



INNOVATION IN REDUCING HOMELESSNESS
BY BUILDING CAPACITY

Annual Report
2018





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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

P2C continues to go from strength to strength as we deliver high quality and tailored outcomes for clients, in our efforts to reduce the risk or assist those experiencing homelessness.

I would like to take the opportunity to thank Chad Rapsey. Chad will be retiring from the board having reached the maximum of six consecutive years that a Director is eligible to serve on a board. Chad has held both director and chairperson roles and has been pivotal in leading P2C through both challenging and opportunistic periods and has put us in a strong position for the future. His contribution and ongoing efforts will be missed and I would like to take this opportunity to wish Chad all the best for the future.

One of the key driving forces behind this amazing organisation is the P2C staff and volunteers. The efforts they go to, to make positive and life changing impacts on client's lives is something that is truly special and I thank you for the dedication and professionalism you display on a daily basis.

At this time, I would like to show my appreciation and acknowledgement to those who have served on the board over the past 12 months. The time and dedication that you have all given to P2C is gratefully appreciated and we are a better organisation because of it. With a diverse range of backgrounds, your skillsets provide strong governance for P2C and we are able to continue to attract strong candidates with complementary skills, as we continue to strengthen and move forward.

It has been an important year for the organisation, as we set in place the first steps of our three-year

strategic plan. Already, we have seen many positive impacts as a result, as we navigate through the significant changes the NFP sector has experienced over the past few years.

“By having a collective group come together and tackle this issue head on, not only improves the services that are able to be offered, but the speed in which these organisations can respond.”

One such impact occurred in April of this year, when P2C and nineteen other Hunter organisations pledged to work towards ending homelessness in the local region. By having a collective group come together and tackle this issue head on, not only improves the services that are able to be offered, but the speed in which these organisations can respond.

Finally, I would like to thank our supporters who assist in funding our programs. These have life changing impacts on all of those we can support. Your involvement is greatly appreciated and we look forward to continuing to enrich as many lives as we can with your support.

Tim McGilchrist, Chairperson.

EXECUTIVE MANAGER'S REPORT

It has been my pleasure to have had the opportunity to contribute to Path 2 Change for the past eight years. Being part of a grass roots, value based, and mission driven not-for-profit organisation is a privilege, and I look forward to continuing challenges and opportunities. Path 2 Change has been on a course of transformation and growth, which has been the focus of our future directions.

The successes of our core programs, Youth Pathway Program & Premiers 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) engages in 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. Our staff continually contribute by providing support, access and opportunities to our most disadvantaged members of the community. The organisation's confidence to look over the horizon and move towards the leading edge has been largely because of the vision and drive of its people.

I would like to acknowledge and express gratitude to our Board members that dedicate their time and assist P2C to continue our important work in the community. I would like to make a special mention of retiring director Chad Rapsey for his

contribution serving as Chairperson for two years, accessing funding, business opportunities and providing strategic direction and support for six years throughout the organisations challenges and transformations. Chad's support and expertise will be very much missed.

"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."

Over the past year we have continued 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

For a small grass roots organisation, Path 2 Change is making an impact in the local area. Creating awareness takes time, and our efforts to increase community understanding of homelessness, and the work of Path 2 Change, is starting to show results. Momentum is building which is providing further opportunities to grow the organisation with a strong financial model.

Successful outcomes from support programs that were funded through grants over the past 18 months, have provided evidence to reinforce the benefit to clients of a holistic approach to address the many barriers that they face in reaching their life goals. Using this information, Path 2 Change continues to develop programs and seek the funding needed to deliver them. Looking broadly at the not for profit sector and trends in donating, we know that Path 2 Change's strength and success lies in engagement, collaboration and relationships with partners, and we will continue to nurture this.

Our volunteer mentor program, P2Connect, continues to grow. Complementing casework,

this additional service delivers many benefits to clients, enabling a more intensive and flexible level of support where and when required. The ability to offer driving lessons via volunteers, directly addresses one of the largest barriers and greatest needs for many clients.

Sustainable income is still our priority and with success in marketing to the industry our Life Skills workshops, we will look for further opportunities to build this and other income streams.

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 support Path 2 Change to provide services for people who experience and are impacted by homelessness.



CHAIRPERSON

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.



SECRETARY

Lyn McBriarty, Diploma of Education, University of Newcastle, Bachelor of Arts (Honors), 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.



TREASURER

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.



DIRECTORS

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

Angela Higgins, Master of Accountancy, Certified Public Accountant (South Caroline, USA) Private Clients Director – PriceWaterhouseCoopers, Newcastle.

Debbie Laarkamp, Master's 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.

Dr Yelena Dawson, Doctor of Business Administration, CPA Australia, Diploma of Financial Services, Master of Economics. Finance Administrator, Firstchance, 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 in 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 will ensure effective use of resources and 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.



“Path 2 Change has helped me immensely when it comes to appointments and figuring out my next steps regarding education and my future. They’re a very supportive and nurturing organisation and I recommend them to anyone who needs help improving their lives.” - YPP young person

OUR CORE PROGRAMS

In 2017-18, Mission Australia reported 44,000 young people without a safe place to sleep on any given night. 50% of people experiencing homelessness are aged 15-24 years.

Many young people are alone and 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.



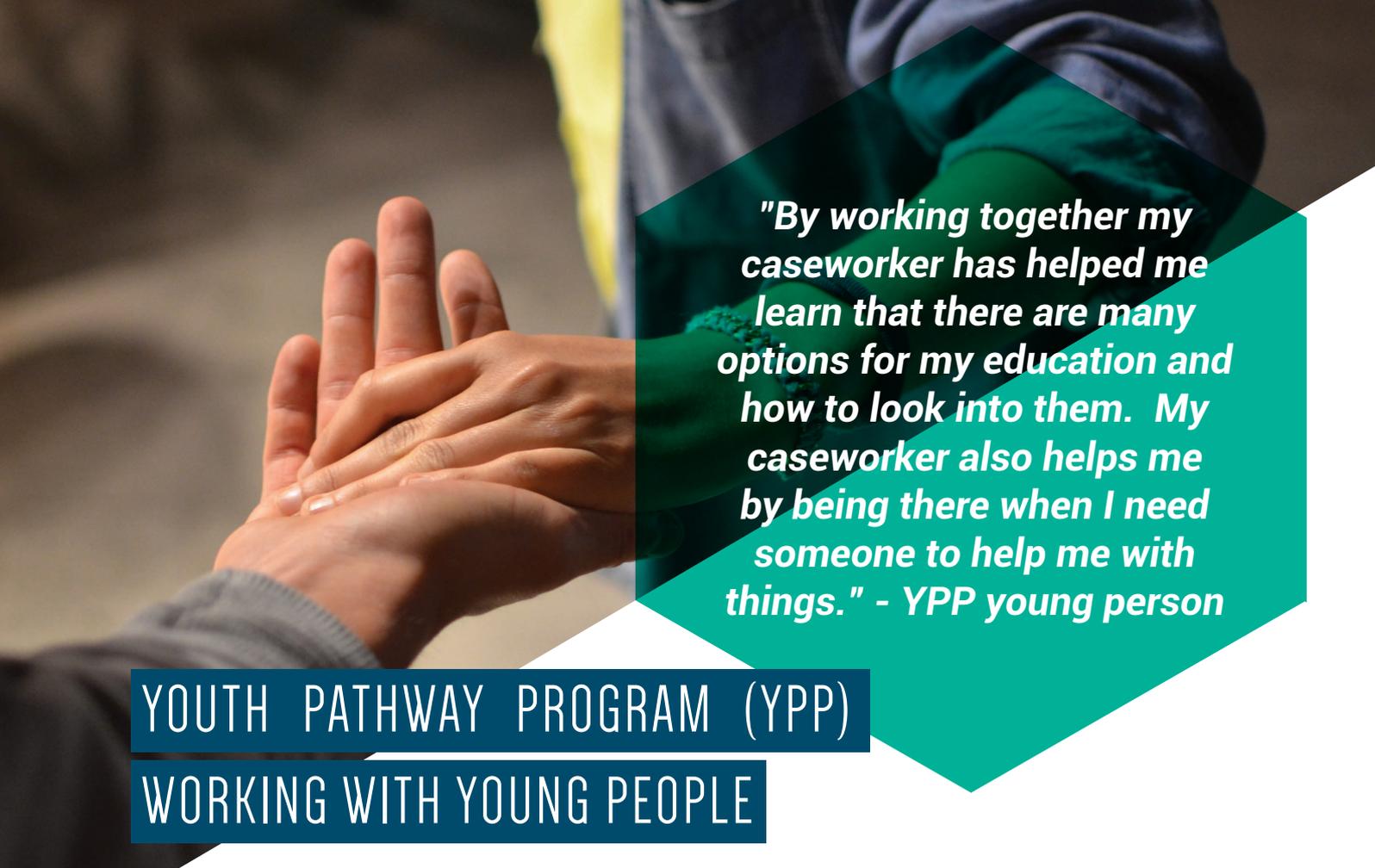
more than 90 per cent have witnessed violence in their home



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



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



"By working together my caseworker has helped me learn that there are many options for my education and how to look into them. My caseworker also helps me by being there when I need someone to help me with things." - YPP young person

YOUTH PATHWAY PROGRAM (YPP)

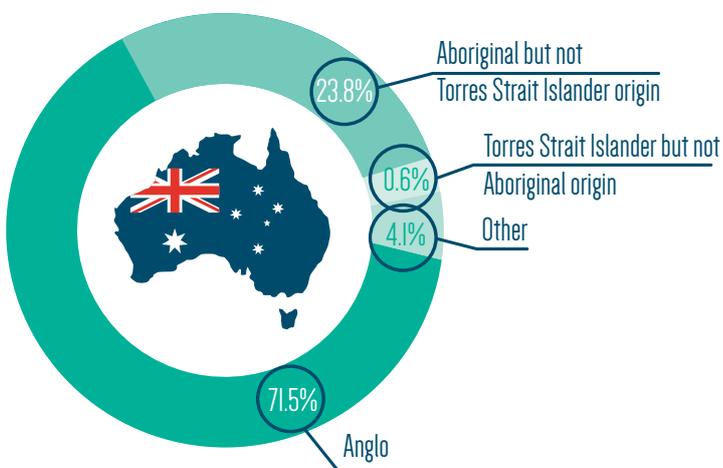
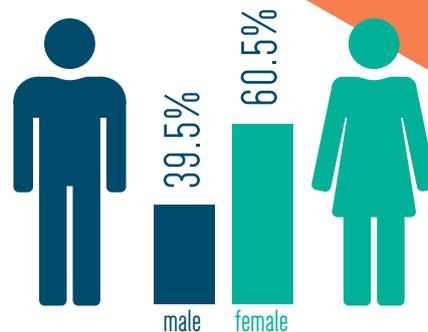
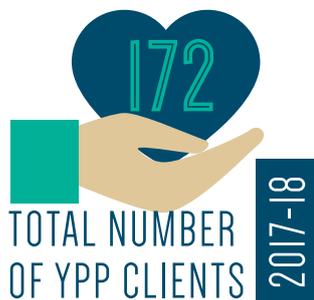
WORKING WITH YOUNG PEOPLE

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.

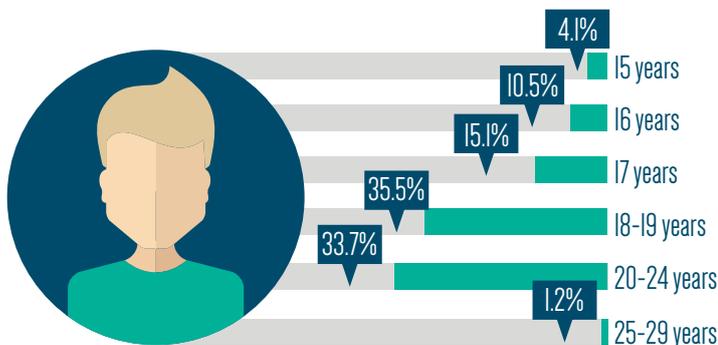
YOUTH PATHWAY PROGRAM: 2017-2018 SNAPSHOT



19877



TOTAL NUMBER OF SUPPORT PERIOD DAYS



LENGTH OF SUPPORT



PRESENTING STATUS



Lone Person
52.5%



One Parent with Child(ren)
14.2%



Couple with Child(ren)
4.1%



Couple without Child(ren)
8.2%



Other Family
11.5%



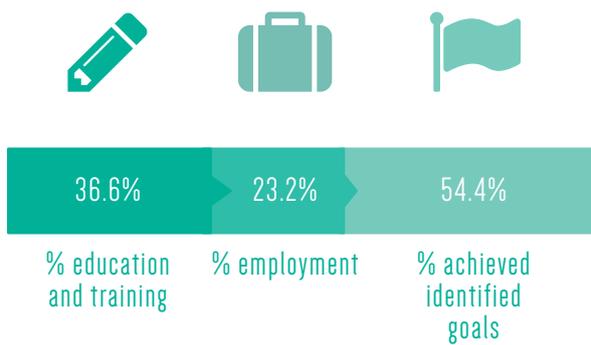
Group
4.9%

Not Known
4.4%

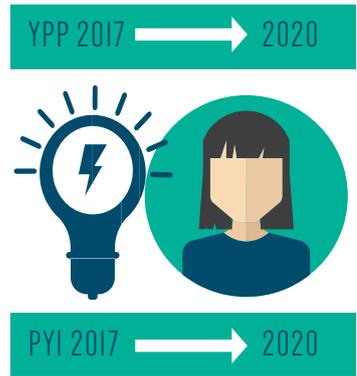
SUPPORT



OUTCOMES



FACS FUNDED PROGRAMS





"It has been very important for our young people to know that they have extra supports to transition into adulthood beyond Out of Home Care. Many of the young people feel supported and have achieved many important, challenging life goals through the support of the Premier Youth Initiative program".
- PYI Caseworker

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 a team of dedicated and skilled workers for the initiative and are working with young people from the Newcastle LGA and up to Taree. 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.

SUPPORTING PROGRAMS

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



ME UNLIMITED

Funded by the nib foundation

The aim of the initiative was to develop life and coping skills through a unique fitness-based program, for at risk and 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 four, ten-week programs incorporating exercise experiences that were fun, engaging, encouraged teamwork and co-operation, to challenge young people and release natural endorphins to lessen symptoms such as anxiety and depression, associated with mental health symptoms. Activities such as bubble soccer, ice skating, team games, self-defence and much more were delivered and supported by a professionally trained staff member and volunteers.



Throughout the program young people minimised their isolation by forming connections with other participants and increased their ability to engage as a part of a 'community group'. Young people were taught techniques to manage their mental health and the relaxed approach helped gain 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.

The program's groups 2 & 3 were evaluated by 3rd year Social Science students from the University of Newcastle. The results indicated an increase in score on the Mental Wellbeing scale as improved, and observations recorded participants showed increased confidence, cheerfulness, ability to participate in groups, increased self-esteem, improved social skills, and demonstrated a higher interest in new activities and increased energy levels.



“The Me Unlimited program run by Path 2 Change is an extremely worthwhile program. It effectively accomplished its objective of increasing the wellbeing of young people at risk of homelessness.”
- Student, University of Newcastle

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

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

“Volunteering for Path2Change 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





SIDNEY MYER FUND

EMPOWER ME LIFE SKILLS WORKSHOPS

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 and gaining employment. Incorporating group activities in a fun, creative, flexible and supportive environment, it enabled young people to increase their confidence and skills.

After the completion of a successful pilot program in 2017, the Empower Me life skills workshops were recognised by Salvation Army Employment Plus as offering a working knowledge of the employment process and the soft skills to survive in the workplace. The program aims to fast track the development and potential of unemployed young people to engage in and sustain employment.

Salvation Army Employment Plus has teamed up with Path 2 Change to run the workshops ongoing over two locations, specifically to help build and enhance young people's strengths and capabilities, preparing them for the challenges in the workplace. Addressing current issues including cyberbullying and drugs and alcohol, alongside the broader areas of workplace relationships, rights and responsibilities and personal finances and presentation, the workshops give an opportunity for discussion and learning.

"Without the right soft skill sets, young people are set up to fail. These workshops provide a practical approach designed to increase both the opportunity for employment but also the retention of a job."

"I love how practical and engaging the Empower Me workshop series is! It has been great to witness the growth in knowledge, life skills, confidence and self-esteem I have seen in participants coming to these workshops. The workshops provide a road map and stepping stones to not only landing a good job but living a good and meaningful life."
- **Empower Me facilitator**



FEEDBACK FROM EMPOWER ME PARTICIPANTS ON THE WORKSHOP BENEFITS:

"Listening to the trainer. She's really inspiring and sets a good example about confidence"

"The welcoming environment and learning life skills"

"It helped me realise things I didn't know"

EMPOWER ME CHANGING LIVES!

Jason* (2nd from the left) attended the 'Personal Presentation' Empower Me workshop delivered by Path 2 Change in partnership with Employment Plus. The workshop had such an impact Jason, he utilised a haircut voucher to get a makeover haircut and the results were astounding!



Jason* after makeover haircut.

"Jason* said that his Grandma had been trying to talk him into a haircut for ages and is also going to be really proud of him"
- Employment Plus Caseworker

**"Thanks again to P2C and the team for your expertise and support with the Empower Me Workshops - we get such great feedback from the participants and know how much they look forward to attending"
- Employment Plus Caseworker**



P2CONNECT

Funded by ANSVAR Insurance

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 foundations to overcome barriers and be better equipped to participate in the community, and move successfully into education, training and employment pathways.

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 chosen pathways. Whilst the relationship between a case worker and client is a journey towards specific goals, a volunteer mentor brings a different perspective to help keep life on the right track for a young person.

Helping with practical matters such as shopping, budgeting, cooking, accessing accommodation, accessing community services and driving lessons, they are also someone who will listen and offer advice when sought.

"Tammy* and I met last week and spent time editing her resume which was great. She finishes TAFE this week, so it will be good to offer support as she looks for a new hospitality job." - Mentor

"This guy is 100% going to help me change my life." - Mentee

The P2Connect mentors are a significant part of the P2C service and as the P2Connect program enters a new phase, we are looking to train a volunteer coordinator to take over from the temporary contracted position, ensuring the program continues to thrive and benefit clients, whilst being financially sustainable.

One of our wonderful mentors John is currently volunteering 2 hours per week to take young people for driving lessons to build up their driving hours. The young people have been very keen to have weekly driving lessons with John as he makes them feel comfortable and offers mentoring support whilst helping them achieve their goals.



WHAT DO YOU ENJOY MOST IN YOUR VOLUNTEER ROLE?

"The genuine feeling that everyone involved with P2C is there to make a positive difference to each client and the community as a whole." - Mentor

"Learning more about my mentee and seeing the relationship develop as we spend more time together" - Mentor

STRENGTHENING EFFORTS TO REDUCE HOMELESSNESS:

It is only through a combined effort that our local region can work towards a zero target for homelessness in our region. Path 2 Change continues to proactively work with the Community Services industry on strategies that will make this goal achievable.



THE PLEDGE

Path 2 Change is a founding Pledge partner working towards reducing homelessness through accountable actions. We encourage all community members to be part of the solution.

HUNTER HOMELESS CONNECT DAY

Path 2 Change continues to actively support Hunter Homeless Connect Day on several levels. With our Executive Manager providing expertise at committee level, staff play a role on the organising Working Group throughout the year and delivery of services on the day.



Homelessness is not an identity.
It's an event in a person's life - one that has a cause and a solution.
We can help to spread empathy and understanding in our community by speaking about people experiencing homelessness with respect.
We can change our language...
Start by using the term "people experiencing homelessness" or "people without homes" instead of "homeless people".

BIG IDEAS HOMELESSNESS NETWORK

Born from a Homelessness Forum, this community collaboration is a driver of transformation, and Path 2 Change are proud to be working alongside our Community Services industry partners to facilitate actions that are required from grass root support, through to policy and legislation changes.



FEEDBACK FROM PARTNERS

"Path 2 Change have been a welcome support for our clients. It has been very important and therapeutic for clients to know that they have extra supports to transition them into adulthood beyond our Supported Independent Living program. Our clients feel supported and achieve many important, challenging life goals through partnering with P2C and they're always caring and qualified staff. Path 2 Change really are living up to their name and are changing the lives of many young people on a daily basis."

- **Catholic Care Caseworker**

"In supporting a Specialist Homelessness young person, I find Path 2 Change:

- Dedicated and client centred
- Provide options and incentives to young people to follow their goals or change their goals
- Caseworker relationship: supportive; open communication."

- **Samaritans Caseworker**

"I am writing to give feedback on our collaborative work we do with Path 2 Change. We are pleased with all the results with collaborative effort and we do team up quite well with positive outcomes for our clients.

Path 2 Change offer the intensive support our clients need, and we are glad we have the support of such a wonderful program.

I would like to personally acknowledge all the caseworkers for the support they provide. They have always gone above and beyond in their role for excellent client outcomes and ensures there's a collaborative effort without doubling up on roles."

- **Allambi Care Caseworker**



DIRECTORS' REPORT - 30 JUNE 2018

Our directors present their report on Path 2 Change Limited for the financial year ended 30 June 2018.

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
Tim McGilchrist	Chairman	Appointed - 09/07/2017
Chad Rapsey	Deputy Chairman	
Jane Mendelson	Former Deputy Chairman	Resigned - 12/10/2017
Lyn McBriarty	Secretary	Appointed - 17/07/2017
Debbie Laarkamp	Treasurer	
Donna Smith	Director	Term served until - 29/11/2017
Angela Higgins	Director	
Yelena Dawson	Director	Appointed- 17/7/2017 & resigned 05/01/2018
Natasha MacNeil	Former Treasurer	Appointed -17/7/2017 & resigned 13/08/2018

Directors have been in office since the start of the financial year 2017-2018, to the date of this report unless otherwise stated.

DIRECTORS' REPORT - 30 JUNE 2018

REVIEW OF OPERATIONS

The Company generated a surplus of \$55,339 in the year ended 30 June 2018 (2017: deficit \$ (23,974)).

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 and 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).

Path 2 Change Limited is also involved in the 'Premier Youth Initiative' which is funded by Family and Community Services (FACS) through Samaritans. Path 2 Change Limited submit quarterly invoices for services delivered under this project. The project has been funded until June 2020.

Additionally, from 1st July 2017 to 30th June 2018, Path 2 Change Limited were involved in 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.

SECONDARY ACTIVITIES

Secondary activities of Path 2 Change during the financial year from 1st July 2017 to 30th June 2018, 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
- '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 Insurance.



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 to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

The 2017/18 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 services which are recorded monthly. The YPP profile shows how many referrals received each month and the total number who had received services for 2017-2018.

Youth Pathway Program

Contracted number of clients: for 2017-2018 = 72

Program	Month	Referrals Received	Contracted number per month	Total number received in contracted period
YPP	July 2017	19	6	19
YPP	August 2017	14	6	33
YPP	September 2017	23	6	56
YPP	October 2017	11	6	67
YPP	November 2017	16	6	83
YPP	December 2017	5	6	88
YPP	January 2018	15	6	103
YPP	February 2018	8	6	111
YPP	March 2018	16	6	127
YPP	April 2018	19	6	146
YPP	May 2018	20	6	166
YPP	June 2018	10	6	176

Actual number of clients referred 2017-2018 = 176

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 2018 the total amount that the members of the company are liable to contribute if the company is wound up is \$6 (2017: \$ 6).

COMPANY SECRETARY

Lyn McBriarty has held the position of company secretary since November 2017. Prior to that, Angela Higgins held the position of company secretary since May 2017.

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

DIRECTORS' MEETINGS

	Number eligible to attend	Number attended
Tim McGilchrist	8	6
Chad Rapsey	8	7
Jane Mendelson	3	1
Lyn McBriarty	8	7
Debbie Laarkamp	8	5
Donna Smith	4	4
Angela Higgins	8	7
Yelena Dawson	4	2
Natasha MacNeil	8	5

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.



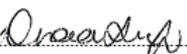
DIRECTORS' REPORT - 30 JUNE 2018

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 2018 has been received and can be found on page 4 of the financial report.

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

Director (Tim McGilchrist): 

Director (Debbie Laarkamp): 

Dated: 12.09.2018



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 2018, 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

(Martin Matthews) Partner:



Dated: 12.09.2018 (Newcastle, NSW)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2018

Item	Note	2018 \$	2017 \$
Revenue	2	714,644	384,945
Rent & Council charges		(25,000)	(25,000)
Depreciation expense		(8,409)	-
Auditor remuneration		(9,000)	(8,292)
Administration & operating costs		(81,370)	(58,202)
Employee benefits expense		(535,526)	(317,425)
Surplus(Deficit) before income tax		55,339	(23,974)
Income tax expense	1(b)	-	-
Surplus(Deficit) for the year		55,339	(23,974)
Other comprehensive income		(7,972)	-
Unrealised loss on other financial assets		(7,972)	-
Other comprehensive income for the year		(7,972)	-
Total comprehensive income for the year		47,367	(23,974)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	425,748	475,759
Trade and other receivables	5	7,360	1,254
Other assets	7	27,840	8,304
TOTAL CURRENT ASSETS		460,948	485,317
NON CURRENT ASSETS			
Property, plant and equipment	8	38,132	4,988
Other financial assets	6	102,329	-
TOTAL NON CURRENT ASSETS		140,461	4,988
TOTAL ASSETS		601,409	490,305
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	49,593	46,427
Employee benefits	10	17,297	19,173
Unearned income	11	198,963	142,293
TOTAL CURRENT LIABILITIES		265,853	207,893
NON-CURRENT LIABILITIES			
Employee benefits	10	5,777	-
TOTAL NON-CURRENT LIABILITIES		5,777	-
TOTAL LIABILITIES		271,630	207,893
NET ASSETS		329,779	282,412
EQUITY			
Reserves		(7,972)	-
Retained surplus	12	337,751	282,412
TOTAL EQUITY		329,779	282,412



STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2018

	Retained Surplus \$	Investment Revaluation Reserve \$	Total \$
2018			
BALANCE AT JULY 1, 2017	282,412	-	282,412
Surplus attributable to members of the entity	55,339	-	55,339
Revaluation of investment portfolio	-	(7,972)	(7,972)
BALANCE AT 30 JUNE 2018	337,751	(7,972)	329,779

2017			
BALANCE AT JULY 1, 2016	306,368	-	306,386
Surplus attributable to members of the entity	(23,974)	-	(23,974)
BALANCE AT 30 JUNE 2017	282,412	-	282,412



STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from grants, donations, residents & fundraising		792,866	564,550
Payments to suppliers and employees		(715,908)	(427,898)
Interest received		23,422	5,102
Net cash used in operating activities	13(a)	100,380	141,754
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for investments		(120,383)	-
Proceeds from investments		11,545	-
Payments for property, plant and equipment		(41,553)	(3,806)
Net cash used by investing activities		(150,391)	(3,806)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net cash used by financing activities		-	-
Net (decrease)/increase in cash and cash equivalents held		(50,011)	137,948
Cash and cash equivalents at beginning of year		475,759	337,811
Cash and cash equivalents at end of financial year	13(b)	425,748	475,759

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2018

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 12 September 2018 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 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 2018. The directors consider this the most appropriate means of preparing the financial statements in consideration 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 2018 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.



c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost 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:

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

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains 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 arising 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.

(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) Investment Portfolio

Initial recognition and measurement

Securities, are initially brought to account at cost, which is the cost of acquisition including transaction costs, and are revalued to market values continuously. Increments and decrements on securities are recognised as comprehensive income and taken to the Investment Revaluation Reserve.

Where disposal of an investment occurs, any revaluation increment or decrement relating to it is transferred from the Investment Revaluation Reserve to retained earnings and recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(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 of a service is recognised upon the delivery of the service to customers.

Funding revenue is recognised in the income statement in the period to which it relates.

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).

(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 July 2019 (for NFP's)	<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>	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.



NOTES TO THE FINANCIAL STATEMENTS

(m) New Accounting Standards for Application in Future Periods

Standard Name	Effective date of standard	Requirements	Impact
AASB 1058 Income of Not-for-Profit Entities	1 July 2019	AASB 1058 supersedes all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contribution. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset received by an entity. AASB 1058 applies when a NFP entity receives volunteer services or enters into other transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.	Each revenue stream, including grant agreements are currently being reviewed to determine the impact of AASB 1058.
AASB 16 Leases	1 July 2019	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. 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.	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.
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	1 July 2018	Changes to the classification and measurement requirements for financial assets and financial liabilities.	The impact of AASB 9 has been quantified and is not expected to be material for the entity.

2. REVENUE AND OTHER INCOME

	2018 \$	2017 \$
REVENUE		
FACS operating grants	298,168	306,217
Ansvar insurance grant	30,273	-
Premier Youth Initiative	313,862	40,889
nib Foundation	30,039	18,211
Workshop income	9,774	11,357
	682,116	376,674
OTHER INCOME		
donations and other income	23,422	5,102
interest received	7,643	3,169
gain on investments	1,463	-
	32,528	8,271
Total Revenue	714,644	384,945

3. AUDITORS' REMUNERATION

Audit of the financial report	9,000	8,292
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4. CASH AND CASH EQUIVALENTS

Cash on hand	9	413
Cash at bank	425,739	475,346
	425,748	475,759

5. TRADE AND OTHER RECEIVABLES

CURRENT		
Trade receivables	7,360	-
Other receivables	-	1,254
	7,360	1,254

NOTES TO THE FINANCIAL STATEMENTS

6. OTHER FINANCIAL ASSETS

	2018 \$	2017 \$
NON-CURRENT		
Other financial assets - Baillieu investments	102,329	-

7. OTHER ASSETS

CURRENT		
Prepayments	21,423	1,887
Rental security deposit	6,417	6,417
	27,840	8,304

8. PROPERTY, PLANT AND EQUIPMENT

FURNITURE, FITTINGS AND COMPUTER EQUIPMENT		
At cost	171,473	167,913
Accumulated depreciation	(164,610)	(162,925)
	6,863	4,988
MOTOR VEHICLES		
At cost	110,528	72,535
Accumulated depreciation	(79,259)	(72,535)
	31,269	-
Total property, plant and equipment	38,132	4,988

9. TRADE AND OTHER PAYABLES

CURRENT		
GST payable	11,795	23,183
Other creditors	37,798	23,244
	49,593	46,427

10. PROVISIONS

CURRENT		
Employee entitlements	17,297	19,173
NON-CURRENT		
Employee entitlements	5,777	-

11. UNEARNED INCOME

	2018 \$	2017 \$
Service Support Fund unearned income	15,229	-
Premier Youth Initiative unearned income	162,769	81,981
nib Foundation unearned income	-	30,039
Ansvar Insurance unearned income	-	30,273
Other deferred income	20,965	-
	198,963	142,293

12. RETAINED SURPLUS

Retained surplus at the beginning of the financial year	282,412	306,386
Net surplus/(deficit) for the year	55,339	(23,974)
	337,751	282,412

13. CASH FLOW INFORMATION

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

Net surplus/(deficit) for the year	55,339	(23,974)
NON-CASH FLOWS IN PROFIT:		
- depreciation	8,409	-
- profit on sale of investments	(1,463)	-
CHANGES IN ASSETS AND LIABILITIES:		
- increase in employee entitlement provisions	3,901	8,865
- increase in trade and other receivables	(6,106)	(1,254)
- increase in other current assets	(19,536)	-
- increase in trade and other payables	3,166	23,479
- increase in unearned income	56,670	134,638
Cashflows from operations	100,380	141,754

b) Reconciliation of cash

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

Cash and cash equivalents	425,748	475,759
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NOTES TO THE FINANCIAL STATEMENTS

14. 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 2018 the number of members was 6 (2017: 6).

15. 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.

16. 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

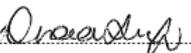
The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 30 to 47, 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 2018 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 (Tim McGilchrist): 

Director (Debbie Laarkamp): 

Dated: 12.09.2018

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 2018, 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 2018 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.

INDEPENDENT AUDIT REPORT

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

(Martin Matthews) Partner:



Dated: 12.09.2018





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:



LAMBOURNE PARTNERS CHARTERED ACCOUNTANTS

Despite heavy rain for the 2017 Annual Charity Golf Day, a brave field pushed ahead to play, raising funds for Path 2 Change.



CAANZ (Chartered Accountants Australia and New Zealand)

CAANZ (Chartered Accountants Australia and New Zealand) Hunter and Newcastle Group Annual Sailing Day have continually supported Path 2 Change for three years running raising funds to assist Path 2 Change's valuable work with at risk and people experiencing homelessness.

Ansvar CEP Grants

Café Tempest

FACS

Lake Macquarie Sheet Metal

Maroba Aged Care

nib foundation

Scenic Luxury Cruises and Tours

Sidney Myer Fund

Sparke Helmore Lawyers

Soul Café

Survivors R Us

University of Newcastle Law Students' Association

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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📍 PO Box 326, Hamilton NSW 2303



INNOVATION IN REDUCING HOMELESSNESS
BY BUILDING CAPACITY