

MISSION AUSTRALIA | together we stand

Annual Report 2014







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**“Let us not love with words or speech
but with actions and truth.”**

1 John 3:18



Message from the Chairman and CEO

It is often said that the only constant in today's complex and fast-moving world is change. This has been a year of momentous change for our organisation.

But as we look back at our achievements over the past twelve months, it has been a year of significant progress too.

Like others in our sector, Mission Australia has felt the impact of prevailing economic conditions, as well as big changes across the funding and policy environment. Our most significant challenge has been to shape our future in the context of new financial constraints; to meet rising social need with limited resources.

At the beginning of the year, we underwent a radical transformation in the way we work. This was a bold and courageous decision which reflects our determination to be responsible financial stewards, anticipating risk and responding to emerging industry trends, while placing a high priority on delivering better outcomes for our clients.

Our integrated service delivery model has enabled us to leverage our strengths and partnerships to work collaboratively with our clients and personalise our services to individual need. By working together more effectively and efficiently, we can deliver more with less.

We are proud that this year, Mission Australia helped 286,220 Australians in need on their journey to independence through 563 services. Most importantly, it was heartening to see that despite financial constraints and increasing demand for our services, the quality of our work was not affected.

Sadly, our restructure meant the loss of many valued staff members. It has been a difficult period of adjustment for everyone in our organisation, but a necessary one to ensure that we are set up for future success.

As a not-for-profit, we must constantly seek to maximise the efficiency and effectiveness of our operations, while continuing to place our clients at the centre of everything we do. To do this we need to build a strong capital base and provide funds for future investment. We are pleased that we finished the year with an underlying surplus from operating activities of \$7.4 million.

We are still on the journey towards embedding integrated service delivery across all that we do, but looking to the future, we are confident that by becoming a partner of choice, and bringing together our ideas, knowledge and expertise, we will have increased capacity to meet our goal to reduce homelessness and strengthen communities across Australia.

Our focus on early intervention and prevention, and evidence-based programs, combined with the depth and breadth of our services meant that Mission Australia was successful in the Going Home Staying Home Reform process in NSW.

Tackling homelessness is at the forefront of our work and we are pleased to be in a position to help even more people on their journey to independence.

Another of this year's highlights included receiving planning approval to build an aged care facility in Orange for 60 residents who are homeless or at risk of homelessness. This will be our third such facility in New South Wales.

And at the start of the year, we launched our new brand, which reflects our vision, values and the collaborative role we take in standing together with Australians in need until they can stand for themselves.

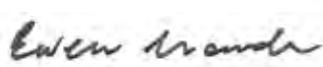
Throughout the year, Mission Australia continued to play an important role in campaigning for change. 2013 saw the completion of the 2-year MISHA project. This pilot has clearly shown that with the right support, we can break the cycle of homelessness, whilst also producing significant cost savings to the taxpayer. Our 2013 Youth Survey and our Youth Mental Health Report exposed the difficulties facing many young Australians today.

In March Toby Hall stepped down as CEO after 8 years at the helm, and we were delighted to see our former Chief Operating Officer, Catherine Yeomans, appointed as our new CEO. As a nation, we face major challenges ahead but our focus will continue to be on the long-term growth and financial sustainability of our organisation, providing evidence of what works so that we target our services to the areas of greatest need.

Throughout our 155-year history, our founding purpose has remained central: to meet human need and to spread the knowledge of the love of God. We have always sought out others who share our vision, working alongside them to create a better future. We would like to thank everyone who has supported us this year, in particular our passionate and dedicated staff, volunteers, supporters, partners and board members, all whom form the lifeblood of our organisation.

As we strive to accelerate our progress, we will call on your invaluable support once more. Because as last year showed, when we come together we are capable of achieving great things. Together we will continue to create hope and opportunity for vulnerable Australians.

Thank you for your support.



Ewen Crouch AM, Chairman



Catherine Yeomans, CEO



Our story

Mission Australia is a non-denominational Christian community service organisation that has been helping people regain their independence for over 155 years.

Independence is something we yearn for from our earliest days. But if there's one thing as certain in life as our desire for independence, it's that it rarely turns out as planned. Life's complicated.

There are Australians among us struggling to earn a living, find a meal or a safe place to call home. Their independence is compromised by things like addiction, lack of education, mental health issues or domestic violence, just to name a few.

We've learned the reasons behind a loss of independence are different for every individual. Similarly, the paths to regaining it are complicated and varied.

This informs the unique way we work. We offer a wide range of integrated solutions and apply them over the long term, through early learning and youth services, family support and homelessness initiatives, employment and skills development, to provision of affordable housing.

Our nationwide team of over 3,800 staff use different approaches, often applied in unison and inspired by Christian values.

We're joined in our work by governments, our corporate partners and everyday Australians who provide their generous support.

Together we stand with Australians in need, until they can stand for themselves.

Our goal

To reduce homelessness and to strengthen communities across Australia.

Our unique approach

There is rarely a single solution to helping people get back onto their feet, which is why we offer so many and seldom in isolation. Our specialised services work together, providing a holistic approach and integrated solutions.

We make sure we offer the early intervention and prevention that helps the most. We begin by taking a close look at the root causes of a person's problem in order to stop the 'domino effect'. Something as common as a losing your job can quickly spiral into homelessness.

For some people, it doesn't take much to help them get back onto a positive path. For others, their journey towards independence can take longer.

Either way, our strategies are always carefully considered and developed in collaboration with each individual we help.

Importantly, every solution we offer is evidence-based and supported by many years of practical experience, as well as facts gained from regular independent studies of our nation's most pressing social issues.

We are flexible and innovative in the way we work. And we never stop looking for better ways to have a greater impact. Because it isn't enough to make a difference: we want to make the best difference possible.

Our ultimate aim is to be so effective that our help is no longer needed. However, until that day we will stand together with Australians in need until they can stand for themselves.

Our strategy



Our values

Compassion

We are sensitive, understanding and caring in our service of all people

Integrity

We are honest, accountable and transparent in our work and relationships

Respect

We treat people as we ourselves expect to be treated, offering love, acceptance and a voice of support in the face of life's challenges

Perseverance

We are dedicated to serving people and helping them overcome the challenges they face, no matter how hard it is

Celebration

We recognise and celebrate the efforts and achievements of the people we help, volunteers, supporters and staff

Strategic directions

1

Generating support

An inspiring and well known organisation that people engage with and support

2

Advocacy

Mission Australia will effect social change by being a courageous voice and advocate for people in need

3

Client focus

Client informed services that achieve positive outcomes with individuals and communities

4

Church engagement

Provide opportunities for Christian communities to put their faith into action

5

Culture

A values driven performance culture that enables our people to perform at their best

6

Sustainability

A financially sustainable and efficient organisation

**We stand together with
Australians in need
until they can stand
for themselves**



Some highlights of our year

New brand

In July 2013, we launched our new brand to help us better communicate who we are and what we do in standing together with Australians in need on their journey to independence.



Social enterprise

In April, we launched our latest social enterprise, Synergy Repairs. This commercial business provides on-the-job training, work experience and support to young people with a history of motor vehicle-related offences.

Advocacy win

Tackling homelessness demands action at the highest level. Through our advocacy, we helped to secure the extension of Federal government funding for homelessness across the sector.



Discovery gardens

Thanks to generous funding from the Abbott Foundation, we were able to install 4 more Discovery Gardens at our Early Learning Centres. This brings the tally up to 13 centres with Abbott-funded gardens.

Homelessness research

The MISHA Project, our two-year study of a new housing first approach to help chronically homeless men to secure and sustain long-term housing, has revealed remarkable results. See page 28.



New CEO

In March this year, Catherine Yeomans was appointed as our new CEO. In May, Catherine spent a Friday night with Missionbeat, serving some of Sydney's most vulnerable and disadvantaged homeless people.

Youth Mental Health Report

In June, we released the Youth Mental Health Report in partnership with the Black Dog Institute. The results were widely reported in the media and are helping to raise awareness about youth mental illness in Australia.

U-Turn

This year we celebrated the 2-year funding extension of U-Turn in Tasmania. This early intervention program helps vulnerable young people to avoid the youth justice system by giving them automotive training and life skills.



Youth Ball

Our inaugural Youth Ball in Perth, 'Tophatz and Tiaraz' was a huge success. Young people, who had perhaps missed their High School Formal due to drug and alcohol misuse, homelessness, domestic violence or other issues, enjoyed the opportunity to dress up and have fun together.

Christmas Lunch in the Park

Along with our sponsors and volunteers, we celebrated our 38th Christmas Lunch in the Park in Perth, ensuring that more than 2,000 people were neither lonely nor hungry on Christmas Day.



Our new Patron

The Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd) became our new Patron. In May, he visited with residents and staff at the Mission Australia Centre, our homeless hub in Sydney's Surry Hills.

Investors in People

Our employment services gained Investors in People Accreditation, an international benchmark which recognises good people management.



COACH community mentoring

This year church-based organisation, COACH community mentoring, joined Mission Australia. Trained community volunteers support disadvantaged families in their local community.

Snapshot of our year 2013-2014

3,818

Staff

3,450

Volunteers

44,806

Supporters

1,675

Partnerships

51

Government
departments

563

Services and
programs

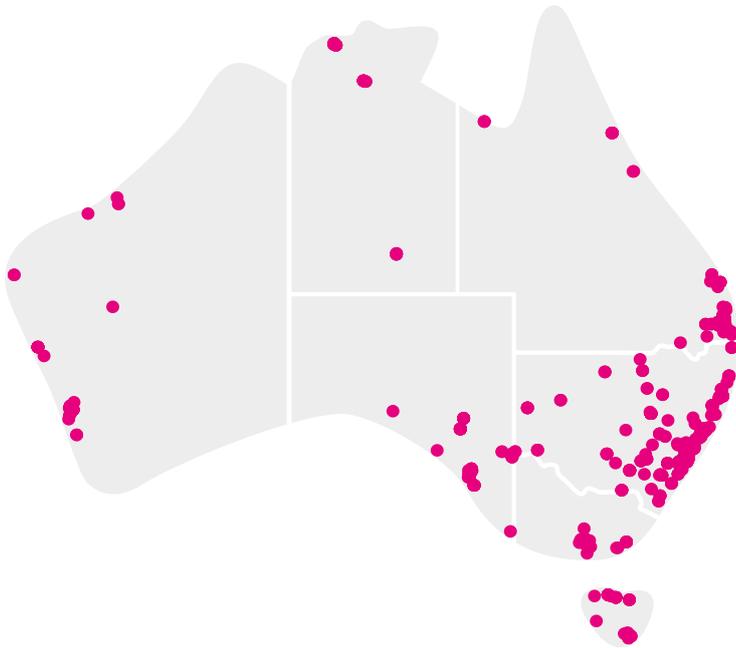
assisted
a total
number of

286,220

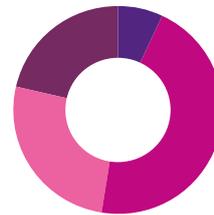
people



Our locations across Australia

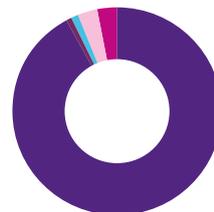


2013/14 total income \$358,002,000



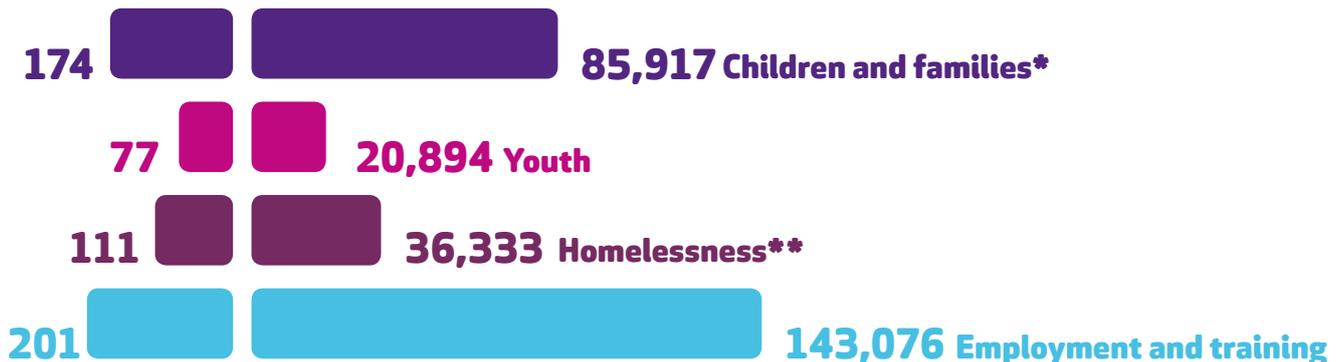
| | |
|--|-----|
| Federal Government | 45% |
| State and Local Government | 26% |
| Fundraising and Corporate Partnerships | 7% |
| Other | 21% |

2013/14 total expenditure \$340,686,000



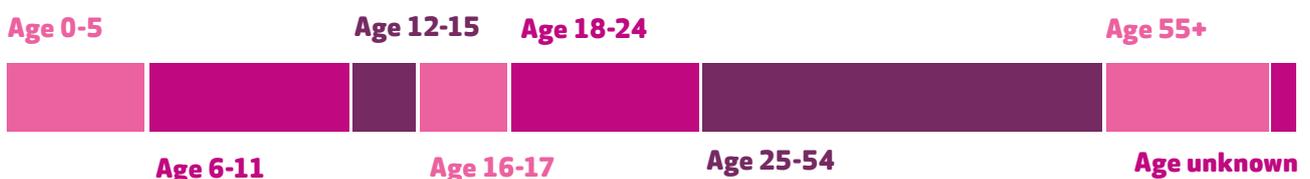
| | |
|--|-----|
| Programs and Services | 92% |
| Fundraising and corporate partnerships | 1% |
| Marketing | 1% |
| Administration | 3% |
| Other | 3% |

Services People assisted



* includes Early Learning Services ** including Housing

Supporting Australians in need across all stages of life





Together we are stronger

Our integrated approach to service delivery means we can help people access the right support, when they need it and at the earliest point possible.

Mission Australia has been breaking new ground and keeping pace with change for more than 155 years. In July 2013, we introduced a new integrated service delivery model. It places a high priority on improving outcomes for people in need, while keeping our clients at the centre of everything we do.

We all make progress when significant people in our lives work together to provide opportunities for our growth and participation. And it's the same for us as an organisation. When we work together - drawing on our individual strengths, mutual trust, shared knowledge and understanding - we are more responsive to people's needs and aspirations. Together we can achieve so much more.

Many Australians face intense pressures and a combination of social, health and financial problems. Very rarely are needs

isolated to one area of people's lives. So our vision is to not just assist with individual needs, but respond to the whole person.

Our integrated approach to service delivery means we can help people access the right support, when they need it and at the earliest point possible. We know from our research and experience that early intervention and prevention leads to more positive outcomes for individuals and society, and it is also more cost-effective.

We draw on the wide diversity of evidence-based programs and services that Mission Australia offers. This includes support for families and children; mental health; drug and alcohol misuse; homelessness; affordable housing; community development; and training and employment. The process of integrating our services has not been easy but the results we are seeing confirm that it is truly worthwhile.

Andrew's Story – working together for greater outcomes

When we first met Andrew* at one of our employment services offices a year ago, he was experiencing homelessness. Gaining, let alone maintaining, a job without a stable home is almost impossible. But Andrew was also suffering from untreated mental illness and had a history of violent and aggressive behaviours.

He carried a weapon for protection. He disliked walking in front of people as he felt threatened. He had outstanding arrest warrants and legal issues and he'd been banned from the local public hospital due to his abusive behaviour. Socially isolated and vulnerable, Andrew was consumed with thoughts of self-harm and suicide.

One of our strengths as an organisation is our integrated service delivery model. To help a client like Andrew with such complex needs, we drew together a multi-disciplinary team to support his journey from sleeping rough to independent living.

Our staff worked together to ensure Andrew received the most suitable support, taking a recovery-oriented approach with the belief that independence is possible for everyone. This included ongoing assessments to develop joint case management plans that would address Andrew's homelessness, mental illness and legal issues.

We also explored skills training and employment options because our evidence consistently shows that workforce participation, where possible, increases social inclusion and can be a crucial component in the management of mental illness.

It took time for our staff to build a rapport and engage meaningfully with Andrew, but eventually he agreed to have a psychiatric assessment. He was diagnosed with a raft of psychiatric issues. With our support, he began treatment straight away.

Thanks to our strong community connections, we were able to find shared solutions for Andrew. We worked closely with our Partners in Recovery - a support program that helps people with severe, persistent mental illness - a local GP, the local hospital and the court system. Together, we advocated for Andrew's health and welfare.

It has been critical to Andrew's recovery that he only had to come to one place to seek help rather than negotiate a myriad of different services. More importantly, he only had to tell his story once.

Andrew continues to have treatment for his mental health problems but his progress is remarkable. When he visits our employment services office he has a smile on his face, chats happily with staff and other jobseekers, and no longer feels the need to carry a weapon. We are delighted that Andrew is now in regular contact with his children once again.

Thanks to his new-found self-confidence, Andrew finally feels ready to join the workforce. He says he's extremely grateful to have found Mission Australia because we did not give up on him.

*Names have been changed to protect the privacy of the people we help

Advocacy and Research

“Mission Australia continues to be a respected voice with key policymakers, advocating strongly for public policy that will address poverty and inequality in Australia.”

Rob Campbell, Executive, Engagement

A voice for all

Advocacy, with the informed backing of our research and experience, can be just as vital to improving the lives of Australians in need as working directly with clients through our services. Good policy, wise funding and the direction of government are essential to ensuring all Australians have the opportunity to live an independent and fulfilled life.

From our respected position as a national service provider we advocate to government and stakeholders for better outcomes for our clients. Sometimes this will be in support of services or at other times for broader changes to policy settings. We do this from the evidence base of our research and program experience.

Prior to the 2013 federal election, Mission Australia developed a policy manifesto setting out priorities for an incoming government to support vulnerable Australians. We have advocated for changes to homelessness and housing policy, improved early intervention and prevention services for young children, increased support for young people making the transition from school to work and reform of our welfare system to make it more equitable.

Mission Australia has pursued these policy objectives by fostering and strengthening relationships with government; making submissions to state and federal inquiries; working with coalitions of sector representatives and peak bodies to show broad support for reforms; and shaping the public debate through our media commentary and the publication of research.

Advocacy has been critical to:

- The extension of the National Partnership Agreement on Homelessness, which provides funding across the sector for 180 homeless services nationally
- Changes to the design of government-funded employment services including reductions in red-tape
- Highlighting the need for effective support programs to assist young people make successful transitions from school to employment at a time of rising youth unemployment.

As part of this advocacy, we made submissions and participated in a number of reviews.

Housing and homelessness

- Our submissions to the Senate Inquiry into Affordable Housing, the National Commission of Audit, NSW Upper House Inquiry into Social, Public and Affordable Housing, and the Productivity Commission inquiry into Public Infrastructure have highlighted the role that government and private sector investment can play in generating new affordable housing to reduce homelessness.
- Mission Australia has been heavily involved in the Going Home Staying Home reforms of homeless services in New South Wales including advocating for additional funding to ensure that clients are supported throughout service changes as well as making submissions on the resource allocation model and inner city service structures.

Early childhood education

- Mission Australia's parent survey informed our submission to the Productivity Commission Inquiry on Early Childhood Education and Childcare. We highlighted the enormous benefit to vulnerable children and the impact on workforce participation among low-income families.

Employment participation

- Our submissions to the Aboriginal Workforce Development Strategy and The Forrest Review on Indigenous employment have highlighted the need for mentoring programs and cultural competency when developing programs that support young Aboriginal people into employment.

Welfare reform

- We participated in initial consultations for national welfare review commissioned by the Federal Government.
-

Evidence to better serve those in need

Mission Australia undertakes and publishes independent research to better understand our nation's most pressing social issues and how we can contribute to addressing them. Our research provides the evidence base to inform our service delivery, programs and policy development.

Our research publications this past year include:

- The 2013 annual Youth Survey which highlighted concerns of young people – see page 25
- A survey of parents in our Early Learning Services to determine workforce participation pressure points
- A Youth Mental Health Report in partnership with the Black Dog Institute – see page 24
- A study of tenancy outcomes for participants in our MISHA housing first homelessness program – see page 28
- A report on jobless families, which found that young people in households where neither parent was working fared worse across a range of indicators than those with at least one parent in work.

Reaching the community through media

Every day Mission Australia engages with the media, including social media, to raise awareness of social issues, shift opinion on policy debates and engage the Australian public to support people in need. Throughout the year, opinion pieces and commentary along with the release of new Mission Australia research achieved sustained media coverage across major metropolitan newspapers, television, radio and online. We continued to be a respected voice on issues such as youth unemployment, disadvantaged families and homelessness. Over the next year we will be implementing a new integrated digital marketing strategy to build our support and impact across multiple digital channels.





Families and children

85,917*

People assisted

121*

Services

Families play a critical role in providing a safe and nurturing environment for children to grow and thrive. They act as a network of support when people suffer tragedy or are in need – whether physical, emotional or economic.

Parenting is one of the toughest jobs around. But it's even harder when parents are dealing with life stresses such as poverty, crime, mental health problems, domestic violence, drug and alcohol misuse, unemployment or homelessness. Many Australian families are struggling because of low income, limited opportunities and a lack of family support.

During Mission Australia's 155-year history of meeting human need, supporting families has been at the core of our work. We are committed to the early interventions that support vulnerable parents and promote children's safety and development. We know from our research that access to high quality early childhood education and care is one of the most powerful and cost-effective ways of addressing long-term disadvantage.

We support vulnerable children and families through a tailored, individual approach. We work with them for as long as it takes for them to stand on their own.

Our services include:

- Case management that takes a 'whole of family' approach
- Early intervention and prevention programs to address problems before families are overwhelmed
- High quality early education and care
- Social and affordable housing for families at risk of homelessness
- Mental health support
- Financial counselling and problem gambling support
- Evidence-based parenting programs and targeted services for families at risk.

Highlights

- The co-location of five local child and family focussed services in Inala Queensland, giving families the opportunity to easily source support according to their needs and receive referrals to other services or participate in a number of supports at the same time.
- In 2012, we won a tender to manage 3 purpose-built kindergartens on behalf of the Queensland Government, giving local communities access to high quality early learning.
- Our submission to the Productivity Commission Inquiry into Childcare was informed by a parent survey and supported the rollout of the National Quality Framework and a one-payment system for childcare subsidies.

The way forward

- Develop our portfolio of programs and services nationally
- Increase the number of integrated service centre hubs
- Connect our Early Learning with other Mission Australia support services

* includes Early Learning Services

Just some examples of our services serving families and children

Chigwell House: Hobart, Tasmania

Chigwell House serves as a community hub bringing people together to access services, meet other parents and children, socialise, volunteer and get involved in community life. It has 14 housing units for families experiencing homelessness, as well as parenting education programs, family support services, health and wellbeing programs, and childcare. A dedicated family support officer is on hand to make sure each family member gets the right support. The Parents Staying Connected Program has proved extremely successful, giving vulnerable parents simple and practical strategies to help them confidently manage their children's behaviour; prevent problems developing; and build strong, healthy relationships.

Pathways to Prevention, Queensland

Pathways to Prevention is a comprehensive early intervention and crime prevention program that works closely with children aged 0-12 years and their families. It aims to reduce developmental problems in childhood and stop the spread of social problems such as disengagement from education, drug and alcohol abuse, crime, anti-social behaviour, social exclusion and unemployment.

Grandparents Raising Grandchildren, New South Wales

Families come in all shapes and sizes. Over the past decade, Mission Australia's Grandparents Raising Grandchildren Program has championed the invaluable role of grandparents, offering them the support and advice they need when they take primary responsibility for raising their grandchildren. The program provides support groups, homework clubs, vacation care and weekends away to offer grandparents some respite from the huge responsibility of bringing up their grandchildren. We offer educational workshops to help them build their parenting skills, as well as counselling, family mediation, advocacy and referrals to other support services. We work collaboratively to find solutions to the issues that arise building a strong and supportive community around our grandparents.

Child and Family Support Service, Western Australia

When a young person is dealing with a mental health issue - an increasingly common problem in Australia - it affects the whole family. It can impact on a family's stability and have potentially devastating consequences for children. Child and Family Support Service provides effective help and support to children aged up to 18 years, and their families, caregivers and support networks to address the challenges of mental health issues.



Supporting families through tragedy

The Bowen* family's happy home life took a turn for the worse when Allen Bowen, a small business owner and single dad of two, was diagnosed with terminal cancer. With rising medical expenses and a mortgage to cover, the family's savings rapidly disappeared until they were no longer able to meet their mortgage repayments. The hospital caring for Allen contacted Mission Australia to inform us of the family's situation. We were determined to do everything to keep this family together. We contacted ACCOR, one of our major corporate partners, who offered the family free accommodation in one of their hotels until we could find stable accommodation. Through government housing, we were able to find a secure rental property for the family, located close to the children's school. Mission Australia continues to support the family through counselling and will ensure that the Bowen children receive suitable care and support when Allen passes away.

* Names have been changed to protect the privacy of the people we help



6,254

families helped where we worked with whole families

Early learning

Helping children achieve their full potential

6,746

Children cared for

5,363

Families impacted

53

Centres

“Research shows that even from the earliest years, vulnerable children have the most to gain from access to quality early learning programs. Through targeted early education and care, we ensure that children get the support they need to make a successful transition into school.”

Marie Howard, National Practice Leader
Mission Australia Early Learning Services

A child’s brain develops more rapidly in the first 5 years of life than at any other time, which is why their early learning experiences are critical to their life chances, health and wellbeing.

Mission Australia Early Learning gives children the best chance for a successful future through the complete nurturing of their learning, physical and emotional needs. Our early learning centres, kindergartens and out-of-school-hours care programs are safe and nurturing environments, run by dedicated and passionate educators.

We work collaboratively with parents, carers and local communities to make sure we provide each family with the help and support they need. By developing close relationships with local families and communities, we offer a support network that goes beyond childcare.

Highlights

- Generous funding from the Abbott Foundation enabled us to install 4 more Outdoor Discovery Gardens at our centres, bringing the tally to 13 centres with Abbott-funded gardens. These Discovery Gardens support children’s creativity and play, leading to greater physical health and wellbeing, and hopefully, a lifelong appreciation of the natural environment.
- 26 Mission Australia Early Learning centres have been assessed under the National Quality Framework. 69% have met or exceeded the national quality standards, with 5 centres achieving an excellent rating across a 3-year period.
- Our new SMS system has improved communication between staff and families significantly. We’ve also enhanced a system to increase staffing efficiency and compliance.
- Origin Scholarships pledged funding for 10 Mission Australia Early Learning employees to further their qualifications and achieve an Early Childhood Teacher degree.
- Parent feedback surveys in July 2013 and December 2014 achieved an average 95% satisfaction rating among current families.



Youth

20,894

Young people assisted

77

Services

At Mission Australia we believe in the potential of every young person. Young people should have the opportunity to successfully move through their youth, well prepared for what the future holds.

For most young people, the journey from childhood to adulthood is full of change, uncertainty and challenges. Many experience stress as a result of their studies, self-image, relationships or the pressure to choose a career path. For some young Australians however, these everyday challenges are compounded by mental illness, domestic violence, addiction, family breakdown and even incarceration and homelessness.

Dealing with personal and social issues can make young people vulnerable. If they are disengaged from life they can find themselves isolated or marginalised, cut off from social, economic and personal opportunities. As a result, some do not make a smooth transition into independent adulthood.

Our aim is to support young people so they feel valued and have a clear understanding of the opportunities available to them. We want every young Australian to feel connected to their communities; participate socially and economically; and to have safe and secure accommodation. Our range of services is designed to help address these needs.

Our focus is keeping young people on track by:

- Prevention and early intervention programs
- Building individual strengths and capabilities
- Encouraging ongoing participation in education
- Staying connected to family
- Providing life skills and transitions to employment
- Staying out of the justice system
- Staying free of addiction
- Being appropriately housed.

Highlights

- Two-year funding extension for U-Turn from the Tasmanian Government
- Inaugural Youth Ball in Perth in conjunction with Mental Health week, for young people who have missed out on rites of passage
- Positive community response and media coverage to our Youth Mental Health Report
- Several of our services were recognised for service excellence and for partnerships at the Western Australia Alcohol and Other Drug Excellence Awards
- Triple Care Farm's commitment to a healthy environment was presented as a case study by the Cancer Council to the International World Tobacco Conference
- Successful pilot of the National Disability Insurance Scheme for young people in Tasmania

The way forward

- Develop and expand school retention and youth programs
- Grow our justice and drug and alcohol programs nationally
- Develop and expand our integrated mental health services



Finding a new direction

“Thank you so much for believing in me and investing in me when no one else would.”

Jason*, Junaa Buwa! graduate

When 18 year-old Jason was bailed from a juvenile justice detention centre, the magistrate referred him to Mission Australia’s Junaa Buwa! Centre for Youth Wellbeing. Jason had been incarcerated since he was 12 years old. He had a history of mental illness, drug use, sexual abuse and severe trauma and had borderline personality disorder, ADHD and conduct disorder.

Jason was desperate to make some positive changes to his life. Junaa Buwa! staff helped him to quit smoking and taking drugs. We also gave him positive strategies to reduce his challenging behaviours and encouraged him to develop positive self-esteem. We helped Jason to set some personal goals, which he achieved with our encouragement and support. Each week, he met with a nurse practitioner and a therapeutic counsellor and he was also referred to a local psychologist who specialised in working with young people.

Jason is now successfully engaged in vocational education and training. He’s received very positive feedback from his work placement and is full of hope as he is on his way to becoming a professional driver. We are continuing to support Jason, making sure he has clear coping strategies and attainable goals.

- **Junaa Buwa! worked with 80 young people last year**
- **85% aged 12-17**

* Names have been changed to protect the privacy of the people we help

Keeping young people learning

5,043 young people assisted through 36 programs to support education and training

Mission Australia assists young people to stay in school, move into further education, build skills and move successfully from study to employment. These services are all aimed at keeping young people connected to community, equipping them to find employment and to reach their potential. People disengage from education for many reasons, including low literacy levels, family breakdown, mental health issues, homelessness and drug and alcohol misuse. We work one-on-one to address holistically the causes of disengagement and help find ways for each individual to continue their learning. Examples of these services include initiatives to help keep kids in school, enabling young mums to continue their education while providing childcare, driver education, equipping young offenders with skills and support to turn their life around and Creative Youth Initiatives.

Helping kids on the streets

Youth Beat

**6,801 young people assisted
3 services WA, TAS, SA**

Youth Beat is a safety and early intervention program supporting youth on the streets. This comprehensive program provides mobile outreach to young people in disadvantaged areas, as well as counselling and goal setting. Youth Beat also runs a recreation program for young people. Youth Beat’s vans are manned by professional youth workers who are trained to deal with alcohol and drug-fuelled incidents and support young people experiencing homelessness. The service provides safety, information and guidance for young people at risk and connects them with local community services, family and peers. A key feature of the model is follow-up support with young people and their families. Youth Beat helps young people to become strong, healthy adults who play active roles in their communities.

Youth Mental Health Report

In June 2014 Mission Australia released The Youth Mental Health Report in partnership with the Black Dog Institute. The report reveals that **one in five young Australians is likely to be experiencing mental illness, and less than 40% are comfortable seeking professional help.**

The report also found the rate of mental illness among young Australians aged 15-19 years was much higher among females and Aboriginal and Torres Strait Islanders, while young people with a disability were also overrepresented. The confronting findings in this report illustrate the significant challenges many of our young people are facing when it comes to psychological distress and mental health issues. It highlights the increasing vulnerability of Australian youth, particularly those facing significant disadvantage, and the need for greater supports to help them on their journey into adulthood.

“We know that Australian young people are struggling, we also know how many of these issues can be addressed. We need to teach appropriate mental health strategies and awareness in schools, just like we teach English, maths and science. We also need to provide quality support and advice via channels that they are comfortable approaching. Finally, the community as a whole needs to acknowledge this problem and start the right conversations.”

Professor Helen Christensen, Director of the Black Dog Institute.

Youth Survey

Mission Australia's 12th national Youth Survey tested the views of almost 15,000 young people between the ages of 15-19 years. In addition to asking about their personal and national concerns it surveyed what young people value, who they turn to for advice, what activities they engage in and how they feel about the future.

What do young people think is the most important issue in Australia today?



No. 1 issue

The economy and financial matters was ranked the number one issue in Australia overall.



Equity & discrimination

For the first time ever young women ranked equity and discrimination as the top issue facing the country.

14,641 respondents

What young people told us...

"I think it's getting harder for teenagers to find work."

"Employers need to recognise that young adults need someone to hire them in order to gain experience!"

"Establish clear pathways and entry to certain occupations and positions."

"Emphasise that university is not the only option post high school."

What do young people value?

friendships family relationships **school or study satisfaction** physical and mental health **financial security** getting a job

What are young people concerned about?

coping with stress school or study problems **body image** depression **family conflict** bullying/emotional abuse **personal safety** suicide

1 in 5

spend at least **20 HOURS** a week on social networking sites.

1 in 4

young people did not feel there were enough opportunities for future study and employment available locally.

Males 3 times

more likely than females to say they do not intend to complete Year 12.



Homelessness



People assisted



Services

Homelessness begins when people are in real crisis and don't have the support of family or friends to help them. It's an isolating experience that takes a terrible toll.

Not having a permanent home leads to stress, anxiety and a downward spiral of practical difficulties. It affects people's ability to study, find employment and access vital services.

Sleeping rough on the streets is a lonely and dangerous place to be but the extent of Australia's homelessness is hidden by the fact that only 7% of those without a home are rough sleepers. Australia's hidden homeless are the growing number of people staying with friends or relatives on a temporary basis or living in temporary accommodation such as hostels, shelters or refuges. Increasingly this includes families with young children.

Mission Australia believes that everyone has a right to safe, secure accommodation and a place to call home. We understand that there are many personal and social factors that can contribute towards people becoming homeless. They include mental illness; drug and alcohol abuse; unemployment; bereavement; gambling; relationship breakdown and domestic and family violence.

We recognise that tackling homelessness is more than meeting day-to-day needs for food, warmth, hygiene and shelter. We focus on early intervention and prevention to find lasting solutions to people's problems. We work collaboratively, tailoring our services to individual need and partnering with other like-minded organisations because we know that with the right support people can and do overcome homelessness.

Our services include:

- Prevention and early intervention programs
- Case management tailored to individual need

- Outreach services that link people experiencing homelessness to vital services such as legal advice; drug and alcohol services; mental health services; employment opportunities; and vocational training
- Specialist homelessness services for individuals and families
- Homeless aged care facilities
- Support services to help vulnerable people maintain their tenancy
- Affordable housing through Mission Australia Housing.

Highlights

- Mission Australia's advocacy efforts were instrumental in extending federal homelessness funding by one year across the sector
- We successfully navigated the NSW Going Home Staying Home tender for homeless services enabling us to help more people avoid homelessness
- Plans underway for a new 'home with heart' homeless aged care facility in Orange, in regional NSW

The way forward

- Develop our prevention programs nationally
- Build our support for people at risk of homelessness in their local communities
- Grow our affordable and social housing portfolio
- Develop place-based community regeneration initiatives
- Integrate our programs and services across our entire housing business

* includes Mission Australia Housing

1 in 200

people in Australia are homeless on any given night

MISHA Project – housing first, with wrap around services proves successful

“I congratulate Mission Australia and the research team on the MISHA report. They are at the forefront of driving innovation in the sector and are helping to improve outcomes for those who are homeless or at risk of homelessness.” The Hon. Gabrielle Upton, Minister for Family and Community Services

This year saw the completion of the ground breaking, philanthropically funded MISHA Project which provided long-term housing to 74 chronically homeless men in Sydney, along with a mix of intensive support services. With a ‘housing first approach’, which involves first securing housing and then assisting in a holistic way with the other issues surrounding the individual, we have been able to achieve a remarkable 94% occupancy in housing these men. Costs associated with health and justice services were more than halved over the two years, delivering an annual savings to the tax payer of more than \$8,000 per person each year. Participants also showed improved labour force participation, reduced mental health disorders and much higher levels of social interaction. MISHA has shown that through early intervention we can stop a lifetime cycle of homelessness, as well as produce significant cost savings to the taxpayer.

Helping families recover from homelessness

Family groups are most likely to be turned away when seeking immediate accommodation for the first time. Of these, 67% are individuals with children. There are thousands of families across Australia living just one pay slip away from homelessness. All it takes is a job loss or an illness to put their homes at risk. Fairfax House in Sydney’s western suburbs is one of our services which provide the much-needed safe housing and support that families need to get back on their feet. This includes individual case management, childcare services, education, healthcare, employment opportunities, parenting skills and financial management. Fairfax House helps families who are homeless or at risk of homelessness to find stable, long-term accommodation. This past year Fairfax House assisted 29 families, 100 people in total, to escape the threat of homelessness. 40% of those assisted were under 12 years.



Sam* has a place to call home

When 6-year old Sam’s father was made redundant, the family were evicted from their home after they were unable to pay the rent. Sam and his sister had to sleep in the back of their car, squeezed in between all of the family’s belongings. Sam became anxious and withdrawn and his school work suffered enormously. The family turned to emergency services for help and spent six months between different crisis shelters, until turning to Mission Australia. The family were able to stay at Mission Australia’s Fairfax House for three months. Sam’s parents received financial counselling to ensure they would never end up homeless again. We helped his father find full-time work and Sam was given support to catch up on his schoolwork. Mission Australia also found safe and affordable long-term housing for the family and as a result, everyone is now thriving.

“Thank you for helping us Mission Australia. My teacher says I am doing really well at school. And I love having my own room again.” Sam, aged 6 years, former resident of Fairfax House.

* Names have been changed to protect the privacy of the people we help

17%

More than 17% of those homeless in Australia are under 10 years

Mission Australia Housing

“Housing is much more than providing a place to live. It’s about creating safe, inclusive and vibrant communities where people feel valued and everyone has an opportunity to contribute.”

Catherine Yeomans, CEO

2,481

People housed

An innovative, collaborative and values-driven approach to social and affordable housing.

Without a safe, stable and healthy home, connected to jobs, transport, good schools and community, our opportunities to live well are limited.

Across Australia, a critical shortage of affordable rental accommodation, entrenched unemployment and rising poverty has resulted in many Australians struggling to find a place to call home.

Mission Australia Housing provides social and affordable housing to Australians on low and moderate-incomes in New South Wales, Victoria and Tasmania. As part of the Mission Australia Group, we are uniquely placed to help people in need on their journey to independence. We help communities to reconnect and build places where everyone feels welcome and has a chance to play their part in local life. We recognise that proactive community engagement and building collaborative relationships with all our stakeholders are critical to our success. We are encouraged by local residents’ hopes and dreams for their communities and are working with them to help realise these.

24% new tenancies this year
25% of tenants have a disability
27% of tenants were homeless or at risk of homelessness

Building connected communities

People breathe life into the bricks and mortar of any housing community. Over the past year, we’ve worked hard to build more connected and resilient communities. We work closely with tenants, government agencies, local schools, police, community organisations and churches to help these communities thrive. We recognise the importance of informal and routine community interaction and so this year have developed picnic areas, barbeque facilities, pet-friendly housing, street parties, school holiday activities and community rooms where different groups can gather.

Delivering high quality customer service – it’s a two-way process

We believe that our tenants should have a stake in their future. We take an inclusive approach and encourage local people to get involved in the major decisions that will affect their quality of life. Through regular meetings, surveys, forums and workshops, we have sought feedback so we can tailor our services to local needs. This year, we developed tenant fact sheets, welcome kits, 24-hour emergency maintenance hotlines and regular newsletters. We established a national Tenant Action Group who take an active role in the planning and delivery of Mission Australia Housing policy and services.

1,959

Properties





Employment and training

143,076

People assisted through employment and training programs

17,746

People supported into sustainable employment

13,644

Employers partnered with

201

Services and programs

At Mission Australia, we believe that work really matters.

Individuals, families, communities and society all benefit when a person is engaged in sustainable and meaningful employment.

A steady job and a sense of responsibility are proven to reduce people's chances of social exclusion, poverty and homelessness. Meaningful work is transformative. It builds people's self-esteem, increases their health and wellbeing, and ultimately, delivers independence.

Mission Australia has a long history of helping people of all ages to overcome barriers to employment, whether they are educational, personal or health-related. We help people to gain the skills and confidence they need to find sustainable employment.

Our dedicated teams work closely with government, businesses and training organisations across Australia, changing lives, families and communities through training and employment. Consistent with our vision to see a fairer Australia, we focus strongly on the needs of job seekers who face the highest barriers to employment.

Our employment and training programs fall into three areas

- **Employment services**
- **Life and work ready skills**
- **Social enterprises**

Highlights

- Successfully achieved quality accreditation in the globally recognised Investors in People quality standard for our Employment Services.
- Commenced the Remote Jobs and Communities Program in Western Australia.
- Secured contracts to deliver the Vocational Training and Employment Centre program which is a new Australian Government initiative designed to help businesses employ Indigenous job seekers.
- Secured 3 year private philanthropic funding for the Geelong Youth Employment project to work with highly disadvantaged young people in Geelong to secure employment.
- Ran a successful pilot of Project Mojo mentoring program where Australia Post female employees were matched as volunteer mentors to unemployed female job seekers.

The way forward

- Pursue opportunities to build our service presence in strategic locations
- Influence government welfare to work reforms
- Provide a one-stop shop for Mission Australia integrated services that include employment and skills programs
- Offer whole of working life solutions
- Deliver targeted, high quality skills development and training programs

Employment services

Job Services Australia (JSA)

The main vehicle through which Mission Australia delivers employment programs is Job Services Australia (JSA). This is a Federal Government program contracted through the Department of Employment to provide tailored and flexible support to job seekers to help them secure employment. Employers benefit from a no-cost service to find staff to meet their recruitment needs.

Last year we operated these programs in 35 Employment Service Areas across every state, making us Australia's largest not-for-profit provider of this contract. In order to measure the effectiveness of employment services, Job Services Australia (JSA) providers receive quarterly JSA star ratings from the Department of Employment. This recognises the time it takes for a person to find work, the number of people placed in jobs and whether they maintained their positions long-term. This year 95% of Employment Service Areas across Australia have achieved a rating of 3 stars or more.

Employment programs meeting diverse needs

We also deliver a broad range of employment and training services and programs to link the most disadvantaged people in our community to job opportunities. We provide the pre-work employability coaching and training opportunities people need to succeed in the workplace. Our work includes:

- Assisting disadvantaged job seekers to find apprenticeships, move into education or training
- Supporting employers through the process of hiring an apprentice
- Helping people with a disability to find and maintain employment
- Integrating employment and community-development services within remote regions
- Providing training and support to start small businesses.

Life and work ready skills

Mission Australia offers a wide variety of skills training to people at risk of disadvantage and social exclusion, helping them to overcome barriers to employment and lead independent lives.

English, literacy and numeracy skills

The most significant of these is the government funded **Adult Migrant English Language Program (AMEP)** which provides free English language tuition to new migrants and refugees. This helps them to settle in Australia, linking them to the local community, giving them an understanding of the Australian way of life, and helping them to access services and employment. Programs are offered through case management, group classes, online learning and volunteer tutors.

- Last year we assisted 19,423 individuals, 37% were refugees.

We also run the **Skills for Education and Employment Program (SEE)** which is designed to improve reading, writing and numeracy skills, as well as the practical skills needed to find employment.

- Last year we assisted 1,603 individuals across 5 states.

Other training assisting specific community needs

- Driver education programs
- Training and support for people with mental illness or who are recovering from drug and alcohol dependence
- Community re-integration post prison release

All these efforts work together to enable Australians to participate in employment, their communities and move towards being able to better stand on their own.

A second chance at life

When we met Maria*, she had been unemployed for more than 4 years, which had affected her mental health and wellbeing. She had poor self-esteem and lacked the confidence necessary to be successful in interviews. Despite her challenges, we could see that Maria was talented, enthusiastic and determined to change her situation.

Through the Employment Pathway Fund, we provided personal development training to build Maria's self-esteem and communication skills. We helped her with her rent as she was at risk of homelessness, and we found her appropriate clothing so that she was job ready.

As a result, Maria secured her first interview in 4 years with a landscaping company. Thanks to her new-found confidence, Maria was offered the job and worked there for several months before the employer ran out of work.

Bolstered by her experience and with our help she was able to find another job at a local large hardware store. She is now a permanent employee and loves it.

We still continue to mentor Maria but she has proven to be a hard worker and a respected employee. Mission Australia has built a good relationship with her employer, which has enabled us to find work for other job seekers.

* Names have been changed to protect the privacy of the people we help

Social enterprise

Social enterprises bring together the best of business and community development to tackle Australia's economic and social challenges. They operate as commercially viable businesses with the aim of creating a more inclusive society bringing positive social outcomes.

Mission Australia's innovative social enterprises target specific skills shortages and help to strengthen disadvantaged communities by providing local jobs and training opportunities. Some of our programs also have a positive environmental impact.

Synergy Repairs

Our newest social enterprise is a commercial smash repair with a difference based in Melbourne. See our case study on this page to read about how we are using training and business to break a cycle of disadvantage and crime.

Charcoal Lane

Our social enterprise restaurant in Melbourne provides on-the-job hospitality industry skills, training and experience for Aboriginal young people. See page 35 for Daniel's story.

Big Heart Op-Shops

This year, we operated 10 op shops in New South Wales, with plans to expand nationally next year. These stores not only divert thousands of tonnes from landfill but also provide training, work experience and employment to long-term unemployed people.

- **940,400 kg of recycled goods**
- **230 volunteers, 370 work for the dole and work experience participants, 100 school students, 9 community service participants**
- **157,068 customers**

GreenIT

GreenIT diverts used computers and other IT equipment from landfill to be recycled and sold on to the community, charities and community organisations. It also offers accredited IT training to help long-term unemployed people gain the skills they need to secure lasting work.

Soft Landing

This award-winning mattress recycling and refurbishment business provides jobs and traineeships for disadvantaged people whilst diverting some of the 1.25 million mattresses discarded every year in Australia from landfill.

- **116,963 mattresses saved from landfill**
- **167 tonnes of foam and latex**
- **946 tonnes of steel**
- **319 tonnes of timber**
- **62 jobs created**

Featherweight

Recycled mattress filling from Soft Landing and unwearable clothing from Big Heart Op Shops are recycled by Featherweight to produce sporting equipment such as punching bags and goalpost pads. It also provides vital work experience for local long-term unemployed people.



Synergy participants driven to succeed

Our newest social enterprise, Synergy Repairs opened its doors in April 2014. A partnership between Mission Australia, the National Motor Vehicle Theft Reduction Council and Suncorp Group, it's a commercial business that also provides on-the-job training, work experience and support to young people with a history of motor vehicle related offences, such as theft, vandalism and joy riding.

This six-month accredited training program is offered to young people aged 16-20 years and gives them the skills to start a smash repairs apprenticeship. It also provides individual case management and mentoring to address any underlying issues or barriers to employment. Participants are helped to find a job through Suncorp's network of smash repairers. James*, aged 16 years, was one of the first boys enrolled in the Synergy program. He'd spent six months in juvenile detention for automotive-related crimes and was eager to rebuild his life. Synergy has turned his life around and he now has high hopes for the future.

"I've always had a passion for all things cars, so having the chance to work with them for a living was like a dream come true. Knowing that someone is in your corner, wanting you to succeed is a real confidence boost and makes you feel excited to get up and head into the workshop in the morning."

* Names have been changed to protect the privacy of the people we help

Closing the gap

We recognise that Aboriginal and Torres Strait Islanders are among the most disadvantaged groups in our society. Mission Australia is dedicated to providing assistance to increase opportunities and quality of life for Indigenous Australians.

Working closely with local communities – in metropolitan, regional and remote areas – we help Aboriginal and Torres Strait Islanders to access training and development, employment, safe and secure housing, education and family services.

Our vision for reconciliation is one in which all Aboriginal and Torres Strait Islander Australians are restored to a place of equity, dignity and respect. Our Reconciliation Action Plan reflects our strategy for reducing the disturbing gap in living standards between Aboriginal and Torres Strait Islander and non-Aboriginal Australians.

Our Aboriginal and Torres Strait Islander Engagement Group, drawn from staff across our organisation, is responsible for improving collaboration and developing deeper and more sustainable relationships with communities to ensure our services are targeted to areas of greatest need.

Examples of our services specifically aimed at assisting Aboriginal and Torres Strait Islanders

- Remote Jobs and Communities Program in Western Australia
- Indigenous Youth Career Pathways across 4 states
- Charcoal Lane social enterprise restaurant in Melbourne
- Tenancy Support Programs
- Going places specialist homelessness service in Northern Queensland

Community Development on Mornington Island

500 children under 12 years of age assisted

“While the Mornington Island community faces significant health and social challenges, Aboriginal leaders possess an appetite for change. They view Mission Australia’s Community Development role as an opportunity to recapture culture that is rapidly eroding and to create their own local responses to their social, economic, cultural and spiritual needs”. Cameron Burgess, Mission Australia Community Development Manager

Mornington Island in the Gulf of Carpentaria is the traditional country of the Lardil people and has a population of around 1,200. The community experiences high rates of chronic disease, domestic violence, limited literacy and numeracy levels, inadequate housing, and physical and mental health issues.

Mornington Island Community Development program harnesses vital services with community-led initiatives to break the cycle of violence, poverty and abuse and bring positive change. Over the past year, we’ve delivered services that support women and children escaping domestic violence, children under protection orders and young people disengaged from education and employment through the Mornington Island Women’s Shelter, Mornington Island Child Safe House and Mornington Island Safe Haven.

40 services with programs specifically for Indigenous Australians

Clients who identify as Aboriginal or Torres Strait Islander across our different services

26%

families and children

29%

youth

24%

homelessness

9%

employment and training

Daniel's* story

Daniel, a young Aboriginal man, lived with his family in the shed at the back of a friend's home in Melbourne. Daniel's dad struggled with severe health problems and found it difficult to maintain a job. **When he was 16 years old, Daniel's family became homeless and he dropped out of school.**

The family decided to make their way to Darwin to stay with relatives but Daniel was keen to stay in Melbourne. He was passionate about cooking and had been offered the opportunity to train at Charcoal Lane, Mission Australia's social enterprise restaurant in Melbourne's Fitzroy. Charcoal Lane provides on-the-job hospitality industry skills, training and experience for Aboriginal young people. Although Daniel had this amazing chance to pursue his dream to be a chef, he desperately needed somewhere to live.

We worked with our housing team to help Daniel secure a one-bedroom studio apartment with Mission Australia Housing. As he was working and completing his apprenticeship, he was eligible for student housing under the National Rental Affordability Scheme. We were also able to provide Daniel with basic furnishings for his new home.

Not only did Daniel complete his training and show himself to be a gifted chef, he also made some strong friendships and established a strong network of community support around him. Daniel has now been offered a position with ACCOR Hotels, one of our corporate partners.

*Names have been changed to protect the privacy of the people we help





Our supporters

“Every day I am humbled by the desire and determination of our extraordinary supporters to make a difference and see a fairer Australia.”

Catherine Yeomans, CEO

Our supporters make a huge contribution to Mission Australia, providing the vital funds we need to help people on their journey towards independence. We keep our supporters up-to-date with communications to show them how their money is helping people to overcome disadvantage. Thanks to their generosity, we raised \$20.9 million for Australians in need this year through appeals, regular giving, major gifts, bequests, trusts, foundations and corporate gifts. We would like to acknowledge and thank all of the generous Australians whose gifts have made a significant difference to our work this year.

Fundraising

Fundraising at Mission Australia is run by a small team of passionate staff and volunteers who build our supporter base and develop our marketing channels so that we can raise funds for our services. We are so grateful to all who support Australians in need through Mission Australia, no matter how small or large, we are committed to being faithful stewards of the gifts we receive.

Regular giving

Regular giving allows us to plan with confidence, invest in long-term programs and services; and seek solutions to critical social challenges. Last year, 30,545 regular givers helped us to raise a total of \$8.8 million for people in need. This coming year we will launch our new Regular Giving product “Stand up for Childhood”, targeting holistic support for Australian children and families in need.

Appeals

This year, we conducted several major appeals through integrated multi-channel marketing campaigns to build awareness and support for youth, families and children experiencing homelessness. We focused on direct marketing to our existing supporter base and online marketing to recruit new supporters. We also introduced SMS marketing.

Bequests

Bequest gifts represent an important source of support for Mission Australia. People who leave a bequest to Mission Australia are invited to become honorary members of the Benjamin Short Society, named after the founder of Sydney City Mission whose life; Christian faith and legacy continue to shape the critical work that Mission Australia does today. Members receive invitations to special events and can have their name inscribed on a commemorative plaque in Mission Australia’s National Office.

Social Media

We actively engage with our supporters through social media, encouraging them to interact with us through our Facebook page, Twitter and LinkedIn. This year, we have significantly increased our

digital engagement and we were pleased that a growing number of supporters are following our social media and engaging with us, including sharing our social media posts across their own social networks. Over the next year we will be implementing a new integrated digital marketing strategy to build our support and impact in the community across multiple digital channels.

The gift of giving

“The joy of bringing a little surprise to these lovely people on their special day is very overwhelming to me.” Lynette

When long-term supporter Lynette visited Annie Green Court, our homeless aged care facility in Sydney’s Redfern, she was moved to see how much joy the gift of a small birthday present brought to a resident. After hearing this resident’s story Lynette decided to purchase birthday presents for all 72 residents, which she presented at a special birthday morning tea. At this morning tea Lynette spoke with an elderly woman with no lower limbs and a gentleman who struggled to walk - she was struck by their lack of mobility. Lynette’s son then generously donated a mobility scooter, as he works in this industry. This gift has given these residents untold freedom; they can now go to the park or visit the shops.

Lynette has also since donated birthday presents to the 65 residents of Charles Chambers Court, our other homeless aged care facility. Lynette and her son have enriched these resident’s lives through their thoughtful generosity.

“We seek to develop mutually beneficial and sustainable partnerships that enable our partners to align their strategic objectives with our work.” Rob Campbell, Executive, Engagement

Standing together in partnership

Strong and committed partnerships play a critical role in advancing the influence and impact of our work. We stand together with governments, corporate partners, trusts and foundations across Australia to deliver a wide range of community and employment services to Australians in need.

Corporate partners, trusts and foundations

Our partnerships with philanthropists are essential to the work of Mission Australia. They include individuals, businesses, private and corporate trusts and foundations. Our partners invest in services across Australia, fund research, and help us to pilot new programs.

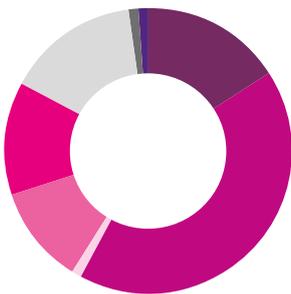
We work side by side with our corporate partners to create mutually

beneficial relationships based on common values and shared objectives. By working together, learning from each other and charting a shared path, we can achieve better outcomes for Australians in need. Successful partnerships accelerate learning, foster innovation, promote new skills and knowledge, and raise our brand awareness.

Mission Australia also enjoys strong support from trusts and foundations, including the Sir David Martin Foundation, who partner with Mission Australia and generate significant financial support for several of our youth programs.

We thank all our partners for their invaluable contributions and ongoing support.

Total fundraising income



\$20,985,000

- Appeals
- Regular giving
- Community fundraising
- Bequests
- Corporate partnerships (inc. corporate trusts and foundations)
- Major Gifts (inc. private trusts and foundations)
- Other
- Capital



A few key partnerships

Westpac

Westpac's partnership with Mission Australia is one of our longest. Westpac has recently signed a new 3-year agreement to support Missionbeat, our outreach service, which transports homeless men, women, children, families and intoxicated or drug affected men and women to services that can meet their immediate needs. This includes safe accommodation, medical care, meals, showers, clothing and laundry. Together with Westpac's investment of vital funds, resources, skills and knowledge, we can tackle homelessness.

PwC

Our corporate partners support our work in different ways. PwC is our biggest Work Place Giving partner, generously donating around \$50,000 a year to services across the country. They also give our staff access to high quality training and development as a pro bono gift. This is invaluable to motivating, engaging and inspiring our people through best practice management skills.

Specialty Fashion Group

Long-term supporter of our social enterprise Soft Landing, Specialty Fashion Group extended their relationship with Mission Australia this year. They established the 1Woman Foundation, to change the lives of women, recognising that when a woman is supported, protected, and educated, it makes a real difference to her life and those around her. They work with Mission Australia to provide a better future for our female clients.

With more than 900 retail outlets, they have established a work experience program for Employment Services Australia clients. They have also helped to renovate accommodation services for women in crisis and donated more than \$150k in clothes to our Big Heart Op Shops.

Accenture

Mission Australia has enjoyed a long standing partnership with Accenture and the Accenture Foundation, with a particular focus on helping people to build on the skills they need to find jobs, grow businesses and shape their communities. This year, Accenture supported Mission Australia's Getting to Work Program in Victoria, which develops strategies to help the long-term unemployed to re-engage with the workforce. Accenture also contributed significant pro bono and financial support for a new eLearning platform. This collaborative pilot project has helped us to explore new ways to engage learners. Accenture's 'Skills to Succeed' workshops have helped to develop our staff and given our clients the confidence to find meaningful work.

AMP

Our partnership with AMP is underpinned by a shared belief that access to, and participation in, education and work is of critical importance. For the past seven years, AMP has provided financial support to Mission Australia's Dubbo and Kempsey Cultural Leadership Program, which helps young Aboriginal people to remain at school; develop leadership skills; and increase their cultural awareness. AMP's support has proved invaluable in helping us to break the cycle of disadvantage, incarceration and addiction that blights many communities, building opportunities for young Aboriginal people to graduate from school and progress to further education or employment.

In 2013, AMP signed a three-year agreement to continue their support of this vital program. Thanks to AMP, we've been able to keep more than 300 kids engaged in school.

Our people

Our people are as different and diverse as the jobs they do at Mission Australia, but they are united in their desire to stand together with Australians in need.

Every day, our talented and committed team of 3,818 staff and 3,450 volunteers, including our Board, work together across the country to help people, families and communities overcome the effects of social and economic disadvantage.

This year, our people embraced a collaborative new way of working together with the introduction of our integrated service delivery model. Across our 563 programs and services, our people are sharing ideas, knowledge and expertise, to deliver more holistic and quality support to vulnerable Australians.

Building a great place to work

People are our greatest asset. We want them to trust the leaders they work for, have pride in what they do and enjoy the people they work with. During the year we started rolling out our workshop, Building and Maintaining A Great Place to Work. It spans all levels of our organisation, from building our leadership skills; to actively listening to people's concerns, ideas and feedback; to working together to resolve conflict in a positive way. Maintaining a diverse and inclusive workplace is important to us, as is attracting, developing, engaging and retaining the best people.

Staff Engagement Survey

"What came shining through in our Staff Survey 2014 was the commitment of our people to our values and our founding purpose." Mark Newton, Executive, Shared Services

In May, we conducted a 2-day pulse survey and we were delighted with the honest feedback we received. We communicated the results to our people so they could build local action plans to address areas for development. This helped us to pinpoint 10 key areas to develop, including leadership, communication and cross-unit collaboration. We embedded these areas into our 3-Year Strategic Plan so that we can make sure employee performance is aligned with our strategic direction moving forward. Initiatives such as a new intranet to facilitate communication and help staff feel more connected to each other are underway. We will continue to act upon the results.

Investing in our people

The professional growth and development of our people is important to us. This year, we have implemented different learning and development opportunities to enhance skills and equip our people for future roles and opportunities within our organisation. This included leadership development and strategically important training and development for frontline staff so they can make informed decisions in their roles. We have also recognised the need for effective succession planning and recognising people's strengths and development needs. We demonstrate our organisational value of celebration by recognising and celebrating excellence through regular award programs.

Keeping our people safe

We take every opportunity to identify and reduce risk to ensure the safety of our staff. This year, we have continued to make safety a high priority, training staff to deal with difficult behaviours and situations. Improvements in the management of workplace incidents have greatly benefited our people and also meant that our national premium rate for Workers Compensation has reduced.

We spent some time learning from other organisations and will be implementing Positive Performance Indicators based on the DuPont Model. We expect that this will help each person in Mission Australia to take personal action for safety in their workplace.

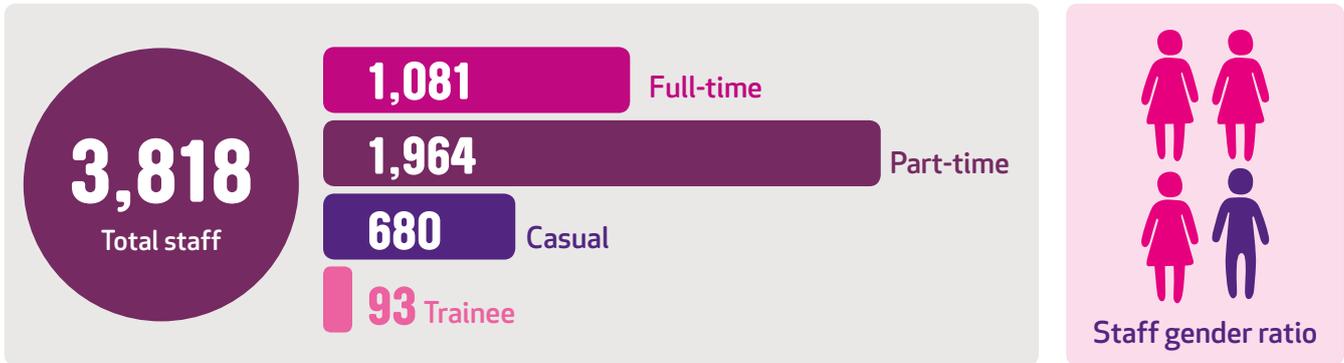
We offer an employee assistance program, a free and confidential counselling service to improve health and wellbeing. A support helpline is available to our people leaders and we have further health and wellbeing programs ready to implement throughout the next year.

Standing together with staff and clients - our chaplains

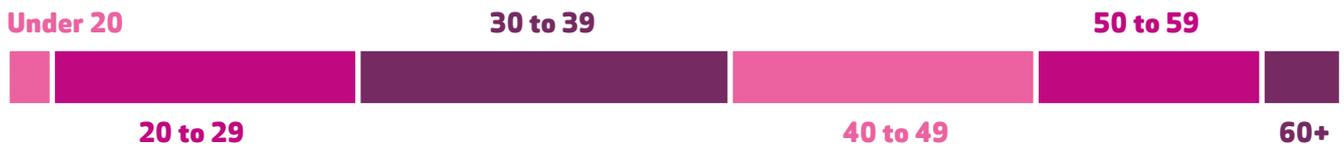
Mission Australia has a dedicated team of chaplains, who support our staff through the significant challenges of working with some of Australia's most disadvantaged people. Motivated by our founding purpose to share God's love and meet human need, our chaplains are available to have faith conversations, offer reflections and listen to any concerns that our people or our clients may have.

“Since 1859, generations of great people have grown Mission Australia into the strong organisation it is today. We recognise that we can never stand still. As new challenges and opportunities arise, our people are there looking for ways to do things differently so that we can help more people in need to regain their independence.”

Catherine Yeomans, CEO



Staff by age



Staff in service delivery roles 93%



Our volunteers

“Volunteers are the lifeblood of our sector. They play a key role in ensuring that we can continue our vital work and we value their support.” James Toomey, Executive, Service Delivery

Total volunteers

3,450

The contribution of our volunteers was made up of:

2,050

ongoing volunteers who contributed more than 4 hours per week

1,400

corporate, event and community volunteers who contributed more than 7,000 hours across 100 volunteering events

433,000
total hours

Volunteers have always been at the forefront of Mission Australia's delivery of services to Australia's most vulnerable. Each year thousands of people from across the country put their hands up to help us in our quest to provide quality services to Australians in need. They bring with them a passionate desire to help others as well as an incredible wealth of knowledge and expertise.

Volunteers positively influence and build the capacity of our services, improve their effectiveness, support innovation, connect clients to their community and communicate the fantastic work Mission Australia engages in, to the broader community.

Volunteers support the work of Mission Australia in an enormous range of capacities including:

- Tutoring newly arrived migrants in English
- Supporting the delivery of our social enterprises
- Tutoring young people and adults with secondary and tertiary education courses
- Delivering Mission Australia COACH community mentoring programs through local churches
- Providing court support to vulnerable people with complex needs
- Teaching young people to drive
- Offering qualified expertise in areas such as counselling, art therapy, nursing, physical and emotional wellbeing and music
- Providing administrative support for our services.

Home Tutor Program – a key to life in Australia

“I owe my teacher a debt of gratitude for all she has done for me.”

The journey to calling a new country 'home' can be long and arduous without the right support, especially when you have to learn a different language, culture and systems.

When Maryam moved to Australia from Iran in 2011, she couldn't speak much English. And with a 7-month old baby to care for, Maryam was unable to attend regular classes. In Iran, Maryam was a highly qualified engineer but in Australia, her employment opportunities were limited and she was at risk of becoming socially isolated. It wasn't until Maryam was linked to the Home Tutor Program through Mission Australia that things began to fall into place for her.

Home tutors are not teachers, but volunteers from the community. Maryam was paired up with Vani*, who became like a mentor to Maryam, making sure she had an opportunity to feel part of the community. She organised classes at mutually convenient times so that Maryam was able to study and care for her daughter. And in order to make English classes both interesting and relevant for Maryam, Vani found Australian engineering magazines so that she could familiarise herself with the local industry and improve her language skills and vocabulary. Vani is a shining example of the positive difference a volunteer can make to the lives of vulnerable people. Not only has she forged a close relationship with Maryam, she's opened up a world of possibilities to her now that she has a confident grasp of English.

*Names have been changed to protect the privacy of the people we help



Our leadership

Our leaders are committed to being servant leaders, by being transparent in their communication, collaborative and accountable in their actions, humble in their approach, and compassionate with their teams.

People are at the heart of our business. The role of our Executive Committee is to provide leadership, direction and support to enable our people to perform at their absolute best. Led by our CEO Catherine Yeomans, the Executive Committee meets monthly to review operations, identify new opportunities and plan for the future.

Catherine Yeomans LLB, MAICD Chief Executive Officer

Catherine was appointed CEO in March 2014. Prior to this, Catherine served as our Chief Operating Officer, and during that time held responsibility for functional areas including advocacy, media, marketing, fundraising, HR, legal, IT, procurement and property. With a law degree by academic background, Catherine has held senior management roles in a broad spectrum of fields across the corporate sector. She is a Director of Mission Australia Early Learning, Mission Australia Housing, Mission Australia Housing (Victoria) and Many Rivers Microfinance Limited. Catherine is passionate about social justice and actively speaks out against inequality on behalf of the people we serve.

Sally Ascroft BEc, LLB General Counsel

Sally was appointed General Counsel in May 2012. She is responsible for providing professional legal services to enable Mission Australia to achieve its business objectives while achieving legal and regulatory compliance. Sally has over 25 years' legal experience, is a former partner of King Wood Mallesons and former General Counsel and company secretary of The Trust Company. Sally is a Director of Mission Australia Housing and Mission Australia Housing (Victoria).

Rob Campbell eMBA, AICD Executive, Engagement

Rob joined Mission Australia as Executive Leader, Organisational Performance in 2011 and spent time evaluating the most appropriate and efficient business and delivery models for service delivery within Mission Australia. As Executive, Engagement, Rob is accountable for all business growth and revenue generation by leveraging our lead expertise and position within the sector. Rob previously held senior management roles in Macquarie Bank and Alcatel-Lucent.

David McKinless BA (Hons), MA (Econ), MPPM, Grad. Dip. Head of Strategy

David joined Mission Australia in 2007, as Strategic Consultant to the CEO. He provides support to the Executive on strategic management, organisational strategy, strategic opportunities and major organisational change initiatives. David has held senior management roles both in the public and corporate sectors in Australia and internationally, including the Ingeus Group of Companies and Brisbane City Council.



Paul Molyneux MA

National Chaplain

Paul joined Mission Australia in 2013, as National Chaplain. Prior to this, he was Lead Pastor of Australia's second largest Church, City Life Church Melbourne, and State Director of Youth Alive Victoria. Paul has studied at Ridley and Tabor Bible Colleges, completing a Master's Degree in Vocational Practice. Paul leads a team of 13 chaplains as they serve our staff and clients, offering reflection, pastoral care and affirmation of our values. He is also a Board member of the Billy Graham Evangelistic Association and Samaritans Purse Australia.

Tim Morris-Smith BA (Hons), ACA

Chief Financial Officer

Tim joined us as CFO in 2008. He is a UK Chartered Accountant with 20 years' experience of providing strategic financial leadership and controllership in US, European and Australian companies, including special-purpose entities, superannuation funds and trusts. Tim provides oversight for ethics, risk management, compliance and corporate governance, ensuring compliance with government obligations and regulatory requirements.

Mark Newton BSocSc, ThA, Dip Yth Min, JP

Executive, Shared Services

Mark was appointed Executive, Shared Services in March 2014 and is responsible for HR, IT, procurement and property. Prior to this, he was General Manager, Human Resources. Mark has previously held senior executive roles with Coffey International, Microsoft, Honeywell, and the NSW Public Service, and has extensive international business experience. In addition to his business qualifications, he spent two years at Moore Theological College. Mark is passionate about ensuring that we equip and enable our people to make a difference in the lives of the people we help.

James Toomey MSc, MBA, GAICD, Fellow

- Vincent Fairfax Centre for Ethical Leadership

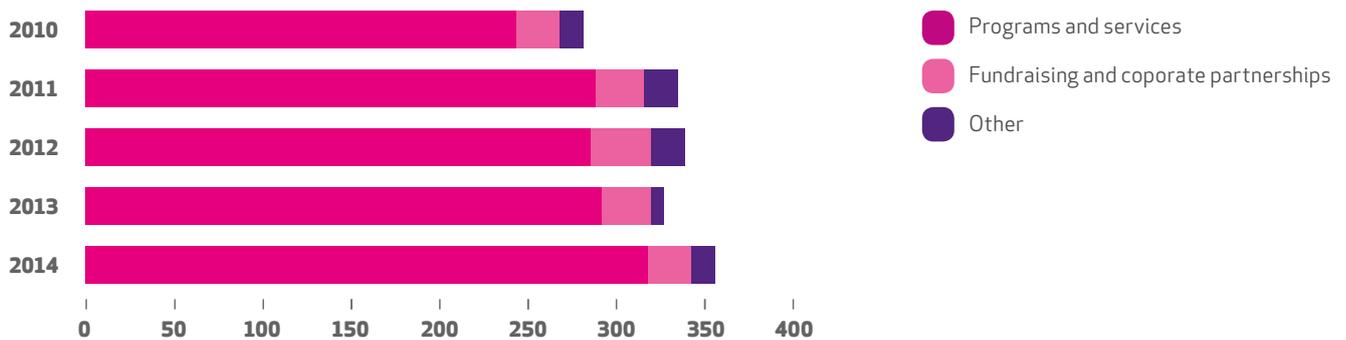
Executive, Service Delivery

James was appointed Executive, Service Delivery in May 2014. He joined Mission Australia in 2010 as National Manager Community Services Operations Support, before taking up the role of State Director NSW. A qualified social worker, James has extensive experience in children and family services, including residential care and young offender programs. Previously, James was Operations Director for youth education charity, Skill Force, and Assistant Director with Foster Care Associates, the UK's leading non-government provider of foster care services. James is a Director of Mission Australia Early Learning.

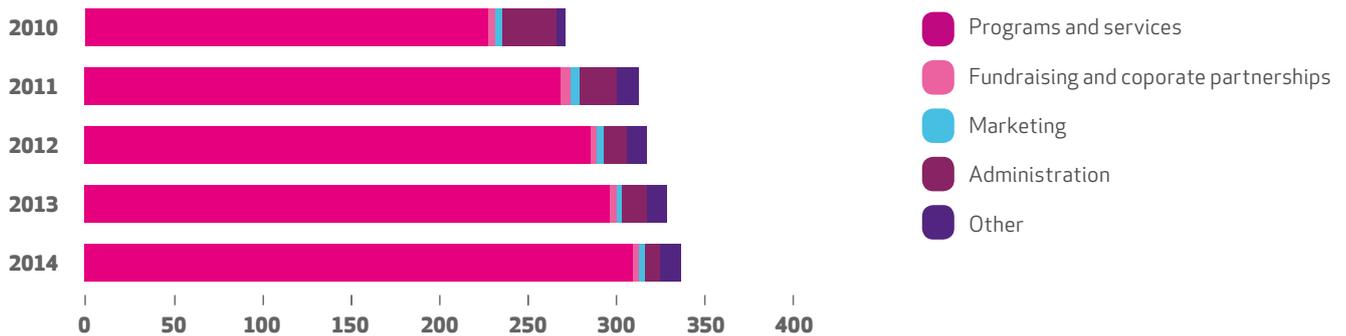
Financial summary

Five years at a glance

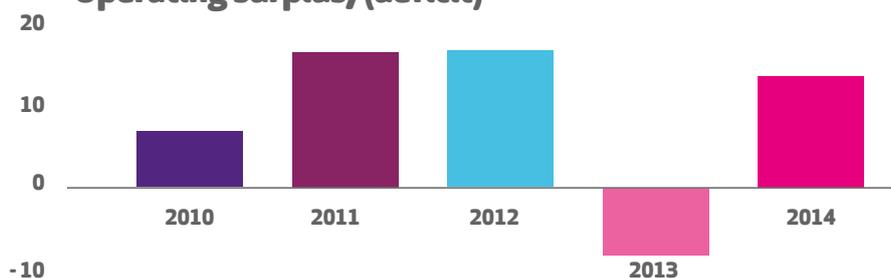
Total income*



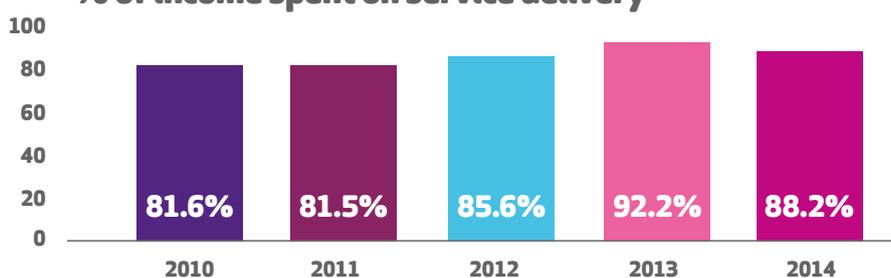
Total expenditure



Operating surplus/(deficit)*



% of income spent on service delivery



* Excludes housing stock transfers
All figures are in millions of AUD. All results are for Mission Australia and its controlled entities.

Concise Financial Report



Directors' Report

1. Our Board

The Directors of Mission Australia (the Company) at any time during or since the end of the financial year are:



Mr Ewen G W Crouch AM

President and Chairman
BEC (Hons), LLB, FAICD

Appointed President and Chairman of Mission Australia in November 2009 and a Director since 1995. Ewen is a Director of Westpac Banking Corporation, BlueScope Steel Limited and Sydney Symphony Orchestra. Ewen was a partner at Allens from 1988-2013 where he held the roles of Chairman, Co-Head Mergers & Acquisitions, Executive Partner Asia Offices and Deputy Managing Partner during his partnership career. He is now a consultant at Allens. He is a member of the AICD's Law Committee, the Corporations Committee of the Law Council of Australia and the Takeovers Panel. In the Australia Day 2013 Honours List, Ewen was the recipient of a Member of the Order of Australia.



Mr Martin G Watkins

Vice President
BEC (Hons), CA, MIPC

Appointed Vice President in 2001 and a Director since 1996. Martin is a Chartered Accountant and Director of Richfield Consulting and Carbon Careers executive recruitment companies. He is also Chairman of Christian Community Ministries (CCM) which operates a number of schools on the eastern seaboard. Martin is a member of the MA Board Nomination, Remuneration and Succession Committee and of the Board Audit and Risk Committee.



The Hon. Dean Brown AO

MRurSc, Grad Dipl Bus Admin, FAICD

Appointed as a Director in November 2012, Dean is a former Premier of South Australia, with more than 27 years' experience in Parliament. His ministerial responsibilities included Human Services (Health), Disability Services, Ageing, Aboriginal Affairs and Multicultural Affairs. Dean is Chairman of Hillgrove Resources Ltd and the Playford Memorial Trust, and a Director of Scantech Ltd and Foodbank SA. Dean is based in Adelaide. Dean is a member of the Lead Experts and Service Excellence Committee.



Ms Evelyn Horton

BEC, MSocSci (Econs), GAICD

Appointed as a Director in November 2011, Evelyn is chair of Mission Australia Housing and Mission Australia Housing (Victoria). She is also an independent Director of MLC Superannuation Trustees and the Tasmanian Public Finance Corporation. Evelyn previously held senior executive roles in government, investment banking and risk management. Evelyn is a member of the Board Audit and Risk Committee.



Mr Grant A Dempsey

BComm

Appointed as a Director in February 2010, Grant is Managing Director and Head of Investment Banking at JP Morgan and is based in Melbourne. Grant is Chairman of the MA Board Nomination, Remuneration and Succession Committee.



Ms Jennifer Lambert

BBus, MEC, CA, GAICD

Appointed as a Director in 2005, Jennifer is Group Chief Financial Officer of Valad Property Group, and a Non-Executive Director of Mosman Church of England Preparatory School. Jennifer is Chairman of the Board Audit and Risk Committee.



Dr Karin N Sowada

PhD, BA (Hons)

Appointed as a Director in 2008, Karin is Chief Executive Officer of Anglican Deaconess Ministries Limited. Karin is a member of the Lead Experts and Service Excellence Committee.



Mr Nicholas S Barnett

BEC, CA, FAICD

Appointed as a Director in 2008, Nicholas is Chief Executive Officer of Insync Surveys Pty Ltd, Chairman of Ansvr Insurance Ltd and a former partner of KPMG. Nicholas is a former Chairman of First Samuel and Ambit Group and co-founder of Board Benchmarking and Gender Worx. He is based in Melbourne. Nicholas is Chairman of the Lead Experts and Service Excellence Committee.



Mr Stephen E Anson

Appointed as a Director in 2007, Stephen has a background in leadership within the employment services and healthcare sectors. He is the founder and CEO of Vortala, a digital media company serving the professional practice community worldwide. Stephen is based in Perth. Stephen is a member of the Board Audit and Risk Committee. He has taken six months of leave of absence from 1 August 2014.

2. Company Secretary

Mr Timothy Morris-Smith, ACA was appointed to the position of Company Secretary in February 2009. He is the Chief Financial Officer of Mission Australia.

3. Directors' meetings

The number of Directors' meetings (including meetings of committees of Directors) and the number of meetings attended by each of the Directors of the Company during the financial year were:

| Director | Board Meetings | | Board Audit and Risk Committee meetings | | MA Board Nomination, Remuneration and Succession Committee Meetings | | Lead Experts and Service Excellence Committee Meetings | |
|------------------------|----------------|---|---|---|---|-----------------|--|---|
| | A | B | A | B | A | B | A | B |
| Mr Ewen G W Crouch AM | 6 [#] | 8 | 3 ^{**} | 6 | 5 [#] | 6 | 4 | 4 |
| Mr Martin G Watkins | 8 | 8 | 6 | 6 | 6 | 6 | — | — |
| The Hon. Dean Brown AO | 8 | 8 | — | — | — | — | 4 | 4 |
| Ms Evelyn Horton | 8 | 8 | 6 | 6 | — | — | — | — |
| Mr Grant A Dempsey | 4 | 8 | — | — | 6 | 6 | — | — |
| Ms Jennifer Lambert | 7 | 8 | 2 ^{**} | 2 | 5 ^{**} | 5 ^{**} | — | — |
| Dr Karin N Sowada | 6 | 8 | — | — | — | — | 4 | 4 |
| Mr Nicholas S Barnett | 8 | 8 | 4 ^{**} | 4 | — | — | 1 ^{**} | 1 |
| Mr Stephen E Anson | 8 | 8 | 4 | 6 | — | — | — | — |

A Number of meetings attended. **B** Number of meetings held during the time the Director held office during the year.

* - Attends by invitation ** - Change in committee membership during the year # - Leave of absence granted due to illness

4. Corporate governance

Mission Australia is a not-for-profit non-listed company limited by guarantee with no tradeable securities. The Group is committed to high standards of corporate governance and although it has no legal obligation to do so, applies, wherever practicable and relevant, the Corporate Governance Principles and Recommendations established by the Australian Stock Exchange (ASX) Corporate Governance Council. Whilst these principles were developed for listed companies, Mission Australia seeks to apply them where it is practicable and relevant to do so.

4.1 Foundations for management and oversight

The Board is the guardian of the Founding Purpose for which Mission Australia was established and is accountable to members for pursuit of that purpose and the performance of the Mission Australia Group.

The role of the Board is summarised in the Board Corporate Governance Charter which can be viewed at missionaustralia.com.au.

It includes:

- Providing strategic guidance for Mission Australia and its controlled entities and effective oversight of management;
- Establishing the functions reserved to the Board and those delegated to the Chief Executive Officer;
- Appointing the Chief Executive Officer, approving succession plans, monitoring and evaluating the performance of the Chief Executive Officer and determining the goals and objectives for the setting of senior management remuneration policies and practices;
- Monitoring financial results and the effectiveness of the risk-management system and overseeing policies governing the Group (Mission Australia and its controlled entities) operations including those for social, environmental sustainability as well as ethics and transparency; and
- Evaluating the Board's effectiveness and aspiring to excellence in corporate governance.

The Board oversees and monitors management's performance by:

- Selecting, appointing, guiding and monitoring the performance of the Chief Executive Officer;
- Approving Mission Australia's annual budget and financial statements;
- Formulating Mission Australia's strategic plan together with the Chief Executive Officer and senior management;
- Meeting at least six times during the year to:
 - Monitor progress in achieving the strategic plan and performance against operating and capital budgets; and
 - Receive detailed financial and other reports and input from management to verify Mission Australia's financial performance, viability, solvency and long and short-term sustainability.
- Assigning responsibility to Board sub-committees to oversee particular aspects of Mission Australia's operations and administration in areas such as finance, audit, risk, evaluation and service review, Board nominations and executive remuneration. Each sub-committee operates under approved charters that are regularly

reviewed and updated. The charters can be viewed at missionaustralia.com.au;

- Monitoring internal control, health and safety, risk management, compliance and quality control frameworks and management information systems as well as reviewing delegations, policies and procedures;
- Reporting to stakeholders on a regular basis, including providing financial reports;
- Overseeing Mission Australia compliance with relevant legislation and regulations; and
- Advocating for Mission Australia whenever and wherever appropriate.

The Board delegates responsibility for Mission Australia's day-to-day operations and administration to the Chief Executive Officer and executive management. A schedule of delegated authority sets out staff decision-making responsibilities and financial contractual thresholds for appropriate levels throughout Mission Australia. No delegate is permitted to authorise an expenditure that affects them personally.

An induction process for senior executives provides an understanding of the financial position, strategies, operations, health and safety and risk-management practices, as well as the respective rights, duties, responsibilities and roles of the Board and senior executives. Annual performance evaluation of senior executives has taken place during the year. The Board evaluates its own performance from time to time in accordance with process detailed in the Board Corporate Governance Charter.

4.2 Board structure

All Board members, including the Chair, are Independent Non-Executive Directors elected by Mission Australia's members. Mission Australia's Constitution requires no less than 6 and no more than 12 Directors. There were 9 Directors at 30 June 2014. The Board Corporate Governance Charter requires the Board to assess whether each Director is sufficiently independent. Each Director supplies the Chairman with all the necessary, requested information that may be relevant to this assessment.

The Board Chairman's role is articulated in the Board Corporate Governance Charter. The role includes providing leadership, facilitating effective contribution of all Directors and promoting constructive and respectful relationships between Directors and between the Board and management. The roles of the Chairman and Chief Executive Officer are not exercised by the same individual.

Three Directors must retire at each Annual General Meeting with those longest in office selected by rotation. They are eligible for re-election. Directors must retire after the age of 72, unless otherwise agreed. No employee of Mission Australia, including the Chief Executive Officer, can be the Chair or a Director on the Board of Mission Australia, although they may be Directors of subsidiaries of Mission Australia.

MA Board Nomination, Remuneration and Succession Committee reviews the composition of the Board with the objectives that the Board is composed of Directors who have the skills and experience to fulfil their obligations with diligence and judgement. This Committee also make recommendations to the Board about appropriate executive succession and remuneration policies and practices to promote Mission Australia's purpose and values and encourage appropriate risk management. This Committee consults informally during the year and meets at least twice on a formal basis. Further details about remunerating fairly and responsibly are set out in section 4.9 of the Directors' Report.

Members of the Board receive a letter of appointment detailing the terms and conditions of their appointment and complete an induction program when first appointed. Board and Committee members' knowledge of Mission Australia is maintained by regular visits to operations, management presentations and through access to continuing education programs.

MA Board Nomination, Remuneration and Succession Committee sets performance criteria for the Chief Executive Officer and annually assesses the outcomes.

Brief biographic details of Directors and Executives are listed at missionaustralia.com.au. The Board Governance Charter enables the Board of Directors to seek independent professional advice at the expense of Mission Australia with the agreement of the Chairman.

4.3 Ethical and responsible decision making

A Code of Conduct applies to the Board, management and staff of Mission Australia. It specifies behavioural standards necessary to maintain confidence in Mission Australia's integrity. This code can be accessed at missionaustralia.com.au.

The Code of Conduct outlines expectations for personal and professional behaviour, including how to manage receipt of gifts and benefits and how to resolve a conflict of interests. Conflicts of interests and conduct are specifically mentioned in the Board Corporate Governance Charter. A separate, more detailed Conflict of Interests Policy also exists requiring, anyone

with a conflict of interest to declare it and step outside the decision-making process.

Directors are required to apply their independent judgement to Board decisions, to question and seek information or raise any issue of concern to them in order to fully canvas all aspects of major issues confronting the Mission Australia Group. Directors are required to keep Board discussions confidential and to support the letter and spirit of Board decisions outside the boardroom.

A Statement of Enterprise Ethics sets out ethical expectations for people who work for Mission Australia and for those working with the entity. Support and protection for speaking up about wrongdoing is available to staff, volunteers, contractors, suppliers and clients. An Integrity Hotline is available to receive reports of possible wrongdoing, details of this are displayed at missionaustralia.com.au. A Fraud Control and Corruption Prevention Policy addresses fraud and dishonesty prevention systems and procedures. A Fraud Control Strategy identifies systems and processes that contribute to prevention, detection and responses to fraud.

Commitment to protection is demonstrated with Whistle-blower Governance officers comprising two senior executives as well as the Chair and independent ex officio member of the Board Audit and Risk Committee. These roles require the Officer to be satisfied about the fairness of any inquiry as well as the outcome. Protection is provided with specific appointment of protection officers who are independent of the area subject to any inquiry. Internal investigative capacity and legal review exists independently of operational, administrative, financial and technological activities.

Board members, senior executives and staff are expected to comply with relevant laws and codes of conduct of relevant professional bodies, and to act with integrity, compassion and respect at all times when dealing with colleagues, clients and others involved in our mission. Board members, executives and staff are made aware of Mission Australia's Ethical Standards and Code of Conduct during induction and are regularly reminded of the necessity to preserve these values and expectations.

4.4 Director and executive education

Mission Australia Group has a formal process to educate new Directors about the nature of the business, current issues, the corporate strategy, the culture and values of the Group, and the expectation of the Group concerning Directors' interactions with each other, senior executives and other stakeholders. Directors also have the opportunity to visit Group facilities and meet the management to gain a better understanding of business operation. Directors are able to access continuing education opportunities to update and enhance their skills and knowledge.

The Group also has a formal process to educate new senior executive upon taking such position. The induction program includes reviewing the Group's structure, strategy, operation, financial position and risk-management policies. It also familiarises the individual with respective rights, duties, responsibilities and roles of the individual and the Board.

4.5 Safeguarding integrity in financial reporting

A Board Audit and Risk Committee is established with four Non-Executive Directors that have accounting or related financial expertise and one ex officio member who is independent of the Board, executive, management and staff of Mission Australia. The other Board Directors, Chief Executive, Chief Financial Officer and head of Internal Audit and Risk Management have a standing invitation to attend meetings but are not members of the Committee and cannot chair the Committee or vote. The composition of the committee changed during the year. Committee members serving during the year included:

- Ms Jennifer Lambert (Chair) (appointed in March 2014)
- Mr Ewen G W Crouch AM (attends by invitation)
- Ms Evelyn Horton
- Mr Martin G Watkins (Chair until March 2014)
- Mr Stephen E Anson
- Mr Nicholas S Barnett (until March 2014)
- Mr Garry Wayling (ex-officio)

The Committee has a formal Charter with responsibility to assist the Board to fulfil their corporate governance responsibilities for the Group and the Company, particularly in relation to oversight of the:

- maintenance of an effective framework of risk management including compliance and internal controls;
- reliability and integrity of the financial statements and external financial communication;
- effectiveness of the external audit and internal audit functions; and
- adequacy of Mission Australia's insurance coverage.

The Committee includes an annual agenda item for the selection and appointment of the external auditor and considers the rotation of external audit engagement partners.

Mission Australia has a management system of progressive signed declarations attesting to the reliability and integrity of financial information. Operational risk and control attestations by Executives to the Chief

Executive Officer are based on questionnaires cascaded through line management.

Under its Charter, the Internal Audit function reviews Mission Australia's systems, policies, processes, practices and procedures. The head of Internal Audit has a direct reporting line to the Board Audit and Risk Committee and meets privately with the Board Audit and Risk Committee at least once a year.

In 2013, the Board also established the Group Financing Committee as an ad hoc committee. The initial objective of the Group Financing Committee was to provide guidance and counsel to management in connection with the financing facilities of Mission Australia and its subsidiaries. Since inception, the Group Financing Committee has been involved in other ad hoc finance related transactions as required by the Board of Mission Australia. Committee members during the year were:

- Ms Evelyn Horton (Chair)
- Mr Grant A Dempsey
- Ms Jennifer Lambert

4.6 Engagement with stakeholders

Mission Australia has media policies, and vetting and authorisation processes designed to ensure effective communication with all stakeholders and members.

Mission Australia has many stakeholders, including our clients and their families, those we fund to provide services, our donors and benefactors, our staff and volunteers, the broader community, our suppliers and financiers and the government agencies that provide us with funds and regulate our operations. We adopt a consultative approach in dealing with our stakeholders. We are involved in not-for-profit forums, conduct research, receive feedback from forums and regular surveys, and ensure government at all levels is aware of our main concerns, achievements and remaining abreast of industry developments that affect us.

4.7 Respecting rights of members

Mission Australia does not have shareholders but does have members. A communication policy advocates providing timely information to members using electronic and other means. This includes providing the Annual Report to members prior to the Annual General Meeting. The external auditor attends the meeting and is available to answer members' questions about the conduct of the audit, the status of internal control and the preparation and content of the auditor's report.

4.8 Recognising and managing risk

The Board has a number of responsibilities specifically relating to risk, including:

- monitoring the effectiveness of Mission Australia's risk management systems, including compliance with regulatory requirements;
- satisfying itself through appropriate reporting and oversight that appropriate internal and external control mechanisms are in place and are being implemented;
- approving Mission Australia's financial statements and monitoring financial performance against approved budget; and
- providing oversight and monitoring of occupational health and safety issues in the Mission Australia Group and considering appropriate WHS reports and information.

In fulfilling these responsibilities, the Board is assisted by the Board Audit and Risk Committee.

Mission Australia has identified its key risks. These include:

- securing ongoing funding for our work;
- complying with regulatory, funding and contractual obligations;
- minimising impact of damage to credibility and reputation;
- retaining high-quality skilled staff;
- ensuring client, staff and volunteer safety; and
- ensuring the group has the capacity to respond to social, economic and political change.

The recognition and management of risk is undertaken under an enterprise risk policy with architecture and with protocols that comply with the International Risk Management Standard ISO 31000:2009.

Risks are identified and owned by the managers of the business in which those risks reside. Those managers are responsible for ensuring their risks are appropriately managed, reported and escalated.

Project level risk registers capture operational, regulatory and contractual compliance risk, within the context of each project's objectives. Risk assessments at this level are required to be conducted annually at the time of business planning and budgeting to enable resource allocation to attend to higher risks wherever possible. Supervisors of project level managers hold monthly or quarterly meetings to monitor progress against plans and to raise risks and opportunities that may have financial or operational impact.

Legal, Finance, Work Health and Safety, Quality Assurance and Human Resources

teams work in a co-ordinated enterprise framework approach to support effective risk management.

A Governance Risk and Compliance Committee reporting to the Executive Committee oversees integration of those activities across the organisation and forms work groups to attend to emerging risk and compliance issues.

Mission Australia has an independent internal audit function which provides assurance to senior management and the Board that controls are operating and effective. The head of Internal Audit reports administratively to the Chief Financial Officer of Mission Australia, and operationally to the Board Audit and Risk Committee.

Mission Australia is dedicated to social responsibility in the very nature of its activities and is conscious of its environmental impact. Environmental risks are included in project level risk assessments conducted during the year. Mission Australia is not subject to any significant environmental legislation.

4.9 Remunerating fairly and responsibly

Directors serve on a voluntary basis and do not receive remuneration, superannuation, retirement benefits or unvested entitlements under any equity-based remuneration. There are no Executive Directors on the Board of Mission Australia. Reimbursement is made to Directors for reasonable expenses directly related to Board activities such as travel, accommodation and meals. The Board has established a MA Board Nomination, Remuneration and Succession Committee that sets remuneration strategies and approves remuneration levels for the Chief Executive and senior executives. The Committee consults informally on a regular basis and meets at least twice during the financial year. The Committee members are all Independent Non-Executive Directors:

- Mr Grant A Dempsey (Chair)
- Mr Ewen G W Crouch AM
- Ms Jennifer Lambert (until March 2014)
- Mr Martin G Watkins

The Committee also reviews the Board structure on a regular basis. Refer section 4.2 of the Directors' Report for more details.

4.10 Diversity

As of 30 June 2014, women made up 78.9 per cent of our employees. The principles of equal opportunity for women, and other groups in our community, are well aligned with our organisational values.

Interview guides for potential new employees are designed to ensure all applicants are assessed on a level playing field, based on their

competencies and not gender or background. During the year, women represented:

- 74 per cent of the workforce in the area of middle management;
- 58 per cent of senior management;
- 33 per cent of executive leaders; and
- 86 per cent of administrative and clerical staff.

A third of our Board members are female.

5. Principal activities and objectives

In pursuit of its founding purpose, the principal activities of Mission Australia during the financial year were to meet human need and spread the knowledge and the love of God through our actions and deeds. We assisted people in need, regardless of creed, through activities such as accommodation provision, family support services, child care, aged care, and youth and employment services. No significant changes in the nature of these activities occurred during the year.

6. Operating and financial review

6.1 Overview of the Group

Reference in this financial report to the Group relates to the consolidated results of Mission Australia, Mission Australia Housing, Mission Australia Housing (Victoria), Mission Australia Early Learning, Many Rivers Microfinance Limited, Sir David Martin Foundation and Mission Australia Foundation.

6.2 Operating results

The Group reported an underlying surplus of \$7.4 million (2013: \$1.5 million deficit). Net surplus for the year was \$17.3 million (2013: \$8.1 million deficit).

6.3 Review of operations

| In thousands of AUD | Note | 2014 | 2013 |
|--|------|---------------|----------------|
| Revenue | | 344,827 | 325,717 |
| Expenditure | | (337,446) | (327,170) |
| Underlying surplus / (deficit) | | 7,381 | (1,453) |
| Share of profit / (loss) of equity accounted investees | 15 | 6,823 | (3,072) |
| Net finance income | 12 | 1,082 | 1,898 |
| Restructure cost | | (1,132) | (3,286) |
| Revenue from housing grants - restricted | 7 | 3,833 | - |
| Change in fair value of investment property | | (671) | (2,192) |
| Net surplus / (deficit) for the year | | 17,316 | (8,105) |

The year's financial outcome reflects a changing environment in government procurement; tenders and grants which continue to present challenges for Mission Australia and the sector generally as governments at all levels operate under tighter fiscal constraints. Following the change of Government at the Commonwealth level, providers generally are being impacted by decisions to discontinue some programs and re-tender others with a reduction in funds being available.

Aggregation of services under head contracts, longer contract periods and payment linked to outcomes that shift risk to providers will increasingly impact current operating models of charities and not-for-profit providers. At the state level not-for-profit providers face similar challenges in a contestable market for service provision with governments seeking increased value for money from contracted programs.

These changing economic conditions continued to impact the financial performance of the Group in 2014. While the underlying surplus improved by \$8.8 million, a number of programs have been impacted by more constrained funding. The improved financial performance was achieved primarily through realignment of the business structure, cost reductions and growth in community and housing services. Additionally revenue streams from some areas of fundraising remained challenging meaning that some services were impacted. Significant matters include:

- An improvement of \$10.0 million in the financial performance of Employment related activities from a \$2.9 million deficit in 2013 to a \$7.1 million surplus in 2014. The improvement is largely attributed to cost savings arising from the restructure of the employment services division to allow it to operate more efficiently;
- Income from fundraising reduced by \$3.1 million from \$28.1 million in 2013 to \$25.0 million in 2014 in line with reduction generally in Corporate philanthropy;
- Share of profit recognised for equity accounted associates of \$6.8 million as compared to a loss of \$3.1 million in 2013. This was primarily due to the improved performance of Goodstart in which the group holds a 28.5% economic interest;
- Increase in rental income by \$4.1 million primarily arising from a larger portfolio being managed by Mission Australia Housing as compared to the prior year. Mission Australia Housing had its first full year of operations in managing up to 495 homes in Tasmania under a management contract with Housing Tasmania; and
- The successful execution of restructuring measures to implement an integrated service delivery model now sees leadership resources shared across a range of programs.

The savings arising from the new operation model assisted the Group in providing more cost effective and client centred services.

6.4 Significant changes in the state of affairs

In the opinion of the Directors, other than set out in this report, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review.

7. Events subsequent to reporting date

Between 30 June 2014 and the date of issue of the financial statements, the Group, through Mission Australia Housing received capital grants representing the vesting of approximately 561 dwellings from Housing NSW under Tranche 2 of the Nation Building Economic Stimulus Plan (NBESP) scheme. Housing NSW is currently seeking changes to the contractual commitments relating to the vesting of assets under the NBESP scheme, which Mission Australia Housing is currently negotiating.

Mission Australia Housing has also received communication from Housing NSW in regards to its successful application towards vesting of another property in Camperdown, NSW. The application is now awaiting the final approval of the Governor in Executive Council prior to vesting.

In the 2015 financial year, this will have a significant impact in the Group's balance sheet equivalent to the fair value of the properties received. The same amount will be recognised in its income statement as capital grant income.

Mission Australia Housing (Victoria) signed a contract for sale in June 2014 for its Investment Property in Seddon, Victoria. As a result, the fair value of property and related balances within Mission Australia Housing (Victoria) are classified as Held-for-sale in the Group's balance sheet at 30 June 2014. Settlement in respect of the sale of this property was finalised in August 2014. Mission Australia Housing (Victoria) used the proceeds from the sale to pay the bank loan in full (\$5.1 million).

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

8. Likely developments

Mission Australia has several contracts with State and Federal Governments that fund the programs it runs to provide services to people in need. One of the major contracts is The Job Services Australia contract which is due to expire on 30 June 2015. The contract represented \$68.0 million in revenue in 2014. Significant changes to the fee structure and geographic footprint of the contract have now been announced to take effect in the next tender for this contract. At the date of signing of the financial statements this matter remained under review.

In the opinion of the Directors, there are no other likely changes in the operations of the Group that will adversely or significantly affect the results of the Group in subsequent financial years.

9. Directors' interests

The Directors had no material interests in contracts or proposed contracts with the Company during the course of the financial year other than that noted in the statutory information of this report.

10. Indemnification and insurance of officers and Directors

As Mission Australia is a company limited by guarantee, none of the Directors have any interest in the profit and assets of Mission Australia but each, as a member, is liable to contribute an amount not exceeding 10 cents.

Mission Australia pays premiums to insure the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director, other than conduct involving a wilful breach of duty.

Premiums were paid for each of the Directors listed on page 48 of the Directors' Report.

To the extent permitted by law, Mission Australia indemnifies every person who is or has been a Director or officer against any liability to any person incurred while acting in that capacity in good faith and against costs and expenses incurred by that person in that capacity in defending legal proceedings and ancillary matters. Mission Australia operates to the extent that the loss or liability is not covered by a valid and current insurance policy.

Mission Australia has, during the financial year, paid an insurance premium in respect of an insurance policy for the benefit of the Directors and officers of Mission Australia. The insurance is in the normal course of business and grants indemnity for liabilities permitted to be indemnified by Mission Australia under Section 199 of the *Corporations Act 2001*. In accordance with commercial practice, the insurance policy

prohibits disclosure of the terms of the policy including the nature of the liability insured against and the amount of the premium.

11. Non-audit services

Details of the amounts paid to the auditor of the Company, KPMG, and its related practices for audit services provided during the year are set out below. In addition, amounts paid to other auditors for other assurance services have been disclosed:

| In AUD | 2014 | 2013 |
|--|----------------|----------------|
| Audit services Audit and review of financial reports | 246,480 | 239,300 |
| Services other than statutory audit: | | |
| Other services Other assurance services | 48,192 | 83,717 |
| | 48,192 | 83,717 |

KPMG also provided audit services for approximately 250 (2013: 255) projects that require an audited acquittal statement by the funding bodies. The costs of the acquittal audit services provided by KPMG in 2014 were \$227,500 (2013: \$224,400). These costs were acquitted to the individual projects.

12. Performance measurements

The Group monitors its performance against budget and a rolling forecast. The budget is approved by the Board of Directors prior to commencement of the financial year. Quarterly results are presented to the Board of Directors by senior management of the Group. The Board uses this information for future planning, tracking progress over time and determining whether agreed objectives or standards have been met.

The Board reviews performance based on business segments, which are identified by the type of services being provided. Refer to *Note 6 Operating segments* for more details on performance of individual business segments.

13. Lead auditor's independence declaration

The Lead Auditor's Independence Declaration is set out in Mission Australia full Financial Report available at missionaustralia.com.au and forms part of the Director's report for the financial year ended 30 June 2014.

14. Registered office

The registered office and principal place of business is Level 7, 580 George Street, Sydney, New South Wales 2000.

15. Bankers

Westpac Banking Corporation and Commonwealth Bank of Australia are the primary bankers of Mission Australia and its controlled entities.

16. Founder

In 1862 Benjamin Short founded the Sydney City Mission - the antecedent organisation of Mission Australia. It came into being three years after the Town and Country Mission (later to be known as the Brisbane City Mission) was established in Queensland. In the decades that followed many more missions were set up to proclaim the gospel of Jesus Christ and to care for the colonial poor. In 1997 they officially came together as Mission Australia, a single, unified, non-denominational Christian organisation with an integrated approach to meeting Australia's social needs.

17. Founding purpose

Inspired by Jesus Christ, Mission Australia exists to meet human need and to spread the knowledge of the love of God without reference to denomination or other distinction.

18. Rounding off

The Group is of a kind referred to in *ASIC Class Order 98/100* dated 1 July 1998 and in accordance with that Class Order, amounts in the consolidated financial statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

19. Notice of meeting

The Annual General Meeting of Mission Australia will be held on 26 November 2014 at Level 6, 580 George Street, Sydney 2000, New South Wales, where this report will be presented.

This report is made in accordance with a resolution of the Directors:



Ewen G W Crouch AM

President and Chairman

Melbourne, 27 October 2014



Jennifer Lambert

Chair, Board Audit and Risk Committee

Melbourne, 27 October 2014

Directors' Declaration

Mission Australia and its controlled entities

For the year ended 30 June 2014

Directors' Declaration

In the opinion of the Directors of Mission Australia ('the Company') the accompanying concise financial report of the Group, comprising Mission Australia and its controlled entities, for the financial year ended 30 June 2014 set from pages 56 to 59:

- a. has been derived from or is consistent with the full financial report for the year; and
- b. complies with Australia Accounting standard AASB 1039 Concise Financial Reports.

Signed in accordance with a resolution of the Directors:



Ewen G W Crouch AM
President and Chairman



Jennifer Lambert
Chair, Board Audit and Risk Committee

Dated at Melbourne, 27 October 2014.

Chairman's Declaration

Declaration to be furnished under the *Charitable Fundraising Act 1991*. This declaration is made in accordance with Authority Conditions 7(4) and 7(5) issued by the Minister under Section 19 of the *Charitable Fundraising Act 1991*.

I, Ewen G W Crouch AM, President and Chairman of the Board of Mission Australia, declare that in my opinion:

- a. the concise consolidated financial statements give a true and fair view of all income and expenditure of Group with respect to fundraising appeals; and
- b. the *Consolidated Statement of Financial Position* gives a true and fair view of the state of affairs with respect to fundraising appeals; and
- c. the provisions of the *Charitable Fundraising Act 1991*, the Regulations under the Act and the conditions attached to the fundraising authority have been complied with by Group; and
- d. the internal controls exercised by Group are appropriate and effective in accounting for all income received and applied by Mission Australia from any of its fundraising appeals.



Ewen G W Crouch AM
President and Chairman

Dated at Melbourne, 27 October 2014.

Consolidated statement of profit or loss and other comprehensive income

Mission Australia and its controlled entities

For the year ended 30 June 2014

| In thousands of AUD | 2014 | 2013 |
|--|------------------|------------------|
| Revenue from rendering services | 289,284 | 268,403 |
| Revenue from housing grants – restricted | 3,833 | — |
| Income from fundraising | 25,023 | 28,088 |
| Income from rental | 19,522 | 15,458 |
| Income from sale of goods | 7,017 | 6,455 |
| Gain on sale of property, plant and equipment | 220 | — |
| Other income | 3,090 | 5,121 |
| Total revenue for the year | 347,989 | 323,525 |
| Personnel expenses | (221,168) | (218,247) |
| Occupancy and accommodation expenses | (36,732) | (33,943) |
| Transport and equipment hire expenses | (12,673) | (13,781) |
| Communication expenses | (12,783) | (12,173) |
| Client expenses | (8,390) | (7,667) |
| Depreciation and amortisation expenses | (8,103) | (7,429) |
| Restructuring costs | (1,132) | (3,286) |
| Insurance expenses | (2,128) | (1,579) |
| Other expenses | (35,469) | (32,351) |
| Total expenses for the year | (338,578) | (330,456) |
| Results from operating activities | 9,411 | (6,931) |
| Finance income | 3,190 | 4,245 |
| Finance costs | (2,108) | (2,347) |
| Net finance income | 1,082 | 1,898 |
| Share of profit / (loss) of equity accounted investees | 6,823 | (3,072) |
| Net surplus / (deficit) for the year | 17,316 | (8,105) |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Revaluation of property, plant and equipment | (1,689) | (40) |
| Items that may be reclassified subsequently to profit or loss | | |
| Effective portion of changes in fair value of cash flow hedges | (44) | 73 |
| Other comprehensive income for the year | (1,733) | 33 |
| Total comprehensive income / (loss) for the year | 15,583 | (8,072) |
| Net surplus / (deficit) attributable to | | |
| Members of the Company | 17,316 | (8,105) |
| Surplus / (Deficit) for the year | 17,316 | (8,105) |
| Total comprehensive income / (loss) attributable to | | |
| Members of the Company | 15,583 | (8,072) |
| Comprehensive income / (loss) for the year | 15,583 | (8,072) |

Consolidated statement of financial position

Mission Australia and its controlled entities

As at 30 June 2014

| In thousands of AUD | 2014 | 2013 |
|--|----------------|----------------|
| Assets | | |
| Cash and cash equivalents | 13,469 | 27,057 |
| Trade and other receivables | 20,377 | 18,890 |
| Investments | 15,989 | 14,382 |
| Prepayments | 5,233 | 4,273 |
| Other assets | 7 | 10 |
| Assets held for sale | 8,900 | — |
| Total current assets | 63,975 | 64,612 |
| Trade and other receivables | 9,907 | 9,438 |
| Investments in equity accounted investees | 10,690 | 10,140 |
| Investments in equity accounted investees - restricted | 13,238 | 6,965 |
| Investment property | 9,709 | 19,951 |
| Investment property - restricted | 140,201 | 135,660 |
| Property, plant and equipment | 86,516 | 88,809 |
| Intangible assets | 8,191 | 8,944 |
| Total non-current assets | 278,452 | 279,907 |
| Total assets | 342,427 | 344,519 |
| Liabilities | | |
| Trade and other payables | 30,666 | 32,981 |
| Loans and borrowings | 5,212 | 103 |
| Employee benefits | 15,622 | 15,272 |
| Deferred income | 22,128 | 26,299 |
| Total current liabilities | 73,628 | 74,655 |
| Other payables | 5,156 | 5,002 |
| Loans and borrowings | 17,224 | 34,436 |
| Employee benefits | 4,100 | 3,690 |
| Total non-current liabilities | 26,480 | 43,128 |
| Total liabilities | 100,108 | 117,783 |
| Net assets | 242,319 | 226,736 |
| Equity | | |
| Cash flow hedging reserves | (843) | (799) |
| Asset revaluation reserves | 20,585 | 22,274 |
| Accumulated surplus | 75,679 | 71,604 |
| Restricted accumulated surplus | 146,898 | 133,657 |
| Total equity | 242,319 | 226,736 |

Consolidated statement of changes in equity

Mission Australia and its controlled entities

For the year ended 30 June 2014

| In thousands of AUD | Cash flow Hedge Reserve | Asset Revaluation Reserve | Accumulated Surplus | Restricted Accumulated Surplus | Total Equity |
|--|-------------------------------|---------------------------------|------------------------|--------------------------------------|----------------|
| Balance at 1 July 2012 | (872) | 23,183 | 80,824 | 131,993 | 235,128 |
| Adjustment to accumulated surplus 2011-12 | — | — | (320) | — | (320) |
| Total comprehensive income / (loss) for the year | | | | | |
| (Deficit) / surplus | — | — | (9,769) | 1,664 | (8,105) |
| Transfer (from) / to accumulated surplus | — | (869) | 869 | — | — |
| Other comprehensive income / (loss) | | | | | |
| Effective portion of changes in fair value of cash flow hedges | 73 | — | — | — | 73 |
| Revaluation decrement | — | (40) | — | — | (40) |
| Total other comprehensive income / (loss) | 73 | (40) | — | — | 33 |
| Total comprehensive income / (loss) for the year | 73 | (909) | (8,900) | 1,664 | (8,072) |
| Balance at 30 June 2013 | (799) | 22,274 | 71,604 | 133,657 | 226,736 |
| Balance at 1 July 2013 | (799) | 22,274 | 71,604 | 133,657 | 226,736 |
| Adjustment to accumulated surplus 2012-13 | — | — | — | — | — |
| Total comprehensive income for the year | | | | | |
| Surplus | — | — | 4,075 | 13,241 | 17,316 |
| Transfer (from) / to accumulated surplus | — | — | — | — | — |
| Other comprehensive income | | | | | |
| Effective portion of changes in fair value of cash flow hedges | (44) | — | — | — | (44) |
| Revaluation increment | — | (1,689) | — | — | (1,689) |
| Total other comprehensive (loss) / income | (44) | (1,689) | — | — | (1,733) |
| Total comprehensive (loss) / income for the year | (44) | (1,689) | 4,075 | 13,241 | 15,583 |
| Balance at 30 June 2014 | (843) | 20,585 | 75,679 | 146,898 | 242,319 |

Consolidated statement of cash flows

Mission Australia and its controlled entities

For the year ended 30 June 2014

| In thousands of AUD | 2014 | 2013 |
|--|----------------|----------------|
| Cash flows from operating activities | | |
| Cash receipts from customers | 372,706 | 364,572 |
| Cash paid to suppliers and employees | (367,375) | (355,127) |
| Cash generated from operations | 5,331 | 9,445 |
| Interest received | 1,359 | 968 |
| Interest paid | (1,710) | (2,280) |
| External donations paid | (203) | (710) |
| Net cash from operating activities | 4,777 | 7,423 |
| Cash flows from investing activities | | |
| Dividend received | 117 | 123 |
| Proceeds from sale of investment properties | 645 | 1,661 |
| Payments for fixed assets and investment properties | (5,060) | (12,203) |
| Payments for intangibles | (1,964) | (1,920) |
| Proceeds from sale of investment in shares | — | 5,000 |
| Net cash used in investing activities | (6,262) | (7,339) |
| Cash flows from financing activities | | |
| Proceeds from bank borrowings | 9 | 7,313 |
| Repayment of borrowings | (12,112) | (95) |
| Net cash (used in) / from financing activities | 12,103 | 7,218 |
| Net (decrease) / increase in cash and cash equivalents | (13,588) | 7,302 |
| Cash and cash equivalents at 1 July | 27,057 | 19,755 |
| Cash and cash equivalents at 30 June | 13,469 | 27,057 |



Independent auditor's report to the members of Mission Australia

Report on the concise financial report

We have audited the accompanying concise financial report of the Group comprising Mission Australia (the Company) and the entities it controlled at the year's end or from time to time during the financial year which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended derived from the audited financial report of Mission Australia for the year ended 30 June 2014. The concise financial report does not contain all the disclosures required by Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

Directors' responsibility for the concise financial report

The directors of the Company are responsible for the preparation and presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039 *Concise Financial Reports* and for such internal control as the directors determine are necessary to enable the preparation of the concise financial report.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Standards*. We have conducted an independent audit in accordance with Australian Auditing Standards, of the financial report of Mission Australia for the year ended 30 June 2014. We expressed an unmodified audit opinion on the financial report in our report dated 27 October 2014. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgement, including the risk of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the concise financial report in order to design procedures, that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports*.

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

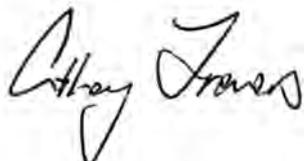
Independence

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Auditor's opinion

In our opinion, the concise financial report of Mission Australia and its controlled entities for the year ended 30 June 2014 complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports*.


KPMG



Anthony Travers
Partner

Sydney, 27 October 2014

Thank you

Our sincere thanks to all our partners who have made it possible for us to continue to walk with Australians in need.

Major donors, trusts and foundations and corporate partners

A.H. Beard Pty Ltd
Accenture Australia Foundation
Accor Hotels
Advantage Salary Packaging Solutions Pty Ltd
Albersts
Allianz Australia
AMP Foundation
Ruth Armytage AM
Australian Youth & Health Foundation
Bayer
Bennelong Foundation
Bewsher Foundation
Coca Cola Amatil
Collier
Commonwealth Bank Staff Community Fund
Count Charitable Foundation
Danks Trust
David Bennett
David Davies
David Milton
Dick & Pip Smith Foundation
Dunn Family Trust Fund
Elaine McKinnon
Elizabeth Gilbert
Equity Trustees
Ernest Heine Family Foundation
Flora & Frank Leith Charitable Trust
Foundation for Alcohol Research & Education
Friends In Giving Society
Gilbert & Patricia Wheaton
Graham & Glyn O'Neill
Graham Painton
Grant Dempsey
Gwynvill Group/Garry Tieck
Herbert Smith Freehills
Hilary Cameron
Ian Potter Foundation
Inner North Community Foundation
Jane Chapman
John Barnes Foundation
John Curtis
Key Foundation Ltd
Liangrove Foundation
Lyn Storey Foundation
Maple-Brown Family Charitable Foundation
Marion & E H Flack Trust
Marriott Hotels
Matana Foundation for Young People
National Australia Bank
NRMA Insurance Australia
Origin Energy Foundation
Orix Australia Corporation Limited
Perpetual Limited
Peter Eichhorn & Anne Willems
PricewaterhouseCoopers Foundation Pty Ltd (PwC)
QBE Insurance
Raymond E Purves Foundation
Red Rocketship Foundation
Reef Shark Foundation
Regal Foundation
Robert & Kerry Gillespie
Skipper-Jacobs Charitable Trust
Specialty Fashion Group
T. Rowe Price
Talbot Family Foundation

The Abbott Foundation
The Eric & Elizabeth Gross Foundation
The Jack Brockhoff Foundation
The Mundy Family
The Profield Foundation
The Tenix Foundation
Vernon Foundation
Bill & Heather Webster
Westpac Banking Corporation

Bequests received in 2013/14

Ida Maxine Alexander
Gordon Henry Bickerstaff
Mary Elizabeth Brown
Diana Margaret Grace Bryers
Tatiana Buks
Raymond Douglas Chant
Margaret Helena Cousins
Lavada May Dahlheimer
Gwendolyn Doreen Dixon
Beryl Ruth Donlan
William Robert Drylie
Pearl Mary Ducrou
David Duff
Erica Margaret Eddy
Alice Jessie Fawsitt
Godfrey Barrington Goodere
Dorothy Grace Greening
William Laurence Greer
Margaret Emily Hayes
John Hickey
Breta Bernice Holohan
Betty Grace James
William Rider Kennedy
David Sydney Levit
Jean Mary Flett Linklater
Robert John Lowe
Herbert Thomas Mathers
Norman Munday
Charles Thomas Nightingale
Line Adriane Gersen Ott
Walter Raymond Paine
Dorothy Mary Partridge
June Monica Passlow
Joyce Barry Pate
Evelyn Knill Pattermore
Gerald Carl Quaedvlieg
Lulu Annie Ryan
Alan Richard Sevier
Elva Winifred Seymour
Judith Wendy Simons
Clement Slevington
James David Hunter Smith
Joyce Marie Smith
Norman John Smith
Benjamin Norton Stable
Lisa Steel
Gladys Myrtle Stockley
Gloria Esther Anne Sutton
Ivy Gertrude Thirkell
Harold Bruce Todhunter
Corinne Elizabeth Welsh
Moira Kathleen Whiteside
Jean Addie Wilson
Alan John Wilson
Terence Cornthwaite Wollaston
Vera Zukerman

Government partners

Australian Government
Attorney General's Department
Dept of Education
Dept of Employment
Dept of Defence
Dept of Social Services
Dept of Health
Dept of Immigration and Border Protection
Dept of Industry
Dept of Prime Minister and Cabinet
Mental Health Commission

New South Wales and ACT
ACT Gambling and Racing Commission
Dept of Family and Community Services - Housing NSW
Dept of Attorney General and Justice
Dept of Family and Community Services - Community Services
Dept of Family and Community Services - Ageing, Disability and Home Care
Dept of Education and Communities
NSW Office of Liquor, Gaming and Racing
NSW Health
Office of Communities

Northern Territory
Dept of Correctional Services
Dept of Health
Dept of Justice
Dept of Housing
Dept of Children and Families

Queensland
Dept of Community Safety
Dept of Communities, Child Safety and Disability Services
Queensland Corrective Services
Dept of Education, Training and Employment
Queensland Health

South Australia
Attorney General Dept
Dept for Communities and Social Inclusion
Dept of Education and Child Development
Dept of Further Education, Employment, Science and Technology
Dept for Health and Ageing
Dept of Justice

Tasmania
Dept of Education
Dept of Health and Human Services
Dept of Housing
Dept of Justice
Dept of Police and Emergency Management

Victoria
Dept of Human Services
Dept of Planning and Community Development
Victorian Multicultural Commission
Dept of Education and Early Childhood Development

West Australia
Dept for Child Protection
Dept of Housing
Dept of Local Government and Communities
Dept of Corrective Services
Drug and Alcohol Office
West Australia Police

Our major partners

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**Dunn Family
Trust Fund**

**Ernst Heine Family
Foundation**

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HERBERT
SMITH
FREEHILLS

**John Barnes
Foundation**

Matana
Foundation
for young people

Origin
Foundation

**The Profield
Foundation**

pwc

THE RAYMOND E PURVES
FOUNDATION

TALBOT
FAMILY FOUNDATION

Westpac

Sir David Martin Foundation
Helping young people in crisis

PwC
**Transparency
awards**

pwc

Top 10 Finalist 2013
> \$30m revenue category



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- ✓ Leave a lasting legacy
in your Will
- ✓ Enter into a corporate
partnership
- ✓ Give the gift of employment
- ✓ Volunteer with us

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