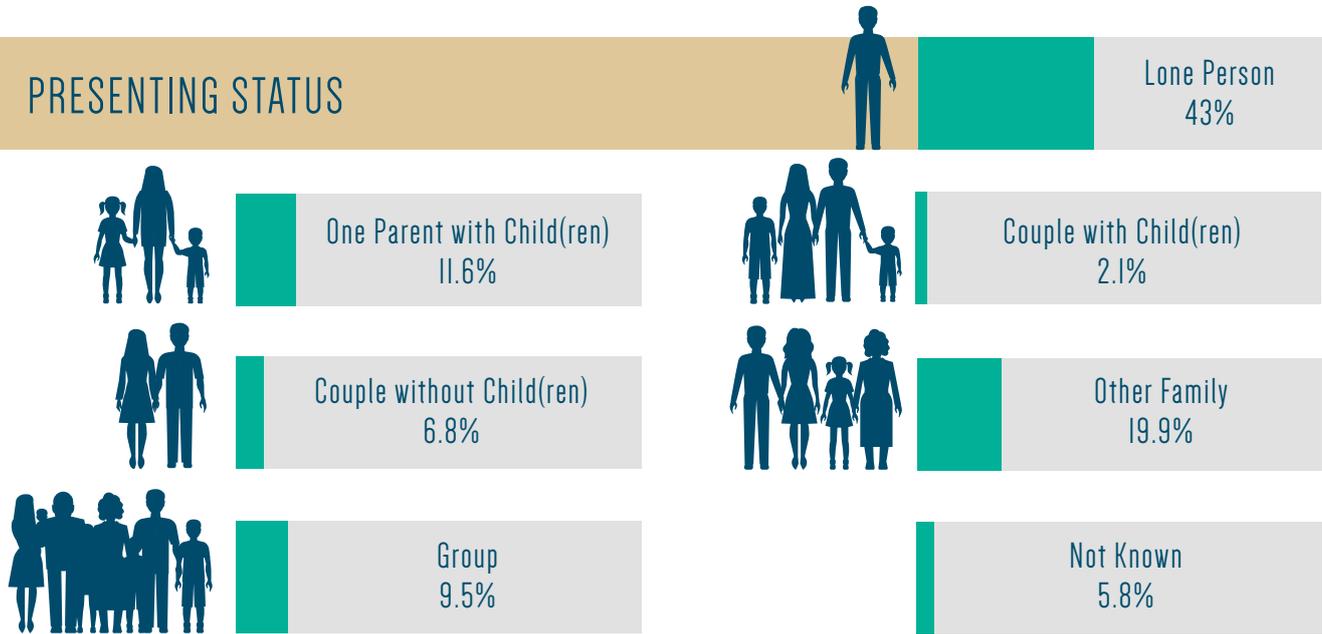
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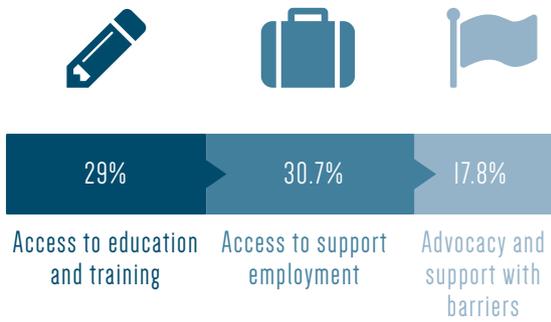
TOTAL NUMBER OF SUPPORT PERIOD DAYS



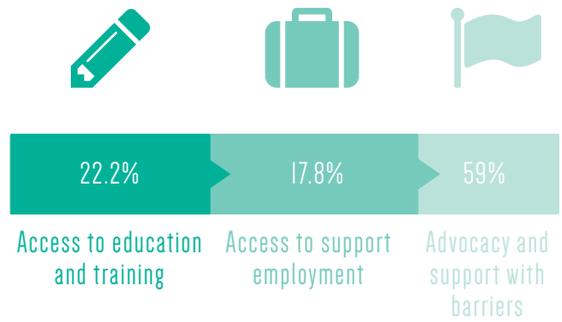
PRESENTING STATUS



SUPPORT



OUTCOMES



P2C STAFF

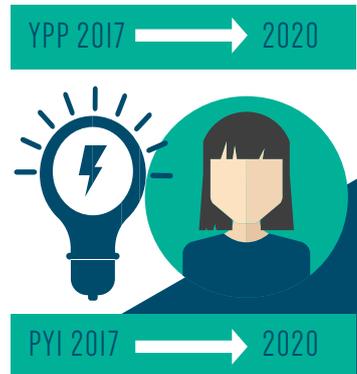
FULL TIME | one at 100%

PART TIME | six at 85%
one at 60%
one at 20%

CASUAL | two at 20%

VOLUNTEERS | fifteen

FACS FUNDED PROGRAMS



WHAT DO OUR CLIENTS SAY?

AN INTERVIEW WITH MANDY

Q) How did you get involved with Path 2 Change?

A) "I was couch surfing at my boyfriend's share accommodation house, and was finding it unaffordable to find my own place to live. I wasn't in a very stable way, but really wanted to obtain work to help my situation. I was then referred to Path 2 Change through Samaritans".

Q) How has your life been changed for the better through involvement with Path 2 Change?

A) "Basically, I was unemployed, but now I am working! To get me to that stage though, Path 2 Change helped me pay for my car registration (via advocacy through Job Network Provider), put me through fully comprehensive training that was all paid for which included my traffic control tickets, and OHS white card, developing a high quality resume and cover letter, and canvassing assistance to employers which in turn provided me with paid work."

"The caseworker from Path 2 Change has also gone above and beyond with providing assistance and referrals for emergency food assistance, providing advocacy with the SDRO with payment of my fines, working out relevant work development orders and other strategies. My life has definitely taken a positive direction since being involved with Path 2 Change, and I feel a lot more confident and successful in my life in general".

Mandy is now working (Path 2 Change also assisted her partner to get a job) and is now able to afford a private rental in Cardiff without any Housing NSW assistance, contributing to longer-term housing outcomes and prevention of re-entering homelessness services.

"My life has definitely taken a positive direction since being involved with Path 2 Change, and I feel a lot more confident and successful in my life in general."



NO DIRECTION AND TRYING TO PLEASE OTHERS

Talia had a job as a kitchen hand but was very unhappy and not getting enough shifts to support her living away from home. She returned home, but was sleeping on a couch due to overcrowding, and was being threatened by others in her family home. She decided to get help to find accommodation and connected with Samaritans.

Talia was linked to Path 2 Change as she wanted help with her education and employment pathway. After helping her get into a course, Talia was difficult to engage, missed appointments and didn't attend the course due to other barriers, such as very low self-esteem and depression. The caseworker kept 'touching base' and letting her know that she was available when Talia was ready.

Talia re-engaged and told the caseworker she wanted to do volunteer work and build on skills and "do something for others" with a local Aged Care home. She attended for a while and then disengaged. She told the caseworker that she did the aged care because her father wanted her to be a nurse. The caseworker encouraged her to do what she really wanted to do, and P2C would support her all the way.

Talia then attended one of P2C's supported programs 'Me Unlimited', to help with mental health symptoms and after engaging in the program, her confidence increased significantly and she felt empowered to make her own choices about her life. She told the caseworker she wanted to work in the travel industry.

The caseworker assisted to get Talia into a Certificate III in Travel in 2017, and will be completing the course in November, 2017. Since engaging in the course, Talia is submitting outstanding assessments and is actively canvassing travel agents for work experience.

"I chose a course I really wanted to do, not one someone else thought I should be doing and the case worker spent as much time as I needed, and is still there for me when I need help or ask questions. Without P2C I would not have the confidence that I do now, or the friends I have made."





“Completing the Me Unlimited program as it helped me out with my social anxiety and the activities were really fun, but challenging, that was the fun of it.”

WHAT DO OUR CLIENTS SAY?

HELPING TRANSITION INTO INDEPENDENCE

Jack, a young 16 year old male engaged with the ‘Supported Independent Living’ program with Catholic Care (CC) was referred to Path 2 Change (P2C) for the YPP program. Jack had significant trauma from his past and had been in the Out of Home Care system for many years experiencing multiple placement breakdowns. Due to his experiences with many services and people letting him down, he had developed significant trust issues resulting in social barriers that were impacting on his ability to engage with others in the community.

In partnership with the CC caseworker, the P2C caseworker worked with him to access the Skills for Education and Employment (SEE) program and assisted him to travel independently, and manage his anxiety within an educational setting. Jack expressed that he really wanted to work but was still very anxious in social settings. The P2C caseworker organised some work experience at Soul Café and accompanied him for the first two shifts until he felt comfortable and connected with the Soul staff.

Jack then engaged in the ‘Me Unlimited’ program and the change over the course of the program was dramatic. Jack attended and participated in all activities and workshops and excelled in some of the tasks. He made some physical changes such as cutting his hair short and was observed smiling throughout the activities and engaging confidently with the other young people and volunteers. The change in this young person was distinctly noticeable by CC and P2C staff and volunteers, and is a testimony to the ongoing commitment and support from the P2C staff, and the programs/ opportunities offered to the young people.

When asked the best thing he has done with P2C he stated “completing the Me Unlimited program as it helped me out with my social anxiety and the activities were really fun, but challenging, that was the fun of it”

Jack is now actively looking for work, is doing walk-ins with his P2C caseworker support, and is prepared and ready to engage in whatever work will begin the next step in his future.

"I could not thank the P2C caseworker enough for being there to support me through the past few months. I would not have completed year 12 without them being there and talking to the school and just supporting me when I had all those issues with my mental health. I am really excited to complete yr 12 and graduate, and I would not have been able to do this without them in my life over the past months. I am just so grateful for all they have done for me." - Young Person YPP



PREMIER'S YOUTH INITIATIVE (PYI)

The Premier's Priorities announced in 2015, included 'reducing youth homelessness' with a target to increase the proportion of young people who successfully move from Specialist Homelessness

Services, to long-term accommodation by 10 per cent. The NSW Government committed up to \$59 million on child and youth homelessness services and initiatives (NSW Government).

SUPPORTING YOUNG PEOPLE

LEAVING OUT-OF-HOME CARE

In June 2017, Path 2 Change in a consortium partnership with Samaritans, Youth Connections and My Foundations, were successful to deliver a pilot initiative supporting vulnerable young people leaving Out-of-Home Care (OOHC), funded by Family and Community Services (FaCS), in the Hunter Region from 2017-2020. As mentioned previously, up to 60% of represented homeless young people have been in OOHC. This new and holistic program addresses the identified problem of many of the young people leaving OOHC, transitioning into homelessness services. The Premier's Youth Initiative will provide a combination of personal advice, education and employment mentoring, transitional accommodation support and long-term accommodation to help them transition to independence.

This new and unique approach allows Path 2 Change to work with the young people for up to three years, before and during their transition into independence from OOHC, supporting young people with their education, training and employment goals and pathways.

As part of the initiative, Centre for Evidence and Implementation (CEI) is working with the Behavioural Insights Team and the University of Melbourne to:

- Refine the service model based on current best evidence and user feedback
- Determine the initiative's effect in young people's lives by undertaking the first randomised control trial of a community-sector program in NSW
- Assess the initiative's economic impact using a comprehensive cost-benefit analysis

Path 2 Change and partners have recruited a team of dedicated and skilled workers for the initiative, and have started to work with young people as referrals are beginning to be allocated through FaCS. We are excited about this opportunity to contribute to the Premier's Priority to reduce youth homelessness, and see significant outcomes for our young people leaving OOHC.

"This new and holistic program addresses the identified problem of many of the young people leaving OOHC transitioning into homelessness services."





WHAT DO OUR STAFF SAY?

"I enjoy my work at Path 2 Change as we focus on helping young people reach for their goals and work with them step by step to develop and implement appropriate strategies to achieve their goals. I get a sense of achievement and success in my job."
- Caseworker P2C

"Working for Path 2 Change is amazing as I am working with other staff members who are passionate about assisting youth who are disadvantaged. As a team we work together to discuss strategies to engagement, up-coming client opportunities and support each other in client reviews. It is a fun workplace and I enjoy the energy and motivation that as a team we create change."
- Caseworker P2C

"This program is changing the lives of our young people. We advocate on behalf of young people and support them to gain the education and employment opportunities that without support they wouldn't be able to obtain."
- Caseworker P2C

"I get a sense of achievement and success in my job."

"Together we help these vulnerable young people to grow, connect, improve and move forward".
- Caseworker P2C

"The reason I like the YPP program is the opportunity it provides for youth that are disadvantaged and vulnerable in our community. The positive changes that we create by providing an avenue for support and guidance in education, training and employment opportunities, these are life changing and even the small steps forward are glimpses of hope for our young people".
- Caseworker P2C

SUPPORTING PROGRAMS

Path 2 Change recognised that due to the complexities of the young people who access our core programs, other barriers to education, training and employment needed to be addressed to enable them to be successful in their chosen pathways. Some young people disengaged from the community, suffering from anxiety, self-harm and depression, or lacking basic life skills, were unable to take the next step. P2C sought grants to be able to address some of these barriers through complementary programs to prepare them for education, training and employment.



ME UNLIMITED

Funded by the nib foundation

The aim of the initiative is to develop life and coping skills through a unique fitness based program, for homeless youth with mental health barriers, allowing them to reconnect with their community and pursue their education, training and employment goals.

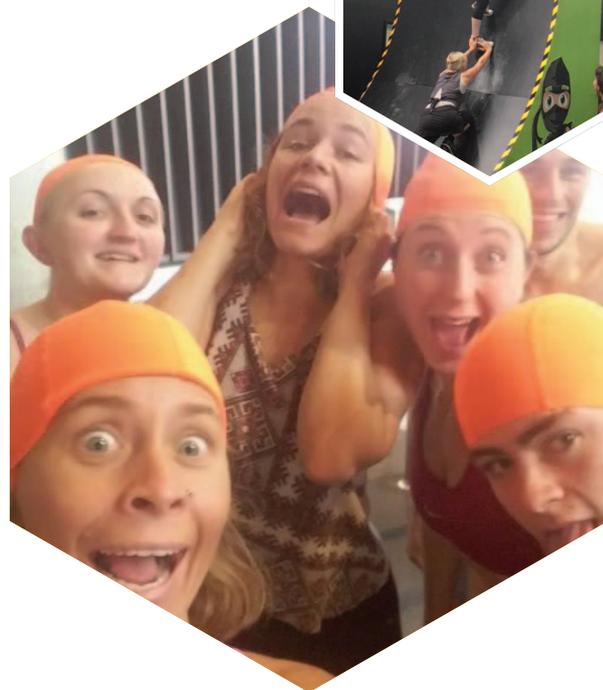
Path 2 Change provided three, ten week programs incorporating exercise experiences that are fun, engaging and encourage teamwork and co-operation, to challenge young people and release natural endorphins to lessen symptoms such as anxiety and depression, associated with mental health. The program also focused on dealing with setting goals, nutrition and mindfulness within a trauma informed framework, helping educate and provide practical strategies to manage symptoms over the 10 weeks. Online connection through a

"Some young people disengaged from the community, suffering from anxiety self-harm and depression, or lacked basic life skills, and were unable to take the next step."

closed Facebook page allowed the participants to encourage each other along the way. Activities such as bubble soccer, ice skating, team games, self-defence and much more take place weekly for 3-4 hours, supported by a professionally trained staff member throughout the program.

Through the program young people minimised their isolation by forming connections with other participants and increased their ability to encourage one another, as being part of a 'community group'. Young people were taught techniques to manage their mental health such as being able to 'stay in the moment' and 'quiet their minds' when feeling anxious, depressed or overwhelmed, allowing them to function in a community environment. This friendly, relaxed approach helped us to gain their trust and build relationships. By providing support and mentorship at critical junctures in young people's lives, we were able to help them learn new strategies and build resilience.

"I think the whole team is gaining so much from the program, volunteers and participants alike. Personally Wednesday mornings are the highlight of my week and make anything and everything else I do so much more worthwhile, and gives purpose to my week. The activities we have been doing have been fantastic and have opened up my eyes to other ways I can exercise my mind and body!"
- Young Person



"Me Unlimited got me out of the house and connecting to people and doing activities I would never have done"
- Young Person

"Gave me confidence I did not have before doing this program"
- Young Person

"I think the whole team is gaining so much from the program, volunteers and participants alike. Personally Wednesday mornings are the highlight of my week and make anything and everything else I do so much more worthwhile, and gives purpose to my week. The activities we have been doing have been fantastic and have opened up my eyes to other ways I can exercise my mind and body!"
- Young Person

"Developed friendships that have been maintained after the program finished"
- Young Person

"The time that I volunteer every Wednesday is the absolute highlight of my week! My favourite moment was at the end of the first 'Me Unlimited' where 10 young people who wouldn't make eye contact with each other on the first week, were cheering each other on whilst abseiling down the side of a cliff!! It was absolutely incredible to see the journey they went on and was such a privilege to be a part of."
- Volunteer P2C

"Volunteering with the Me Unlimited programme was amazing, not only did we get the chance to support and empower young people we had fun doing it! The highlight for me was when one of the clients was too scared to go down a zip line at the tree tops and was overcome with anxiety. With reassurance from me and encouragement from the group she managed to overcome her fears. The emotions of achievement and happiness she displayed afterwards were amazing to see"
- Volunteer P2C



SIDNEY MYER FUND

EMPOWER ME

Funded by Sidney Myer Fund

Path 2 Change offered monthly life skills workshops for young people who were homeless or at risk of homelessness, and transitioning into independence. The workshops offer pro-social opportunities to enable young people to learn valuable life skills to help manage challenges associated with independent living. Staff and volunteers supported the young people to engage in the workshops and were delivered by specialist facilitators from each community sector.

Workshops delivered included topics such as employment readiness, self-defence, cooking skills, cyber bullying, sexual health, safe relationships, alcohol and other drugs, art therapy, domestic violence, budgeting and wellbeing. The workshops provided group activities in a fun, creative, flexible and supportive environment, allowing the young people to increase their confidence and skills. The young people who participated in the workshops gave positive feedback and agreed they could use the skills gained in their everyday lives.



*"Volunteering for Path 2 Change has been one of the best things I have ever done and has bought me a whole new perspective and such enrichment to my life."
- Volunteer P2C*

P2CONNECT

Funded by ANSVAR Insurance

Path 2 Change recognised that many of the young people engaged in our programs lacked a longer-term 'significant person' in their lives to provide support, advice and encouragement to help them navigate their pathway to adulthood.

The P2Connect program provides a combination of mentor support, training and case management to homeless young people to ensure they are given the opportunity to build the foundations they need to overcome their barriers and are better equipped to participate in the community, and move successfully into more sustainable education, training and employment pathways.

Helping with practical matters, for example; shopping, budgeting, cooking, accessing accommodation, accessing community services and driving lessons as well as having someone who will listen and offer advice when sought.

"My Mentor is supporting me by taking me to my Doctor appointments and we do really nice things together. It also gives me a break away from my partner."
- **Young Person**

"I love spending time with the young person I am mentoring. I feel we are forming a great relationship and we are enjoying our time together."
- **Mentor**



"Having moved to Newcastle from the UK I thought it would be a great thing to volunteer to become engaged in the community. After discovering Path 2 Change through a neighbour I can honestly say it has helped me do that and so much more. I have gained so much experience in working with young people and it has opened my eyes to how valuable the service is that Path 2 Change provides for these young people."

- **Volunteer P2C**

"I have always felt that in order to become a more rounded person you should always strive to help those in the community around you. Working busy shift work has often prevented me from doing this, but I managed to organise and find time to volunteer with Path 2 Change and it's one of the best things I have ever done."

- **Volunteer P2C**





FEEDBACK FROM PARTNERS

“Despite a few hurdles Emma has really taken on board the skills and experience that she learnt from the caseworkers at Path 2 Change. Emma’s journey was a result of all of us working together providing support and guidance despite how difficult she may come across to each one of us. All I can say is thank you to you all. Hope this encourages our working relationship to continue further.”

- **Catholic Care Caseworker**

“PSFANS and P2C have worked together successfully over the past three years to create positive outcomes for our mutual clients. The knowledge and expertise of the P2C staff greatly enhances the case management that an SHS service, such as ours, can offer and makes a huge contribution to the experience of people and gives them every opportunity to meet their full potential.”

- **Caseworker PSFANS**

“The life skills and mental health training programs P2C offer helps the client to become ready to engage in the training and employment sector by improving their self-image and their ability to engage positively in their community.”

- **Caseworker PSFANS**

“Stride Learning offers a range Certificate II, III, IV and Diploma training programs. Stride has been working closely with Path 2 Change to provide Vocational Pathways for learners who are experiencing a range of barriers. Through the collaboration between Stride Learning and Path 2 Change, a number of young people have been able to access training that under normal circumstances would not be as accessible.”

- **NSW Business Development Manager, Stride Learning**



"P2C have a real understanding on the individual needs of young people and do well to empower young people to take appropriate steps in finding their preferred job or career path."

"As the only official "Aftercare Program" worker in the Hunter I am always proud to refer young people to P2C to help young people with their vocational goals.

P2C have great connections in the community which helps young people looking to enter/ continue into education or in getting a job that will suit the young persons goals.

P2C have a real understanding on the individual needs of young people and do well to empower young people to take appropriate steps in finding their preferred job or career path.

My clients have come away with great outcomes and I have seen their confidence grow stronger in building their independence."

- Catholic Care



DIRECTORS' REPORT - 30 JUNE 2017

Our directors present their report on Path 2 Change Limited for the financial year ended 30 June 2017.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:

Director	Position	Appointed/Resigned
Chad Rapsey	Chairman	
Donna Smith	Director	
Angela Higgins	Secretary	
Lauren Miles	Previous Secretary	Resigned - 23/02/2017
Jane Mendelson	Deputy Chairman	
Debbie Laarkamp	Treasurer	
Andrew Healey	Previous Treasurer	Resigned - 02/05/2017
Tim McGilchrist	Director	Appointed - 09/07/2017
Lee Shields	Director	Resigned - 19/10/2016
Melissa Collins	Previous Secretary	Resigned - 15/09/2016
Lyn McBriarty	Director	Appointed - 17/7/2017
Yelena Dawson	Director	Appointed - 17/7/2017
Natasha MacNeil	Director	Appointed - 17/7/2017

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activity of Path 2 Change Limited during the financial year was the provision of Case Management support in education, training and employment, working in collaboration with local Specialist Homelessness Services (SHS) for at risk of or homeless young people aged 16-24 years in the Newcastle, Hunter, Port Stephens and Lake Macquarie regions. The primary project is named the 'Youth Pathway Program' (YPP) and is funded by Family and Community Services (FACS) under the Special Services Fund (SSF).

The project named the 'Premier's Youth Initiative' and primarily funded by Family and Community Services (FACS) to Samaritans and Path 2 Change submits invoices for services delivered under the project. FACS have extended the acquittal period for the funding until June 30th, 2018.

The principal activity of Path 2 Change from 14th March 2017 to 30th June 2017 further included the provision of Case Management support in education, training and employment for young people aged 16-24 years who are in Out of Home Care (OOHC) working as part of a consortium with Samaritans, My Foundations and Youth Connections with Samaritans nominated as the lead agency. During the stated period P2C operations have included setting up the project and recruitment and training of staff.

SECONDARY ACTIVITIES

Secondary activities of Path 2 Change during the financial year from 1st July, 2016 to 30th June 2017, was the provision of additional support services for young people aged 16-24 years who are at risk of or homeless. These activities were funded by various grants, including:

'Me Unlimited' (MU) which provides support for young people who identify as having symptoms of mental health as a barrier towards engaging in education, training and employment, through a 10 week program and is funded by the nib Foundation.

'Empower Me' (EM) which provides support for young people to access monthly life skills workshops for addressing barriers to transitioning into independence and is funded by the Sidney Myer Fund.

'P2Connect' provides support to young people with a significant support person (mentor) to assist with navigating their transition into education, training and employment and independence and is funded by ANSVAR CEP Grants.



DIRECTORS' REPORT - 30 JUNE 2017

KEY PERFORMANCE MEASURES

The Company measures performance through the use of both quantitative and qualitative measures and through the Client, Information, and Management System (CIMS) and under the Quality Assurance Framework (QAS) as required by FACS. The measures are used in compliance for directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

The 2016/17 figures for the YPP are generated through FACS mandatory reporting platform, CIMS.

All service providers who deliver specialised programs and are under a Program Level Agreement (PLA) with Family and Community Services (FACS) are required to report through the CIMS system.

This year's YPP figures are based on referrals received from partner SHS organisations which are recorded monthly. The YPP profile shows referrals received each month and the total number who had received services for 2016-2017.

Youth Pathway Program

Contracted number of clients: for 2016-2017 = 72

Program	Month	Referrals Received	Contracted number per month	Total number received in contracted period
YPP	July 2016	18	6	18
YPP	August 2016	19	6	37
YPP	September 2016	18	6	55
YPP	October 2016	20	6	75
YPP	November 2016	23	6	98
YPP	December 2016	6	6	104
YPP	January 2017	12	6	116
YPP	February 2017	12	6	128
YPP	March 2017	16	6	144
YPP	April 2017	23	6	167
YPP	May 2017	19	6	186
YPP	June 2017	6	6	192

Actual number of clients supported 2016-2017 = 192

COMPANY LIMITED BY GUARANTEE

The company is incorporated under the ACNC Act 2012 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations of the entity. At 30 June 2017 the total amount that the members of the company are liable to contribute if the company is wound up is \$6 (2016: \$9).

COMPANY SECRETARY

Angela Higgins held the position of company secretary since May 2017. Lauren Miles was nominated as secretary on 15th September 2016 and resigned on 23rd February 2017. Prior to that Melissa Collins had been the company secretary since February 2016.

SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

MEETINGS OF DIRECTORS

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

DIRECTORS MEETINGS		
	Number eligible to attend	Number attended
Chad Rapsey	12	12
Donna Smith	12	9
Angela Higgins	12	9
Lauren Miles	8	6
Jane Mendelson	12	9
Debbie Laarkamp	12	8
Andrew Healey	10	8
Tim McGilchrist	3	3
Lee Shields	4	3
Melissa Collins	2	-
Lyn McBriarty	-	-
Yelena Dawson	-	-
Natasha MacNeil	-	-

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Path 2 Change Limited.



DIRECTORS' REPORT - 30 JUNE 2017

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012, for the year ended 30 June 2017 has been received and can be found below.

Signed in accordance with a resolution of the Board of Directors:

Director (Chad Rapsey):



Director (Angela Higgins):



Dated: 29.08.2017



PATH 2 CHANGE LIMITED ACN: 002 664 271

AUDITOR'S INDEPENDENCE DECLARATION UNDER THE ACNC ACT 2012

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the ACNC Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



PKF

Partner (Martin Matthews):



Dated: 29.08.2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2017

Item	Note	2017 \$	2016 \$
Revenue	2	384,945	336,454
Rent & Council charges		(25,000)	(29,204)
Auditor remuneration		(8,292)	(7,500)
Administration & operating costs		(58,202)	(36,023)
Employee benefits expense		(317,425)	(271,510)
(Deficit) before income tax		(23,974)	(7,783)
Income tax expense	1(b)	-	-
(Deficit) for the year		(23,974)	(7,783)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(23,974)	(7,783)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	475,759	337,811
Trade and other receivables	5	1,254	-
Other assets	6	8,304	8,304
TOTAL CURRENT ASSETS		485,317	346,115
NON CURRENT ASSETS			
Property, plant and equipment	7	4,988	1,182
TOTAL NON CURRENT ASSETS		4,988	1,182
TOTAL ASSETS		490,305	347,297

LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	46,427	22,948
Employee benefits	9	19,173	10,308
Unearned income	10	142,293	7,655
TOTAL CURRENT LIABILITIES		207,893	40,911
TOTAL LIABILITIES		207,893	40,911
NET ASSETS		282,412	306,386

EQUITY			
Retained surplus	11	282,412	306,386
TOTAL EQUITY		282,412	306,386

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2017

	Retained Surplus \$	Total \$
2017		
BALANCE AT JULY 1, 2016	306,386	306,386
Deficit attributable to members of the entity	(23,974)	(23,974)
BALANCE AT 30 JUNE 2017	282,412	282,412
2016		
BALANCE AT JULY 1, 2015	314,169	314,169
Deficit attributable to members of the entity	(7,783)	(7,783)
BALANCE AT 30 JUNE 2016	306,386	306,386



STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from grants, donations, residents & fundraising		564,550	347,837
Payments to suppliers and employees		(427,898)	(386,849)
Interest received		5,102	4,426
Net cash used in operating activities	12(a)	141,754	(34,586)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment			10,000
Payments for property, plant and equipment		(3,806)	(1,182)
Net cash used by investing activities		(3,806)	8,818
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase/(decrease) in cash and cash equivalents held		137,948	(25,768)
Cash and cash equivalents at beginning of year		337,811	363,579
Cash and cash equivalents at end of financial year	12(b)	475,759	337,811

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2017

Path 2 Change Ltd is an individual entity, incorporated and domiciled in Australia and is a Company limited by guarantee. The financial statements are authorised for issue on 29th August 2017 by the directors of the company.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore a special purpose financial statements that has been prepared in order to meet the requirements of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable entities reporting under the ACNC Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

(a) Going concern

The financial report has been prepared on the going concern basis as at 30 June 2017. The directors consider this the most appropriate means of stating the Company's financial performance and financial position in light of the following:

- the company will receive funding from the Department of Family & Community Services until 30 June 2020 when they will re-negotiate the current agreement; and
- the company has sufficient cash reserves as at 30 June 2017 to support existing operations over the next financial year.

(b) Income Tax

There is no provision for income tax as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.



NOTES TO THE FINANCIAL STATEMENTS

c) Property, Plant and Equipment

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

Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, is depreciated on a straight-line basis over the assets useful life to the entity, commencing when the asset is ready for use.

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

<i>Class of Asset</i>	<i>Depreciation Rate</i>
<i>Plant and Equipment</i>	5-20%
<i>Office Furniture and Equipment</i>	20-33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses on disposals

are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in operating surplus/deficit. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Employee Benefits

Provision is made for the Company's liability for employee benefits from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

Contributions are made by the entity to the employee's superannuation fund and are charged as expenses when incurred.

An entity shall recognise a liability and expense for termination benefits at the earlier of the following dates: (a) when the entity can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of termination benefits.

(e) Cash on Hand

Cash on hand include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(f) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value plus transactions costs. Financial instruments are subsequently measured at either fair value or cost.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. Held-to-maturity investments are included in non-current assets, except for those which are expected to be mature within 12 months of reporting date.

Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into operating surplus/deficit.

Fair value

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available fair value is determined based on current bid prices for all quoted investments

Impairment

At the end of the reporting period, the entity assesses whether there is any objective evidence that a financial instrument has been impaired.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires. Financial liabilities are derecognised where the

related obligations are either discharged, cancelled or expired

(g) Impairment of Assets

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

(h) Revenue

Non- reciprocal grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Revenue from the rendering/provision of a service is recognised upon the delivery of the service to customers/tenants.

Funding revenue is recognised in the income statement in the period to which it relates. Donations are recognised as revenue when received.

Donations are recognised as revenue when received.

Interest revenue is recognised as it accrues.

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

NOTES TO THE FINANCIAL STATEMENTS

(i) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Comparative Figures

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

(k) Critical Accounting Estimates and Judgments

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

(l) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.



(m) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Company where the standard is relevant:

Standard Name	Effective date of standard	Requirements	Impact
AASB 15 Revenue from contracts with customers	1 January 2018	<p>AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.</p> <p>Accounting policy changes will arise in timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.</p> <p>AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.</p>	<p>The changes in revenue recognition requirements in AASB 15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures. The impact of AASB 15 has not yet been quantified.</p>
AASB 16 Leases	1 January 2019	<p>AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments.</p> <p>A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.</p>	<p>Whilst the impact of AASB 16 has not yet been quantified, the entity currently has a rental operating leases which we anticipate will be brought onto the statement of financial position. Interest and amortisation expense will increase and rental expense will decrease.</p>

NOTES TO THE FINANCIAL STATEMENTS

2. REVENUE AND OTHER INCOME

	2017 \$	2016 \$
REVENUE		
FACS operating grants	306,217	307,038
Other grants	11,357	5,007
Premier Youth Initiative	40,889	
nib Foundation	18,211	
	376,674	312,045
OTHER INCOME		
donations	5,102	9,972
interest received	3,169	4,426
profit on sale of other financial assets & plant & equipment		10,000
member subscriptions		11
	8,271	24,409
Total Revenue	384,945	336,454

3. AUDITORS' REMUNERATION

Audit of the financial report	8,292	7,500
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4. CASH AND CASH EQUIVALENTS

Cash on hand	413	413
Cash at bank	475,346	337,398
	475,759	337,811

5. TRADE AND OTHER RECEIVABLES

CURRENT	
Other receivables	1,254

6. OTHER ASSETS

	2017	2016
	\$	\$
CURRENT		
Prepayments	1,887	1,887
Rental security deposit	6,417	6,417
	8,304	8,304

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment- at cost	4,988	1,182
	4,988	1,182

8. TRADE AND OTHER PAYABLES

CURRENT		
GST payable	23,183	5,995
Other creditors	23,244	16,953
	46,427	22,948

9. PROVISIONS

CURRENT		
Employee entitlements	19,173	10,308

10. UNEARNED INCOME

Unearned SSF Funding		3,571
Premier Youth Initiative unearned income	81,981	
nib Foundation unearned income	30,039	
Ansvar Insurance unearned income	30,273	
Other financial liabilities		4,084
	142,293	7,655

NOTES TO THE FINANCIAL STATEMENTS

11. RETAINED SURPLUS

	2017 \$	2016 \$
Retained surplus at the beginning of the financial year	306,386	314,169
Net deficit for the year	(23,974)	(7,783)
	282,412	306,386

12. CASH FLOW INFORMATION

a) Reconciliation of result for the year to cashflows from operating activities

Net deficit for the year	(23,974)	(7,783)
Non-cash flows in profit		
- profit on disposal of plant and equipment		(10,000)
Changes in assets and liabilities		
- increase in employee entitlement provisions	8,865	4,509
- increase in other assets		(1,887)
- increase in trade and other receivables	(1,254)	
- increase/(decrease) in other creditors	6,291	(5,812)
- increase/(decrease) in GST payable	17,188	(10,385)
- increase/(decrease) in unearned income	134,638	(3,228)
Cashflows from operations	141,754	(34,586)

b) Reconciliation of cash

Cash at the end of the financial year as shown is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	475,759	337,811
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13. MEMBERS' GUARANTEE

The Company is incorporated under the ACNC Act 2012 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 1 each towards meeting any outstandings and obligations of the Company. At 30 June 2017 the number of members was 6 (2016: 9).

14. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

15. COMPANY DETAILS

The registered office of and principal place of business of the company is:
Path 2 Change Ltd,
11 Charles Street,
Wallsend NSW 2287

DIRECTORS' DECLARATION

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 17, are in accordance with the ACNC Act 2012 and:
 - (a) comply with Australian Accounting Standards as stated in Note 1: and
 - (b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 1 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director (Chad Rapsey): 
Director (Angela Higgins): 

Dated: 29.08.2017

To the members of Path 2 Change Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Path 2 Change Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the ACNC Act 2012, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the ACNC Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the ACNC Act 2012, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary 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.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

PKF

PKF - Chartered Accountants

Partner (Martin Matthews):



Dated: 29.08.2017

To the board of Path 2 Change Limited

SCOPE

We have audited the attached Statement of Income and Expenditure of Path 2 Change Limited ("Statement") for the 'Service Support Fund' Initiative for the period 1 July 2016 to 30 June 2017. The Board is responsible for this Statement and has determined that the accounting policies used are appropriate. We have conducted an independent audit of this Statement in order to express an opinion on it to the Board. No opinion is expressed as to whether the accounting policies used, are appropriate to the needs of the members.

The Statement has been prepared for the purpose of fulfilling the Board's reporting requirements. We disclaim any assumption of responsibility for any reliance on this report or on the Statement to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the income and expenditure amounts disclosed in Statement. These procedures have been undertaken to form an opinion whether, in all material respects, the Statement report is presented fairly in accordance with the accounting policies decided upon by Board.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion the attached Statement of Income and Expenditure of Path 2 Change Limited for the 'Service Support Fund' Initiative presents fairly the results of its operations for the period 1 July 2016 to 30 June 2017.



PKF - Chartered Accountants

Partner (Martin Matthews)



Dated: 04.10.2017

PATH 2 CHANGE LIMITED

For the Period 1 July 2016 to 30 June 2017

Service Support Fund – Profit & Loss

	2017 \$
Grant income	306,217
Interest income	393
Other income	5,942
TOTAL INCOME	312,552
Salaries	224,895
On costs	20,285
Management fees	8,292
Operating costs	60,915
TOTAL EXPENDITURE	314,386
NET DEFICIT	(1,834)





ACKNOWLEDGEMENTS

Path 2 Change acknowledges the contribution from our local community over the past year that has enabled us to change lives of young people and positively influence their futures. We would like to thank:



Ansvar CEP Grants

ATB Training

Baptist Care Wallsend

Baker Love Lawyers

CA ANZ (Chartered Accountants Australia and New Zealand) Hunter and Newcastle Group

Café Tempest

CHHA Computer Bank

Crowne Plaza

Dress for Success Sydney

FACS

JobQuest

Kmart Glendale

Lambourne Partners

Maroba Aged Care

nib foundation

Rotary Club of Green Hills

Rotary Club of Charlestown

Rotary Club of Warners Bay

Rotary Club of Nelson Bay

Sparke Helmore

Soul Café

Sidney Myer Fund

Wildara

Volunteers – those who have generously given their time and expertise

And those who have personally donated.

PATH 2 CHANGE LTD

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INNOVATION IN REDUCING HOMELESSNESS BY BUILDING CAPACITY