



Building foundations
to prevent youth
homelessness

FINANCIAL REPORT 2017



FINANCIAL REPORT

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CORPORATE INFORMATION

KIDS UNDER COVER ABN 76 604 592 013

DIRECTORS

The following directors were in office at the date of this report:

A. Coleman (Chair)
C. Radford (Vice Chair)
S. Davies
N. Popelianski
A. Tait
D. Tsorbaris

COMPANY SECRETARY

J. Swift

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

383 Swan Street Richmond VIC 3121

BANKERS

Bank of Melbourne
530 Collins Street
Melbourne VIC 3000

AUDITORS

Pitcher Partners
15 Williams Street
Melbourne VIC 3001

DIRECTORS' REPORT

The directors present their report together with the financial report of Kids Under Cover for the year ended 30 June 2017 and auditor's report thereon.

DIRECTORS' NAMES

The names of the directors in office at any time during or since the end of the year are:

Andy Coleman
 Colin Radford
 Sarah Davies
 Nathaniel Popelianski
 Alison Tait
 Helen Kroger [Resigned 17 Nov 2016]
 Deborah Tsorbaris [Appointed 9 Feb 2017]

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

RESULTS

The surplus of the company for the year amounted to \$197,168.

REVIEW OF OPERATIONS

The company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were:

- Provision of one and two bedroom studios
- Provision of scholarships
- Fundraising through gifts, donations, government and philanthropic grants, appeals, events and regular giving programs.

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

SHORT-TERM AND LONG-TERM OBJECTIVES AND STRATEGIES

The Company's short and long term objective is to prevent youth homelessness.

The Company's strategies to achieve this objective include:

- constructing purpose built demountable studios for homeless and at-risk young people
- providing scholarships for education or job training for young people.

In doing this we seek to keep families together, keep young people engaged in education and connected with their community.

PERFORMANCE MEASURES

To evaluate the efficiency and effectiveness of the organisations programmatic activities a monitoring & evaluation framework is in place. The annual evaluation report can be found in the annual report.

AFTER BALANCE DATE EVENTS

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

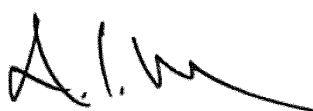
MEETINGS OF DIRECTORS

DIRECTORS	BOARD MEETINGS ELIGIBLE TO ATTEND	NUMBER ATTENDED
Andy Coleman	5	3
Colin Radford	5	5
Sarah Davies	5	5
Nathaniel Popelianski	5	4
Alison Tait	5	4
Helen Kroger	2	1
Deborah Tsorbaris	2	2

MEMBERS GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$1 each towards meeting any outstandings and obligations of the company. At 30 June 2017 the number of members was 6. The combined total amount that members of the company are liable to contribute if the company is wound up is \$6.

Signed in accordance with a resolution of the board of directors.



Andrew Coleman

Director

Date: 10 October 2017



Alison Tait

Director, Treasurer

AUDITOR'S DECLARATION



KIDS UNDER COVER
ABN 76 604 592 013

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF KIDS UNDER COVER

In relation to the independent audit for the year ended 30 June 2017, to the best of my knowledge and belief there have been no contraventions of APES 110 Code of Ethics for Professional Accountants.


M J HARRISON
Partner


PITCHER PARTNERS
MELBOURNE

Date: 11 October 2017

DIRECTORS' QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES

NAME	QUALIFICATIONS AND EXPERIENCE	SPECIAL RESPONSIBILITIES
Andy Coleman	Operations & Supply Chain Director at Coles Supermarkets Australia. Andy is a Chartered Management Accountant and holds an Economics Degree from Nottingham.	Board Chair
Colin Radford	Chief Executive Officer at Victorian Managed Insurance Authority. Colin is a public sector specialist with more than 25 years working in and with government. Colin is currently a Director of the TAC and the Chair of Defence Reserves Support Council (Victoria).	Board Vice Chair
Sarah Davies	Chief Executive Officer of Philanthropy Australia and Board Member of the Centre for Social Impact. Sarah has an extensive background in the tertiary education sector.	Remuneration Committee Chair
Nathaniel Popelianski	Partner at Corrs Chambers Westgarth, Nathaniel specialises in property law, has a Bachelor of Commerce, a Bachelor of Laws, has been in practice since 1997 and is national practice group leader of the Property & Infrastructure Practice.	
Alison Tait	Partner at PwC. Alison holds a Bachelor of Commerce, is a member of the Institute of Chartered Accountants and has over 15 years' experience working with ASX listed companies and large multinationals.	Finance, Audit and Risk Committee Chair
Helen Kroger [Resigned 17 Nov 2016]	Currently providing corporate advisory services to Australian business and is a Senior Counsel with Civic Creative. Helen has an extensive background in the philanthropic, small business, education and corporate sectors.	
Deborah Tsorbaris [Appointed 9 Feb 2017]	Chief Executive Officer at Centre for Excellence in Child and Family Welfare. In her previous roles, Deborah had worked as Director at Department of Health & Human Service and Chief Executive Officer at Council to Homeless Persons.	

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017 \$	2016 \$
REVENUE AND OTHER INCOME			
Government funding		2,695,370	2,678,737
FUNDRAISING			
Donations and gifts		4,452,323	4,087,000
Bequests		447,809	26,600
Other		151,010	141,152
OTHER INCOME			
Investment income		110,582	68,833
Net gain on disposal of non-current assets		142,998	382,893
Sundry income		86,603	19,804
	2	8,086,695	7,405,019
LESS: EXPENSES			
Marketing and fundraising costs			
General marketing and fundraising		(1,131,327)	(1,116,048)
Donate Your Car®		(932,774)	(942,649)
Scholarship program costs		(488,133)	(541,177)
Studio program costs		(4,313,825)	(4,405,360)
Management and administration costs		(1,023,468)	(947,268)
		(7,889,527)	(7,952,502)
SURPLUS / (DEFICIT)		197,168	(547,483)
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Unrealised gain on restatement of financial assets to fair value		10,292	-
			-
OTHER COMPREHENSIVE INCOME FOR THE YEAR		10,292	-
TOTAL COMPREHENSIVE INCOME		207,460	(547,483)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	NOTE	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	4	7,541,792	6,586,619
Receivables	5	463,392	399,086
Other financial assets	6	388,100	-
Other assets	7	161,084	29,971
TOTAL CURRENT ASSETS		8,554,368	7,015,676
NON-CURRENT ASSETS			
Property, plant and equipment	8	7,518,107	8,158,001
TOTAL NON-CURRENT ASSETS		7,518,107	8,158,001
TOTAL ASSETS		16,072,475	15,173,677
CURRENT LIABILITIES			
Payables	9	1,320,677	1,003,549
Provisions	10	361,702	143,110
Other liabilities	11	462,049	232,356
TOTAL CURRENT LIABILITIES		2,144,428	1,379,015
NON-CURRENT LIABILITIES			
Provisions	10	74,769	118,220
TOTAL NON-CURRENT LIABILITIES		74,769	118,220
TOTAL LIABILITIES		2,219,197	1,497,235
NET ASSETS		13,853,278	13,676,442
EQUITY			
Reserves	12	2,190,030	1,526,053
Retained earnings		11,663,248	12,150,389
TOTAL EQUITY		13,853,278	13,676,442

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	CONTRIBUTED EQUITY \$	RESERVES \$	GENERAL FUNDS \$	TOTAL EQUITY \$
BALANCE AS AT 1 JULY 2015	-	1,316,846	12,907,079	14,223,925
Deficit for the year	-	-	(547,483)	(547,483)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	(547,483)	(547,483)
Transfers	-	209,207	(209,207)	-
BALANCE AS AT 1 JULY 2016	-	1,526,053	12,150,387	13,676,440
Surplus for the year	-	-	197,168	197,168
Unrealised gain on restatement of financial assets to fair value	-	10,292	-	10,292
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	10,292	197,168	207,460
Transfers	-	653,685	(684,307)	(30,622)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:				
TOTAL TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS	-	-	-	-
BALANCE AS AT 30 JUNE 2017	-	2,190,030	11,663,248	13,853,278

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017 \$	2016 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Grants and donations received		8,132,353	7,574,647
Payments to suppliers and employees		(4,512,477)	(3,814,905)
Interest received		110,582	68,833
Scholarships paid		(382,191)	(492,596)
NET CASH PROVIDED BY OPERATING ACTIVITIES		3,348,267	3,335,979
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		277,794	421,999
Payment for property, plant and equipment		(2,670,888)	(2,238,964)
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		(2,393,094)	(1,816,965)
RECONCILIATION OF CASH			
Cash at beginning of the financial year		6,586,619	5,067,605
Net increase in cash held		955,173	1,519,014
CASH AT END OF FINANCIAL YEAR		7,541,792	6,586,619

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Charities and Not for profits Commission Act 2012 and Australian Accounting Standards Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers Kids Under Cover as an individual entity. Kids Under Cover is a company limited by shares, incorporated and domiciled in Australia. Kids Under Cover is a not for profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the directors' report.

The following are the significant accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(A) BASIS OF PREPARATION OF THE FINANCIAL REPORT

Historical Cost Convention

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets.

(B) INCOME TAX

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(C) REVENUE

Investment income

Investment income comprises of interest revenue and is recognised when it accrues.

In kind donations

Goods and services donated to the company are included at fair value to the company where this can be quantified. No amounts are included in the financial statements for services donated by volunteers. Goods donated for resale, raffle and auction are included as income when they are sold.

Asset sales

The gain or loss on disposal of all non current assets is determined as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposals.

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

(D) CONTRIBUTIONS GOVERNMENT GRANTS AND DONATIONS

A non reciprocal contribution or grant is recognised when the entity obtains control of the contribution or grant and it is probable that the economic benefits will flow to the entity, and the amount of the contribution or grant can be measured reliably.

If conditions attached to the contribution or grant that must be satisfied before the entity is eligible to receive the contribution, recognition of contribution or income is deferred until those conditions are met.

A non reciprocal donation is recognised when the right to receive a donation has been established.

When the entity receives grants but is obliged to give directly approximately equal value to the contributor, recognition of grant income will be deferred until the delivery of service.

(E) FINANCIAL INSTRUMENTS

Donated financial assets

Financial assets donated to the group are recognised at fair value at the date the group obtains the control of the assets.

(F) PROPERTY, PLANT AND EQUIPMENT

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

Any property, plant or equipment donated to the company or acquired for nominal cost is recognised at fair value at the date the company obtains control of the assets.

Houses

Houses are carried at deemed cost less, where applicable, accumulated depreciation.

The land on which the houses are situated is utilised under a long term lease from the government and is not owned by the company.

Houses where the asset value is expected to be realised within the next 12 months, are considered assets held for sale, and have been reclassified as such. Other houses remain classified as property, plant and equipment.

Studios

Studios are carried at deemed cost less, where applicable, accumulated depreciation and accumulated impairment losses.

All studios currently held, irrespective of funding source, are the property of the company.

Plant and equipment

Plant and equipment is carried at cost less accumulated depreciation.

Depreciation

Items of property, plant and equipment (other than land) are depreciated over their useful lives to the company commencing from when the asset is held ready for use. Depreciation is calculated on a straight line and diminishing value basis over the expected economic lives as follows:

CLASS OF FIXED ASSET	DEPRECIATION RATES	DEPRECIATION BASIS
Houses at cost	5%	Straight line
Studios at cost	25%	Straight line
Leasehold improvements at cost	33%	Straight line
Motor vehicles at cost	25%	Diminishing value
Office equipment at cost	5% – 40%	Diminishing value

(G) IMPAIRMENT

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Depreciated replacement costs is used to determine value in use. Depreciated replacement costs is the current replacement cost of an asset less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

(H) EMPLOYEE BENEFITS

(i) Short term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the annual reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short term employee benefit obligations are presented as payables in the statement of financial position.

(ii) Long term employee benefit obligations

The provision for other long term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated

future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. Any remeasurements for changes in assumptions of obligations for other long term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long term employee benefit obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long term employee benefit obligations are presented as non current liabilities in the statement of financial position.

(I) LEASES

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

(J) GOODS AND SERVICES TAX (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(K) COMPARATIVES

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(L) ECONOMIC DEPENDENCY

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
NOTE 2: REVENUE AND OTHER INCOME		
Grant funding		
Government funding	2,695,370	2,678,737
Fundraising		
Donations and gifts	4,452,323	4,087,000
Bequests	447,809	26,600
Other	151,010	141,152
	5,051,142	4,254,752
Other income		
Investment income	110,582	68,833
Net gain on disposal of non-current assets	142,998	382,893
Sundry income	86,603	19,804
	340,183	471,530
	8,086,695	7,405,019

NOTE 3: OPERATING SURPLUS

Surplus / (deficit) has been determined after:

Depreciation		
- houses & studios	3,145,499	2,945,631
- leasehold improvements	1,540	1,296
- motor vehicles	15,888	7,363
- office furniture and equipment	13,004	27,166
	3,175,931	2,981,456
Employee benefits	1,576,560	1,487,226
Net loss on disposal of non-current assets		
- Loss on sale of property, plant and equipment	408,977	598,852

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

	2017 \$	2016 \$
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash on hand	158	226
Cash at bank	7,541,634	6,586,393
	7,541,792	6,586,619
NOTE 5: RECEIVABLES		
CURRENT		
Trade debtors	332,162	96,800
Other receivables		
Accrued income	108,916	221,103
GST receivable	22,314	81,183
	131,230	302,286
	463,392	399,086
NOTE 6: OTHER FINANCIAL ASSETS		
CURRENT		
Available-for-sale financial assets		
At fair value:		
Shares in listed corporations	388,100	-
NOTE 7: OTHER ASSETS		
CURRENT		
Prepayments	36,325	29,971
Assets held for sale	124,759	-
	161,084	29,971
NOTE 8: PROPERTY, PLANT AND EQUIPMENT		
Houses		
At cost	251,675	1,456,073
Accumulated depreciation	(151,006)	(1,031,842)
	100,669	424,231

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

	2017 \$	2016 \$
Studios		
At cost	18,080,720	15,739,838
Accumulated depreciation	(10,766,386)	(8,070,121)
	7,314,334	7,669,717
Leasehold improvements		
At cost	4,620	4,620
Accumulated depreciation	(2,836)	(1,296)
	1,784	3,324
Total land and buildings	7,416,787	8,097,272
Plant and equipment		
Motor vehicles at cost	96,713	59,603
Accumulated depreciation	(27,526)	(37,515)
	69,187	22,088
Office equipment at cost	68,869	62,226
Accumulated depreciation	(36,736)	(23,585)
	32,133	38,641
Total plant and equipment	101,320	60,729
Total property, plant and equipment	7,518,107	8,158,001
(a) Reconciliations		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Houses</i>		
Opening carrying amount	424,231	693,035
Disposals	(137,031)	(174,211)
Depreciation expense	(61,772)	(94,593)
Reclassified as held for sale	(124,759)	-
Closing carrying amount	100,669	424,231

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

	2017 \$	2016 \$
<i>Studios</i>		
Opening carrying amount	7,669,717	8,708,798
Additions	3,048,289	2,216,569
Disposals	(461,549)	(404,613)
Depreciation expense	(3,083,727)	(2,851,037)
Reversal of relocation provision	141,604	-
Closing carrying amount	7,314,334	7,669,717
<i>Leasehold improvements</i>		
Opening carrying amount	3,324	-
Disposals	-	4,620
Depreciation expense	(1,540)	(1,296)
Closing carrying amount	1,784	3,324
<i>Motor vehicles</i>		
Opening carrying amount	22,088	29,450
Additions	67,489	-
Disposals	(4,502)	-
Depreciation expense	(15,888)	(7,362)
Closing carrying amount	69,187	22,088
<i>Office fittings and equipment</i>		
Opening carrying amount	38,641	90,786
Additions	6,496	17,775
Disposals	-	(42,754)
Depreciation expense	(13,004)	(27,166)
Closing carrying amount	32,133	38,641

	2017 \$	2016 \$
NOTE 9: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	1,072,691	630,811
Sundry creditors and accruals	247,986	372,738
	1,320,677	1,003,549
NOTE 10: PROVISIONS		
CURRENT		
Employee benefits (a)	122,388	95,910
Scholarships	239,314	47,200
	361,702	143,110
NON CURRENT		
Employee benefits (a)	8,769	2,720
Scholarships	66,000	115,500
	74,769	118,220
(a) Aggregate employee benefits liability	131,157	98,630
NOTE 11: OTHER LIABILITIES		
CURRENT		
Grants received in advance	462,049	232,356
NOTE 12: RESERVES		
Studio program reserve	1,497,435	851,425
Scholarship program reserve	472,309	464,634
Scholarship endowment reserve	209,994	209,994
Fair value reserve	10,292	-
	2,190,030	1,526,053

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

NOTE 12: RESERVES (CONTINUED)

Studio program reserve:

The studio program reserve has been established to record funds raised by donation to the company for use in its studio program.

Scholarship program reserve:

The scholarship program reserve has been established to record funds raised by donation to the company for use in its scholarship program.

Scholarship endowment reserve:

The scholarship endowment reserve was established from funds received from the Estate of Cecelia Murnane. These funds are held in perpetuity with 80% of the income relating to these funds being used to pay scholarships and the balance retained to increase the fund.

Fair value reserve:

The fair value reserve represents unrealised increments in the market value of the share portfolio received through the Bequest of Kathleen Allen.

	2017 \$	2016 \$
NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION		
Compensation received by key management personnel of the company		
- short-term employee benefits	540,638	530,259
- post-employment benefits	50,742	46,703
	591,380	576,962

The above remuneration for KPM's relates to 4 full time equivalents.

NOTE 14: RELATED PARTY TRANSACTIONS

(a) Directors

Directors of the Company in office during the year are disclosed in the directors' report that accompanies these financial statements.

(b) Directors' compensation

The directors act in an honorary capacity and receive no compensation for their services.

(c) Transactions with director-related entities

There were no transactions with directors or director related entities during the financial year and no amounts payable or receivable from directors or director related entities at the reporting date.

2017 \$	2016 \$
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NOTE 15: CAPITAL AND LEASING COMMITMENTS

(a) Operating lease commitments

The Company has entered into a commercial lease for the head office premises. Future minimum rentals payable under non-cancellable operating leases as at the reporting date:

Payable		
- not later than one year	153,457	148,988
- later than one year and not later than five years	12,819	166,276
	166,276	315,264

NOTE 16: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$1 each towards meeting any outstanding obligations of the company. At 30 June 2017 the number of members was 6. The combined total amount that members of the company are liable to contribute if the company is wound up is \$6.

NOTE 17: COMPANY DETAILS

The registered office of the company is:

Kids Under Cover
383 Swan Street,
RICHMOND VIC 3121

DIRECTORS' DECLARATION

KIDS UNDER COVER
ABN 76 604 592 013

DIRECTORS' DECLARATION

The directors declare that:

1. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
2. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director:  _____ Director:  _____
Andy Coleman Alison Tait

Dated this 10th day of October 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIDS UNDER COVER



KIDS UNDER COVER
ABN 76 604 592 013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIDS UNDER COVER

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the ACNC Act and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



KIDS UNDER COVER
ABN 76 604 592 013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIDS UNDER COVER

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

M J HARRISON

Partner

Date 6 October 2017

PITCHER PARTNERS

MELBOURNE

THANK YOU

During 2016/17 our vision of a community where no young person is homeless was shared by so many.

On behalf of the young people and families we support, the team at Kids Under Cover sincerely thank all of our patrons, ambassadors, funders and donors. Thank you to all of our individual, community, philanthropic, corporate and government supporters, the generous organisations who provided pro bono services, our building crews, and every volunteer who gave their valuable time and skills to enable us to do what we do.

Every dollar given and every hour of support gifted is vital, and ensures that we can continue to make a difference to the lives of so many young people. Thank you.

Founding Patron

- Ken Morgan OAM

Patrons

- Herb Elliott AC MBE
- Tommy Emmanuel AM
- Athol Guy AO
- Incolink
- Master Builders Association of Victoria
- Ian 'Molly' Meldrum AM
- The Honourable Martin Moynihan AO QC
- Daryl Somers OAM

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- Besen Family Foundation
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- Lions Club of Reservoir Inc.
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- Matana Foundation for Young People
- Newsboys Foundation
- Norman, Mavis & Graeme Waters Perpetual Trust

- Probuild Constructions Pty Ltd
- Project Street 730
- Suitters Foundation
- The Marian & E.H. Flack Trust
- The Ould Family

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- Adshel
- Alan Couper
- All Souls Opportunity Shop
- AMP Foundation
- Andrew Gill
- APN Outdoor
- ArtWrap Pty Ltd
- Better Homes & Gardens, Channel 7
- BlueStar Direct
- BP Australia
- Breadwinner Australia Pty Ltd
- Brennan IT
- Brunswick North West Primary School
- Capture Point Media
- Charities Aid Foundation Australia
- Christ Church Grammar School
- Christmas Elves
- Conquest Recruitment Group
- Corrs Chambers Westgarth
- Custom Merchandise
- Datt Family Foundation
- Dennis Clark
- Devine Limited
- Direct Response Media
- EraseIT
- Eva Beck Baker Design
- EY
- Ezidebit
- Fundraising Force
- Geelong Community Foundation
- Gibson Giving Circle
- Golden Messenger Courier
- Goodman Foundation
- GPI Corporate
- Grin Creative
- HardHat Digital

- Herald Sun
- Highlands Foundation
- HPS Pharmacies
- Jack and Hedy Brent Foundation

- Jenkins Family Foundation
- Karma Currency Foundation
- Link 21 Foundation
- M & L Attwood Fund
- ManInc
- Macpherson Kelley Foundation
- Megagraphics Photography
- Melbourne Girls' College
- Melissa Ryan Princess Foundation Fund
- Mondo
- Moore Stephens
- Myer Family Company Staff Foundation
- Nicholas R Taylor Fund
- Online Permit Solutions Pty Ltd
- Orchard Grove Primary School
- Paulusz Family Foundation
- RACV Royal Auto
- Rapid Finance
- Riis Strategic Consulting
- Rotary Club of Greensborough
- Rothfield Print Management
- SBS Foundation
- Shenton College
- Shulu Foundation
- S&J Media Group
- Springvale Homemaker Centre
- St Bartholomew's Anglican Church
- Telstra Foundation
- The Benchmark Group
- The Flew Foundation
- The William Angliss (Vic) Charitable Fund
- Uberbrand
- Vertic

- Westprecinct Fully Furnished Apartments
- Wood Family Foundation
- Wright Approach Marketing

Donate Your Car® Partners

- Australasian Fleet Management Association
- Banyule City Council
- Hume City Council
- Manheim
- Moreland City Council

Cubby House Challenge® Partners

- Agency of Sculpture
- Bosch
- Capture Point Media
- Dulux
- FKD Studio
- FMSEA Architecture
- Gandel Philanthropy
- Get Lost Magazine
- Grimshaw Architecture
- Harris HMC
- Harvey Norman
- iSell Group
- Jellis Craig
- Master Builders Association of Victoria
- McKern Steel
- Modern Truck & Trailer Repairs
- Nelson Alexander
- Ortech Industries
- Playce
- Porter Davis
- Printco
- Probuild
- RMIT D_Lab
- Rondo
- RT Edgar
- Warrick Home Builders
- Woodards
- Melbourne International Flower & Garden Show
- Manheim
- No Fuss Event Hire
- Solomon Airlines
- Warners Nurseries

WANT TO GET INVOLVED?

There are a variety of ways to be involved in the work we do at Kids Under Cover. Without the support of like-minded people, we could not continue to pursue our vision of a community where no young person is homeless.



MAKE A DONATION

Every donation, large and small, does make a difference. You can donate easily online at kuc.org.au OR call us 1800 801 633.



DONATE YOUR CAR®

Our Donate Your Car® program is free, tax-deductible, and a fast alternative to selling or trading your vehicle.



FUNDRAISE FOR US

There are many opportunities to fundraise for us throughout the year, from taking part in a fun run event to holding your own event.



WORKPLACE GIVING

A regular, pre-tax donation straight from your pay is easy to setup and you receive tax benefits.



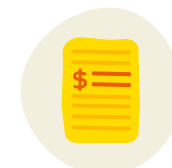
CORPORATE BUILD PROGRAM

Build your team while building a brighter future for young people. For partners who contribute to the funding of a studio, Kids Under Cover can provide a unique team building experience for staff and other volunteers.



REGULAR GIVING

Much like workplace giving, regular giving is a commitment to donate on a regular basis.



LEAVE A GIFT IN YOUR WILL

Choosing to leave a bequest is a lasting and generous legacy, which will benefit young people beyond your lifetime.



VOLUNTEERING OPPORTUNITIES

Volunteers are the backbone of many things we do throughout the year. Often we have opportunities for you to become involved as a volunteer at our events, in the office and at other community fundraising events.

Find out more about our work and ways to get involved by visiting;
kuc.org.au | donateyourcar.org.au | boardforacause.org.au | cubbyhousechallenge.org.au



**Building foundations
to prevent youth
homelessness**



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