

CONTENTS

2018-19 HIGHLIGHTS	3
30 YEAR MILESTONES	4
BOARD & CEO MESSAGE	6
TREASURER'S MESSAGE	7
STUDIO PROGRAM	8
PROGRAM INNOVATION	14
SCHOLARSHIP PROGRAM	16
OUR SUPPORTERS	18
LEADERSHIP TEAM	23
BOARD AND GOVERNANCE	24
FINANCIAL REPORT	26
THANK YOU	46

COVER: This year we celebrated 30 years of preventing youth homelessness. Our success can be attributed in no small part to the hard work and diligence of our team and to an enormous amount of support from the community and our partners. These portraits, from The Kids Under Cover 30th Anniversary Photo Exhibition, acknowledge the extraordinary contributions of the many individuals and groups and all those they represent in accommodating more than 3200 vulnerable young people since 1989. Photography by Mercury Megaloudis.

ACKNOWLEDGEMENT OF COUNTRY: We acknowledge the Traditional Custodians of the land on which we live and work, and recognise their continuing connection to land, water and community. We pay respect to Elders past, present and emerging.

DESIGN: Grin Creative.

*Names have been changed to protect identities.

KIDS UNDER COVER'S VISION:

WHERE NO YOUNG PERSON IN OUR COMMUNITY IS HOMELESS

ABOUT US

Leading the way in early intervention and prevention, Kids Under Cover supports young people between the ages of 12 and 25 years, who are experiencing or at risk of homelessness. Since 1989 we have been delivering programs that are life-changing for entire families.

The Studio Program is at the heart of Kids Under Cover's work. One or two-bedroom studios (with a bathroom) are installed in the backyard of a family or carer's home, giving young people their own secure and stable space to thrive.

These young people (and those eligible living in the main home) can then access a Kids Under Cover Scholarship to assist with the financial costs associated with education or training and to help them realise their goals.

Kids Under Cover has accomplished a lot since 1989 – but whilst there are young people who are experiencing or at risk of homelessness, there is still much to be done.

OUR MISSION:

Providing young people at risk of homelessness the foundations to strengthen their connection to family, community and education and make a lasting difference in their lives.

OUR VALUES:

- Empathy
- Collaboration
- Resilience
- Engagement
- Integrity

KIDS UNDER COVER 2018-19 HIGHLIGHTS













1989.

KIDS UNDER COVER FORMED

Ken Morgan OAM forms Kids Under Cover after the ground-breaking National Inquiry into Youth Homelessness reveals shocking rates of homelessness.

ABOVE: KEN MORGAN OAM.

1991

FIRST BUILDING PROJECT

Kids Under Cover's first project, a house for homeless mothers is opened.

ABOVE: ONE OF KIDS UNDER COVER'S FIRST STUDIOS.

1992

FIRST STUDIO BUILT

The first portable studio was designed and built for a foster family in Box Hill.

ABOVE: TRANG REPRESENTS THE YOUNG PEOPLE WHO LIVED IN KIDS UNDER COVER HOUSES. READ MORE ON PAGE 8. 1994.

STUDIO DESIGNS REFINED

Refinements in designs and materials led to the use of wheat-straw fibre panels, creating an environmentally-friendly and 6-star energy rated product. Read more on page 8.

1996

INAUGURAL UMBRELLA BALL

This iconic event ran for a number of years, raising much-needed funds for Kids Under Cover.

ABOVE: (L-R) MARY MOORE, LENKA MORGAN, MYRANE ALBERT AND DEIRDRE MCLAREN -UMBRELLA BALL COMMITTEE. 2003

MOLLY MELDRUM AM WINS ON WHO WANTS TO BE A MILLIONAIRE

We received an incredible \$250,000 donation as Molly Meldrum AM's chosen charity.

ABOVE: IAN 'MOLLY' MELDRUM AM.



2004____2006.

SCHOLARSHIP PROGRAM LAUNCHED

A privately funded program to help young people pursue education or training. Read more on page 16.

ABOVE: SCHOLARSHIP RECIPIENT BRITTNIE WITH HER BROTHER JESSE.

DONATE YOUR CAR PROGRAM

LAUNCHED Car owners donate their unwanted vehicle. The car is then sold with all proceeds going to Kids Under Cover. Read more

ABOVE: CARS DONATED TO THE PROGRAM.

on page 22.

2009

CUBBY HOUSE CHALLENGE LAUNCHED

Members of the building industry create unique children's cubby houses to be displayed and auctioned with all funds directed to studio and scholarship programs.

ABOVE: SUPPORTERS OF THE CUBBY HOUSE CHALLENGE.

2014

INAUGURAL KEN AND LENKA MORGAN SCHOLARSHIP AWARDED

A scholarship to help an exceptional young person pursue personal, education and career goals. Read more on page 17.

ABOVE: WINNER OF THIS YEAR'S KEN AND LENKA MORGAN SCHOLARSHIP, ALI.

.2018

NESTD™ INCORPORATED

A social enterprise providing a range of designed compact homes with 100% of profits going back to Kids Under Cover. Read more on page 22.

2019

30 YEARS

Kids Under Cover celebrates 30 years of making a transformative impact in the lives of young people who are experiencing homelessness or at risk of homelessness.

ABOVE: KIDS UNDER COVER STAFF 2019.

BOARD & CEO MESSAGE

We are delighted to share with you the 2019 Kids Under Cover Annual Report.

In this, our 30th anniversary year, we are reminded of the importance of our work in the lives of young people and families in preventing youth homelessness, and the extraordinary privilege it is to be part of the Kids Under Cover story.

Our 2019-2021 Strategic Plan focuses on innovation. Through the increased reach of our core Studio Program we are able to deepen the impact that we have in the lives of young people and their families. This impact is most visible through the evaluation results of our programs;

Innovation has enabled us to reach some of the most vulnerable young people in our state; those living in out-of-home care. Through our Village 21 and Short Stays Studio Program (SSSP), we have extended the relationships with our Community Service Organisation partners and developed new housing solutions which will contribute to the stock of affordable housing in Victoria, and establish new solutions for future generations.

Similarly, our social enterprise Nestd[™] has provided an opportunity to communicate the work of Kids Under Cover while generating income as a separate commercial entity. With the increasing demand for compact living and solutions for affordable homes, Nestd[™] is in the early

Homelessness is not just about a roof overhead, it's about having a stable and secure place to call home. It's about having a solid foundation upon which young people are afforded the support, the security and the care they need to explore their potential and become happy, healthy and productive members of the community.)

– Jo Swift, CEO Kids Under Cover

from improved family relationships and reduced conflict to increased participation in education and training. It is evident that there is indeed power in prevention and that we are delivering upon our strategic priorities.

Our reach is also evident in the growth in the number of studios which we have been able to build this year, extending our programs to more than 800 young people, their families and communities. While we have been able to build 101 studios this year, there is still so much more that needs to be done. We recognise that the complex experiences of the families we support means that the need continues to increase, and we are determined to keep up.

phases of market development to create a sustainable income stream to support our core work.

All of our programs are made possible because of the shared vision and support of extraordinary government, philanthropic, corporate and individual donors and funding partners. The shared understanding of the role of prevention continues to inspire us in our day-to-day work. Our community of volunteers represent the vanguard of our advocacy – leading the message of prevention and support for those experiencing or at risk of homelessness far and wide.

Young people today are considered to face the most difficult social, political and economic consequences



in decades which threatens to derail the cohesion of our societies. OECD data suggests that we are seeing the largest generation of young people in human history. Investment in this group will yield dividends today, for these young people into adulthood and for future generations.

We recognise the importance of our roles as stewards of Kids Under Cover and we are immensely grateful to our staff for their shared passion and commitment to achieving our vision of a community where no young person is experiences homelessness.

Colin Radfo

Chai

Jo Swift

CS4

TREASURER'S MESSAGE



Our financial sustainability continues to be a strategic priority, which is highlighted by our Financial Statements for the 2018-19 year. We have continued to focus on our mission of preventing youth homelessness and focused firmly on impact and innovation.

Our total revenue has increased this year by \$1.1 million, attributable to growth in both government and philanthropic support. The support from the Victorian Government across two portfolios has underpinned this revenue increase, and the continued support of Philanthropic Partners and individual donors has demonstrated their deep connection to our work.

The Donate Your Car program continues to provide solid income contribution to Kids Under Cover. This year we have focussed on operational optimisation to reduce costs and improve average net return per vehicle donated.

Our social enterprise $Nestd^{TM}$ continues its early phase development of the product portfolio; responding to the

feedback received from participation in a number of home shows during the year. We anticipate that Nestd™ will build on its first sale achieved during 2018-19 and generate a return to Kids Under Cover in the near future.

Management continues to focus on the control of expenses. Our marketing and fundraising costs increased in 2018-19, attributable to Kids Under Cover's participation in The Block television show and associated increase in national profile. Increases in management and administration costs are associated with the significant growth in the number of studios built in the 2018-19 year (101 compared to 55 in 2017-18).

This growth in our programs and the associated costs, along with early stage costs of Nestd TM , have resulted in an overall deficit for 2018-19 of \$0.87 million.

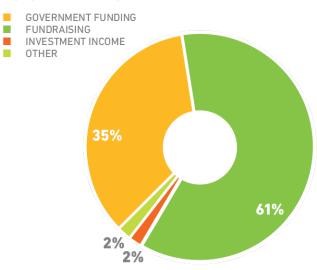
Critical to our financial sustainability is our ability to maintain cash reserves. Our cash reserves include encumbered funds that were received close to the end of the financial year and are committed to programs in future years. Additionally, the nature of our relocatable studios requires us to maintain reserves to support future studio maintenance and relocation where required.

With anticipated growth, our emphasis on financial sustainability across all revenue streams continues. Our innovation across all areas of our work and the transformative impact of our programs will continue with our diligent attention to our financial position.

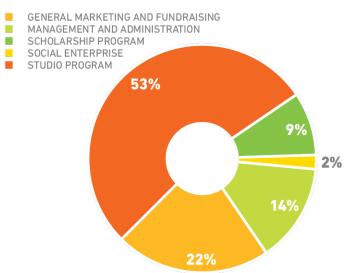
We thank Pitcher Partners, our auditors, for their generous time and expertise in supporting our financial stewardship, governance and work towards a community where no young person experiences homelessness.

Alison Tait Treasurer Arson Jan 7

2018-19 REVENUE



2018-19 EXPENDITURE



STUDIO PROGRAM

This year 837 young people called a Kids Under Cover studio home. The Kids Under Cover Studio Program is at the heart of the work that we do and is an early intervention and prevention model that has been shown to interrupt the spiral of youth homelessness.

Australia is facing a youth homelessness crisis. Over 40% of people experiencing homelessness are under 25 years old. Many young people experiencing homelessness bounce between friends' couches or cram into overcrowded accommodation. All while trying to juggle study and the challenges of homelessness. For families on the brink of breakdown and young people at risk of homelessness, a Kids Under Cover studio can be life-changing.

To:kuc@kuc.org.au
Subject:Double Studio

I just wanted to say THANK YOU!! to all of you at KUC! The double studio is AMAZING and SO beautiful inside! My kids are RAPT!!!

The workers were fantastic - respectful, unobtrusive, tidy and efficient - all done in just over a week. I cannot stress enough what an impact it's making on the family - even after only a few weeks - the kids have FINALLY got their OWN personal, private space and the constant fighting and aggro (of 6 male youths) has de-escalated DRAMATICALLY!

As a mother I was constantly trying to get in between and defuse the aggressive tension, terrified it was only a matter of time before something dire and tragic would happen. Now I find I'm beginning to finally breathe again. I cannot express how humbly grateful I am for that. THANK YOU!!!

Text received from a carer.

STUDIO GROWTH

This year we built 101 studios, providing safe and secure accommodation for 140 at-risk young people. By working closely with our Community Service Organisation partners, we have been able to have a transformative impact in the lives of these young people and their households. Our studios do more than just provide space – they give young people a sense of independence and support those engaged in education with a place to study.

This brings the total number of studios on the ground at the end of this financial year to 552. During the year we retired 20 studios and houses, due to their age and condition. Refer to page 10 for an overview of our studios.

Our Studio Program is made possible thanks to the generous support of our Community, Corporate and Philanthropic Partners, along with the support of the Victorian Government. Their shared vision of a future where no young person experiences homelessness enables us to continue providing stable and secure accommodation that changes lives.

PROUDLY AUSTRALIAN MADE

We are proud that our studios are 100% Australian made with 100% Australian materials. Our studios are made with Durra Panel, an environmentally sustainable material. Durra Panel is an innovative building material made from the agricultural waste by-product from farming that would otherwise be burnt contributing to carbon emissions. Our studios are manufactured locally by Ortech, a family business based in Bendigo that we have been working with for over 25 years.



30 YEARS AND BUILDING

Over the past 30 years we have been able to have a life changing impact in the lives of thousands young people and their families, like Trang.

"When I was 11 years old, I was living with my father and step-mother and sharing a bedroom with my two sisters and grandmother. Due to ongoing abuse and trauma, I was placed in foster care, moving from foster home to foster home, eventually becoming a ward of the state.

Just before my 16th birthday, I moved into a Kids Under Cover house with two other girls who were just like me. It was not just a house, it was a home. A place I retreated to when times were tough. A place where I knew I would hear kind words and have a safe place to sleep at night. I felt loved. Kids Under Cover provided me with a secure and stable environment so I could continue, and go on to finish, my high school education and then enter tertiary studies.

I am now 38 years old, am the mother of a beautiful 13 year-old daughter and work as a court officer. I am currently building my first house – a home for my daughter and me which will be filled with love and laughter, the opposite of what I had when I was her age.

I hate to think what could have happened to me if Kids Under Cover hadn't stepped in when they did. I may have left high school without the prospect of employment, become homeless, gotten involved in drugs, assaulted or worse. I am so grateful for Kids Under Cover's support – and to all the people who support Kids Under Cover. Thank you".



MAINTAINING STUDIOS AND RELATIONSHIPS

Ensuring that our 552 studios are well-maintained and are meeting the needs of the young people living in them is a priority for us. As the number of studios continues to grow, this year we undertook the exciting initiative of adding a Maintenance Technician to our team. This has enabled us to undertake annual audits of our studios.

Our valued partners Macutex continued to provide incredible support by auditing our interstate studios located in the ACT and NSW.

Our technician hit the road, travelling more than 60,000 kms, to visit studios checking on everything from the smoke detectors to doors and plumbing and, of course, doing what we do best, preventative work in the form of maintenance.

Having a Kids Under Cover team member doing face to face studio visits has meant that we have been able to build better relationships with our carers and young people. We have also been able to communicate the Kids Under Cover Scholarship Program to ensure that familie are aware of the funding available to the young people in the household to support their educational needs.



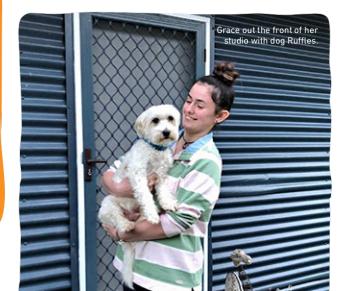
SAVING GRACE

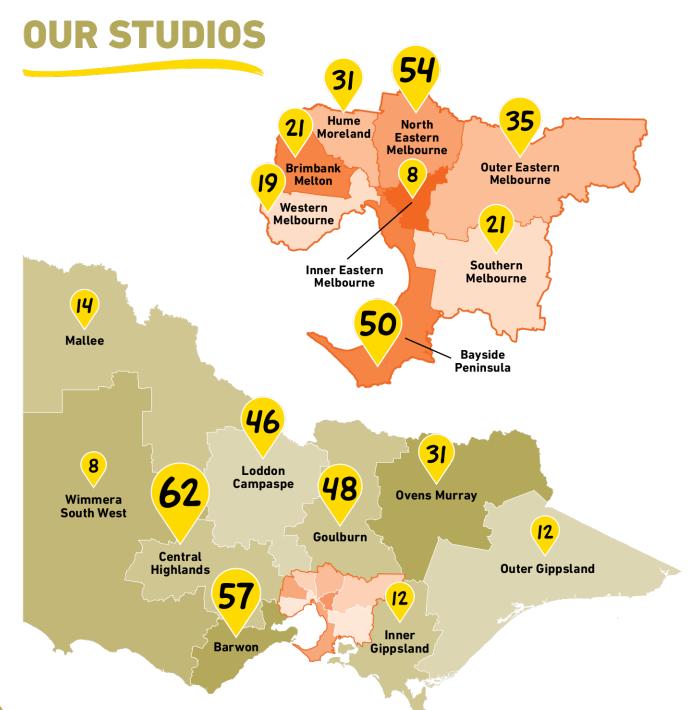
After the death of their parents in 2016, Nicole and Rohan didn't think twice about becoming the carers for their niece Grace and nephew Jordan. However, with five people squeezed into a two-bedroom home, overcrowding became a real issue for the household. This all changed when a Kids Under Cover studio was built in their backyard. Nicole said that the impact of the studio cannot be underestimated.

We are ever so grateful to be provided one. I can't tell you the difference it has made. The time before the studio was really tough. Looking back, we realise how much we all had to persevere through really tough times.

The future is looking brighter for the whole family now. Jordan is in his fourth year of university, is married and lives independently. Grace, now 15 years old, is living in the studio and is a talented student. She takes pride in her studio and her bedroom is fitted out with a sewing machine and desk for art supplies.

The outcome for Grace has been incredible. She is part of a family full of love for her, but she is gaining so much independence and has her own study space too. She is going from strength to strength.



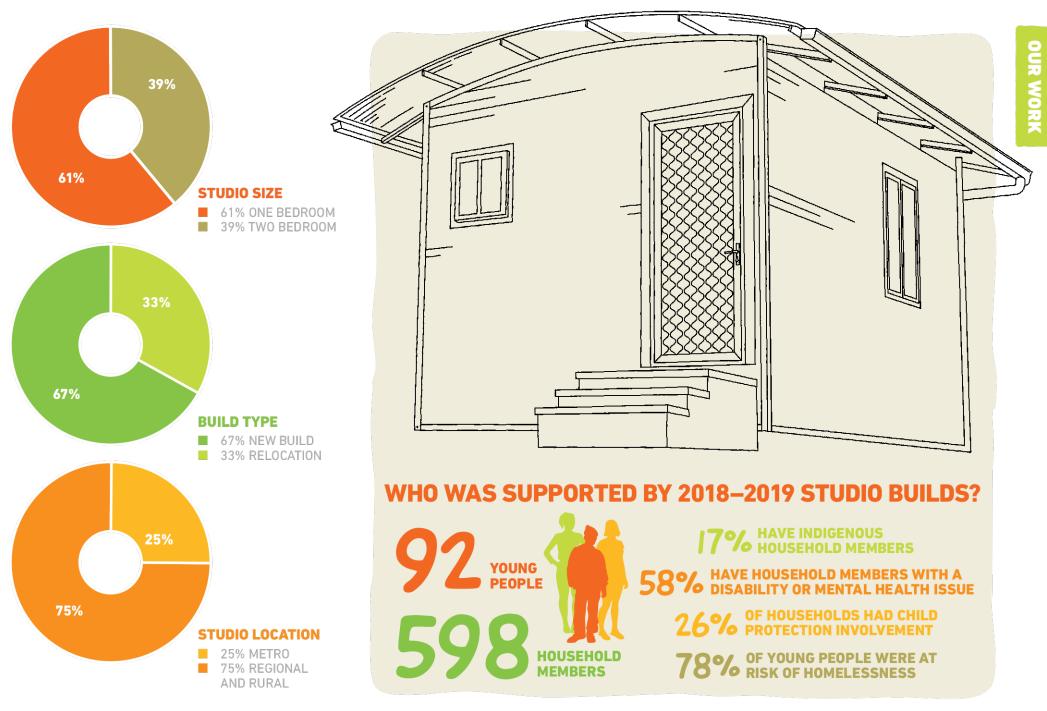


As this map demonstrates, Kids Under Cover studios are supporting young people all across Victoria. Our studios are having a life-changing impact for individuals and households in rural, regional and metropolitan communities.

We are also currently supporting households in New South Wales and the Australian Capital Territory.

As further discussed on page 14, we are diligently exploring the possibility of further expanding our programs' reach in other states of Australia in the future.

DHHS Area	New 2018-19	Total
Barwon	10	57
Bayside Peninsula	11	50
Brimbank Melton	-	21
Central Highlands	14	62
Goulburn	8	48
Hume Moreland	4	31
Inner Eastern Melbourne	-	8
Inner Gippsland	5	12
Loddon Campaspe	13	46
Mallee	5	14
North Eastern Melbourne	9	54
Outer Eastern Melbourne	5	35
Outer Gippsland	2	12
Ovens Murray	8	31
Southern Melbourne	1	21
Western Melbourne	2	19
Wimmera South West	4	8



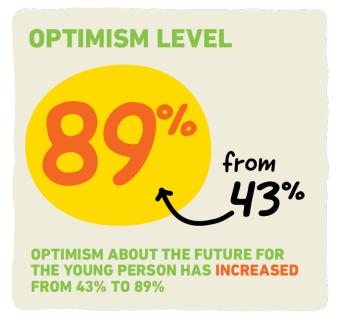
LIFE CHANGING STUDIOS

The extraordinary impact that Kids Under Cover has in the lives of young people and families is made clear through the annual program evaluations, undertaken by DBM Consultants. These evaluations have clearly demonstrated the positive difference experienced by individuals and families as a result of the preventative work of Kids Under Cover. The messages and comments from carers show the significance of the impact a studio and scholarship on the lives of those people we support.

This year, DBM Consultants conducted interviews with 120 carers of young people who were Kids Under Cover studio residents in 2018-19. These interviews provided fantastic qualitative and quantitative data around the impact of Kids Under Cover's programs, and confirms that the positive impacts of the studios are all encompassing in the young person's life.

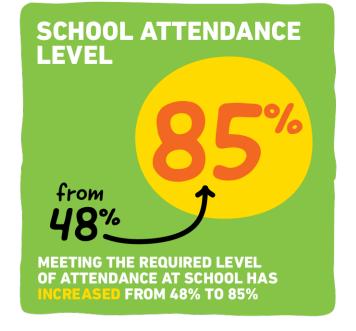
IMPACT OF A STUDIO

	2019
Before	43%
After	89%
Before	78%
After	27%
Before	31%
After	4%
Before	35%
After	6%
Before	41%
After	97%
Before	18%
After	94%
Before	93%
After	10%
Before	74%
After	97%
Before	44%
After	89%
	After Before After



He's very optimistic about his future, and he hopes in the near future he gets his own place, because he works full—time. It's made a huge difference. I'd go as far as saying that it's been a life saver for him.

They couldn't do their homework [before] and now they're wanting to study, so they can aim to be high up in the police force. I'm so grateful for this, we haven't looked back since this.



HAPPINESS LEVEL

INCIDENCE OF YOUNG PERSON BEING USUALLY/ALWAYS HAPPY INCREASED FROM 18% TO 94%

[The studio has helped] Massively he is a totally different person now, because he has his own space.

FAMILY CONNECTION

INCIDENCE
OF FAMILIES
GETTING ON
QUITE OR VERY
WELL HAS
INCREASED
FROM 41%
TO 97%



It's enabled them to have a future, cause without it they wouldn't have one.

She is far more settled, has her own space, she feels safe. It's a sense of security and a real inner peace.

CONFLICT DECREASE

INCIDENCE OF FREQUENT CONFLICT HAS DECLINED FROM 55% TO 6%

She is less anxious, more outgoing.

More willing to do things for herself.

She has just got a better outlook on life, she feels like she belongs somewhere.

Got something of her own.

MORE TIME AT HOME

DECLINE IN TIME AWAY FROM THE PROPERTY A LOT/FAIR AMOUNT OF TIME FROM 35% TO 6%

It's given him his independence, and an outlet where he doesn't have to leave the home. He stayed at school, which is amazing, and this really helped.

She has really bad mental health issues, her mental health has improved because it's provided her with her own space.

HIGH-RISK BEHAVIOUR



All I know is that he was out of control before he moved in, completely... He was doing hard drugs, criminal activities, and incarceration. Since he's had the studio he hasn't done any of that.

PROGRAM INNOVATION

SHORT TERM STAYS, LONG TERM IMPACT

This year we continued to experience success with our Short Stays Studio Program (SSSP), which confirms the importance of this program in the lives of young people requiring crisis accommodation. We were able to provide essential short-term crisis accommodation within a safe and supportive environment to two young people this year in our Ballarat Short Stays studio. Long-time foster carers Maria and Paul enjoy being able to support their own children and foster children, along with the young people requiring emergency accommodation in the Kids Under Cover studio. We thank them for their ongoing support.

In 2019-20 we will add more Short Stays studios enabling us to grow the support that we can provide to young people requiring crisis accommodation. The second studio will also be located in Ballarat and we have partnered with Berry Street to deliver this service.

The support provided by a number of our Philanthropic Partners has enabled this program to move swiftly from pilot to expansion, as we look to add more studios to support vulnerable young people and extend our reach particularly across regional and rural areas of Victoria.



Scott* was experiencing a long-term placement breakdown and there were no other out-of-home care options available to him, until he moved into the Kids Under Cover studio. During his six months in the studio, Scott was able to recover from his difficult situation and enjoyed having a space to call his own. He has now moved in to a new long-term foster care environment.



A HELPING HAND

In response to requests from our Community Service Organisation partners over the years, Kids Under Cover has identified the possibility of interstate expansion within the current Strategic Plan.

With the support of the Helping Hands Foundation, the workplace giving program of JB Hi-Fi, we have embarked on a diligent exploration of the possibility of working in other states of Australia. This work commenced late in 2018-19 and will include analysis of the needs across various local government areas combined with consideration of partnerships to support young people and families in need.



IT TAKES A VILLAGE

Village 21 is designed to build life skills and provide opportunities for young people exiting out-of-home care when they reach the age of 18.

A first-of-its-kind, Village 21 is a scaled-up, co-located version of the existing Kids Under Cover Studio Program. By providing accommodation combined with wrap around supports, Village 21 will assist at-risk young people aged 18-21 years who are leaving out-of-home care or are already post care.

The project will provide studios for six young people to have stable accommodation, with support and communal living elements for up to three years. The Department of Health and Human Services has funded Village 21 through Accommodation for the Homeless Phase 2, which is part of the Victorian Government's \$109 million homelessness support investment. The social outcomes sought for young people from this project include no longer being at risk of or experiencing homelessness, remaining in safe and supported accommodation, learning independent living skills and building and maintaining healthy and functional relationships.

This year we identified land in Preston which was an ideal location for the project, with close proximity to public transport, shopping and other community amenities, as well as being located in a suitable residential area. The City of Darebin undertook a public consultation process to change the use of the land for our project. The public's response to this consultation and the Village 21 project was overwhelmingly positive. City of Darebin granted us a three-year peppercorn lease and we have commenced the planning permit process for the site with the local council.

The design for Village 21 has been undertaken by NH Architecture, and we thank them for their work and support. NH Architecture have redesigned our current studio layout to meet the needs of this specific project.



SCHOLARSHIP PROGRAM

Access to education has the power to change a life. Education plays a critical role in building a bright future for young people - it builds confidence, self-esteem and employment prospects. This year Kids Under Cover awarded 242 scholarships, including one Ken & Lenka Morgan Scholarship, to support young people to continue their education by alleviating financial pressures.

Our strategy of complementing the provision of stable and secure accommodation with educational support has proven to be a simple yet effective approach to the longterm prevention of youth homelessness.

KIDS UNDER COVER SCHOLARSHIP

This year 241 young people received a Kids Under Cover Scholarship to support their education. These scholarships had a transformative impact for many of the young people and their families by relieving financial stress and improving outcomes.

Nine out of ten families (92%) reported that their ability to purchase the necessary school or course requirements was much better, compared with 68% last year. In addition, 89% of families claimed that their level of financial stress

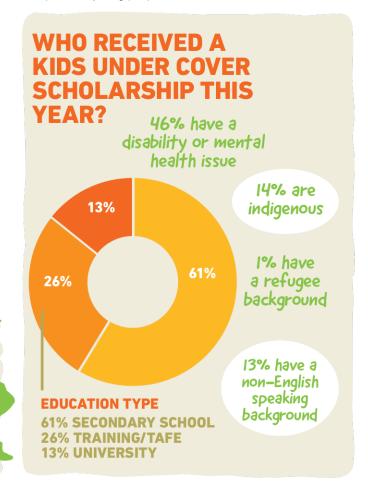
associated with education costs was reduced thanks to the Kids Under Cover Scholarship. More than half (53%) of the families also reported that attendance at school/university/TAFE has improved for the young person awarded the scholarship.

The Kids Under Cover Scholarship Program supports all eligible young people that live in the same property where a Kids Under Cover studio is located, not just the resident of the studio. This enables us to maximise the positive impact that we make in the lives of families, like the Munro Family*. Four young people in this household received Kids Under Cover Scholarships this year to support their ongoing education and training.

The young person residing in the studio was reunified with his family and is using his scholarship to support him to undertake a specialised Year 10 program. The second young person is currently undertaking the first year of a business/law degree at university and will use his scholarship to offset some of his course costs. With the assistance of our partners, two of their older siblings, a 21-year-old brother and a 23-year-old sister, are now undertaking Certificate III and IV courses respectively at TAFE to enhance their employment prospects.

This year, more young people became eligible for the Kids Under Cover Scholarship Program as the minimum age was lowered to 12 from 15. This change was made to ensure more young people within the household had the opportunity to access financial assistance to support their education and training aspirations.

This support for education and training is made possible by our Community, Corporate and Philanthropic Partners whose commitment to education and to future generations helps these young people to thrive.



KIDS UNDER COVER
SCHOLARSHIPS AWARDED
(INCREASED FROM 178
SCHOLARSHIPS IN 2018)

92%
OF FAMILIES HAD
IMPROVED ABILITY TO
PURCHASE THE NECESSARY
SCHOOL EQUIPMENT

53%
OF YOUNG PEOPLE IMPROVED THEIR ATTENDANCE AT SCHOOL

KEN & LENKA MORGAN SCHOLARSHIP

After facing many hurdles in his young life, including homelessness and coming to Australia as a refugee, Ali Al Ebrahimi received a Kids Under Cover Studio. He was supported to continue his education through four annual Kids Under Cover Scholarships and successfully completed his VCE.

Ali is now a student in the Juris Doctor course at The University of Melbourne, and we were thrilled to award Ali with the 2019 Ken & Lenka Morgan Scholarship. Since 2013, The Ken & Lenka Morgan Scholarship has been awarded annually to one exceptional young person who is supported by the Studio Program. This \$5,000 scholarship assists recipients with their personal, educational and career goals. It is awarded to a young person that has demonstrated clarity, aspiration and drive to do great things for themselves, their community and the world around them, like Ali. The Ken & Lenka Morgan Scholarship was made possible in 2018-19 thanks to the generous support of our philanthropic partners.





30 YEARS & BUILDING

Since Kids Under Cover's Scholarship Program was launched in 2004, more than 1,245 scholarships have been awarded, alleviating the financial pressure on carers and helping young people realise their educational aspirations.

The incredible impact that our Scholarship Program has on the lives of young people is profound and long-lasting. Brittnie received a number of Kids Under Cover Scholarships, and they set her up to follow her dreams and reach her career goal. Reflecting on when she was younger, Brittnie says "the scholarships were a lifesaver, they helped pay for essential school stuff – like textbooks, pens, calculator, my uniform. They wouldn't have gotten paid for otherwise. The future was a bit bleak...We couldn't afford a lot of stuff and I didn't know if I was going to be able to pursue studies."

Thanks in part to the Kids Under Cover Scholarships, Brittnie has gone on to follow her dreams – she is now working as a nurse and loving it! A little extra support for educational expenses went a long way to building a brighter future for Brittnie.

DEPARTMENT OF HEALTH AND HUMAN SERVICES STUDENT SCHOLARSHIPS

We have proudly administered the Department of Health and Human Services (DHHS) Student Scholarships Program since 2010. This program helps young people stay engaged with education and complete years 11 and 12 at Government Secondary Schools or TAFEs. This was the second year of our current three-year partnership with DHHS, which enabled us to award 290 DHHS scholarships this year to young people living in public or community housing or those at risk of homelessness.

MP Danny Pearson presented the scholarships at the conferral ceremony at the RMIT's Storey Hall and encouraged all of the recipients to follow their dreams and reach their potential.



OUR SUPPORTERS

The impact that we have in the lives of young people in our mission to prevent youth homelessness would not be possible without the generosity of our supporters. We are so grateful to our Philanthropic Partners, Corporate Partners, individual donors, regular givers, Community Partners and volunteers for sharing our vision of a community where no young person experiences homelessness.

CELEBRATING 30 YEARS AND BUILDING

2019 marks 30 years since the founding of Kids Under Cover by Ken Morgan OAM.

This milestone was celebrated through an array of events throughout the year including an afternoon reception in March at Government House, hosted by Her Excellency The Honourable Linda Dessau AC, Governor of Victoria and Mr Anthony Howard AM QC.

A gathering of supporters and distinguished guests joined Her Excellency and Mr Howard to mark this incredible milestone, to reflect on how much has been achieved, and to look forward toward our vision for a community where no young person experiences homelessness.

The story of Kids Under Cover began with the very personal experience of Ken who, as a young man, found himself without a place to stay. Together, Ken and Lenka knew intuitively that prevention was the only real cure, and this has been the core of Kids Under Cover's work for the three decades since.

Colin Radford, Kids Under Cover Chair, shared details about one of the beneficiaries of the legacy of Ken and Lenka. At the age of 14, Karissa, her two siblings and two cousins moved in with their grandparents who had relocated from interstate so that they could raise their five grandchildren.



A Kids Under Cover studio and scholarship provided the security and opportunity for Karissa to finish school, complete her studies and join the workforce, where she is now helping others in need.

Despite the challenges of Karissa's childhood, she has remained connected to family, education, and her community. Karissa reminds us all the power of persistence and the transformative impact of our work.

COMMUNITY PARTNERS

Community Partnerships are imperative to the work we do. We partner with many organisations who share our vision and support us with resources, facilitate fundraising, and help to build advocacy for the prevention of youth homelessness. In 2018/19

we welcomed the Rotary Club of Balwyn to our family of cherished Community Partners.

In January 2019, Kids Under Cover were incredibly grateful to receive a grant of \$60,000 from the Rotary Club of Balwyn to support the build of a life changing studio for a family in Seaford.

Gabriele, her husband and their four daughters were living under significant financial stress in a small three-bedroom Office of Housing property in Seaford. The parents initially occupied the main bedroom, their older daughters (aged 21 and 16) shared the second bedroom, and the younger daughters (aged 11 and 9) shared the third bedroom.

However, Gabriele's health conditions made it impossible to continue to share a bedroom, and so her husband slept

in the lounge room, adding to the overcrowding in the family home. The home's only shared living space had to be set up for sleeping each evening and packed up again each morning.

Life was very cluttered. With the four girls and us parents, there was so much stress inside the house. There was just nowhere at all to escape each other," says Gabriele.

Briana, 16 years old, found the tension and chaos too difficult to bear and had taken to leaving the home for periods of time. "She would go and take out her frustrations with her friends on the streets. She had contact with the law, she was underage drinking and other risk-taking behaviours too" Gabriele told us.

With no means or networks to support safe living arrangements, this risk-taking and absconding behaviour could escalate to homelessness and disengaging from education.

Briana received her one-bedroom studio in March 2019, thanks to The Rotary Club of Balwyn. The improved space has assisted the mood of all family members and provide a foundation for improved family harmony and better social interaction. The simple solution of space for the family has had an enormous influence on Briana.

"She has her own independence, she is more focussed on her education and that has taken her away from all of the troublesome activity, and the dangerous crowd she was mingling with. She is now aware of those bad influences and she wants to be good, stay in school and do well with her studies" says Gabriele.

The future is now looking bright for this family.

Our work in the prevention of youth homelessness is only possible through the invaluable partnerships that we have developed over the years. We are truly grateful to The Rotary Club of Balwyn, and the many other community partners who take action to ensure that families like Gabriele's have the chance to thrive.



VOLUNTEER FUNDRAISERS

It is a privilege to be chosen by community members as their charity of choice and to have our organisation represented in the community by generous and committed supporters.

On a very tangible level, the funds raised through community fundraising activities throughout the year make a positive impact in the lives of young people through contributing to our studio and scholarship programs. We are so grateful to the many community supporters who have put their time, resources and creativity into raising funds for the prevention of youth homelessness.

Collaboration is at the heart of community fundraising and when stakeholders come together to impact change on an issue that matters to them, wonderful things can happen, which we saw over the 2018 festive season.

Over the 2018 end of year festive period, business partners, volunteers, local councils and community members worked together in support of Kids Under Cover. The festive season community campaign saw 111 volunteers giving their time and skills across 175 volunteer shifts at 10 gift-wrapping sites, four community carol events and Santa visits. Together a whopping \$30,000 was raised by the community through these festive season activities.

To all who volunteered, hosted Kids
Under Cover, had their gifts wrapped or
bought merchandise at a carols event, and
spread the word far and wide, thank you!

PHILANTHROPIC PARTNERS

Partnerships with philanthropic donors such as trusts, foundations and charitable funds are fundamental to Kids Under Cover's work. In 2018-19, philanthropic donations and grants built 40% of our studios, and fully-funded the majority of the Kids Under Cover Scholarships awarded to young people living in our studios. In the past financial year, Kids Under Cover has been indebted for the generosity of over 70 public and private trusts and foundations.



THE ROSS TRUST

The Ross Trust was established in Victoria in 1970 by the will of Roy Ross. Roy Everard Ross had a successful career as a surveyor and engineer and was subsequently an astute investor. Roy Ross' forward-

thinking philanthropy has been directed to build and support the social infrastructure of Victoria.

The grant to Kids Under Cover from the Ross Trust will enable us to provide studio accommodation for 12 young people and financial assistance for education and training for up to 60 disadvantaged young Victorians, over three years. This was made possible through the Ross Trust's visionary collaboration with other philanthropic partners including Gravel Road Foundation, the William Buckland Foundation and the Reinehr Family Foundation.

Meghan Weekes, Senior Program Manager at the Ross Trust "Kids Under Cover's Studio Program is providing security, stability, privacy and safety, interrupting the cycle of homelessness and maintaining a young person's connection to home, school and their support networks. The Ross Trust is proud to be a philanthropic partner."

For each year of the three-year project, the Ross Trust grant will be used to co-fund two new or relocated two-bedroom studios.

The first of these studios has been designated to support an experienced foster care couple who are providing care to six young people. Overcrowding and disharmony in the household threatened the stability of the foster care placements. Without additional space and support for education and training, the future of these young people was considered to be at risk.

With the generosity of the Ross Trust, the lives of these young people have been transformed and with the assistance of year-on-year support for education and training, they will continue to be supported to thrive.

THE DIMMICK CHARITABLE TRUST

A family trust based on the Bellarine Peninsula with strong ties to the local community, the Dimmick Charitable Trust has been quietly supporting Kids Under Cover for ten years. In the last four years the Trust has turned its attention to contributing to the construction of Kids Under Cover studios in the Bellarine Peninsula area, reflecting its passion for the tackling disadvantage in Geelong and its surrounds.

A two-bedroom studio in Grovedale was the first studio built with the Trust's support, enabling a three-generation family with a history of significant disadvantage to remain together. The Trust also contributed to a one-bedroom studio in Geelong's North for a single mother and her four children escaping domestic violence. The studio provided the foundation for the oldest of the children to have some privacy and study space while recovering from the past trauma. Last year the Trust co-funded a two-bedroom studio with three other philanthropic partners in Norlane, offering vitally needed additional space for a family of eight managing intellectual and physically disability and mental health challenges in a crowded home. The Trust's 2019 donation has been allocated to assist the construction of a relocated two-bedroom studio for a family in Whittington.

Consequently, by the end of 2019, the Dimmick Charitable Trust have enabled Kids Under Cover to provide stable and secure accommodation for seven young people who otherwise would have been at risk of homelessness.

CORPORATE PARTNERS

UNDERCOVER ANGELS

This year we had the honour of presenting Harris HMC with the 2019 Undercover Angel Award. This Award recognises the significant impact a long-term supporter has made, through Kids Under Cover, to the lives of young people at risk of homelessness.

For the past seven years, Harris HMC has been a standout supporter of Kids Under Cover. They are at the forefront of our work through building our studios. Their staff and contractors gain a great insight into the families we support and are continually going above and beyond to find ways to improve our studio program to ensure young people and their families are given a space to thrive.

All of their staff are true advocates for our work when liaising with their suppliers and networks, they always have a presence at our events, have built two cubby houses as part of the Cubby House Challenge and are frequent event sponsors.





STUDIO BUILDS

Porter Davis, a multi award-winning builder, has provided support to Kids Under Cover and, in turn, to young people and their families since 2013. The Porter Davis ethos of "More thought built in" was a natural alignment with the Kids Under Cover studios which are Australian-manufactured, 6-star energy rated and designed to divert young people from homelessness by providing additional space and keeping them connected to family and community.

Porter Davis believes new homes are the foundation of great dreams and the many staff from Porter Davis who have participated in our Studio Build program have witnessed first-hand the transformation made possible in the lives of young people through the provision of their own space. Through the generous contribution of more than half a million dollars, Porter Davis has helped divert young people from potential homelessness in Reservoir, Heidelberg West, Braybrook and Norlane.

Great to be able to assist families in need and help to create a better life outcome for at risk youth... Watching how well the units are built and how much it helps.

GOVERNMENT RELATIONS

Over many years, our work to prevent youth homelessness, support families and connect to communities has been supported by successive Victorian Governments. This bi-partisan support is evident in the photo of two former Premiers of Victoria, The Honourable John Brumby AO and Dennis Napthine taken as part of our 30th Anniversary Photo Exhibition.

The deep understanding of the preventative nature of our work has meant we are also extremely fortunate to share a long-standing relationship with the Department of Health and Human Services (DHHS), the Department of Justice and Community Safety (Consumer Affairs) and the Victorian Property Fund.

We extend our sincere thanks to The Honourable Richard Wynne, Minister for Housing, for his continued support through the concurrent funding agreements from DHHS. We have also been extremely grateful for additional support from DHHS through the Aussie Dollar Drop, an initiative led by Matt Tilley at the 2018 State election, which called on voters to contribute a gold coin in support of solutions for homelessness in Victoria.

We are extremely fortunate to work with the Victorian Government to extend the reach of our core Studio Program and to support initiatives such as Village 21 which address some of the most vulnerable young people in our community, those exiting outof-home care.

Our work is also enabled by the engagement of councils across Victoria through the



planning process associated with each studio build. As a result of efficient planning processes, families and young people in need of support, can see the realisation of a studio build in a matter of a few months, with the final build process taking mere days. The speed with which studios can be deployed is vital to the hope offered to young people experiencing or at risk of homelessness.

As we look to the future, our hope is that we can continue to meet the demand for our studios, wherever they may be, and that we continue to be funded by the Victorian Government to achieve our shared vision of a community where no young person experiences homelessness.

DRIVEN TO SUPPORT YOUNG PEOPLE

Donate Your Car® is Kids Under Cover's first social enterprise initiative. It provides a hassle-free way to find a new purpose for an unneeded vehicle, while making a valuable donation to help prevent youth homelessness. All profits from the sale of the cars go to funding our Studio and Scholarship Programs.

It's not just cars, we also take boats, vans, trailers, motorbikes, caravans, trucks, tractors, lawn mowers, and even buses!

This year Dugald Macdougall made a positive impact in the lives of at-risk young people by donating his family's 2001 Nissan Pulsar to our Donate Your Car® program.

Dugald and his wife owned the car for more than 10 years, and he says it has

been with them through every stage of their relationship.

We both work in disability and youth sector, so when we didn't need it any more it made more sense to donate it, rather than selling it. My wife sent me a link to the Donate Your Car program and I immediately thought it was the perfect solution.

We are so thankful to the generosity of our supporters like Dugald who have donated their cars, enabling us to help at-risk young people stay connected to home and education.





NESTDTM

The establishment of NestdTM, a social enterprise from which all profits will be returned to Kids Under Cover's core work, marked a significant milestone in 2017-18. During 2018-19, our efforts have been focused on responding to the many enquiries for NestdTM's designer, compact homes.

With feedback from prospective customers covering everything from energy consumption to different exterior finishes and fit-out to flat-pack, we have spent a considerable amount of time refining the product portfolio to offer additional designs which meet the needs of the customer base. Enquiries have been received from across Australia (and even overseas) to provide accommodation solutions for ageing parents, older children, caravan park and winery settings, and rural and seaside retreats. Key considerations for buyers include design, affordability and sustainability.

Key to the evolving business model for Nestd $^{\text{TM}}$, is the ability to leverage the knowledge from our existing Kids Under Cover studio supply chain. With expertise in partners such as Ortech, Harris HMC and Sensum, and designs from Ravida and Grimshaw architects, we have been able to refine the offering of Nestd $^{\text{TM}}$ and begin the exciting journey to align designer compact homes with clever pre-fabrication and transportation to deliver a wonderful buyer experience.

OUR LEADERSHIP TEAM



JO SWIFTChief Executive Officer

Jo Swift joined Kids Under Cover 17 years ago, and has been CEO since 2007. Jo's energy and genuine passion for making a lasting difference in the lives of young people derives from those supported by the Kids Under Cover programs.



HEATHER FISHERGeneral Manager

Heather brings more than 20 years' experience to the team at Kids Under Cover. Heather commenced her career in a top tier chartered accounting firm before moving into various executive roles in the service industry.

Heather joined Kids Under Cover in March 2016 in the role of General Manager. Heather is responsible for finance, administration, human resources, operations, information technology, risk and governance.



PETE ZWIERS
National Programs Manager

Pete joined us in November 2017 overseeing the end-to-end delivery of the Kids Under Cover Studio and Scholarship Programs.

Spending more than 10 years in the not-for-profit sector and with a background in project management, Pete has a real passion for affecting positive social change through the betterment of physical environment and improved living conditions.



FIONA DICKSONNational Fundraising and Marketing Manager

Fiona joined the team in October 2018 to lead our partnerships, fundraising and marketing efforts across the organisation. Fiona draws on experience of more than 20 years in corporate, education and not-for-profit organisations having held leadership roles in stakeholder relations, brand and communications, customer and donor experience and business unit responsibility.

OUR BOARD



COLIN RADFORDBoard Chair

Role: To ensure the strategic development of Kids Under Cover and sustain strong corporate governance by providing in-depth knowledge of government; its agencies, operations, stakeholders, processes and objectives.

Colin is the CEO of the Victorian Managed Insurance Authority and a non-executive director. of the Transport Accident Commission (TAC). A Fellow of the Williamson Leadership Program and Graduate of Columbia Business School and the Australian Institute of Company Directors, Colin has more than 25 years' experience as a senior government executive and advisor, including seven years as a Partner at Deloitte. Colin joined the Kids Under Cover Board in July 2014 and was appointed Chair in November 2017.



NATHANIEL POPELIANSKI Vice Chair

Role: To ensure Kids Under Cover practices are within the law and our constitution reflects our organisation and growth.

Nathaniel is a partner at Corrs Chambers Westgarth where he is head of the national real estate practice. A specialist in complex, deadline-driven real estate projects. Nathaniel acts for corporate clients. developers, land owners, housing associations and financiers on the full spectrum of property issues. With an impressive career in Law. Nathaniel ensures Kids Under Cover practices are within the law and our constitution reflects our organisation and growth.

Nathaniel joined the Kids Under Cover board in August 2012 and was elected Vice Chairman in November 2017.



ALISON TAIT
Finance, Audit and
Risk Committee Chair
& Treasurer

Role: To support Kids Under Cover in meeting its financial reporting requirements and risk management.

Joining the Kids Under
Cover Board in July 2014,
Alison is a Partner at
PricewaterhouseCoopers (PwC)
and has extensive experience
in accounting and financial
reporting. Alison is a member
of the Institute of Chartered
Accountants with a Bachelor
of Commerce and over 15
years' experience working
with ASX listed companies
and large multinationals in the
retail, consumer and industrial
products sector.



SARAH DAVIESRemuneration
Committee Chair

Role: To support the strategic development of Kids Under Cover particularly in the areas of strategy and governance.

CEO of Philanthropy Australia. Sarah joined the board in 2003. With a background in education, Sarah established the Kids Under Cover Scholarship Program in 2004. Sarah is a Fellow of the Australian Institute of Management, a Member of the Australian Institute of Company Directors, a Fellow of the Williamson Leadership Program and and a Victorian JP. Sarah has a keen interest in supporting young people having previously held the position of CEO of The Reach Foundation, a for-purpose organisation working to improve the wellbeing of young people, so they can get the most out of life.



GEORGE LIACOSDirector

In August 2018 we welcomed George Liacos to the board. With over 25 years of strategy, innovation and industry experience, George has become a highly sought-after public speaker and writer, sharing his insights and lessons-learned to audiences and readers around the world.

George is the founder and chief strategist of Spark Strategy and works across sectors to bring people and organisations together around their purpose and for massive social impact. George also works with national and local governments undertaking social system reform. We anticipate with his skills and experience George will be an enormous asset to the board and the organisation as whole.



DEB TSORBARISDirector

Deb joined the board in February 2017, bringing a wealth of experience including government and peak body, most recently as CEO of the Centre for Excellence in Child and Family Welfare.

Deb spent six years as CEO at Council to Homeless Persons, four years with The Department of Health & Human Services and was appointed CEO at The Centre for Excellence in Child and Family Welfare in 2013.



RENUKA KIMBER Director

Renuka joined the board in February 2019 having spent more than a decade working in brand transformation, digital strategy and stakeholder relations.

Drawing on her significant experience in consumer marketing and insights management, Renuka is passionate about supporting change for good and for young people in particular. Alongside her technology and innovation role with KPMG, Renuka now extends her breadth of expertise to the prevention of youth homelessness.

GOVERNANCE

THE BOARD

The Kids Under Cover Board is responsible for the overall governance of the organisation including its strategic direction, establishing goals for management and monitoring the achievement of those goals. The board convenes a minimum of six times per year plus an additional meeting at the Annual General Meeting (AGM).

Code of Conduct

Under the leadership of the Chair and the CEO, and within the boundaries of the constitution, the board determines and articulates the values, vision and the strategic direction of Kids Under Cover. In doing this, the board is expected to:

- meet fiduciary responsibilities as required under all relevant commonwealth and state legislation;
- act within their duty of care to make decisions in the best interests of Kids Under Cover:
- avoid conflicts of interest;
- develop strategic planning and direction of Kids Under Cover including monitoring organisational performance and evaluating strategic results;

- endorse internal policies;
- report back to the stakeholders at the AGM;
- monitor the organisational compliance with the relevant commonwealth and state legislation and with Kids Under Cover's own policies; and
- evaluate its effectiveness as a board.

BOARD COMMITTEES

Finance Audit and Risk Committee

Assists the board in fulfilling its fiduciary responsibilities and ensures the ongoing fiscal accuracy and health of the organisation.

Identifies, reviews and rates the potential current and future risks to the organisation. The committee ensures appropriate systems, measures and support are in place to minimise risks to the organisation.

The committee guarantees policies and processes are observed and ensure we receive an unqualified audit report each year from Pitcher Partners.

Remuneration Committee

Reviews pay, conditions and performance of senior management and reviews recommendations made by the CEO in relation to staff recognition.

FINANCIAL REPORT

DIRECTORS' REPORT	27	FINANCIAL REPORT	
AUDITOR'S INDEPENDENCE DECLARATION	28	CONSOLIDATED STATEMENT OF PROFIT OR LOSS	
DIRECTORS' QUALIFICATIONS	29	AND OTHER COMPREHENSIVE INCOME	30
		CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31
		CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	32
		CONSOLIDATED STATEMENT OF CASH FLOWS	32
		NOTES TO FINANCIAL STATEMENTS	33-43
		DIRECTORS' DECLARATION	43
		INDEDENDENT AUDITOD'S DEDODT	/. /

CORPORATE INFORMATION

KIDS UNDER COVER ABN 76 604 592 013

DIRECTORS	The following directors	were in office at the date of this report:	COMPANY SECRETARY	J. Swift
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C. Radford
N. Popelianski
A. Tait
S. Davies
G. Liacos
D. Tsorbaris
R. Kimber

REGISTERED OFFICE 383 Swan Street Richmond VIC 3121 AND PRINCIPAL PLACE

BANKERS

Bank of Melbourne
530 Collins Street
Melbourne VIC 3000

AUDITORS Pitcher Partners Level 13

OF BUSINESS

604 Collins Street Docklands VIC 3008

DIRECTORS' REPORT

The directors present their report together with the financial report of the group, being the company and its controlled entity, for the year ended 30 June 2019 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:

Colin Radford

Nathaniel Popelianski

Alison Tait

Sarah Davies

George Liacos

Deb Tsorbaris

Renuka Kimber (appointed February 2019)

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

RESULTS

The operating deficiency of the group for the year amounted to \$868,608.

REVIEW OF OPERATIONS

The group 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 group'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 group during the year were:

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

No other 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 organisation's programs, a monitoring and 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 group, the results of those operations, or the state of affairs of the group in future financial years.

MEETINGS OF DIRECTORS

DIRECTORS	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Colin Radford	6	5
Nathaniel Popelianski	6	6
Alison Tait	6	4
Sarah Davies	6	5
George Liacos	6	4
Deb Tsorbaris	6	3
Renuka Kimber	3	3

MEMBERS GUARANTEE

The group is incorporated under the Corporations Act 2001 and is a group limited by guarantee. If the group 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 group. At 30 June 2019 the number of members was 7. The combined total amount that members of the group are liable to contribute if the group is wound up is \$7.

Signed on behalf of the board of directors.

Colin Radford

Director

Dated this 21st day of October 2019

Alison Tait

Director, Treasurer

AUDITOR'S DECLARATION



KIDS UNDER COVER AND CONTROLLED ENTITY 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 2019, to the best of my knowledge and belief there have been no contraventions of APES 110 Code of Ethics for Professional Accountants.

This declaration is in respect of Kids Under Cover and the entities it controlled during the year.

M J HARRISON

Partner

PITCHER PARTNERS

MELBOURNE

Date: 21 October 2019

M.Ham'-

Pitcher Partners. An independent Victorian Partnership ABN 27 975 255 196. Level 13, 664 Collins Street, Docklands, VIC 3008.
Pitcher Partners is an association of independent firms. Liability intend by a scheme approved under Professional Standards Legislation.
Pitcher Partners is a member of the global nelework of Baker Tilly intendational Limits, the members of which har separate and independent legal entit

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DIRECTORS' QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES

NAME	QUALIFICATIONS AND EXPERIENCE	SPECIAL RESPONSIBILITIES
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.	Board 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.	Vice Chair
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 & Treasurer
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
George Liacos	Managing Director at Spark Strategy, George is a strategic advisor to the social sector, corporate entities and government bodies. An entrepreneur with strong start-up and digital background, he holds a MBA from Melbourne University, BEc from Sydney University and GAICD from the AICD.	
Deb Tsorbaris	Chief Executive Officer at Centre for Excellence in Child and Family Welfare. In her previous roles, Deb had worked as Director at Department of Health & Human Service and Chief Executive Officer at Council to Homeless Persons.	
Renuka Kimber (Appointed February 2019)	Senior Manager at KPMG in technology and innovation. Renuka has more than a decade of experience in brand transformation, digital strategy and stakeholder relations.	

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 \$	2018 \$
REVENUE AND OTHER INCOME			
Government funding	2	3,169,565	2,129,019
FUNDRAISING			
Donations and gifts	2	5,587,961	5,385,286
Bequests	2	-	57,664
Other	2	-	142,698
OTHER INCOME			
Sundry income	3	12,711	93,228
Investment income	3	161,222	119,608
Gain on disposal of current assets	3	224,118	61,479
		9,155,577	7,988,982
LESS: EXPENSES			
Social enterprise		(328,068)	(119,485)
General Marketing and fundraising		(1,464,285)	(1,329,621)
Donate Your Car®		(718,226)	(822,862)
Scholarship program costs		(873,815)	(381,468)
Studio program costs		(5,269,822)	(4,503,137)
Management and administration costs		(1,369,969)	(1,100,526)
		(10,024,185)	(8,257,099)
DEFICIT BEFORE INCOME TAX EXPENSE		(868,608)	(268,117)
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit and loss			
Unrealised gain on restatement of financial assets to fair value		-	33,389
OTHER COMPREHENSIVE (DEFICIT) / INCOME FOR THE YEAR		-	33,389
TOTAL COMPREHENSIVE DEFICIT		(868,608)	(234,728)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	NOTE	2019 \$	2018 \$
CURRENT ASSETS			·
Cash and cash equivalents	5	5,198,097	5,067,378
Receivables	6	798,328	403,407
Other financial assets	7	2,516,331	2,489,169
Other assets	8	202,584	339,665
TOTAL CURRENT ASSETS		8,715,340	8,299,619
NON-CURRENT ASSETS			
Intangible assets	9	223,236	32,755
Property, plant and equipment	10	7,386,187	6,554,369
TOTAL NON-CURRENT ASSETS		7,609,423	6,587,124
TOTAL ASSETS		16,324,763	14,886,743
CURRENT LIABILITIES			
Payables	11	873,684	672,909
Provisions	12	534,901	270,220
Other liabilities	13	2,059,000	242,720
TOTAL CURRENT LIABILITIES		3,467,585	1,185,849
NON-CURRENT LIABILITIES			
Provisions	12	107,236	82,344
TOTAL NON-CURRENT LIABILITIES		107,236	82,344
TOTAL LIABILITIES		3,574,821	1,268,193
NET ASSETS		12,749,942	13,618,550
EQUITY			
Reserves	14	2,727,883	2,957,136
Retained earnings		10,022,059	10,661,414
TOTAL EQUITY		12,749,942	13,618,550

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	CONTRIBUTED EQUITY \$	RESERVES \$	RETAINED EARNINGS \$	TOTAL EQUITY \$
BALANCE AS AT 1 JULY 2017	-	2,190,030	11,663,248	13,853,278
Deficit for the year	-	-	(268,117)	(268,117)
Unrealised gain on restatement of financial assets to fair value	-	33,389	-	33,389
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	33,389	(268,117)	(234,728)
Transfers	-	733,717	(733,717)	-
BALANCE AS AT 30 JUNE 2018	-	2,957,136	10,661,414	13,618,550
BALANCE AS AT 1 JULY 2018	-	2,957,136	10,661,414	13,618,550
Deficit for the year	-	-	(868,608)	(868,608)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	(868,608)	(868,608)
Transfers	-	(229,253)	229,253	-
BALANCE AS AT 30 JUNE 2019	-	2,727,883	10,022,059	12,749,942

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

NOTE	2019 \$	2018 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Grants and donations received	10,504,953	7,682,872
Payments to suppliers and employees	(5,257,686)	(5,512,159)
Interest received	161,222	119,608
Scholarships paid	(506,051)	(411,919)
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,902,438	1,878,402
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	45,437	566,805
Proceeds from sale of current assets held for sale	348,876	-
Payment for property, plant and equipment	(4,915,410)	(2,819,186)
Payment for investments	(31,542)	(2,067,680)
Payment for intangible assets	(219,080)	(32,755)
NET CASH USED IN INVESTING ACTIVITIES	(4,771,719)	(4,352,816)
RECONCILIATION OF CASH		
Cash at beginning of the financial year	5,067,378	7,541,792
Net increase / (decrease) in cash held	130,719	(2,474,414)
CASH AT END OF FINANCIAL YEAR	5,198,097	5,067,378

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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 and its consolidated entity. Kids Under Cover is a company limited by guarantee, 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 group 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 group is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(C) REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from government grants

The group receives government grant funding in advance and allocates the grants to individuals who have applied for scholarships and/or studio housing. Revenue from the provision of scholarships is recognised upon payment of the scholarship to the successful student and revenue from building studios is recognised when the studio has been built and the certificate of completion has been signed-off.

For other non-reciprocal grants received, revenue is recognised upon receipt of the funds which is when the entity obtains control of the contribution or grant and it is probable that the economic benefits will flow to the entity.

Revenue from fundraising activities

The group receives fundraising income mainly in the form of donations and gifts. Revenue from fundraising is recognised upon receipt of the funds which is when the entity obtains control of the contribution or grant and it is probable that the economic benefits will flow to the entity.

(D) OTHER REVENUE AND OTHER INCOME

Investment income

Investment income comprises of Interest revenue and dividend income and is recognised when it is received.

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).

(E) FINANCIAL INSTRUMENTS

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial assets

Financial assets recognised by the group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the group's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

(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 and any accumulated impairment losses.

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 cost and assessed for fair value impairment every year.

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.

Studios

Studios are carried at cost and assessed for fair value impairment every year.

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

The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available 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 OF NON-FINANCIAL ASSETS

Assets other than goodwill, intangible assets not yet ready for use and intangible assets with indefinite useful lives are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired.

An impairment loss is recognised when the carrying amount of an asset exceeds the asset's recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use (where 'value in use' is determined as the current replacement cost).

Impairment losses in respect of individual assets are recognised immediately in profit or loss unless the asset is measured at a revalued amount, in which case the impairment

loss is treated as a revaluation decrease and is recognised in other comprehensive income to the extent that it does not exceed the amount in the revaluation surplus for the same class of asset.

A reversal of an impairment loss for an asset measured at cost is recognised in profit or loss. A reversal of an impairment loss for an asset measured at a revalued amount is treated as a revaluation increase and is recognised in other comprehensive income, except to the extent that an impairment loss on the same class of asset was previously recognised in profit or loss, in which case a reversal of that impairment loss is also recognised in profit or loss.

(H) EMPLOYEE BENEFITS

(i) Short term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the 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 consolidated 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 government bonds that are denominated in the currency in which the benefits will be paid. 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 consolidated statement of financial position if the group 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 consolidated 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 consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated 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 2019

	2019 \$	2018 \$
NOTE 2: REVENUE FROM CONTRACTS WITH CUSTOMERS		
Government funding	3,169,565	2,129,019
Fundraising:		
Donations and gifts	5,587,961	5,385,286
Bequest	-	57,664
Other	-	142,698
	5,587,961	5,585,648
	8,757,526	7,714,667
NOTE 3: OTHER REVENUE AND OTHER INCOME		
Other Income		
Sundry Income	12,711	93,228
Investment income	161,222	119,608
Gain on disposal of current assets held for sale	224,118	61,479
	398,051	274,315
NOTE 4: OPERATING DEFICIT		
Deficit has been determined after:		
Depreciation		
- houses & studios	3,489,814	3,323,625
- leasehold improvements	244	1,540
- motor vehicles	11,870	14,838
- office furniture and equipment	14,172	13,249
	3,516,100	3,353,252
Amortisation of non-current assets		
- CRM software	58,989	-
Impairment		
- Impairment losses on assets held for sale	188,894	-
Employee benefits	2,145,757	1,773,149
Loss on fair value adjustments		
- Financial assets at fair value through profit and loss	4,380	-
Net loss on disposal of non-current assets		
- Loss on sale of property, plant and equipment and studios	319,537	343,186
- Loss on sale of investments	24,557	-
	344,094	343,186

	2019 \$	2018 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash on hand	111	316
Cash at bank	5,197,986	5,067,062
	5,198,097	5,067,378
NOTE 6: RECEIVABLES		
CURRENT		
Receivables from contracts with customers	14,135	117,170
Other receivables		
-Accrued income	726,000	144,000
-GST receivable	58,193	136,757
-Other debtors		5,480
	784,193	286,237
	798,328	403,407
NOTE 7: OTHER FINANCIAL ASSETS		
CURRENT		
Available-for-sale financial assets		
Investment in managed funds	2,516,331	2,489,169
NOTE 8: OTHER ASSETS		
CURRENT		
Prepayments	52,584	48,139
Assets held for sale	150,000	291,526
	202,584	339,665
Prototypes developed for Nestd are expected to be realised within the next 12 months a	are considered assets h	eld for sale
NOTE 9: INTANGIBLE ASSETS		
Website at cost	32,755	32,755
Accumulated amortisation and impairment	(32,755)	-
	-	32,755
CRM Software at cost	282,225	
Accumulated amortisation and impairment	(58,989)	
	223,236	-
TOTAL INTANGIBLE ASSETS	223,236	32,755

	2019 \$	2018
NOTE 10: PROPERTY, PLANT AND EQUIPMENT	•	•
Land and buildings		
At cost	251,675	251,67
Accumulated depreciation	(176,174)	(163,590
	75,501	88,08
Buildings		
At cost	23,307,221	19,845,66
Accumulated depreciation	(16,072,340)	(13,649,448
	7,234,881	6,196,213
Leasehold improvements		
At cost	4,620	4,620
Accumulated depreciation	(4,620)	(4,376
	-	244
TOTAL LAND AND BUILDINGS	7,310,382	6,284,542
Plant and equipment		
Motor vehicles at cost	68,445	67,489
Accumulated depreciation	(23,935)	(24,820
	44,510	42,669
Office equipment at cost	91,205	136,365
Accumulated depreciation	(59,910)	(48,579
	31,295	87,786
Display Stock	-	139,372
TOTAL PLANT AND EQUIPMENT	75,805	269,827
TOTAL PROPERTY, PLANT AND EQUIPMENT	7,386,187	6,554,369

	2019 \$	2018 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT (continued)	•	•
(a) Reconciliations		
Land and buildings		
Opening carrying amount	88,085	100,669
Depreciation expense	(12,584)	(12,584)
Closing carrying amount	75,501	88,085
Buildings		
Opening carrying amount	6,196,213	7,314,334
Additions	4,861,526	2,610,045
Disposals	(345,628)	(450,568)
Depreciation expense	(3,477,230)	(3,277,598)
Closing carrying amount	7,234,881	6,196,213
Leasehold improvements		
Opening carrying amount	244	1,784
Depreciation expense	(244)	(1,540)
Closing carrying amount	-	244
Motor vehicles		
Opening carrying amount	42,669	69,187
Additions	32,003	-
Disposals	(18,292)	(11,680)
Depreciation expense	(11,870)	(14,838)
Closing carrying amount	44,510	42,669
Office equipment		
Opening carrying amount	87,786	32,133
Additions	21,881	69,769
Disposals	(1,046)	(867)
Depreciation expense	(14,172)	(13,249)
Reclassified to intangible assets	(63,154)	-
Closing carrying amount	31,295	87,786

		2019 \$	2018 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT (continued)		4	4
(a) Reconciliations (continued)			
Display stock			
Opening carrying amount		139,372	
Additions		-	139,372
Reclassified as held for sale		(139,372)	
Closing carrying amount		-	139,372
NOTE 11: PAYABLES		-	
CURRENT			
Unsecured liabilities			
Trade creditors		785,061	611,639
Sundry creditors and accruals		88,623	61,270
		873,684	672,90
NOTE 12: PROVISIONS			
CURRENT			
Employee benefits	(a)	181,153	148,820
Scholarships		353,748	121,400
		534,901	270,22
NON CURRENT			
Employee benefits	(a)	19,936	16,14
Scholarships		87,300	66,200
		107,236	82,344
(a) Aggregate employee benefits liability		201,089	164,964
NOTE 13: OTHER LIABILITIES			
CURRENT			
Grants received in advance		2,059,000	242,720
NOTE 14: RESERVES			
Studio program reserve		1,968,165	2,284,589
Scholarship program reserve		506,043	418,872
Scholarship endowment reserve		209,994	209,994
Fair value reserve		43,681	43,681
		2,727,883	2,957,136

NOTE 14: 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 which is held in a managed fund.

	2019 \$	2018 \$
NOTE 15: KEY MANAGEMENT PERSONNEL COMPENSATION		
Compensation received by key management personnel of the group		
- short-term employee benefits	654,013	550,208
- post-employment benefits	59,664	50,326
	713,677	600,534

The above remuneration for KMPs relates to 5 full time equivalents (2018: 4 full time equivalents).

NOTE 16: 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.

	2019 \$	2018 \$
NOTE 17: 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	188,033	180,569
- later than one year and not later than five years	217,159	381,706
	405,192	562,275

NOTE 18: CHANGES IN ACCOUNTING POLICIES

(A) FINANCIAL INSTRUMENTS - ADOPTION OF AASB 9

AASB 9 replaces AASB 139: Financial Instruments: Recognition and Measurement. The key changes introduced by AASB 9 in relation to the accounting treatment for financial instruments include:

- simplifying the general classifications of financial assets into those measured at amortised cost and those measured at fair value;
- permitting entities to irrevocably elect, on initial recognition, for gains and losses on equity instruments not held for trading to be presented in other comprehensive income (OCI):
- simplifying the requirements for embedded derivatives, including removing the requirement to separate and measure embedded derivatives at fair value, in relation to embedded derivatives associated with financial assets measured at amortised cost:
- requiring entities that elect to measure financial liabilities at fair value, to present
 the portion of the change in fair value arising from changes in the entity's own
 credit risk in OCI, except when it would create an 'accounting mismatch';
- introducing a new model for hedge accounting that permits greater flexibility in the ability to hedge risk, particularly with respect to non-financial items; and
- introducing a new 'expected credit loss' impairment model (replacing the 'incurred loss' impairment model of previous accounting standard).

Previously, unrealised gains and losses on managed funds were presented in OCI, these are now recognised in the profit and loss. Other than this change, the application of AASB 9 has not materially impacted the classification and measurement of the group's financial assets and liabilities.

(B) REVENUE FROM CONTRACTS WITH CUSTOMERS - ADOPTION OF AASB 15

The group adopted AASB 15 Revenue from Contracts with Customers from 1 July 2018.

AASB 15 provides (other than in relation to some specific exceptions, such as lease contracts and insurance contracts) a single source of accounting requirements for all contracts with customers, thereby replacing all current accounting pronouncements on revenue. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under the previous accounting standard, AASB 118 Revenue, revenue from the sale of goods was recognised when the significant risks and rewards of ownership of the goods transferred to the buyer, and revenue from the rendering of services was recognised by reference to the stage of completion of the transaction at the end of the reporting period.

The Group's recognition and measurement of revenue from contracts with customers has not changed as a result of the introduction of the new standard. Further details of the group's accounting policies in relation to accounting for revenue from contracts with customers under AASB 15 are contained in note 1.

	2019 \$	2018 \$	
NOTE 19: PARENT ENTITY DETAILS	•		
Summarised presentation of the parent entity, Kids U	nder Cover, financia	al statements:	
(A) Summarised consolidated statement of financia	l position		
Assets			
Current assets	9,432,467	8,410,436	
Non-current assets	7,609,423	6,414,997	
TOTAL ASSETS	17,041,890	14,825,433	
Liabilities			
Current liabilities	3,447,025	1,275,188	
Non-current liabilities	107,236	82,344	
TOTAL LIABILITIES	3,554,261	1,357,532	
NET ASSETS	13,487,629	13,467,901	
Equity	·		
Accumulated surplus	13,487,629	13,467,901	
TOTAL EQUITY	13,487,629	13,467,901	
(B) Summarised consolidated statement of profit or loss and other comprehensive income			
Deficit for the year	(545,330)	(259,237)	
Other comprehensive income for the year	-	33,389	
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(545,330)	(225,848)	

NOTE 20: MEMBERS' GUARANTEE

The parent entity 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 2019 the number of members was 7. The combined total amount that members of the company are liable to contribute if the company is wound up is \$7.

NOTE 21: COMPANY DETAILS

The registered office of the group is: Kids Under Cover 383 Swan Street, RICHMOND VIC 3121



KIDS UNDER COVER AND CONTROLLED ENTITY ABN: 76 604 592 013

DIRECTORS' DECLARATION

The directors declare that:

- 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
- the financial statements and notes satisfy the requirements of the Australian Charities and Not-forprofits Commission Act 2012.

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

Director:	Set Guff		_ Director:	from Fit	from for	
	Colin Radford			Alison Tait		
Dated this	21st	day of	October	2019		

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



KIDS UNDER COVER AND CONTROLLED ENTITY ABN: 76 604 592 013

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

Report on the Audit of the Financial Report

Opinior

We have audited the financial report of Kids Under Cover "the company" and its subsidiaries, "the Group", which comprises the consolidated statement of financial position as at 30 June 2019, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012. including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the Australian Charities and Not-for-profits Commission Act 2012 "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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KIDS UNDER COVER AND CONTROLLED ENTITY ABN: 76 604 592 013

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

Other Information (Continued)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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.

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KIDS UNDER COVER AND CONTROLLED ENTITY 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)

- . 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- · 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 Group'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 Group to cease to continue as a going
- · 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 Hami-M J HARRISON

Partner

Atche Partre PITCHER PARTNERS

MELBOURNE

Date 21 October 2019

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THANK YOU

During 2018-19 our vision of a community where no voung 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.

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Community Service Organisations

- Anchor
- Anglicare Victoria
- Banyule Community Health
- Barnardos Australia

- · Barwon Child, Youth and Family
- · Bendiao Community Health Service
- · Berry Street Victoria
- · Bethany Community Support
- Beyond Housing
- Brophy Family and Youth Services
- · Castlemaine District Community Health Ltd
- · Centacare Catholic Diocese of Ballarat
- · Child and Family Services
- Cobaw Community Health Service
- Crossroads (Salvation Army)
- Department of Health and
- **Human Services**
- Elizabeth Morgan House Gippsland and East Gippsland
- Aboriginal Co-op Ltd Gippsland Lakes Community
- Kildonan UnitingCare Mallee District Aboriginal

Health

- Services Mallee Family Care
- Melbourne City Mission
- · Migrant Information Centre
- Mirabel Foundation Moira Disability and Youth
- Services
- · Peninsula Health
- Quantum Support Service · Somali Australian Council
- of Victoria South Eastern Centre Against
- Sexual Assault
- · The Salvation Army · UnitingCare Victoria and Tasmania
- · Victorian Aboriginal Child Care Agency Wathaurong Aboriginal

Co-operative

- · Wombat Housing and Support Services
- Youth Support and Advocacy Services Pty Ltd

HELP US MAKE A LASTING DIFFERENCE

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 experiences homelessness.



BECOME A WORKPLACE GIVER

A regular, pre-tax donation straight from your pay is easy to set up and you receive tax henefits



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.



MAKE A DONATION

Every donation, large and small, makes a difference. You can donate easily online at our website or call us to find out more.



JOIN OUR STUDIO BUILD PROGRAM

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



DONATE IN-KIND

Be part of collective impact by donating goods and/or services which contribute to the delivery of our mission.



DONATE YOUR CAR®

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



BECOME A REGULAR GIVER

Much like workplace giving, you can become a regular giver and commit to donating on a regular basis.

Call us to find out more



VOLUNTEERING OPPORTUNITIES

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

Email: volunteer@kuc.org.au



FUNDRAISE FOR US

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

Email: fundraise@kuc.org.au

Find out more about our work and ways to get involved at: kuc.org.au | donateyourcar.org.au | nestdhomes.com.au

