

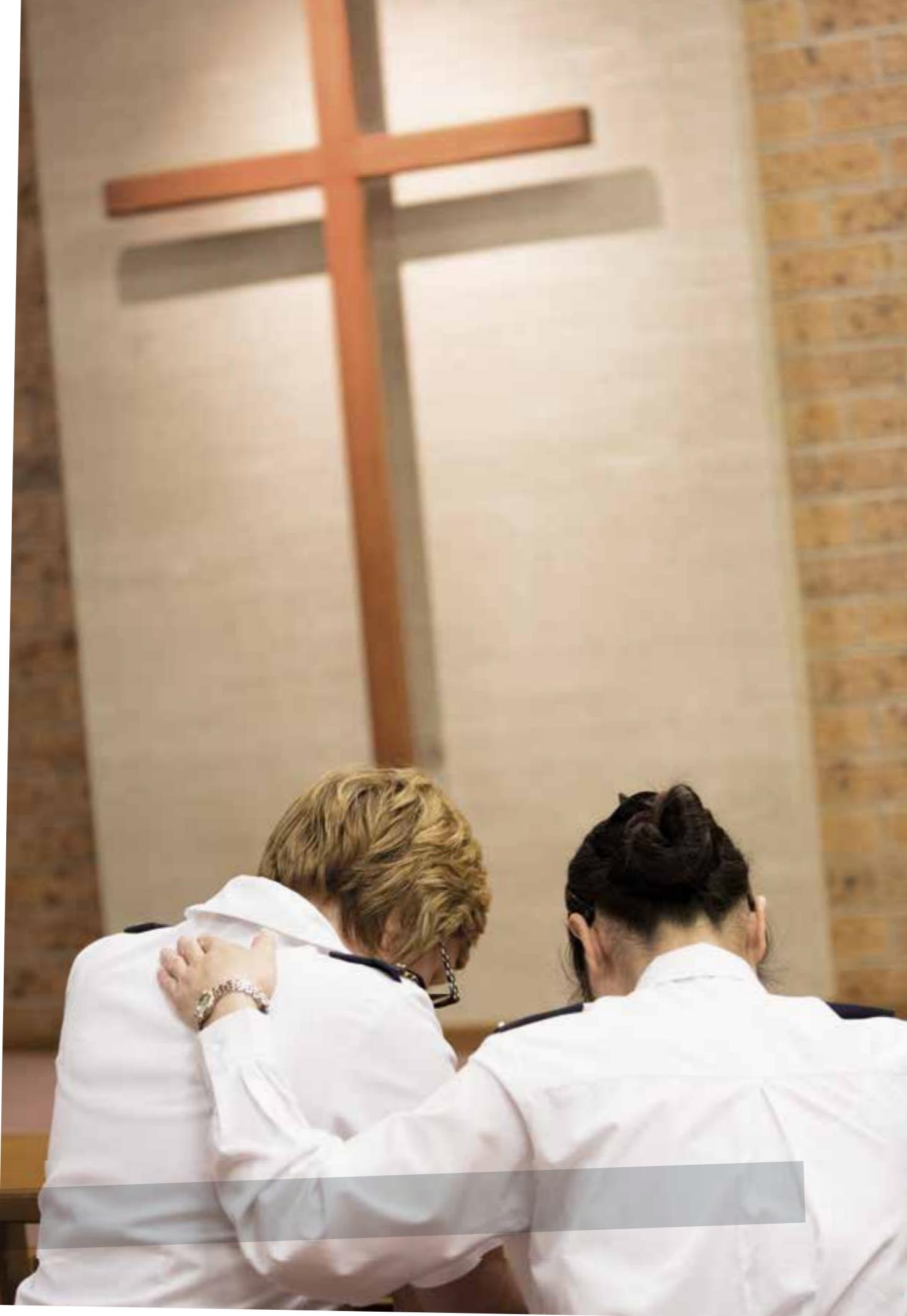


2013 ANNUAL REPORT



Australia Southern Territory





The Salvation Army, an international movement, is an evangelical part of the universal Christian Church. Its message is based on the Bible. Its ministry is motivated by love for God. Its mission is to preach the gospel of Jesus Christ and meet human needs in his name without discrimination.

Mission

The Salvation Army is a worldwide Christian movement. In Australia we are known as one of the nation's largest welfare providers. We are dedicated to helping Australians in crisis. Raised up by God our mission is to:

- Transform lives
- Care for people
- Make disciples
- Reform society

Vision

Our vision is that we're a growing, loving community of people dynamically living God's mission in a broken world. This requires us to be people who are wholly devoted to God, obediently responsive to the Holy Spirit, powerfully committed to each other, compassionately engaged with people in need, totally dedicated to reaching other people with the good news of Jesus Christ and leading them to faith.

Values

- Human dignity
- Justice
- Hope
- Compassion
- Community



Message from the Territorial Commander



In this, The Salvation Army Australia's 133rd year, we have continued to build on our work and vision of a world where human need is met without discrimination.

It has been an exciting six months for my wife and me after arriving in Australia from Canada in June to commence our new roles as leaders of the Australia Southern Territory. One thing in particular has struck me: The Salvation Army is an integral part of the social fabric of Australian society and its spirit is alive and well.

The Southern Territory of The Salvation Army covers a vast amount of Australia and spans thousands of kilometres – much of it vastly different from one town to the next. Within it The Salvation Army operates hundreds of unique and specialised programmes offering a range of services to assist people.

As Territorial Commander I have been privileged to travel to all states in the Southern Territory this year and have seen our people at work on the front line. From rural areas of Western Australia to the streets of Melbourne, The Salvation Army is there meeting the need without discrimination and judgment.

And in 2013, we have seen great need.

Measured by income, most Australians have never had such high living standards. Yet there remain some groups who are falling dramatically behind. This year, floods, tornadoes and bushfires have devastated towns and uprooted lives. The Salvation Army continues to provide support to those affected.

The Salvation Army also exists to stand by individuals experiencing their own personal crises or whose lives are consumed by addiction, poverty and loneliness every day. The unloved, the neglected, the forgotten, the marginalised and the lost – these are the people that The Salvation Army serves. My prayer is that in the year ahead The Salvation Army will continue to be the support, love and refuge that these people need. With the support of the community I believe this is absolutely possible.

In the following pages you will find stories of our work with people and communities and the achievements of the past year. This year over one million Australians experienced the love of Christ through The Salvation Army. As a result lives have been changed for good.

At The Salvation Army we can never forget that thousands of Australians have been our partners in this mission of transformation. There is an army of volunteers and supporters who work with us. We are privileged to be a part of the generous Australian community who share our desire and mission to look out for people doing it tough.

We will continue to strive to alleviate human suffering. Motivated by God's love, we will seek to provide a wide spectrum of spiritual and emotional care to struggling individuals and families and empower people to get back on their feet. We will continue to be innovators in the fight for social justice and give a voice to the voiceless.

We look forward to working with you – our colleagues, supporters and donors – to reach out with arms of love and offer hope and a positive future to those in greatest need.

Commissioner Floyd J Tidd

Territorial Commander, The Salvation Army Australia Southern Territory

WHO WE ARE

The Salvation Army is one of the world's largest Christian social welfare organisations. In Australia, The Salvation Army operates in two separate territories – the Australia Southern Territory and the Australia Eastern Territory. This enables us to be responsive to local needs, emergencies and disasters affecting all areas of our nation.

Through the provision of more than 600 social programmes, activities and centres, The Salvation Army Australia Southern Territory is dedicated to alleviating the suffering of people living in Victoria, South Australia, Tasmania, Western Australia and the Northern Territory.

By providing assistance for people affected by homelessness, crisis, family/domestic violence, emergencies and natural disasters, as well as drug, alcohol and gambling addictions and a range of other issues, we seek to be there for people during their time of need.

The Territorial Commander, Commissioner Floyd Tidd, is responsible for the operations of The Salvation Army Australia Southern Territory. The Territorial Commander, the leadership executive and the Cabinet are responsible for the policy, strategy and stewardship of The Salvation Army in this Territory.

The Territorial Commander reports to the General of The Salvation Army at International Headquarters, General André Cox. The Salvation Army operates in 125 countries, with International Headquarters located in London. The General oversees the operation of The Salvation Army across the globe, and directs the International (Zonal) Secretaries responsible for the administrative and strategic function of the region (broken up into Africa, Europe, Americas, South Asia and East Asia). International Headquarters is responsible for crafting the strategic direction, ideas and policies, as well as helping to allocate resources.

Across the world, The Salvation Army provides a variety of services, programmes and everyday care to the poorest, most desperate people in the world.



Each year we extend care to more than one million Australians facing crisis. We are committed to supporting the most marginalised and disadvantaged members of the community.

The Cabinet of The Salvation Army Australia Southern Territory comprises senior officers who have been appointed to leadership roles within the organisation. The structure of our Cabinet resembles a board of directors found within other organisations. Members of the Cabinet are appointed with approval from the General. The Salvation Army uses military style ranks for officers, who are ordained ministers of The Salvation Army and are appointed across a wide variety of roles within the organisation.



Territorial Commander

Commissioner Floyd J Tidd

Qualifications: Bachelor of Science; Master of Theology Studies; Executive Leader Stream (Arrow Leadership).

Length of Service: 27 years

Responsibilities: As the Territorial Commander, Commissioner Floyd Tidd is responsible for all aspects of The Salvation Army in the Australia Southern Territory. The Territorial Commander provides the spiritual leadership for the Territory and is a legal Trustee of The Salvation Army Australia Southern Territory. Commissioner Floyd Tidd is the Chairman of the Policy Council, Finance Council and the Property Council.



Territorial President of Women's Ministries

Commissioner Tracey Tidd

Length of Service: 27 years

Responsibilities: Commissioner Tracey Tidd shares joint leadership of the Territory with the Territorial Commander, which includes preaching and teaching in public ministry and membership to territorial councils. As Territorial President of Women's Ministries, Commissioner Tracey Tidd gives leadership to all aspects of women's ministries; promoting within the Territory the welfare and empowerment of women, relating to both church and secular women's groups.



Chief Secretary

Colonel Peter R Walker

Qualifications: Bachelor of Arts (Soc).

Length of Service: 31 Years

Responsibilities: The Chief Secretary is equivalent to a Chief Operations Officer and is second in charge of the Territory. As the Chief Secretary, Colonel Peter Walker is responsible for operational oversight of Territorial Headquarters and line management of divisional/regional headquarters. The Chief Secretary is also a legal Trustee of The Salvation Army Australia Southern Territory.



Territorial Secretary of Women's Ministries

Colonel Jennifer Walker

Qualifications: Bachelor of Education; Diploma of Religious Education; and Diploma of Teaching.

Length of Service: 31 years

Responsibilities: Colonel Jennifer Walker has a shared leadership role with the Chief Secretary, including public ministry and membership to territorial councils. Colonel Jennifer Walker has the role of Territorial Secretary for Women's Ministries, relating to leadership for women within divisions including pastoral support, training and resources and missionary project management.



Secretary for Personnel

Lieut-Colonel
Vivien Callander

Length of Service: 37 years

Responsibilities: As the Secretary for Personnel, Lieut-Colonel Vivien Callander is responsible for all aspects of personnel – officers and employees. The Secretary for Personnel is a legal Trustee of The Salvation Army Australia Southern Territory and is responsible for the Personnel Department, Human Resources and Leader Development.



Secretary for Programme

Lieut-Colonel
Graeme L Rigley

Qualifications: Medical Bachelor; Bachelor Surgery; Diploma of Theology

Length of Service: 26 years

Responsibilities: The Secretary for Programme, Lieut-Colonel Graeme Rigley, is a legal Trustee of The Salvation Army Australia Southern Territory and is responsible for corps programme, social programme, Staff Band and Staff Songsters. The Secretary for Programme is also responsible for programme matters relating to Employment Plus.



Secretary for Business Administration

Lieut-Colonel Rodney Barnard

Length of Service: 31 years

Responsibilities: Lieut-Colonel Rodney Barnard as the Secretary for Business Administration is responsible for all business matters including finance, property, audit, communications and fundraising, Salvos Stores, the Geelong Conference Centre and business matters relating to Employment Plus. The Secretary for Business Administration is a legal Trustee of The Salvation Army Australia Southern Territory.



Chief Financial Officer

Mr Gregory Stowe

Qualifications: Bachelor of Business (Dist); FCPA.

Length of Service: 20 years

Responsibilities: Mr Gregory Stowe is a legal Trustee of The Salvation Army Australia Southern Territory and is a member of the Territorial Finance Council, Territorial Property Board and the Territorial General Maintenance Council.



Assistant Secretary for Business Administration and Territorial Legal Secretary

Captain Malcolm Roberts

Qualifications: Bachelor of Jurisprudence; Bachelor of Laws; Australian Legal Practitioner.

Length of Service: 14 years

Responsibilities: Captain Malcolm Roberts is a Trustee of the various State Property Trusts of The Salvation Army Australia Southern Territory. Captain Roberts assists in the management of business activities, and acts as an in-house legal counsel, and is a liaison and overseer of external legal advisers.

A Note from our Territorial Advisory Board Chairman

I joined the Territorial Advisory Board of The Salvation Army Australia Southern Territory in July 2010. In April of this year, I was privileged to be appointed as Chairman, carrying on the work of former Chairman Margaret Jackson AC. It is a great honour to serve The Salvation Army in this new capacity.

What always touches me about The Salvation Army is the vast spectrum of people they care for: young people struggling to find their way, people who are homeless or at risk of being homeless, adult men and women in crisis accommodation struggling with addiction, people fleeing violent situations and elderly people requiring care. I have seen The Salvation Army in action and am excited to be a part of that work.

I consider it a privilege to be able to do what I can to assist The Salvation Army along with my Board members and many leading individuals in business, commerce and the community. The influence of highly skilled and networked individuals involved in the Advisory Board and supporting committees enables The Salvation Army to strengthen its operations and influence and helps raise the financial resources it desperately needs to continue to serve the disenfranchised in our community.

In August this year The Salvation Army's biennial Advisory Board and Committee Convention was held. This offered members of boards and committees from across the Southern Territory a unique opportunity to connect. The boards and committees are made up of people with specific sets of skills: from leaders in the advertising and marketing industry to experts in property, finance and law. The convention highlighted that we have a board and committee structure that is thriving and comprises people who are passionate about the work of the Army.

This year also saw us farewell Commissioners Raymond and Aylene Finger and welcome Commissioners Floyd and Tracey Tidd to the Territory. We are very grateful for the inspirational leadership and commitment demonstrated by the Commissioners Finger and our heartfelt thanks goes out to them. They have our best wishes for the next phase of their journey and we look forward to serving our new Commissioners.

I look forward to the year ahead – and thank God for the Salvos.

Members of the Territorial Advisory Board

Joanne Cameron (Chairman)	John Kirby
Commissioner Floyd J Tidd	Peter Mahon
Commissioner Tracey Tidd	John Paterson
Colonel Peter Walker	Sabina Schlink
Peter Blunden	Ngaire Ellis
Bernie Brookes	Major Neil Venables
Michael Johnstone	



Joanne Cameron
Partner in Charge,
King & Wood Mallesons
Chairman,
Territorial Advisory Board



Snapshot of Australia



Victoria

Number of Officers	349
Number of Employees	2057
Number of Social Centres/Programmes	370
Number of Corps	94
Number of Employment Plus Offices	18
Number of Salvos Stores	106



South Australia

Number of Officers	63
Number of Employees	402
Number of Social Centres/Programmes	66
Number of Corps	28
Number of Employment Plus Offices	3
Number of Salvos Stores	38



Northern Territory

Number of Officers	18
Number of Employees	87
Number of Social Centres/Programmes	24
Number of Corps	4
Number of Employment Plus Offices	–
Number of Salvos Stores	7



Western Australia

Number of Officers	70
Number of Employees	434
Number of Social Centres/Programmes	67
Number of Corps	31
Number of Employment Plus Offices	10
Number of Salvos Stores	48



Tasmania

Number of Officers	29
Number of Employees	291
Number of Social Centres/Programmes	74
Number of Corps	15
Number of Employment Plus Offices	17
Number of Salvos Stores	11

Despite strong living standards across most of Australia, the status quo of poverty has been maintained. The Salvation Army sees the human face of poverty and disadvantage on a daily basis. Increasingly, that face is represented by children, young families, single parents and marginalised older people. This group is also made up of asylum seekers and refugees and those struggling with addictions and poor mental health. This year The Salvation Army has continued to work with the government and other providers of welfare services to assist Australians experiencing turmoil, uncertainty and hopelessness.

One in eight Australians live below the poverty line, according to research from the Australian Council of Social Services (ACOSS). This equates to more than 2.2 million people, with close to 600,000 of them children. Those most at risk of poverty are the unemployed, children (especially in lone parent families), and people whose main source of income is social security payments. Poverty has two elements: lack of access to a fair and minimum standard of living and the lack of opportunity to participate fully in society. A significant proportion of people accessing The Salvation Army's emergency relief and support services are struggling to meet everyday expenses and financial commitments. Most of The Salvation Army's clients are reliant upon income support payments, with 90% of respondents to the organisation's 2013 National Economic and Social Impact Survey indicating that they were in receipt of these payments. This year The Salvation Army joined other welfare agencies to advocate that the level of Newstart income is insufficient to make ends meet and stay above the poverty line. The Salvation Army takes as its responsibility to advocate on behalf of those who often struggle to be heard.

The issue of homelessness and housing affordability and access has remained a serious problem for many clients approaching The Salvation Army and other welfare service providers. An ACOSS survey of 532 community service organisations this year found the services least able to meet demand amongst their own client groups were housing and homelessness services at 66%. The 2011 Census identified that the number of people experiencing homelessness had risen from 89,728 in 2006 to 105,237 in 2011. On any given night in Australia, one in 200 people are homeless. The scarcity of affordable housing options and the high cost of private rental deems it unlikely that such inadequacies and deprivations will be resolved. In 2011 there was a shortage of 539,000 properties that were affordable and available to lower income renters in Australia, according to the National Housing Supply Council. It is estimated this shortfall has grown since 2011.

The majority of those seeking assistance from homelessness services are women escaping family violence. The Salvation Army has supported approximately 6,000 clients through its family violence accommodation services in the last 12 months. One in three Australian women over the age of 15 reports having experienced physical or sexual violence at some time in their lives. Without appropriate action, three quarters of a million Australian women will experience and report violence in the period of 2021/22, costing the Australian economy \$15.6 billion, according to a projection by The National Council to Reduce Violence Against Women and their Children. The Salvation Army believes that strategies to address family violence must gain greater prominence in public policy and community responses.

The Salvation Army is committed to working with people experiencing poverty and hardship in Australia. It will continue to work with government and other welfare agencies to meet human need wherever it is. The Salvation Army will fight to ensure the rights and inherent dignity of all people are upheld at all levels of society.

OUR MISSION

2013 Service Highlights



During 2013 The Salvation Army Australia Southern Territory:

- provided more than 4,600 beds for homeless people each week
- provided more than 80,000 meals and distributed more than 6,700 allocations of food or food vouchers each week
- assisted over 18,000 people to find employment
- advised and supported more than 7,500 people through financial counselling
- helped more than 8,200 people through domestic and family violence issues
- responded to the needs of more than 550,000 people experiencing personal crises
- helped more than 187,000 people with emergency relief services
- accommodated more than 300 elderly people on any given day
- ran more than 600 social programmes in 290 different locations.

Throughout Australia The Salvation Army is known for its social conscience and social action. Transforming lives, caring for people, making disciples and reforming society is the mission at the heart of everything we do. Our commitment to each other, to people in need and to reaching the lost with the Good News of Jesus Christ is evident as we respond to the ever-changing needs of the Australian community.

Our purpose is to address needs within our communities and work to offer specific solutions to the wide range of issues affecting individuals and local communities across Australia.

The Salvation Army in Australia works across a diverse range of social issues that stretch from our core areas of service – homelessness, family violence, addiction and recovery services,

The Salvation Army's values of human dignity, justice, hope, compassion and community are echoed through every expression of our work.

support for families facing crisis and youth services. We have also developed services and programmes to meet the specific needs of a community or group of people. Our purpose is to assist individuals, families and communities often experiencing the most desperate need. We serve the most marginalised and disadvantaged, assisting them to build the capacity to transform their lives.

STRATEGIC PLAN 2011–2015



The Strategic Plan 2011–2015 embraces the philosophy of making the future in the present, and is structured around the themes of strategy, strength and sustainability.

The plan addresses four central areas of Salvation Army operation: social programmes, corps, business units and administration. Through consultation, the leadership of The Salvation Army Australia Southern Territory has set the course of the organisation through this plan.

In 2012, several working parties were established to focus on areas of ministry such as corps growth, accountability and performance, effective programme delivery, workforce capability, financial sustainability and efficiency and effectiveness in administration, to name a few. The reports of these groups were formulated and presented to the Territorial Policy Council for consideration. Many of the recommendations suggested by these groups were adopted and they have been systematically rolled out to bring about improvement in the areas previously outlined.

There is still additional work to be done regarding the areas of:

- core competencies and future need
- increasing the spiritual input and awareness within social programmes to respond to holistic human needs
- greater administrative efficiency.

Further focus groups have been established to provide a clear way forward in these three areas, and continual progress is being made in all other aspects of ministry and operation where focused attention is being directed.

This process will continue on now as we progress the plan into reality, and by so doing, secure a greater degree of strength and sustainability as we move forward into the future.

OUR WORK

A Message from our Territorial Social Programme Director

At a time of social change and increasing financial pressures on families, especially single-parent families, The Salvation Army continues to go to enormous efforts to improve lives, opportunities and services for disadvantaged people through more than 600 social programmes and activities in 290 disparate locations.

The Salvation Army Australia Southern Territory works with people who desperately need our help. This year we assisted more than 550,000 people in their own personal crises, including emergency relief services for more than 187,000 Australians.

There are people who may seem invisible in our society. Men, women and children who do not have the opportunity to participate fully and who consequently do not feel valued by our society. But The Salvation Army values them highly and works to provide them with the opportunity to be a part of an inclusive community.

Participation in society requires basic support and access to resources that not all people possess. Salvation Army services provide financial counselling and assistance, food and food vouchers, beds for homeless people, accommodation for homeless elderly Australians, shelter for survivors of domestic and family violence and thousands of blankets for those who have no option but to live on the streets. The Salvation Army's aid also includes the hard work of members of The Salvation Army Employment Plus and Salvos Stores.

Salvation Army mission in social programmes and services assists people to develop capacity to contribute to the nation's life and welfare. The Salvation Army's desire to help those who need our aid was evident at the opening of Foley House in Footscray (Victoria) on 17 May 2013 by former Territorial Commanders Commissioners Raymond and Aylene Finger.

Foley House provides a 24-hour home for 46 people who were previously homeless, as well as case management and support for the residents' concerning life issues such as mental health, substance abuse and other complex needs. It is truly a home for those who know no other place to rest their heads. They are accepted at Foley House; their presence is honoured and their contribution to that community is respected.

The Salvation Army wants to see everyone treated with respect. Every client of The Salvation Army and every individual who comes into our care is regarded as if they were the prime minister of this country, because every human being has inherent worth and can make a contribution to Australia.



Netty Horton
Territorial Social
Programme Director

Wherever possible we want to ensure we can offer comfort, hope and dignity to people in need.

Mission Imperative – Caring for People

For 133 years The Salvation Army has served the most marginalised and disadvantaged members of the Australian community with care and compassion. We provide food and shelter for families struggling to get by, holistic support to people rebuilding their lives after natural disasters, support for people struggling with addiction and refuge for women and children fleeing violent situations. Without discrimination or judgement, The Salvation Army is ready to help individuals through their own unique and personal crises.

Tasmania Bushfires: January 2013

Starting on 3 January 2013, the combination of an extreme heat wave and strong winds caused some of the most devastating bushfires in Tasmania's history.

It was predicted quite early on that the 2013 fire season in Tasmania had the potential to be worse than usual – but no one could have predicted the level of devastation it would cause. On January 3 major bushfires spread across the south and south-east regions of Tasmania.

In the days immediately after the fires broke out, The Salvation Army deployed volunteers and emergency response teams to assist affected communities. Corps members, staff and officers provided emergency bedding, meals and food supplies, clothing and financial assistance.

Recovery centres were set up in especially hard hit areas: Sorell, Dunalley, New Norfolk, Carlton and at City Hall in Hobart. At these centres The Salvation Army delivered practical financial assistance and chaplains were on-site to offer counsel and deliver emergency relief.

Small emergency services teams were dispatched to two fire-affected areas: Nubeena and Dunalley. They were escorted by police and the SES and provided catering for teams battling the blazes.

In the two weeks immediately after the outbreak The Salvation Army:

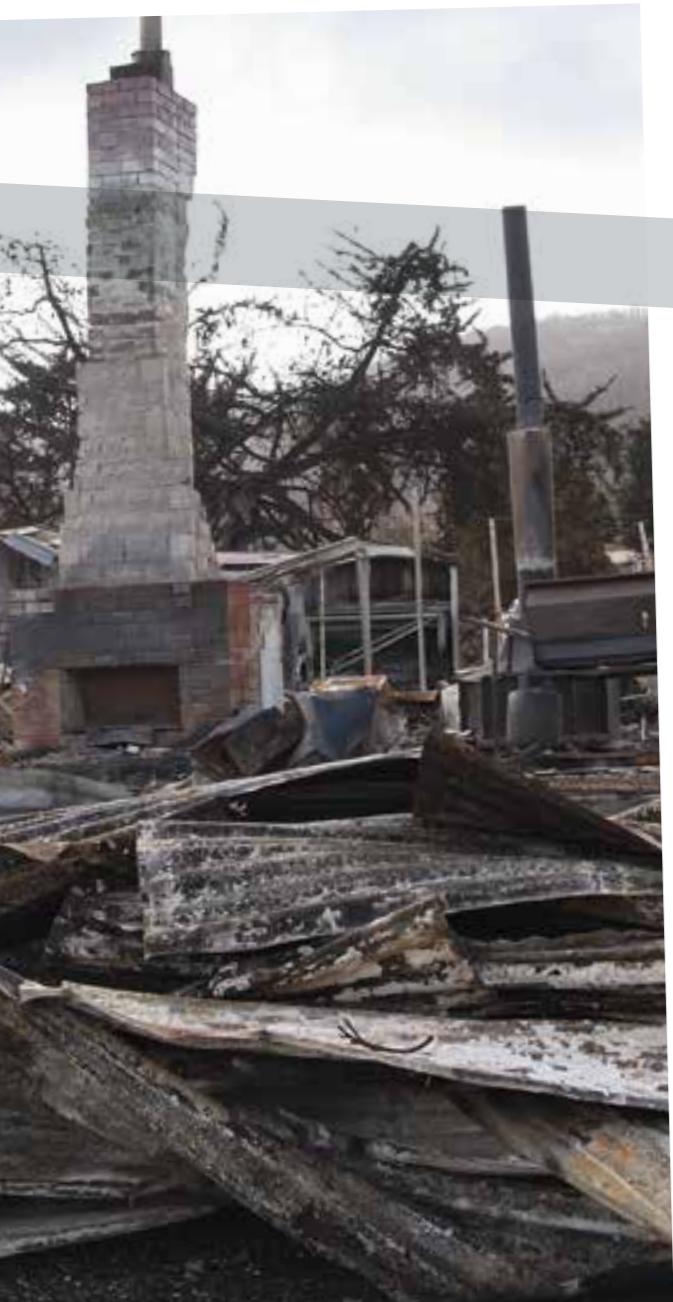
- distributed \$120,000 in direct assistance to 225 families affected by the bushfires
- involved over 80 workers and volunteers
- provided over 19,000 meals to emergency service workers and victims.

By the end of September 2013, over \$215,000 had been distributed in aid to the communities of Dunalley, Murdunna, Copping, Boomer Bay and Conelleys Marsh.

Donna's Story

Donna fled the fire on a boat with her daughter Chloe. They spent more than two hours on the water, breathing through wet rags as the fireball passed overhead. They witnessed first-hand the destruction of Dunalley, including the house of Donna's son Joel.

Donna and her family had experienced great loss and was grateful for The Salvation Army's support: "The Salvation Army has just been wonderful. They are so warm and friendly and that makes a difference. They encourage you to 'please take it', because it can be hard to accept things sometimes. Even though you know you need it, you think 'no, someone else might need that more'. Steve the chaplain came to our home and helped other members of our family, which was really good too."



Salvos Transit Teams, Melbourne

Salvation Army Street Teams were introduced on the streets of Melbourne to provide a positive influence at night amongst the party-goers and revellers. The teams move around the CBD and engage with people out for the evening. This initiative has since expanded into other capital cities and has led to the creation of another similar initiative: Salvos Transit Teams.

In November 2012, The Salvation Army launched this innovative project in conjunction with Metro Trains. This unique initiative sees specifically trained volunteers travel the rail network and engage with Metro customers in need of help and care.

There are about 80 volunteers that take part, operating from Monday to Saturday and travel the rail network along most lines – focusing on five of the busiest.

Salvation Army Youth Street Teams Coordinator, Lauren Cockerell, said that since the initial deployment of Transit Teams across Metro's network, there has been a significant increase in the number of people engaging with the programme's volunteers.

"Many people have presented at The Salvation Army Melbourne for follow-up referral services such as accommodation and homelessness case management," she said.

To date the Transit Teams programme has found:

- most incidents occur on Friday and Saturday nights
- midweek there has been increased engagement with homeless persons and substance abusers who require support services.

Opening of Ingle Farm, South Australia

The Ingle Farm Centre is known within The Salvation Army and to the community and government as a model of achievement. It provides a wide range of services and programmes to assist youth, young mums, families in desperate need and seniors. It is a place where those in need can find specialised care or that strengthening hand in times of crisis.

On Saturday August 3, over 300 people gathered at The Salvation Army Ingle Farm Centre in South Australia as the doors of its newly refurbished and expanded facilities were officially opened – a project more than ten years in the making. From The Salvation Army Centre at Ingle Farm a host of services and programmes have developed over the years into a flagship of Salvation Army service to the community.

Majors Paul and Wendy Hateley, officers in charge of The Salvation Army Ingle Farm, say that, "The redevelopment of the centre will make room for all, improve efficiency of service and increase The Salvation Army's capacity to care for and serve those in the community."

The community support services have been completely renovated. Additional interview rooms have been built and a new supermarket has opened up. Ingle Farm could previously only see one client at a time – now up to five can meet with support workers simultaneously.

The social programmes operating at Ingle Farm help thousands of people in need or in crisis each year. Eighty per cent of the building is used for community and social programmes. The Salvation Army has responded to the increasing needs of the community, placing great pressure on the buildings and necessitating a significant expansion of the facilities.

The opening of the new Ingle Farm facility is an exciting achievement of 2013 that will mean better outcomes for the community.

Mission Imperative – Transforming Lives

The Salvation Army operates on the front line and extends care more than one million times each year to people in need. Wherever possible The Salvation Army seeks to support positive life transformation.

Our work in the community is provided through *Doorways*, a philosophical model that encompasses an integrated, holistic and capacity-building approach that is closely aligned to current government policy trends promoting a 'hand up, not a hand out'. This philosophy addresses the underlying factors that lead to poverty, addiction and disengagement. The Salvation Army believes that every person deserves the opportunity to live life to its fullest. In a typical week, The Salvation Army assists 500 people facing addiction, helps to provide 1,000 people with suitable job opportunities, and provides emergency relief at 237 sites nationally.

Employment Plus

Last year The Salvation Army Employment Plus saw more than 19,000 people matched to work and over 49,000 others assisted into employment. The Salvation Army Employment Plus is managed nationally with offices all over Australia.

The impact of unemployment goes far beyond the financial. It can cause people to lose their self-confidence and sense of self-worth – with depression a common occurrence. Unemployment impacts both on the individual and entire families. It can cause lives to spiral out of control.

Employment Plus works with people from all walks of life: from the easily employable to highly disadvantaged individuals who face multiple hurdles such as homelessness, substance abuse, literacy, troubled backgrounds and language barriers.

Shayne's Story

Shayne grew up in Perth with her mother who was a drug user. By the time Shayne was 13 she was a regular user as well.

When she approached The Salvation Army Employment Plus looking for work, Shayne had given up drugs but needed a job to further distance herself from her old lifestyle.

Employment Plus found Shayne a position at The Apprentice and Traineeship Company where she has completed business administration training and is now thriving.

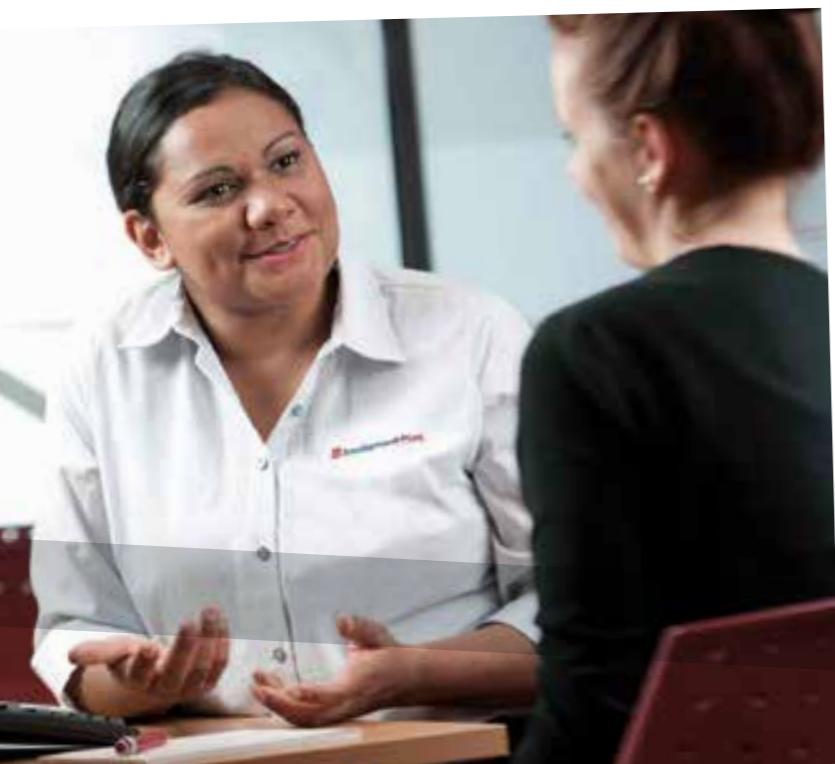
"I want to be the one person in my family to go somewhere in life and be proud of what I've done," says Shayne.

No matter the person's situation, Employment Plus is there to support and assist them on their journey to find employment.

With 105 offices nationwide, in all states and territories apart from the Northern Territory, Employment Plus is there to help businesses find staff and match people to jobs – free of charge.

In 2012/13 The Salvation Army Employment Plus:

- celebrated 15 years of assisting jobseekers
- saw 19,000 people matched to work
- assisted 49,000 into employment.



The Waterhole, Alice Springs

Since opening in late 2012, The Salvation Army's *The Waterhole* community centre in Alice Springs has been working hard to ensure the centre lives up to its name: that it is a place of tranquillity, a place of meeting and a place of possibility.

The Waterhole is The Salvation Army's open door to the community. Ninety per cent of members are Aboriginal – for most of whom the broader community is a hostile place where they are often perceived as 'problems'. There are now 120 members – the youngest is 18 and the oldest is 71. Members come from all the main language groups of Central Australia. On any one day between 50 and 80 people come into the centre to use the facilities, to get out of the heat (in summer) or the cold (in winter), to have a shower or wash their clothes, to meet family members and friends, to have a cup of tea and something to eat, to paint, relax, watch a movie, play the guitar or catch up on sleep on the couch.

The Waterhole has enabled The Salvation Army to reach out to the vulnerable in society. Some of the members sleep rough, some have a drinking problem, none are employed. They are marginalised in the wider society but at *The Waterhole* they are valued and contributing members.

Karratha Youth Crisis Centre, Western Australia

The Salvation Army *Crossroads West* moved into its new Karratha Youth Crisis Centre in July of this year. At least two and a half years in the making, the new centre offers purpose-built temporary accommodation for young people aged 15 to 25 who are homeless or at risk of homelessness.

The centre is funded to support six young people, however eight single bedrooms with shared ensuites have been incorporated into the rebuild.

The new facility will continue to help young people in crisis find permanent accommodation and be equipped to achieve life transformation.

During a three month stay at the centre, young people work with youth workers to find permanent accommodation, as well

The Waterhole receives no government funding. Rather, money from the Red Shield Appeal and a local benefactor has allowed the space to be transformed and fund staff and activities. Three regular volunteers and three part-time employees keep *The Waterhole* running.

The Salvation Army is slowly creating a welcoming community. One member says, "It's better than walking around the streets in the heat – we want to look after this community we started." Another member said, "I like to come here, have a shower, have a feed and relax watching movies." The Salvation Army is working to build relationships of trust and want members to feel they belong and believe the change they want is possible to achieve.

Community development facilitator for *The Waterhole*, Susan Dow, believes that *The Waterhole* community can have a transformative effect on the lives of its members, reach out to challenge and change the broader community and reach inward to enrich the faith community of The Salvation Army in Alice Springs.

as education or employment, and develop independent living skills, such as cooking, cleaning and budgeting. Workers also assist young people in practical ways, such as assisting them to obtain a tax file number or complete Centrelink forms.

There is much need in the town of Karratha. The mining boom means that it is not uncommon for rental properties to be priced at \$1,500 per week – putting properties well out of reach from those already facing hardship. The social impact of this phenomenon is devastating, with many young people left helpless and homeless. *Crossroads West* Karratha helps to fill that gap as well as provide services to equip young people with the skills necessary to make a positive life change.

Mission Imperative – Making Disciples

The Salvation Army is a Christian movement that takes a holistic approach to support and provides opportunities for individuals and communities to find the spiritual guidance they may seek. As a part of its ultimate mission, The Salvation Army reaches out to all in need and is committed to spreading and showing the love of Jesus Christ, leading people to faith. Many initiatives and services provided by The Salvation Army present the opportunity for people to find the Christian guidance they may seek.

Café Salvo, Noble Park

The Salvation Army's Noble Park Mission Centre in the outer south-eastern suburbs of Melbourne operates *Café Salvo*. Homeless men and women, welfare recipients and asylum seekers frequent the cafe. It is also a common sight to see shoppers, seniors or teachers on break coming to mingle with everyone. Corps Officer, Envoy Graham Kennedy, describes the place as a corps community, mission centre and public café in one.

Being based in one of suburban Melbourne's disadvantaged regions, where unemployment was last measured at 9.5%, affordable food and drink are a big part of *Café Salvo*'s appeal. At its busiest fortnightly community lunch, the small café has hosted 90 people.

The café is open Tuesday to Friday with a variety of programmes and activities on offer at the church, including music programmes and social and outreach groups. Trainee hospitality students, local members of the community and asylum seekers make up the bulk of volunteers at the café and centre.

The Noble Park Mission Centre and café allows the church to reach out to the community and is achieving positive outcomes for people in need. At the centre, individuals are linked into local recruitment agencies and other service providers. Food parcels, vouchers and other household items such as toilet paper and cleaning products are also available for local people in need. Emergency relief workers estimate that approximately a third of people seeking relief from the centre are on Newstart allowance.

One regular visitor to the café and centre is Maria,* a 70 year old woman who immigrated to Australia from Italy in 1966. A victim of domestic violence and suffering poverty and hardship, Maria originally came to The Salvation Army for financial support and food parcels. She has since found that the support and friendship with members of the church has been most valuable to her. She visits the Noble Park Mission Centre regularly and has formed a close bond with the corps officers whom she now calls her family. Maria attends the church on most Sundays and is part of a women's group that meets each Thursday. "The Salvos are good people," she says. "They listen to me, they help me, they love me."

*Name has been changed to protect identity.



The Basement, Adelaide Congress Hall

This year Adelaide Congress Hall launched its refurbished youth drop-in centre *The Basement*.

The Basement is designed as a safe place for young people to come, to be loved and cared for. It is the site for Adelaide Congress Hall's youth and young adults ministry and community outreach programmes.

'We love this city' is the motto of Adelaide Congress Hall and the church community is committed to using the space to reach out to the city of Adelaide.

On Saturday nights youth in the community gather at *The Basement* to connect with other young people, play games, spend some quiet time or watch TV.

The refurbished basement is the site for a range of activities and services aimed at making a practical and meaningful difference to the lives of others. It allows the church to connect with local primary and high school students, and as a result many students have started to attend church activities.

As an example of the holistic support The Salvation Army offers, activities taking place provide an opportunity for individuals to find spiritual or Christian guidance and develop their faith.

Mission Imperative – Reforming Society

The Salvation Army's mission is to help those who, for a range of reasons, have lost the ability to help themselves and give a voice to the voiceless. Part of The Salvation Army's role is to advocate on behalf of the people that come through its doors every day, 'speak out' on a range of major issues, and seek to create social change.

The Salvation Army does this through undertaking high-level research relating to key areas of work, challenging and influencing policy makers, developing relationships and working with the government, issuing media statements and educating people of all ages.

As an authoritative voice in the not-for-profit sector The Salvation Army speaks for the marginalised and uses its resources and expertise to effect change and lobby powers to understand the plight of the disadvantaged.



Urban Justice Centre – The Salvation Army Melbourne Project 614

In late November 2012, The Salvation Army's Melbourne Project 614 launched the *Urban Justice Centre* – an exciting and innovative addition to a suite of progressive responses that Project 614 is making to homelessness.

Melbourne Project 614 delivers integrated services to the forgotten and voiceless people of Melbourne, those who are homeless, marginalised or living in poverty and those suffering from serious mental health issues.

The *Urban Justice Centre* is a legal service assisting clients of Project 614 and helping create pathways out of their state of social poverty. It provides a fully integrated legal service, delivering legal advice, advocacy and court and tribunal representation for clients of Project 614. Importantly, it is accessible because it is located at 69 Bourke Street as one of a range of services delivered under the one roof, including a psychologist, an early intervention homelessness programme, mental health nursing service, education, training and employment service and accommodation.

There are many reasons why people can become involved in legal proceedings: homelessness, mental illness, alcohol and other drug use, addictions, stress and social isolation.

Around 90% of 614's clients have special, highly complex circumstances impacting their criminal behaviour. The *Urban Justice Centre* is vital in that its expertise and professionalism ensures that many are kept out of custody and are represented well.

Economic & Social Impact Survey 2013: It's not asking too much

In March of this year just under 3,000 clients accessing Salvation Army emergency relief and community services participated in a survey to provide a snapshot of the impact of cost of living pressures and the extent of social and economic deprivation and disadvantage being experienced in Australia. The findings painted a bleak picture of everyday life for many people in our communities who cannot afford to participate with the general population.

The report revealed that:

- 54% of clients feel worse off than this time last year
- two thirds (66%) of clients have cut back on basic necessities
- over a quarter of clients (28%) cannot afford a substantial meal even once a day
- 92% of clients have little or no savings for emergencies
- 27% of clients can't afford heating or cooling in even one room.

A disturbing 7% of single parents who presented for Salvation Army emergency relief were homeless and a further 7% were living with friends or relatives.

The survey also revealed that people are going without basic necessities to be a functioning member of society. Over a third (35%) of clients cannot afford prescriptions after a doctor's visit, 51% have gone without meals (often in favour of their children) and 37% of children are missing out on school activities.

The Salvation Army used this report to gain media attention in the lead up to the Red Shield Appeal in May. Almost all nightly TV news services featured a story about the survey. The coverage also extended across the territory through radio news. This research has informed The Salvation Army's approach to community support and helps social programmes to gain insight into what life is like for clients, enabling better advocacy for them in the future.

To read the report visit salvationarmy.org.au

School Tours, VIC and WA

The Salvation Army believes that educating the younger generation about the realities of homelessness and poverty is vital in order to create generational and social change.

The schools programme – currently operating in Western Australia and Victoria – involves city tours for school students, in-school presentations and volunteering opportunities.

During the city tours, students are presented with real life stories of homelessness, addiction and poverty. Students are also empowered with the tools and information to make a difference in their own circles of influence.

In Melbourne, students are taken on a walking tour of the city to gain an insight into the realities of people sleeping rough each night.



In 2013 the Victorian Salvos Schools team:

- engaged with 3,135 students
- involved 67 schools through a combination of city tours, in-school presentations and volunteering opportunities
- conducted 90 city tours
- engaged 2,638 students from 75 schools to take part in the *Salvos School Challenge* which sees students fundraising for the Red Shield Appeal
- partnered with Australian band *What About Tonight* as Salvos School ambassadors
- increased social media activity to connect with school students.

International Focus

The Salvation Army gives hope and support to vulnerable people today and every day in more than 125 countries around the world. The Salvation Army offers practical assistance for children and families, often tending to the basic necessities of life, provides shelter for homeless people and rehabilitation for people who have lost control of their lives to an addiction.

In 2013 The Salvation Army worldwide has:

- visited 240,415 prisoners
- provided emergency relief (fire, flood etc.) to 1,190,524 people
- assisted 1,299,878 with disaster rehabilitation schemes
- provided general relief to 14,673,141 people
- assisted 396,862 young people through community youth programmes
- helped 439,184 people through night patrol/anti-suicide programmes
- provided counselling to 408,378 people.

New World Leader for The Salvation Army

In June 2013, General Linda Bond announced that she was retiring as General of The Salvation Army. This decision came after 44 years of ministry. General Bond was elected to The Salvation Army's most senior office in January 2011.

Following General Bond's retirement, on 3 August 2013 Commissioner André Cox was elected as 20th General of The Salvation Army worldwide. The election took place at the High Council, which saw 117 of The Salvation Army's senior leaders from around the world gather just outside London for the task of electing the next international leader.

General Cox previously served as Chief-of-Staff in the Office of the General – second in command of The Salvation Army internationally. In the earlier years of his Salvation Army officership, General Cox held appointments in Switzerland, Zimbabwe, Finland, Estonia and the UK.

On being announced as The Salvation Army's 20th General, General Cox told more than 10,000 people around the world watching via a live webcast that he was thankful to God but aware of the "awesome task that has been placed upon our shoulders".



Oklahoma Tornadoes, May 2013

In May, tornadoes with winds of up to 340 km/h struck the southern American state of Oklahoma decimating multiple communities in the area and causing tragic loss of life and injury. The USA Salvation Army Disaster Response teams moved swiftly to provide food and hydration to people affected. Bottled water and cooked meals were provided to emergency workers and residents affected by the disaster. Mobile canteens were deployed across a wide region and other practical help was made available, including household clean-up kits containing brooms, mops, buckets and other cleaning supplies.

As well as material and financial assistance, The Salvation Army also provided pastoral care to survivors of the tornadoes. As a result of the devastation, many locals lost homes, livestock, cars, businesses and jobs. The Salvation Army USA are planning long-term recovery efforts into the new year as they continue to receive requests for all types of assistance.

In the month immediately following the tornadoes The Salvation Army provided:

- 81,809 meals and 117,735 drinks
- emotional and spiritual care to 13,046 individuals
- 43,570 comfort kits
- 6,784 clean up kits
- 26,480 hours of employee and volunteer service.

OUR PEOPLE



Stephen Webb
Human Resources Director

The Human Resources team at The Salvation Army is a vibrant and progressive group of human resources and health and safety professionals. The department's mission is to facilitate the engagement of an employee workforce and foster a work environment that enables The Salvation Army to achieve its mission imperatives.

The department is accountable for the development, maintenance and application of The Salvation Army's policies, procedures and systems relating to employment practices, terms and conditions of employment, safety and wellbeing of the organisation's workforce.

Our Workforce

The Salvation Army Australia Southern Territory workforce consists of over 5,000 employees and officers who deliver varied services to the community in over 700 workplaces across Victoria, South Australia, Tasmania, Western Australia and the Northern Territory.

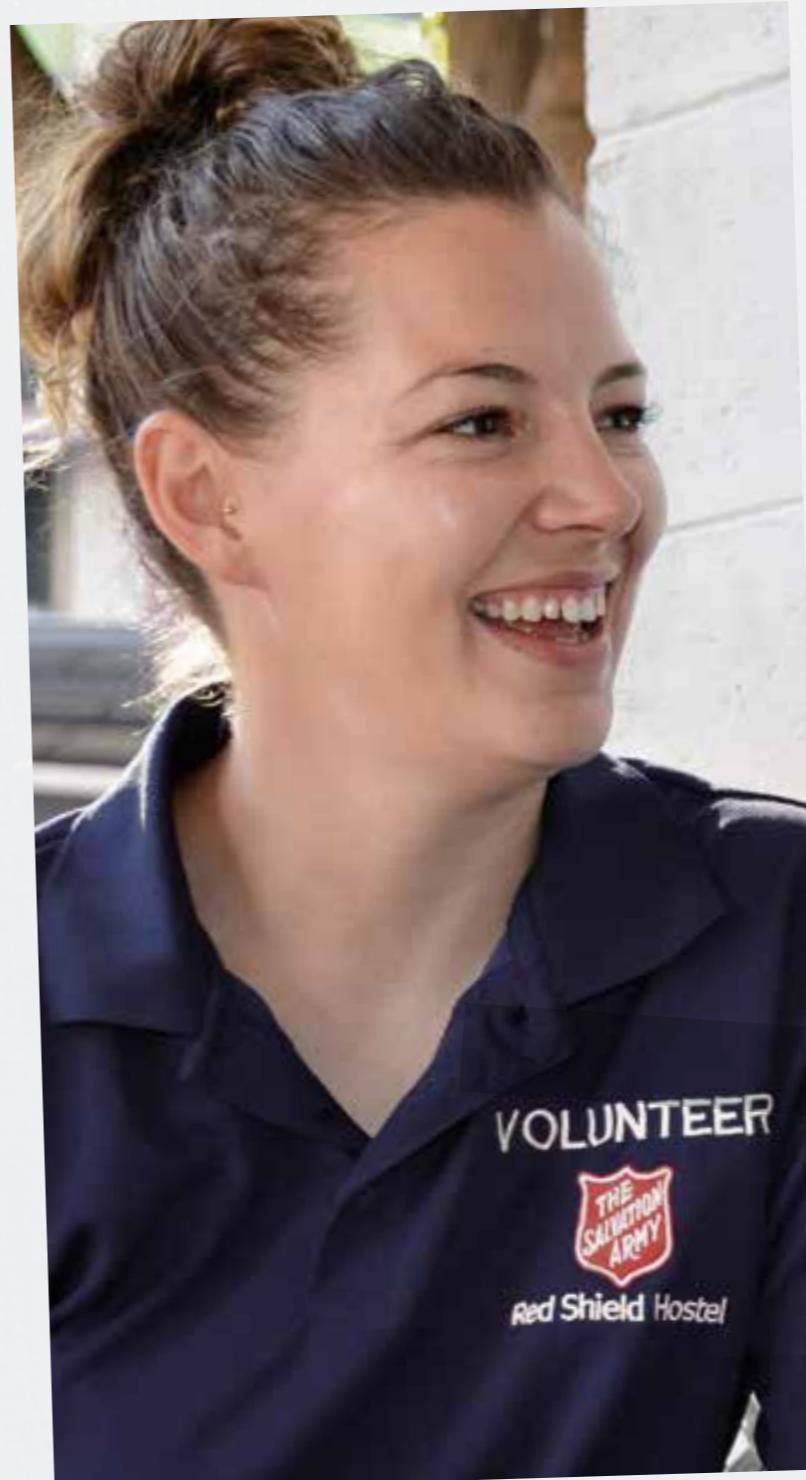
In 2013, the workforce was deployed throughout the Territory as follows:

	Employees	Officers
Territorial Headquarters*	309	110
Melbourne Central Division	964	79
Eastern Victoria Division	418	82
Western Victoria Division	227	36
Northern Victoria Division	139	41
South Australia Division	402	63
Western Australia Division	434	70
Tasmania Division	291	29
Northern Territory Region	87	18
Salvos Stores	1,120	1
Employment Plus	347	1
Total	4,738	530

*Includes personnel at Geelong Conference Centre and Catherine Booth College

The Salvation Army is an equal opportunity employer and is fully compliant with Workplace Gender Equality Agency (WGEA) legislative requirements. Our employee workforce is made up of:

Status	Women		Men		Total
	#	%	#	%	
Full-Time	1,522	63	879	37	2,401
Part-Time	1,228	77	360	23	1,588
Casual	576	77	173	23	749
Total	3,326	70	1,412	30	4,738



Volunteers

The Salvation Army relies and benefits from the support of thousands of volunteers who give of their time to serve diverse functions across the organisation. The interest of many in the community and corporate sector to support the work of The Salvation Army is encouraging and demonstrates the concern Australians have for the disadvantaged and marginalised.

The Salvation Army values its 9,500 volunteers across Tasmania, Victoria, South Australia, Western Australia and the Northern Territory who work alongside officers and employees to make a difference in the lives of others. Our volunteers play a vital role in each of our centres and services, from providing expertise at advisory board level, to serving meals at Christmas lunches for the homeless. Our volunteers contributed over 1.5 million hours of service in the past year, extending the reach of the organisation far beyond existing resources.

The generosity of our volunteers encourages not only our officers and employees, but also affirms to our clients they are valued and considered. It takes an army of people to effect positive change in the community and our volunteers add their hands and hearts to effect this change.

Thank God for our army of volunteers.

Carmel's Story

Carmel is a volunteer at our service located in Melbourne Project 614.

"I love how the Salvos are passionate about making a difference in the lives of people who have been left behind in the community and work to re-connect people to give them a sense of belonging. I find my volunteer involvement so rewarding as I receive such honest appreciation from the people we connect with. I have learnt so much about people, relationships, values and about the person I am in this life."

Volunteers are considered part of The Salvation Army community and are loved, valued and respected.

Professional Development

Employment at The Salvation Army provides a career with a difference, offering reward and satisfaction as we deliver services that provide assistance to more than one million Australians every year. Through the diversity of services we provide, employment opportunities are also varied. We employ people in roles such as:

- social workers and case managers
- welfare and support workers
- youth workers, residential support workers, foster carers
- employment consultants
- financial, general, crisis and gambling counsellors
- psychologists, nurses and personal carers
- specialists such as public relations, IT, fundraising and marketing, HR and training, audit, finance, accounting and property personnel
- administrators, cleaners, maintenance and food services staff
- sales assistants, store managers and regional managers
- journalists and media producers, events managers and librarians.

Employment at
The Salvation Army
provides a career
with a difference.



A Great Place to Work

The following section outlines some of the reasons that make The Salvation Army a great place to work.

Values-Based Organisation

The Salvation Army cares about people, and it is through our values of human dignity, justice, hope, compassion and community, that we bring focus to the lives of others.

Make a Difference

The Salvation Army has some of the most innovative and leading-edge programmes designed to bring about transformative change in people's lives. Employees make a difference through the direct service that they provide in supporting people in need, or in roles that positively influence decision-makers impacting on our community, such as governments or government departments.

Many employees express that being part of an organisation that is committed to transforming lives is a great way to spend their working lives.



Flexible Work Arrangements

The Salvation Army recognises the need for employees to be able to balance the requirements of the workplace and their family commitments. Flexible rosters, nine day fortnight/19 day month, purchased leave, working from home, job share and flexible working hours are some of the work arrangement options available to employees.

Support for Staff

The Salvation Army understands that work and life can be challenging, which is why we offer a free counselling service to all our employees and their immediate families through the employee assistance programme. Our employees also have access to Salvation Army chaplains for those times when they need spiritual guidance and support.

Career Diversity and Development

The Salvation Army employs people across a large and diverse range of professions, from the community and caring professions to corporate functions, support staff and retail. These jobs are either full-time, part-time or casual, and in some instances, internships.

Employees are encouraged to develop their skills. The Salvation Army assists employees by offering in-house training, study leave and financial support for development programmes that help achieve the mission of The Salvation Army.

A Respected Charity

The Salvation Army is one of Australia's most well-respected and well-known charitable and welfare organisations, with a brand known worldwide.

A Worldwide Organisation

The Salvation Army is at work in more than 125 countries, providing our staff with exposure to various cultures and experiences from all parts of the world.

Staff Benefits

As a not-for-profit organisation, The Salvation Army offers generous salary packaging arrangements that increase employees' pay. We also offer benefits such as tax-free meals, entertainment and holiday accommodation. Our employees can access discounts on everyday items such as health insurance, groceries, fuel and special deals on dining out, leisure activities, holiday accommodation, movies and more.

Family and Domestic Violence Support Policy

On White Ribbon Day (November 25) The Salvation Army introduced a Family and Domestic Violence Support Policy. The policy provides for special leave, flexible working arrangements and support for employees who are in, or are seeking to remove themselves from, a family or domestic violence situation. It also provides for flexible working arrangements and use of personal leave for employees who are actively supporting an immediate family member experiencing family or domestic violence. The Salvation Army acknowledges that by supporting employees to remain in paid employment, workplaces can assist employees on their pathway out of violence and keep the workplace safer.

OUR PARTNERS

All levels of government, corporate entities that provide professional service and financial support, and individuals and groups that provide funding are considered to be partners of The Salvation Army. Together these various groups enable The Salvation Army to extend its work into all areas of the Australian community.

Partnerships are critical to the delivery of Salvation Army services and the fulfilment of the mission intentions of the organisation.

Government Funding

Funding from Federal and State Governments is critical to the operation of Salvation Army services and programmes across the Australia Southern Territory. The Salvation Army will continue to seek funding support from all levels of government in order to continue to deliver services and provide positive outcomes for those that seek its support.

In all cases The Salvation Army follows a funding process as required by the specific government department, generally taking the form of a standard tender for a specific service, centre or programme. In many cases funding coming from the government is renewed from the previous year for ongoing work. Funding from governmental bodies is granted for the rendering of services and for capital work. The following table provides an indication as to the level of government funding received for the past five years.

Government Grants	2012/13 \$'000	2011/12 \$'000	2010/11 \$'000	2009/10 \$'000	2008/09 \$'000
Rendering of Services	128,072	119,169	114,139	104,500	96,733
Fee for Service	34,170	40,876	42,472	41,611	58,959
Capital	7,255	6,159	1,688	4,436	994
Total	169,497	166,204	158,299	150,547	156,686

Individually audited accounts are prepared for the individual centre, service or programme in question and provide the annual report as the central means of reporting to government departments.

Public Fundraising

Donations made to The Salvation Army are generally made to the Red Shield Appeal, which is the central fundraising appeal running throughout the year. The Christmas Appeal is an extension of the Red Shield Appeal, which is conducted over the Christmas and New Year period. The Salvos Crisis Partners Programme is a pledge-giving programme where regular donations are made to the Red Shield Appeal.

People wishing to make a donation to The Salvation Army have a degree of choice as to where their donation goes. The Red Shield Appeal provides the central stream of funding for social programmes and services. Within this appeal it is possible for supporters to specify an area or aspect of service in which their donation will be used. The Salvation Army also has a Child Sponsorship programme where individuals can support children in need overseas. In response to international disasters like the Oklahoma tornadoes, The Salvation Army has the capacity to conduct international aid appeals. The Salvation Army has an active Bequests programme for supporters who wish to leave a legacy to The Salvation Army in their Will.

The Salvation Army Australia Southern Territory aims to communicate in a clear and transparent manner with all donors and members of the general public. Public complaints received are directed to the Territorial Communications and Fundraising Department with the objective of being resolved at this level. Regular communication with leadership ensures that Cabinet members are aware of issues as they arise.

Donor enquiries and complaints are directed to the Donor Care Service Team located at Territorial Headquarters in the first stage of this process. The Territorial Communications and Fundraising Secretary is ultimately responsible for the resolution of donor complaints. A dedicated telephone number and email address where complaints and feedback from donors can be directed is also available for the public.

Operational Partners

Several organisations provide The Salvation Army Australia Southern Territory with professional services that are important to the operations of the organisation. Westpac is the banking partner of The Salvation Army and also supports the Red Shield Appeal by receiving collections from the doorknock. KPMG is the territorial auditing partner and they have audited the social fund financial statements that form part of this report. In order to ensure legal obligations are met the organisation seeks relevant legal advice to the state and territory in question. The solicitors listed right assist in the relevant state/territory.



Principal Legal Advisory for The Salvation Army Australia Southern Territory

Legal Advisors for States – General and Property

Northern Territory – Cridlands NT Lawyers

Victoria – E P Johnson & Davies

Western Australia – Freehills

South Australia – Minter Ellison

Tasmania – Murdoch Clarke

Legal Advisors – Specialists

Deceased Estates Western Australia – Anderson Kershaw
Corporate Law/Health Law/Commercial Litigation

– Clayton Utz, Melbourne

Copyright/Trademark – Davies Collison Cave, Melbourne

Employment Law – Marsh and Maher, Melbourne

Abuse/Children in Care – Nevett Ford, Melbourne

Salvos Legal – Sydney

COMMUNITY

The generous support of donors, partners and the Australian public enables The Salvation Army to give specialised care, offer holistic support, respond to disasters and care for over one million Australians each year. The Salvation Army often refer to its partners as 'the army behind the Army'. It is the community that is the lifeblood of The Salvation Army.

The Salvation Army Australia Southern Territory enjoys relationships with many businesses who share in the vision, passion and work of the Army. The following section highlights some members of the corporate community who support The Salvation Army. Relationships and engagement with organisations however, goes beyond those mentioned here. A full list of acknowledgements is included in the last pages of this report.

The Salvation Army is a not-for-profit organisation and does not have shareholders. Instead, it has members with whom it regularly communicates. This principle necessitates regular and timely disclosure of relevant information about the life of The Salvation Army to its stakeholders through electronic avenues and other means. The annual report and annual financial report are two such modes of communication and are made available for public viewing online. The Salvation Army's territorial homepage (salvationarmy.org.au) is regularly updated, and the weekly national publication *Warcry* and fortnightly territorial publication *On Fire* all seek to expressly inform the organisation's members of the events and updates occurring within The Salvation Army Australia Southern Territory.

For the purposes of transparency and accountability, The Salvation Army's external auditor attends the meeting of the Territorial Finance Council at which its financial report is presented for signature and approval. In addition, leadership of The Salvation Army Australia Southern Territory is available to answer board members' questions about the conduct of the audit and the preparation of the content of the auditor's report.

Corporate Community



Ritchies

This past year saw Ritchies Supermarkets reach a milestone in support of the Salvos: 20 years of the Ritchies Community Benefit Card Programme. More than \$1.6 million has been donated to The Salvation Army since the programme began in 1993. The Salvation Army congratulates Ritchies on this achievement and the wonderful way in which this community card programme 'gives back' to the community. The money raised through the scanning of the Community Benefit Card at checkouts supports Salvation Army centres and programmes to provide assistance to local people in need.

Fred Harrison, CEO of Ritchies, with Amy Baker from The Salvation Army.

Myer

This year marks the 20th anniversary of the Myer *Spirit of Christmas* CD. The Salvation Army is proud to partner with Myer and spread the message of hope and joy through music. Since its inception, the sale of the CD has raised over \$7 million for charity. All funds raised for The Salvation Army are directed to its children and youth programmes across Australia. This year The Salvation Army presented Myer with the OTHERS award to recognise Myer's exceptional service to the community. Myer CEO Bernie Brookes said of the partnership: "We truly value our ongoing relationship with The Salvation Army and are pleased to continue to support their invaluable work."



Left to right: Mr John Hawker, Board Member of the Myer Community Fund; Mr Bernie Brookes, CEO of Myer, Major Neil Venables, Territorial Communications & Fundraising Secretary for The Salvation Army; Ms Megan Foster, General Manager for Marketing, Myer.

Kmart

The Salvation Army this year presented Kmart with an award in recognition of its exceptional service to struggling Australians through the Kmart Wishing Tree Appeal, which celebrated its 25th anniversary of giving in 2012. The Kmart Wishing Tree Appeal is Australia's largest Christmas gift appeal and has collected more than 5 million gifts over its 25 years.

The appeal invites community members to donate gifts for others (both children and adults) who may otherwise go without a gift at Christmas time. Once again, Australians wholeheartedly supported the appeal last year, donating 443,322 gifts and over \$200,000 to The Salvation Army for distribution to people in need of support during the festive season. The simple and kind act of placing a present under a tree or some coins in a collection tin can have a significant impact in the lives of others. This is reflected in the feedback received from a Salvation Army staff member at the Bendigo Community Support Services Programme:

"I remember one young mother who had four young children. She had been the victim of horrendous domestic violence a few months earlier and she and the children had fled the family home with no more than the clothes on their backs. As she wandered around selecting toys for her children she began to cry. A staff member took her to a quiet spot so she could take some time to work through things, and she said she was not sad, just completely overwhelmed that this service was available to her. She said her children would get nothing without these toys as she could not afford to purchase Christmas presents."

The Salvation Army thanks Kmart and the generous Australian public for bringing hope to the lives of thousands of Australians.



Commissioner Raymond Finger (Territorial Commander of the Australia Southern Territory at time of photo) presented the OTHERS award to Kmart representative Tracie Walker, who accepted on behalf of Kmart Managing Director Guy Russo, at the 2013 Red Shield Appeal launch in Victoria.

McDonald's Western Australia

Since 2010, The Salvation Army has been working in partnership with McDonald's in Western Australia to provide opportunities for underprivileged youth to attend adventure camps in the state's south west. The camps encourage participation in activities that help young people to work through challenging life issues. Activities include abseiling and canoeing as well as team-building exercises. McDonald's licensee Grant Smith from Collie attended the camp and said he enjoyed assisting the camp leaders with outdoor activities that helped participants challenge themselves. "Many of our McDonald's employees are in their young formative years so we have a vested interest to get involved in a programme like this that helps young people grow and develop and become the best young adults they can be," Mr Smith said.

Media Engagement

The Salvation Army engages with media on a daily basis to raise awareness of social issues, stimulate discussion and provide an opportunity for the Australian community to become involved in the work of the Army. The motivation for The Salvation Army's involvement with the media is 'communication for social change'.

The media is generally very supportive of the work of the Salvos and much coverage is often generated around annual campaigns and events. The Salvation Army also uses sector-wide activities such as Anti-Poverty Week, Missing Persons Week and Homeless Persons Week to inform public discussion and drive social change.

The Salvation Army achieved sustained media coverage throughout the year and was a consistent voice on issues including homelessness, alcohol, drug and gambling addiction, family violence and social policy. Highlights included the range of coverage generated in the lead up to the Red Shield Neighbourhood Appeal doorknock about the Economic and Social Impact Survey 2013 that highlighted the plight of disadvantaged Australians.

The Salvation Army gratefully received more than \$10 million in media coverage (valued in terms of advertising space rate) leading up to the Red Shield Neighbourhood Appeal Doorknock.

The table right provides an indication of the level of media mentions and items that the Army received in the last year.

For media information visit salvationarmy.org.au/News-and-Media/

Social Media

The Salvation Army uses social media as another means to communicate with its diverse audience. The immediacy, reach and versatility of social media enables The Salvation Army to share its work with thousands of Australians every day. It allows the organisation to invite people to actively engage and be a part of the mission of The Salvation Army and to raise awareness and become ambassadors for The Salvation Army among their own social networks.



Month	Print/Television/Radio	Dollar Value
December 2012	490	5,256,266
January 2013	483	4,358,142
February 2013	224	3,806,462
March 2013	298	3,115,705
April 2013	501	6,855,419
May 2013	961	5,569,272
June 2013	363	4,317,084
July 2013	281	6,479,816
August 2013	192	2,218,172
September 2013	181	1,940,091
October 2013	539	11,881,132*

*High level of media coverage due to The Salvation Army's response to New South Wales bushfires and a number of major awareness campaigns.

FINANCIAL POSITION



Chief Financial Officer

Mr Gregory Stowe

Qualifications: Bachelor of Business (Dist), FCPA

Length of Service: Mr Stowe has worked in The Salvation Army's finance department for 20 years, with the last eight years spent as Chief Financial Officer. Prior to commencing with The Salvation Army, Mr Stowe worked as a management consultant with KPMG. In this role he consulted to government departments and agencies. Mr Stowe has also worked as senior accountant for the Melbourne and Metropolitan Board of Works.

Responsibilities: Mr Stowe is a legal Trustee of The Salvation Army Australia Southern Territory and is a member of the Territorial Finance Council, Territorial Property Board and the Territorial General Maintenance Board.

Although concerns for the global economy continued throughout the year, 2012/13 saw some major turnaround in equity markets, which led to a recovery in the balance sheet values for investments held by The Salvation Army. However, the further decline in domestic interest rates, together with the fall in the Australian dollar, has impacted the cash returns from investments, which has reflected in the overall operating results for The Salvation Army in the last financial year.

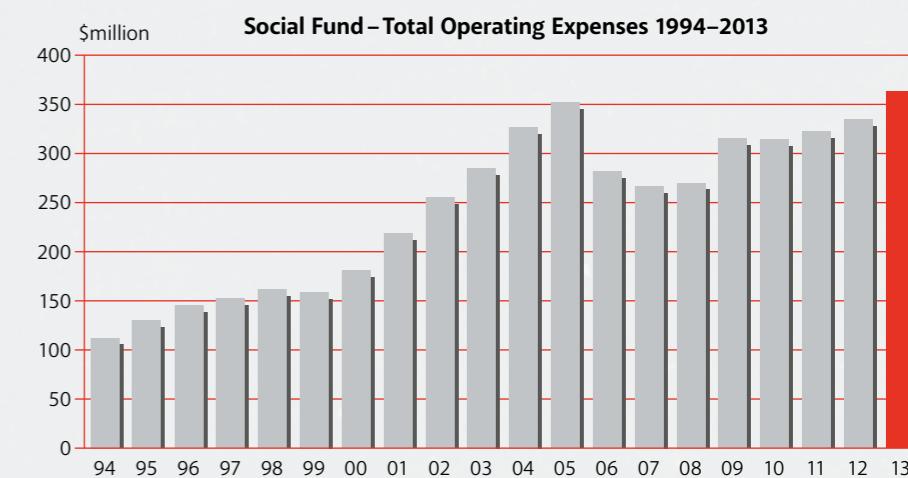
Sources of Income

The following table summarises the main sources of income for the social services provided by The Salvation Army in the last financial year:

	2012/13		2011/12	
	\$'000	%	\$'000	%
Government Income	169,497	48	166,204	49
Trading Revenue	96,755	28	93,546	27
Residents Contributions	15,312	4	14,561	4
Red Shield Appeal/ Other Donations	46,409	13	46,470	14
Investment Income	8,693	3	8,517	3
Legacies	4,737	1	4,712	1
Miscellaneous	10,772	3	7,268	2
Total	352,175	100	341,278	100

Expenditure

The Salvation Army recorded operating expenditure of \$325.4 million on social services delivered by its various social programme centres in 2012/13, compared with \$313.2 million in 2011/12. Net Social Fund expenditure for the 2012/13 financial year reached \$363.2 million (including Red Shield Appeal expenses) after eliminations. This is both a reflection of the increased costs in delivering services, but also the increased commitment of The Salvation Army to meet the needs of Australians across all areas of life.



Capital Investment

A number of significant capital projects have been either completed or commenced during the last 12 months:

- The Salvation Army work on building a new Lentara Men's Hostel in Perth called *The Beacon* is close to completion, expected to be in the second quarter of 2013/14. This project has been supported by funding from the Australian Government, and will provide modern crisis/transitional supported accommodation services for single men aged 18 and over, who are homeless or at imminent risk of homelessness.
- Other current major capital projects include the redevelopment of The Anchorage facility at Abbotsford in Victoria, which is being funded by the Victorian State Government, and the redevelopment of Foley House (formerly James Barker House) in Ryan Street, Footscray in Victoria, also being funded through the Victorian State Government.
- The Salvation Army purchased a new property for the relocation of key services and administration for the Kardinia Network in Geelong in Victoria.
- During the year, work was completed on the major redevelopment of the Ingle Farm Corps in South Australia, which incorporates a number of significant community services programmes for that area of Adelaide.

The Salvation Army Endowment Fund

This year The Salvation Army launched its Endowment Fund, a new initiative that aims to build a corpus of funds in perpetuity. These funds will generate annual income that will be used to finance high priority programmes and projects, create long-lasting social change and a secure funding stream. For more information about the Endowment Fund call 03 8878 2409.

Red Shield Appeal Finance Summary

Recently I was reading the story of the Good Samaritan in the gospel of Luke. The story tells of a man who was attacked, beaten and left half dead by robbers. Two people – one a priest, and one a fellow countryman – pass him by. It is the third man, a Samaritan – a complete stranger and foreigner – who stops to help him and pays a nearby innkeeper to look after the man.

As I read this story through the lens of my leadership role it struck me that the Good Samaritans in our society are our donors and supporters. The victims are the people in our society that can't help themselves and are enduring hardship. The Salvation Army's role in all this is to be the inn keeper: to care for people and help rebuild lives. To me this story speaks of the partnership that The Salvation Army has with the Australian community that allows us to carry out our mission and ministry. This partnership is nowhere more evident than in our annual Red Shield Appeal.

At the conclusion of the 2012/13 Red Shield Appeal I cannot help but marvel about what has been achieved. This year's appeal raised \$42,530,000. Almost \$5 million was raised over doorknock weekend on May 25 and 26. Once again, Australia showed great commitment to improving the life of struggling Australians. These achievements are more than just financial though – they're tangible.

The money raised in the Red Shield Appeal is immediately returned to the community through Salvation Army social centres and programmes. These resources enable us to have a life-changing impact on people experiencing homelessness, fleeing a violent home and struggling to put food on the table and meet the ever increasing cost of living. It also allows us to extend support to communities devastated by natural disasters, young people seeking education and support and those trapped by addiction. These are the people that money from the Red Shield Appeal assists. That is why the Salvos need you.

In May we conducted a poll of 2,705 clients from across our social services. The results painted a distressing picture of everyday life for many people. It highlighted that an adequate standard of living remains out of reach for thousands of Australians. For these people, everyday expenses and financial commitments are not met easily. Over 90% of respondents to our survey indicated they were receiving income support payments with 92% of respondents not having up to \$500 in savings.

It is this ever increasing need for support that led The Salvation Army to set up the national annual Red Shield Appeal fundraiser in 1970. The first Red Shield Appeal was also the time the phrase 'Thank God for the Salvos' was used. 'Thank God for the Salvos' is an expression now familiar to 96% of Australians. It was coined by a journalist in 1969 who spent the night out with a Salvation Army outreach team. After seeing the realities of life for the homeless people in the city and witnessing the work of The Salvation Army first-hand, he expressed with a sense of depletion, 'Thank God for the Salvos'.

Here at The Salvation Army however, we thank God for you. Thank you for your support and your ongoing partnership. Together we have helped over one million Australians find hope.



Major Neil Venables
Territorial Communications
and Fundraising Secretary



John Kirby
Chairman of the Red Shield Appeal
Chairman of the Communications
and Fundraising Council

	2013 \$'000	2012 \$'000	Difference %
Red Shield Appeal			
Victoria	23,275	23,791	
South Australia	6,129	5,798	
Western Australia	10,022	10,257	
Tasmania	2,466	2,541	
Northern Territory	562	496	
Victorian Bushfire Appeal	0	1	
Victorian Flood Appeal	0	995	
NSW/QLD Flood Appeal	76	31	
Total Red Shield Appeal	42,530	43,910	-3.14
Wills and Bequests	21,176	23,979	-11.69
Other miscellaneous donations not through Red Shield Appeal	6,663	4,171	59.75
Total Fundraising	70,369	72,060	-2.35
Expenses			
Red Shield Appeal	11,265	11,868	
Wills and Bequests	1,199	1,207	
Total Expenses	12,464	13,075	-4.67
Fundraising Ratio	17.71%	18.14%	

A Note from John Kirby, Chairman of the Red Shield Appeal for the Australia Southern Territory

I am privileged to have served as Chairman of the Red Shield Appeal for The Salvation Army Australia Southern Territory. Funds raised from the annual Red Shield Appeal allow the Salvos to operate hundreds of services and specialised programmes, offering refuge to more than one million Australians in need each year.

It is very encouraging to see that once again Australians rallied and got behind the Army and gave of their time and financial resources to the Red Shield Appeal. Despite tough economic times, the results that you read about in this annual report are astounding. These results come from the public's generous desire to help others and a confidence that The Salvation Army will use every dollar to care for people in need and that every dollar will quickly get to where it is most needed.

As the Chairman of the Red Shield Appeal and The Salvation Army's Communications and Fundraising Council, I express my sincere thanks.

You might have seen Cathy's story on the Red Shield Appeal advertisements on television this year. Cathy was someone who never thought she would need The Salvation Army. When her husband was injured at work, full time care and extra medical bills took their toll. It was when Cathy and her husband lost their son however, that everything seemed truly hopeless. This is when the Salvos helped to turn her life around. Cathy's story is indicative of many people that the Salvos assist. The funds raised from the Red Shield Appeal mean the Salvos can continue to serve and support people like Cathy. The people whose lives, often through no fault of their own, take a series of challenging turns and leave them with nowhere to go.

The valuable contribution of individuals, volunteers, local businesses, corporate partners and levels of government allows The Salvation Army to keep making a difference to the lives of people in need. I wish to acknowledge all my colleagues in other leadership boards and committees, who give their time, skills and heartfelt effort to support the good work of The Salvation Army. The Salvation Army is an organisation that relies on people to achieve its mission. The support across that wonderful team this financial year means that The Salvation Army can continue to give hope to each and every valued member of our community.

Members of the Communications and Fundraising Council

John Kirby (Chairman)
David Williamson
Mark Coad
Peter Kent
Major Neil Venables
David Drysdale
Garry Tanner
Brian Hallett

The 2012/13 financial year saw a continuation of deflated retail trading conditions, with many organisations being forced to close or cut back on staffing levels.

During that period Salvos Stores grew its store sales income by \$2.8 million or 3.2%. This, when compared to retail in general, which saw a growth of just 1.0%, is quite outstanding.

In terms of operating surplus, again year on year Salvos Stores saw growth of \$1.1 million whilst most retailers were downgrading their forecasts.

Salvos Stores is very proud of the effort that staff and volunteers have put into these tough trading times and their extra effort can be seen in year-end results.

Salvos Stores generated a surplus in excess of \$18 million, including goods to the value of \$2.68 million given away free of charge to people referred through The Salvation Army community support centres. This achievement is \$1.2 million ahead of budget for the year.



Investments

The main investment of The Salvation Army Australia Southern Territory is in unlisted units held in managed investment funds, managed by JANA Investment Advisers on behalf of the organisation. Units are held in six different trusts, and the Investment Advisory Board recommends the percentage allocated to each trust, with advice from JANA.

JANA's investment approach is designed to deliver superior long-term returns, and to do so with consistency. The investment objectives are:

- to have the ability to meet all financial obligations of the territory when they fall due
- to maintain the purchasing power of the current assets and all future capital contributions by maximising the rate of return on Trust assets
- to achieve and maintain a fully-funded status for all reserves held by the Trust
- to control costs of administering the Trust and managing investments
- to ensure investments are held in securities that can be legally held by churches/charities in Australia and are either quoted on recognised stock exchanges of repute or deposited with financial institutions of high standing
- to ensure investments are ethically acceptable while remaining economically sound.

Further information regarding the investment policy can be found in the Financial Statements – Note 1(e).

Money may be invested – if it is recommended on investment grounds – in enterprises designed to improve the economy of the country concerned or of underdeveloped countries. Funds are not to be invested in companies that are known:

- to disregard the pollution of the environment
- to produce or sell alcoholic drinks or tobacco products
- to promote gambling in any form
- to manufacture armaments
- to produce or distribute films
- to promote industry or commerce in a country where participation would be generally unacceptable in the investing country.

Money may be invested in investment trusts, preference being given (subject to normal commercial prudence) to trusts where the portfolio contains no stocks of companies prohibited under the above list. But in any case, no money shall be invested in trust where 10% or more of the total portfolio is held in stocks of such prohibited companies.

Management of Investments

The Salvation Army Australia Southern Territory administers its investments through The Salvation Army (Victoria) Property Trust ('the Trust'), which acts as the legal entity representing each of the individual State/Territory Property Trusts that comprise the Territory.

Trustees' Responsibilities

- Establish the strategic investment policy for the Trust (asset allocation) and periodically review policy, taking into account any changes in operational and capital requirements and market conditions.
- Select qualified advisory persons and investment managers to advise on and manage the Trust's assets.
- Monitor and review the performance of selected managers to determine the achievement of goals and compliance with policy guidelines.
- Monitor the costs of the investment operations on a quarterly basis.

Finance Staff Responsibilities

- Manage the overall Trust assets under its care, custody and/or control in accordance with objectives and guidelines.
- Manage the Trust assets that form part of the working capital fund under its care, custody and/or control in accordance with objectives and guidelines.
- Monitor both internally and externally managed assets to ensure compliance with the guidelines.
- Monitor the performance of the Trust's investment portfolio against defined benchmarks, including asset class indices and ethically (screened) indices.
- Maintain proper detailed records of investment transactions and assets of the Trust in accordance with accepted accounting standards and audit requirements.
- Report to the Trustees monthly regarding the status of the portfolio and its performance for various time periods against goals and objectives.
- Meet with the Advisory Board and Trustees at least annually to report on the performance and compliance with goals and objectives.

The implementation of an investment portfolio designed to achieve the goals and objectives of the Trust must be consistent with legislative and common law requirements. The Investment Advisory Board, composed of up to six members – including two non-executive members drawn from the private business sector – will be responsible for working closely with the Trustees and will make recommendations to the Trustees on investment management.

The Investment Advisory Board will establish specific search procedures, including the specification of minimum criteria for the selection of new qualified investment managers, to implement the strategic asset allocation plan. Among the criteria that will be used for screening purposes will be: assets managed, manager style, track record of staff, communication, fees, risk/reward statistics, etc. All managers must meet the criteria established by the Investment Advisory Board.

The Investment Advisory Board will give equal consideration to minority owned and controlled firms, and firms owned and controlled by women that otherwise meet the criteria established by the Investment Advisory Board.

Investment Advisory Board Responsibilities

- Provide independent and unbiased information.
- Assist in the development of the investment policy.
- Monitor compliance with the investment policy.
- Assist in the development of strategic asset allocation targets.
- Assist in the development of performance measurement standards.
- Monitor and evaluate investment manager performance on an ongoing basis.

Investment Managers' Responsibilities

- Manage the Trust assets under its care, custody and/or control in accordance with objectives and guidelines.
- Exercise proper investment discretion over the assets in their care within guidelines.
- Promptly inform the Trustees and finance staff in writing regarding all changes of a material nature pertaining to the firm's organisation and professional staff.
- If directed, promptly vote all proxies and related actions in a manner consistent with the long-term interests and objectives of the Trust. Each manager designated to vote will keep detailed records of said votes of proxies and related actions, and will comply with all regulatory obligations related thereto.
- Report to the Trustees monthly regarding the status of the portfolio and its performance for various time periods. Meet with the Investment Advisory Board and/or Finance Staff at least annually to report on their performance and compliance with goals and objectives.
- Acknowledge and agree in writing to their fiduciary responsibility to fully comply with the entire investment policy, and as modified in the future.



Long-Term Financial Performance

With improved positions in both Australian and global equity markets during 2012/13, the overall value of The Salvation Army's investment portfolio increased over the course of the year, and most of the capital loss following the Global Financial Crisis has now been recovered. However, the overall income returns generated by the portfolio fell below original budget expectations, as official interest rates continued to fall and the Australian dollar declined in value during the year, impacting upon some global investment returns. Lower than expected income returns place increased pressure on annual operating budgets, which presents ongoing challenges for The Salvation Army in continuing to achieve its mission and goals.

	2012/13 \$'000	2011/12 \$'000	2010/11 \$'000	2009/10 \$'000	2008/09 \$'000
Deposits – Fixed Rate	44,760	58,511	61,664	66,011	94,640
Unlisted Units in Managed Investment Funds	143,644	124,394	118,374	120,441	98,424
Other	692	789	635	–	–
Total Financial Assets	189,096	183,694	180,673	186,452	193,064
Total Investment Income	8,693	8,517	11,887	10,693	4,876
Impairment Expense	186	179	–	–	(14,172)

Five Year Trend – Revenue and Expenses

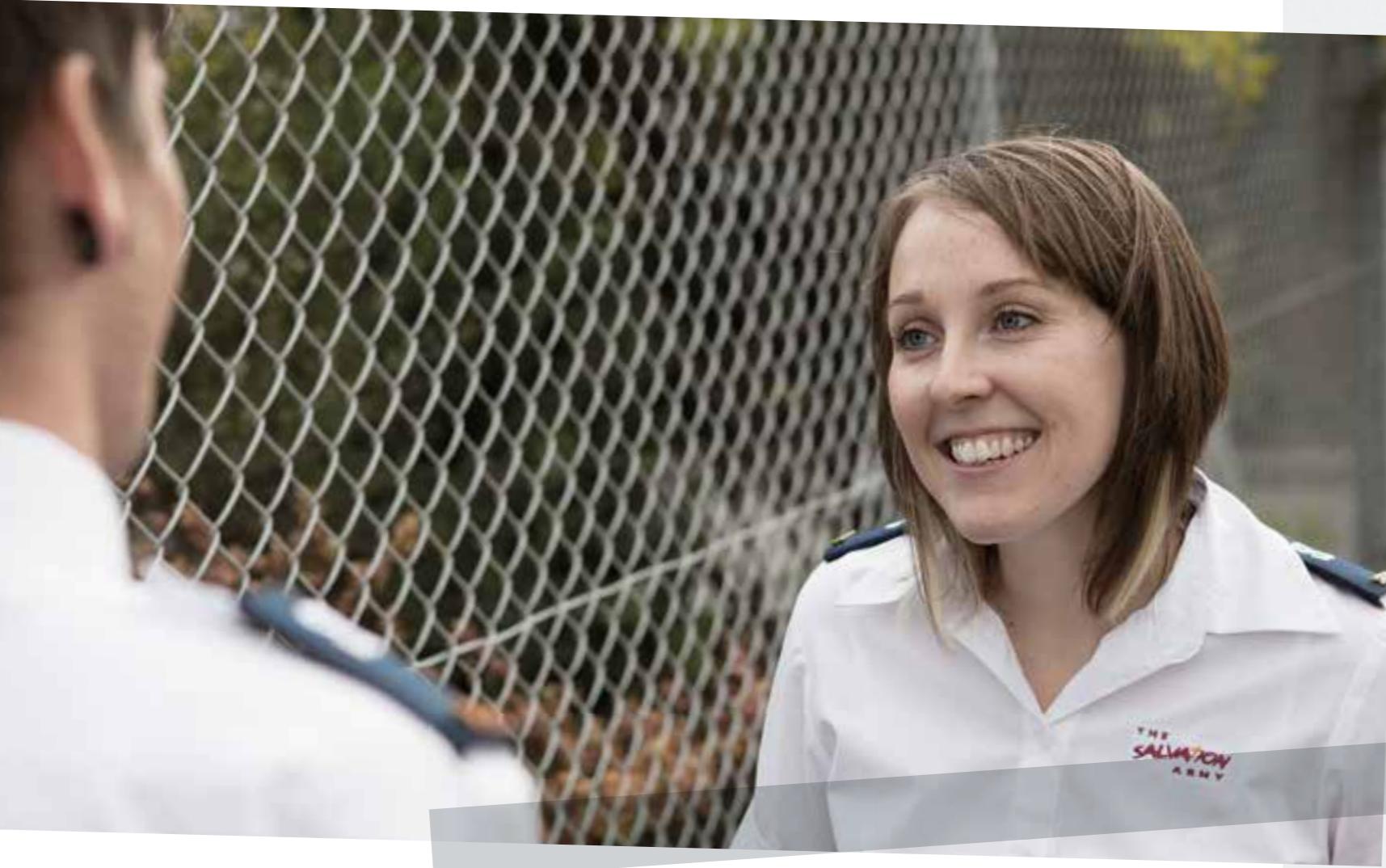
	2012/13 \$'000	2011/12 \$'000	2010/11 \$'000	2009/10 \$'000	2008/09 \$'000
Total Operating Revenue	344,676	333,926	327,027	308,117	338,621
Total Capital Revenue	7,499	7,352	7,281	6,044	3,084
Total Operating Expenses	(362,350)	(335,922)	(324,218)	(314,368)	(315,393)
Total Allocations	10,730	(5,530)	(9,280)	1,344	(24,390)
Net Surplus/(Deficit) after Allocations	555	(174)	810	1,137	1,922
Net Change in Fair Value of Available-for-Sale Financial Assets	11,505	1,248	2,267	4,787	–
Total Comprehensive Income after Allocations	12,060	1,074	3,077	5,924	1,922

The detailed Financial Statements included as part of this report provides further detail and explanation as to the accounts for the Social Fund.

GOVERNANCE

Corporate Governance

The Salvation Army endorses the Principles of Good Corporate Governance and Best Practice Recommendations developed by the Australian Securities Exchange (ASX) in 2003 and revised in 2007. The Salvation Army – being a not-for-profit organisation – is not required to include a statement of the main corporate governance practices, which is required of listed corporations. However, it is considered appropriate to ensure best practice in reporting by including corporate governance practices in this Trustees' report.



Governance and Oversight

The Salvation Army has its international headquarters in London. At the head of the international Salvation Army is the General of The Salvation Army, who is elected at the High Council.

The Salvation Army has been operating in Australia since 1880. For the business purposes of its Australia Southern Territory, it is incorporated by the following Acts of Parliament:

The Salvation Army (Victoria) Property Trust Act 1930
The Salvation Army (South Australia) Property Trust Act 1931
The Salvation Army (Western Australia) Property Trust Act 1931
The Salvation Army (Tasmania) Property Trust Act 1930
The Salvation Army (Northern Territory) Property Trust Act 2002

The Territorial Commander acts as the representative of the General in The Salvation Army Australia Southern Territory. The Territorial Commander receives a Commission and acknowledges this by signing a bond under legal seal. This document is legally binding upon the parties concerned, and creates a legal relationship between the Territorial Commander and the General of The Salvation Army. From time to time, further particulars affecting that relationship may be set down in a power of attorney issued from the General to the Territorial Commander.

Trustees

The Salvation Army acts as a trustee of the gifts, grants and contributions received from individuals and bodies (private and governmental). As a result, after meeting its legal obligations, its internal and international financial reports are prepared to meet the needs of donors, contributors, grantors and managements.

It is essential that The Salvation Army meets its obligations to each donor, who specifies any particular use to which a gift is to be put. It is a clearly stated principle that the Territorial Commander – on behalf of the General – has control of funds entrusted to him, and is authorised to expend them for the purpose for which they are obtained and no other. This standard of scrupulous stewardship is maintained through the structure of accounting systems and records, and the manner of presentation of accounts.

The Trustees of the respective Property Trusts are required to ensure the assets owned by the Trusts are properly released for the use of The Salvation Army Australia Southern Territory. There is a board meeting of Trustees who authorise these assets to be so used. The Territorial Finance Council and Territorial Property Board make the decisions of The Salvation Army in relation to finance and property matters respectively.

The following persons were Trustees of The Salvation Army Australia Southern Territory during the whole of the financial year and to the date of this report:

- Colonel P R Walker
- Lieutenant-Colonel R A Barnard
- Lieutenant-Colonel V E Callander
- Captain M J Roberts
- Mr G F Stowe.

Lieutenant-Colonel I E Hamilton resigned as a Trustee as of 9 January 2013. Commissioner R A Finger resigned as a Trustee as of 31 May 2013. Lieutenant-Colonel G L Rigley was appointed as a Trustee on 20 February 2013. Commissioner F J Tidd was appointed as a Trustee on 1 June 2013.

The number of Trustees' meetings and the number of meetings attended by each of the Trustees during the financial year are listed in the table right.

Trustee	Number of Meetings Eligible to Attend	Number of Meetings Attended
Commissioner R A Finger	11	9
Commissioner F J Tidd	1	1
Colonel P R Walker	12	10
Lieutenant-Colonel R A Barnard	12	10
Lieutenant-Colonel I E Hamilton	6	5
Lieutenant-Colonel V E Callander	12	8
Lieutenant-Colonel G L Rigley	5	4
Captain M J Roberts	12	11
Mr G F Stowe	12	11

Territorial Finance Council

The Territorial Finance Council (TFC) is the Territory's supreme policy and decision-making body for the control and management of territorial financial and property resources. The TFC is responsible for approving:

- the territorial budget and any subsequent revisions
- non-budgeted expenditures
- capital spending
- the price at which property is bought and sold
- grants to divisions and other centres
- allowances of officers and employees
- investment of funds
- transfers to and from reserves and trust funds
- furniture requisitions for leading officers
- grants to officers
- annual statements of accounts.

The TFC also monitors the performance of the territorial budget, plans future financial strategy (including the raising of money), deals with serious matters arising out of audit reports, considers matters of a confidential nature, and supervises the work of expenditure boards. The TFC meets on a weekly basis.

Membership of the TFC is currently 15 members, reviewed and approved annually by International Headquarters, one of whom must be the Financial Secretary. The Territorial Commander presides ex-officio. In the absence of the Territorial Commander, the Chief Secretary presides. No meeting can be held without one or the other present. Four members form a quorum, which must include the Financial Secretary or his proxy.

The number of TFC meetings held during the year ended 30 June 2013 and the number of meetings attended by each member were:

Member	Number of Meetings Eligible to Attend	Number of Meetings Attended
Commissioner R A Finger	39	25
Commissioner A T Finger	39	25
Commissioner F J Tidd	3	3
Commissioner T L Tidd	3	3
Colonel P R Walker	42	34
Colonel J K Walker	42	34
Lieutenant-Colonel R A Barnard	42	36
Lieutenant-Colonel I E Hamilton	21	19
Lieutenant-Colonel V E Callander	42	34
Lieutenant-Colonel I B Callander	42	33
Lieutenant-Colonel G L Rigley	16	15
Major N R Venables	42	30
Major S A Mauder	42	33
Captain M J Roberts	42	39
Lieutenant K E Baudinette	18	17
Mr D A Sinden	42	37
Mr G F Stowe	42	37
Mr S J Webb	31	27

Board Processes

The Territorial Finance Council and other boards, while not relieving the Territorial Commander or any other Salvation Army officer of personal responsibility for the success of the work of The Salvation Army, are established to:

- give strength to decisions taken
- guard against ill-considered action
- provide information first-hand from people who are constantly in close personal touch with all aspects of the work
- secure counsel and advice on all matters involving the expenditure of The Salvation Army's funds.

The Territorial Commander or Chief Secretary determines the membership of the various boards, with certain board memberships required to be endorsed by International Headquarters. Board members are required to attend meetings regularly and to acquire a broad knowledge and understanding of The Salvation Army's operations and functions. They must be aware of, and conversant with, the statutory, regulatory and policy requirements affecting the operations of The Salvation Army.

General Maintenance Board

The General Maintenance Board (GMB) is responsible for monitoring, recommending and approving in a consistent and efficient manner all expenditure according to the approved budget in the following areas:

- requisitions (including motor vehicles)
- cash requirements for payment of accounts
- officer health assistance scheme payments
- general business matters, including insurance claims.

The chairperson of the GMB is the Secretary for Business Administration, and membership includes the Chief Financial Officer and eight other senior staff members from Territorial Headquarters. The GMB meets weekly, and all minutes of the GMB are tabled at the TFC for ratification.

Similar expenditure boards operate in each of the divisional headquarters within the Territory to monitor, recommend and approve all expenditure within the division in accordance with approved budgets, and within the authority levels prescribed and approved by the TPC.

Territorial Policy Council

The Territorial Policy Council (TPC) is the policy-making body for the strategic and mission direction of The Salvation Army. The TPC tables its recommendations on policy matters to the TFC or other appropriate board for approval. It meets on a weekly basis.

Membership comprises the executive leadership of the Territory, with the Territorial Commander presiding. In the absence of the Territorial Commander, the Chief Secretary presides. No meeting can be held without one or the other present.

Territorial Advisory Board

The role of the Territorial Advisory Board is to advise and assist the Territorial Commander and the appointed Trustees in the administration of their responsibilities. Expertise and practical support is provided in four key areas:

- strategic planning
- business administration, including the raising of funds as well as the efficient administration of resources
- programme development, including discernment of demographic trends and analysis of Federal and State Government policy
- human resources management.

The Territorial Advisory Board operates under the leadership of an appointed chairperson recruited from the business community. Membership includes a minimum of five Trustees, a minimum of seven community members in addition to the chairperson, The Salvation Army Communications and Fundraising Secretary and The Salvation Army Victoria State Council Chairperson. Meetings are held no less than four times per calendar year.

A Property Advisory Board also operates as a sub-committee of the Territorial Advisory Board to provide independent advice to territorial leadership on matters relating to property and real estate.

Membership of the Territorial Advisory Board is listed on page 6 of this report.

Territorial Property Board

The Territorial Property Board (TPB) is the official body authorised to conduct property business and meets each fortnight. It gives direction regarding property purchases, sales, construction, land acquisition, extensions, renovations, replacements, financing, and also recommends to the TFC any payment of accounts relating to property expenditure above the limit to which divisional/regional expenditure boards may approve.

The TPB's authority must be obtained before alterations, renovations, purchase, sale or lease of property, or other expenditure may take place.

The TPB is chaired by the Territorial Commander, and its membership comprises all seven Trustees of the Australia Southern Territory, and a further eight representatives from various Territorial Headquarters departments.

Investment Committee

The Salvation Army also established an Investment Committee to provide independent and unbiased advice to the territorial leadership on matters relating to the management of investment assets for the Territory. The Committee is comprised of the Trustees and two senior finance department staff members, plus two external advisors who are drawn from relevant professional and commercial sectors of the community, and are responsible for working closely with the Trustees and making recommendations to the Trustees on investment management. The Territorial Commander appoints one of the external advisors as chairperson of the Committee.

The Investment Committee's responsibilities include:

- provision of independent and unbiased information
- assistance in the development of investment policy and guidelines
- monitoring compliance with investment policy and guidelines
- assistance in the development of strategic asset allocation targets
- assistance in the development of performance measurement standards
- monitoring and evaluation of investment manager performance on an ongoing basis.

The Committee currently meets on a quarterly basis during the year. Current members of the Investment Committee are:

Mr John Paterson – former Board Member, Future Fund

Mr Paul Laband – retired, formerly with UniSuper and Russell Investment Group

Commissioner Floyd Tidd – Territorial Commander, Australia Southern Territory

Colonel Peter Walker – Chief Secretary, Australia Southern Territory

Lt-Col Rodney Barnard – Secretary for Business Administration, Australia Southern Territory

Mr Greg Stowe – Chief Financial Officer, Australia Southern Territory

Mr Chris O'Neill – Financial Controller, Australia Southern Territory

Mr Colin Solomon – Finance Manager, Australia Southern Territory



Territorial Audit Council

The Territorial Audit Council meets, on average, every two months and considers internal audit reports and associated responses to internal audit reports. The Council consists of Salvation Army officers and senior staff appointed annually by the Chief Secretary. The chairman of the Council is always the Secretary for Business Administration. Three members constitute a quorum and no proxies are permitted.

Audit Committee

The Audit Committee was established in April 2006. The Committee assists The Salvation Army executive in fulfilling its governance responsibilities, and is responsible for the oversight of:

- financial performance and the financial reporting process including the annual financial statements
- the scope of work, performance and independence of internal audit
- providing advice to management in relation to the engagement of the external auditor
- the scope of work, performance and independence of the external auditor
- the operation and implementation of the risk management framework
- matters of accountability and internal control affecting the operations of The Salvation Army
- the effectiveness of management information systems and other systems of internal control
- the acceptability of and correct accounting treatment for and disclosure of significant transactions that are not part of The Salvation Army's normal course of business
- the sign-off of accounting policies
- the Salvation Army's process for monitoring compliance with laws and regulations and its own Code of Conduct and Code of Financial Practice.

In performing its duties, the Committee maintains effective working relationships with the TFC, territorial leadership, relevant heads of departments, and the internal and external auditors.

Membership of the Committee comprises up to four members recruited from outside The Salvation Army and the Secretary for Business Administration. The Territorial Commander and Chief Secretary are ex-officio members. The Chief Financial Officer and Territorial Auditor attend meetings of the Committee, but are not members of the Committee. The period of service for the external members will be three years with an option to extend for up to a further three years, at the discretion of the Territorial Commander. The chairperson is selected and appointed by the Territorial Commander. The Committee currently meets at least four times during the year.

Current members of the Audit Committee are:

Ms Jay Bonnington (Chairperson)
– Non-Executive Company Director

Mr Hugh Somerville
– Retired Partner, PricewaterhouseCoopers

Ms Janice van Reyk
– Non-Executive Company Director

Lt-Col Rodney Barnard
– Secretary for Business Administration,
The Salvation Army Australia Southern Territory

Risk Management

The Trustees are responsible for the oversight of The Salvation Army Australia Southern Territory's risk management. The Audit Committee assists the Trustees in fulfilling their responsibilities in this regard by reviewing the operation and implementation of the risk management framework. The Enterprise Risk Management Committee is responsible for identifying and monitoring emerging risks and fully considering risk management issues across the Territory and is responsible for establishing and reviewing the framework. The Territorial Internal Audit department has been given responsibility for facilitating the implementation of Enterprise Risk Management for the Territory.

The Salvation Army's programmes are consistent with the International Standard ISO 31000:2009. The Salvation Army is committed to the formal, systematic, structured and proactive management of risk across the organisation.

The Salvation Army operates in a range of sectors in a vast array of activities and recognises that whilst risk is inherent in all its activities, the effective management of risk is good practice, creates value and is integral to sound governance. It is recognised that effective risk management promotes better decision making and planning, as well as better identification of opportunities and threats.

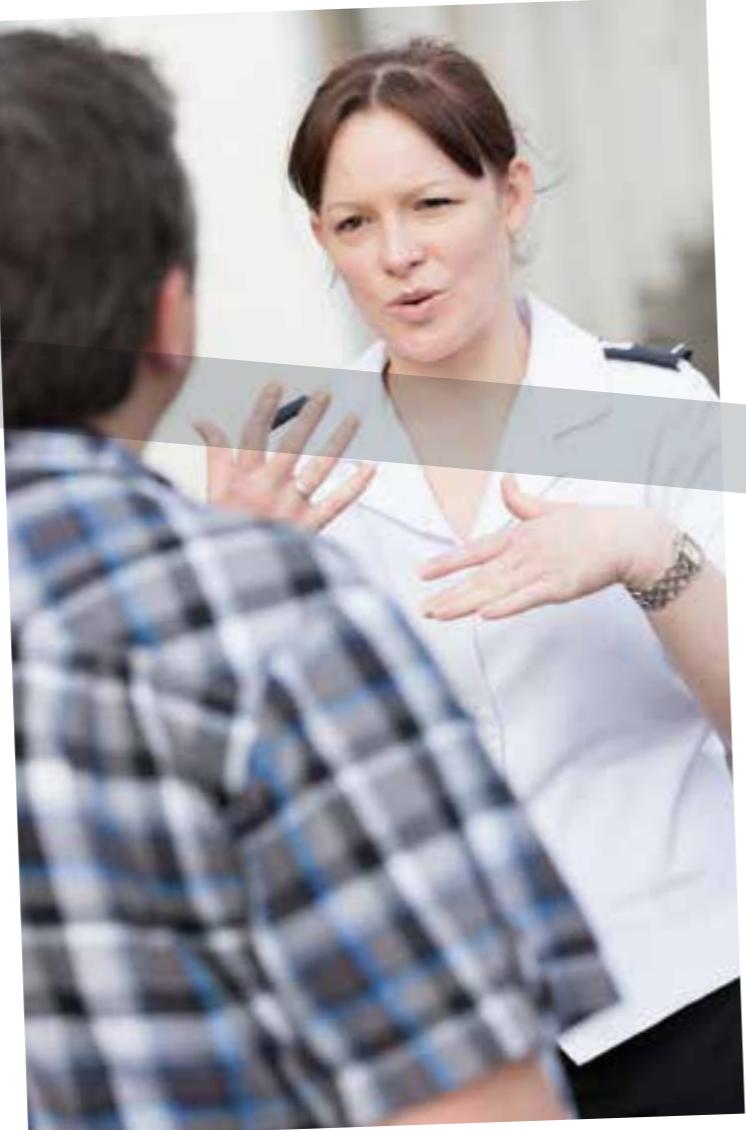
Remunerate Fairly and Responsibly

The Trustees are officers or staff of The Salvation Army Australia Southern Territory, and receive remuneration in accordance with established Salvation Army guidelines. In addition, officer trustees also receive accommodation and use of a motor vehicle at no cost as part of their officership, in accordance with established Salvation Army guidelines. No additional remuneration is received by these officers for acting in their capacity as Trustees of The Salvation Army. Staff trustees receive the use of a motor vehicle as part of their employment contract.

Salvation Army employees are paid in accordance with their classification position as per the relevant award or agreement under which they are employed, and are paid any pay increases or other variations to remuneration and benefits as per the relevant award or agreement.

Non-award/agreement employees are paid in accordance with their terms and conditions outlined in their contracts of employment. For non-award employees, internal review of remuneration is conducted on an annual basis to maintain market position in the not-for-profit sector, with recommendations for salary adjustments submitted to the TFC for consideration. Individual remuneration submissions are submitted to the appropriate board at divisional or territorial level for approval.

External members of territorial advisory boards and committees volunteer their time and skills to the organisation and as such, no remuneration was paid or is payable to these persons in their capacity as board members.



SUSTAINABILITY & ENVIRONMENT



Salvos Stores – Southern Territory Sustainability Report 2012/13

Once again the increasing volumes of illegally dumped rubbish ensured the focus from a sustainability perspective was firmly on this issue throughout the year.

Overall national costs increased 32% due to the implementation of the Carbon Price Mechanism, individual state levy increases and a general increase in volume of waste received.

External service costs rose nationally by an average of 35% with significant increases in Victoria (39%) and NT (58%).

With 'waste' still the single largest contributor to our Carbon Footprint, the focus in this area also ensured that Salvos Stores remained committed to reducing our Greenhouse Gas Emissions.

Despite the heavy costs associated with cleaning up this community generated waste, Salvos Stores justifiably prides itself in being able to divert over 17,000 tonnes of products away from landfill per annum through sales via the Salvos Stores retail chain. This has the effect of reducing greenhouse gas emissions by around 16,000 tonnes.

For more information about Salvos Stores visit salvationarmy.org.au/salvosstores

FINANCIAL REPORT

The Salvation Army Australia Southern Territory Social Fund for the year ended 30 June 2013

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The Salvation Army Australia

Southern Territory

WILLIAM BOOTH – Founder

ANDRÉ COX – General

FLOYD J TIDD – Territorial Commander

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The Salvation Army Australia Southern Territory Social Fund Trustees' Report

The Trustees of The Salvation Army Australia Southern Territory submit the following report, together with the financial statements, on the operations of the Social Fund for the financial year ended 30 June 2013, and the independent audit report thereon.

Principal Activities

During the year, the principal continuing activities of The Salvation Army Australia Southern Territory Social Fund comprised of:

- aged care and disability services
- employment, education and training services
- homelessness and domestic violence programmes
- individual and family support programmes
- children and young people at risk programmes
- addictions and substance abuse programmes
- Salvos Stores.

No changes in the nature of these activities occurred during the financial year.

Review of Operations

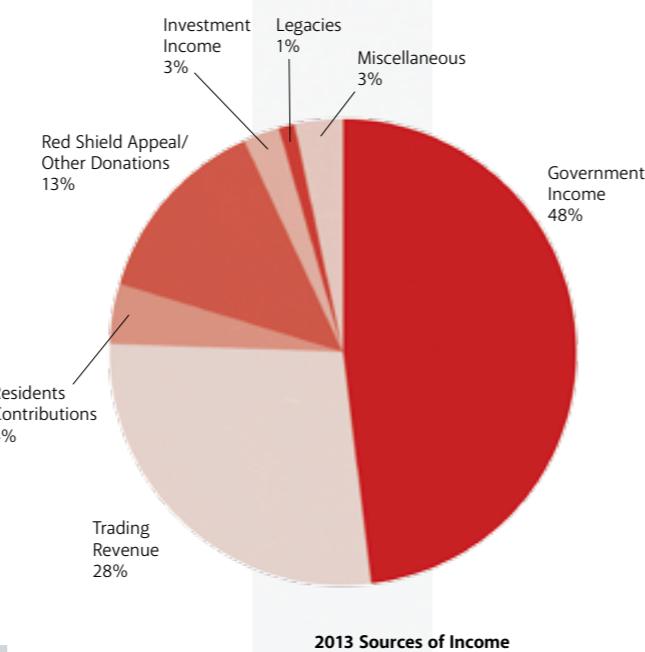
In 2013, The Salvation Army Australia Southern Territory Social Fund's operating result was a surplus after allocations of \$555,000 (2012: deficit of \$174,000). Total revenues were \$352,175,000 (2012: \$341,278,000), whilst total operating expenses were \$362,350,000 (2012: \$335,922,000).

In line with The Salvation Army's policies and compliance with donors' restrictions on the use of certain funds, net transfers of \$10,730,000 were made from various reserves for specific purposes (2012: \$5,530,000 of net transfers were made to capital projects or set aside in various reserves for future specific purposes).

	2013 \$'000	2012 \$'000
Revenue	352,175	341,278
Expenditure	(362,350)	(335,922)
Surplus before Allocations	(10,175)	5,356
Allocations	10,730	(5,530)
Surplus/(Deficit) after Allocations	555	(174)

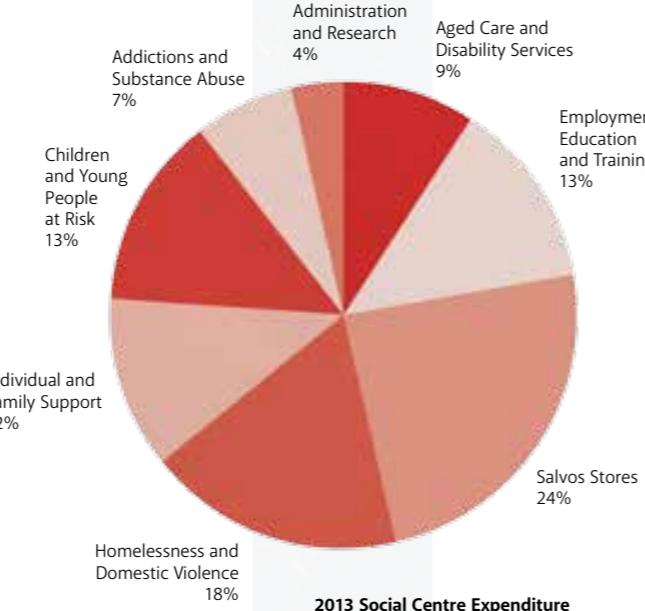
The Salvation Army Australia Southern Territory Social Fund Trustees' Report

Sources of Income	2013 \$'000	2012 \$'000
Government Income	169,497	166,204
Trading Revenue	96,755	93,546
Residents Contributions	15,312	14,561
Red Shield Appeal/Other Donations	46,409	46,470
Investment Income	8,693	8,517
Legacies	4,737	4,712
Miscellaneous	10,772	7,268
Total Income	352,175	341,278



The following is a summary of the areas of expenditure within social programme category, in relation to social services provided by the various centres operating within The Salvation Army Australia Southern Territory in 2013.

Social Centre Expenditure	2013 \$'000	2012 \$'000
Aged Care and Disability Services	30,447	28,164
Employment, Education and Training	42,297	45,947
Salvos Stores	78,826	76,640
Homelessness and Domestic Violence	57,877	53,199
Individual and Family Support	38,410	37,291
Children and Young People at Risk	43,523	36,750
Addictions and Substance Abuse	22,947	23,817
Administration and Research	11,055	11,383
Total Social Centre Expenditure	325,382	313,191
Other Expenditure including Red Shield Appeal	36,968	22,731
Total Expenditure	362,350	335,922



The Salvation Army Australia Southern Territory Social Fund Trustees' Report

The significant impacts on the 2013 result were:

- The Red Shield Appeal recorded a result of \$42.5Mn before expenses for the year ended 30 June 2013.
- With improved positions in both Australian and global equity markets, the Investment Fund portfolio managed by JANA Investment Advisers generated overall returns below original budget expectations. The portfolio achieved an overall return of 13.8% for the year, net of fees and inclusive of realised gains and losses. Income from the portfolio, however, only represented a return of 4.12% for the year.
- Total government funding increased by \$3.3Mn from 2011/12, a net increase of 1.98%. However, fee for service government funding fell by \$6.7Mn (16.41%), which mainly related to reduced caseloads in employment services. The remaining government funding increased by \$10.0Mn (7.98%). This funding remains the most significant source of income for The Salvation Army's social programmes, representing 48% of the overall income for the year (2012: 49%).
- Despite 2012/13 proving to be another challenging year with the continuing pressures within the retail sector in Australia, Salvos Stores exceeded budget expectations having contributed \$15Mn to the operations of the Social Fund, as well as a further \$2.4Mn provided in welfare vouchers to programme clients.

At 30 June 2013, the Social Fund Statement of Financial Position is showing a negative current ratio (current assets less current liabilities) compared to the positive current ratio reflected in the 2011/12 financial report. This resulted from the shifting of some short-term deposits to long-term deposits during 2012/13, and an increase in current sundry creditors and accruals at 30 June 2013. The Social Fund's major investment asset (unlisted units in managed investment funds) is disclosed as a non-current asset in accordance with Australian Accounting Standards. However, these funds remain available to the Social Fund as required to support cash flow requirements.

Events Subsequent to Reporting Date

In the opinion of the Trustees, since 30 June 2013, there have been no transactions or events of an unusual nature likely to affect significantly the operations of The Salvation Army Australia Southern Territory Social Fund, the results of those operations, or the state of affairs of the entity in future financial years.

Likely Developments

In the opinion of the Trustees, there are no likely changes in the operations of The Salvation Army Australia Southern Territory that will adversely affect the results of the Social Fund in subsequent financial years.

Environmental Issues

The operations of The Salvation Army Australia Southern Territory are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Insurance of Officers

The Salvation Army has, during the financial year, paid an insurance premium in respect of an insurance policy for the benefit of the Trustees and officers of The Salvation Army. The insurance is in the normal course of business and grants indemnity for liabilities permitted to be indemnified by The Salvation Army under Section 199 of the Corporations Act 2001. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy, including the nature of the liability insured against and the amount of the premium.

The Salvation Army Australia Southern Territory Social Fund Trustees' Report

Auditor

KPMG continues as The Salvation Army's auditor at the date of this report.

Make Timely and Balanced Disclosures

The Salvation Army is not subject to the ASX Listing Rule disclosure requirements. The Salvation Army does, however, report to its stakeholders in the form required by the ASX Principles of Good Corporate Governance – Principle 5.

Signed in accordance with a resolution of the Trustees:

Floyd J Tidd, Commissioner
Territorial Commander
TRUSTEE

Gregory F Stowe
Chief Financial Officer
TRUSTEE

Dated at Melbourne this 22nd day of October 2013

The Salvation Army Australia Southern Territory Social Fund Statement of Comprehensive Income for year ended 30 June 2013

	NOTE	2013 \$'000	2012 \$'000
Revenues and other income			
Revenue from rendering of services	2	177,554	174,606
Other revenues from ordinary activities	2	100,634	96,106
Financing income		8,693	8,517
Legacies income		4,737	4,712
Red Shield Appeal donations	5	42,530	43,910
Total operating revenue		334,148	327,851
Capital revenue:			
Government grants		7,255	6,159
Other income		244	1,193
Total capital revenue		7,499	7,352
Other income		10,528	6,075
Total revenue and other income		352,175	341,278
Employee expenses		(187,039)	(178,735)
Depreciation expenses		(8,231)	(8,883)
Computer expenses		(1,939)	(2,250)
Welfare/Jobseeker expenses		(24,619)	(30,940)
Building/Occupancy expenses		(49,667)	(46,680)
Motor Vehicle expenses		(9,317)	(9,986)
Contribution – General/Property Funds	1(r)	(23,669)	(20,494)
Rollover accommodation bond credits	1(g)(i)	(4,654)	969
Amenities and supplies		(12,227)	(11,319)
Professional fees expenses		(8,115)	(8,387)
Contribution to Endowment Fund	22	(2,000)	–
Other expenses from ordinary activities		(30,873)	(19,217)
Total operating expenses		(362,350)	(335,922)
Operating (deficit)/surplus before allocations	14	(10,175)	5,356
Other comprehensive income			
Net change in fair value of available-for-sale financial assets		11,505	1,248
Total comprehensive income for the period before allocations		1,330	6,604
Allocations from/(to) capital funds	3	10,730	(5,530)
Total comprehensive income for the period after allocations		12,060	1,074

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 53 to 71.

The Salvation Army Australia
Southern Territory Social Fund
Statement of Financial Position as at 30 June 2013

	NOTE	2013 \$'000	2012 \$'000
CURRENT ASSETS			
Cash	6	8,573	700
Receivables and other current assets	7	13,003	17,226
Other financial assets	8	28,992	45,323
Inventories	9	981	892
TOTAL CURRENT ASSETS		51,549	64,141
NON-CURRENT ASSETS			
Receivables and other non-current assets	7	23,624	34,246
Property, plant and equipment	10	222,877	215,044
Other financial assets	8	160,104	138,371
TOTAL NON-CURRENT ASSETS		406,605	387,661
TOTAL ASSETS		458,154	451,802
CURRENT LIABILITIES			
Payables	11	37,856	30,296
Employee benefits	12	19,712	17,855
Interest-free loans	16	1,684	1,517
Provisions	13	4,098	4,440
TOTAL CURRENT LIABILITIES		63,350	54,108
NON-CURRENT LIABILITIES			
Employee benefits	12	2,420	1,997
Provisions	13	16,078	20,973
Interest-free loans	16	6,452	6,149
Special purpose funds	17	165	216
TOTAL NON-CURRENT LIABILITIES		25,115	29,335
TOTAL LIABILITIES		88,465	83,443
NET ASSETS		369,689	368,359
CAPITAL FUNDS			
Working capital fund	14(a)	8,046	7,491
Property contributions fund	14(a)	216,345	209,256
Reserves	14(a)	110,085	115,180
Trusts and special purpose funds	14(a)	10,412	13,499
Legacies	14(a)	24,801	22,933
TOTAL CAPITAL FUNDS		369,689	368,359

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 53 to 71.

The Salvation Army Australia
Southern Territory Social Fund
Statement of Cash Flows for the year ended 30 June 2013

	NOTE	2013 \$'000	2012 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		343,090	324,499
Cash payments in the course of operations		(345,750)	(330,590)
Net cash received/(used) in operating activities		(2,660)	6,091
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment revenue received		7,655	7,210
Receipts from redemption of investments		24,317	20,969
Payments for investments		(18,212)	(22,742)
Capital revenue received		7,499	7,352
Payments for property, plant and equipment		(16,383)	(17,477)
Proceeds from sale of property, plant and equipment		5,067	2,422
Net cash received/(used) by investing activities		9,943	(2,266)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(200)	(200)
Proceeds from residents' interest-free loans		2,696	1,067
Repayment of residents' interest-free loans		(1,906)	(1,108)
Net cash provided by financing activities		590	(241)
Net increase/(decrease) in cash held		7,873	(8,598)
Cash at the beginning of the financial year		700	9,298
Cash at the end of the financial year	20	8,573	700

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 53 to 71.

**The Salvation Army Australia
Southern Territory Social Fund**
Statement of Changes in Capital Funds for the year ended 30 June 2013
(\$'000)

	Working Capital Fund	Property Contrib'n Fund	Reserves	Trusts and Special Purpose Funds	Legacies	Total
At 1 July 2011	7,665	202,575	114,287	18,330	18,898	361,755
Operating Surplus before allocations	5,356	–	–	–	–	5,356
Other comprehensive income	–	–	1,248	–	–	1,248
	13,021	202,575	115,535	18,330	18,898	368,359
Allocations to/(from) other capital funds	(5,530)	6,681	(355)	(4,831)	4,035	–
At 30 June 2012	7,491	209,256	115,180	13,499	22,933	368,359
At 1 July 2012	7,491	209,256	115,180	13,499	22,933	368,359
Operating Deficit before allocations	(10,175)	–	–	–	–	(10,175)
Other comprehensive income	–	–	11,505	–	–	11,505
	(2,684)	209,256	126,685	13,499	22,933	369,689
Allocations to/(from) other capital funds	10,730	7,089	(16,600)	(3,087)	1,868	–
At 30 June 2013	8,046	216,345	110,085	10,412	24,801	369,689

The statement of changes in capital funds is to be read in conjunction with the notes to the financial statements set out on pages 53 to 71.

**The Salvation Army Australia
Southern Territory Social Fund**
Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Social Fund aggregates the results of all social centres, Salvos Stores and a 50% share of the Employment Plus Programme.

The Social Fund is a not-for-profit entity.

The financial report was authorised for issue by the Trustees on 22 October 2013.

(a) Statement of compliance

The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board (AASB).

(b) Basis of preparation

The financial report is presented in Australian dollars. The financial statements have been prepared on the historical cost basis except for available-for-sale financial instruments which are measured at fair value.

Presentation of financial statements – reduced disclosure

The Salvation Army adopted reduced disclosure requirements in AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Standards arising from Reduced Disclosure Requirements*. This has resulted in a reduction of disclosures for items such as financial instruments, defined benefit superannuation plans and reconciliation of cash flows.

Comparative information has been re-presented or removed so that it also conforms to the new disclosure requirements.

Since the change in accounting policy only impacts presentation aspects, there was no impact on comprehensive income.

Transactions eliminated on aggregation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the aggregated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(c) Annual Appeals

The Salvation Army Red Shield Appeal is an annual appeal. The amount raised and corresponding fundraising expenses are reflected in the financial report in the same year as the appeal. In addition, the Territorial Communications and Fundraising Department oversees our wills and bequests works, and overseas appeals.

(d) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost, or if donated, at appraised value at date of gift, less accumulated depreciation (note (d)(ii)) and impairment losses. Capital gifts are shown as revenue and an allocation is made to the property contributions fund.

Property that is being constructed for future use is classified as 'building schemes in progress' and stated at cost until construction is complete, at which time it is reclassified as 'freehold buildings' or 'leasehold property'.

Upon disposal of freehold properties, the cost is transferred to a capital property reserve, together with sales proceeds to determine the profit or loss on the sale of the property. In addition, the funding contribution or grant in the property contributions fund relating to the disposal is transferred to the same reserve, to provide funding for future property acquisitions.

Independent valuations are obtained as to the market value of any property before it is sold.

(ii) Depreciation

With the exception of freehold land, depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. Depreciation commences from the date of acquisition or, in respect of constructed assets, from the time an asset is completed and ready for use.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The estimated useful lives in the current and comparative periods are as follows:

Buildings	50 years
Plant and Equipment (excluding motor vehicles)	3 years
Motor Vehicles/Trucks	5 years
Leasehold Improvements	Term of the lease
Information Technology capital projects	Deemed useful life, to a maximum of 5 years

The residual value, the useful life and the depreciation method applied to an asset are reassessed annually.

(iii) Property Contributions Fund Reserve

Under International Salvation Army accounting policies and procedures, funds that have been utilised to finance the acquisition of freehold properties must be transferred to the Property Contributions Fund Reserve. These contributions are transferred to meet building depreciation costs, thus relieving the impact on the working capital fund.

(e) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the organisation provides goods or services directly to a client or resident. They are included in current assets, except for those with settlements greater than 12 months after the balance sheet date, which are classified as non-current assets. Receivables are carried at amortised cost using the effective interest method, less any impairment losses.

(f) Investments

The Salvation Army classifies its investments in the following categories: held-to-maturity and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, 're-evaluates' this designation at each reporting date.

(i) Held-to-maturity investments

Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturities that the organisation's management has the positive intention and ability to hold to maturity. These investments are initially recognised at fair value plus any attributable transaction costs. Subsequent to initial recognition these investments are measured at amortised cost using the effective interest method, less any impairment losses. Held to maturity investments consists of short and long-term deposits.

(ii) Available-for-sale financial assets

Available-for-sale financial assets consist of unlisted units in managed investment funds. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial Position.

Available-for-sale financial assets are initially recognised at fair value. Any available-for-sale financial investments donated to The Salvation Army are recognised at fair value at the date control is obtained.

The fair value of available-for-sale financial assets is determined by reference to their quoted closing unit/bid price at the reporting date. Subsequent to initial recognition, available-for-sale financial assets are carried at fair value. Gains or losses arising from changes in the fair value are recognised in the Statement of Comprehensive Income and presented in the Fair Market Investment reserve within capital funds, unless there is evidence of impairment or the investment is derecognised, at which time the cumulative gain or loss previously recognised in other comprehensive income is reclassified in the Statement of Comprehensive Income as net change in fair value of available-for-sale financial assets.

When investments classified as available-for-sale from the long-term unlisted units in managed investment funds are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the Statement of Comprehensive Income as a net change in the fair value of available-for-sale financial assets.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Salvation Army assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of investment portfolio classified as available-for-sale, a significant or prolonged decline in the fair value of an investment portfolio below its cost is considered in determining whether the investment is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in the Statement of Comprehensive Income – is removed from equity and recognised in the Statement of Comprehensive Income. Impairment losses recognised in the Statement of Comprehensive Income on equity instruments classified as available-for-sale are not reversed through the Statement of Comprehensive Income.

(g) Accommodation Bond

(i) Rollovers

Prior to 1 August 2002, the practice of the Social Fund was to 'rollover' an independent living unit (ILU) resident's ongoing contribution when that resident moved from an ILU into low care/hostel accommodation on the same site. As part of the sale of various aged care centres on 1 July 2005, the Social Fund retained responsibility, under certain conditions, to fund part/all of any future accommodation bonds charged to ILU residents who had resided at such centres prior to 1 August 2002, when they moved into low care/hostel accommodation on the same site. The majority of any funds released under this 'rollover' policy will be repaid to the Social Fund when the residents vacate the aged care centre.

An assessment was made at balance date by the Social Fund as to the present value of estimated future payments under this rollover policy, and estimated receivables representing funds to be returned to the Social Fund, when the residents vacate the aged care centre, with any adjustment recorded through the statement of comprehensive income.

(ii) Refundable/Amortisable Accommodation Bonds

Many residents of aged care centres pay a refundable and amortisable accommodation bond to The Salvation Army. The refundable portion is in the form of an interest-free loan repayable in full, whilst the amortisable amount is recognised as revenue and then transferred from accumulated surplus to reserves and held for aged care centre capital projects.

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. No allocation of overheads has been included in the valuation.

Stocks of foodstuffs and consumable stores held at various social centres are expensed.

Inventory is assessed on a regular basis, and slow moving or damaged items are provided for within a provision for stock obsolescence.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and cash in transit balances.

(j) Impairment

The carrying amounts of the Social Fund's assets, other than inventories (see accounting policy 1(h)) and investments, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Calculation of recoverable amount

The recoverable amount of the Social Fund's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (ie. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Employee benefits

(i) Defined contribution superannuation funds

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the Statement of Comprehensive Income as incurred.

(ii) Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Social Fund expects to pay as at reporting date including related on-costs.

(iii) Long-term service benefits

The Social Fund's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the reporting date which have maturity dates approximating to the terms of the Social Fund's obligations.

(l) Other payables

Payables are stated at cost, being non-interest bearing, and are normally settled within 30 days.

(m) Revenues

Revenues are recognised when The Salvation Army is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amount of goods and services tax (GST) payable to the Australian Taxation Office.

Revenue from fundraising

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when The Salvation Army gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Legacies

Legacies are recognised when The Salvation Army receives the legacy. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date The Salvation Army becomes legally entitled to the shares or property.

A portion of legacies is used to assist with meeting operational costs within the Social Fund, but the majority of legacies are used for capital purposes. Legacies form the major source of capital for social building schemes.

Red Shield Appeal

Donations to the Red Shield Appeal are recognised when received.

Revenue from Social Programmes

The organisation's social programme activity and Employment Plus job network are supported by grants received from the federal, state and local governments. Grants received on the condition of specified services are delivered, or conditions are fulfilled, and where there is a return obligation are considered reciprocal. Such grants are initially recognised as a liability called prepaid government funding and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants is recognised when the organisation obtains control of the funds.

Fees from residents

Fees charged for care provided to residents are recognised when the service is provided.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sale of goods

Revenue for the sales of goods comprises revenue earned (net of returns, discounts and allowances) from the sales of goods for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

Financing income

Financing income comprises interest and dividends. Interest income is recognised as it accrues, using the effective interest method.

Asset sales

The gain or loss on disposal of all non-current assets and available-for-sale financial investments is determined as the difference between the carrying value of the asset at time of disposal and the net proceeds on disposal.

Contributions in Kind

No amounts are included in the financial statements for services donated by volunteers, or donated goods.

(n) Expenses

Payments made under operating leases are recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

Borrowing costs are expensed as incurred and included in financing expenses.

(o) Provisions

A provision is recognised in the Statement of Financial Position when the Social Fund has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for 'make-good' costs on leased premises has been recognised, based upon an assessment of lease terms and conditions (see note 13).

(p) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). 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 are stated with the amount of GST excluded.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a net basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(q) Accounting estimates and judgements

Management discussed with the Territorial Finance Council and the Audit Committee the development, selection and disclosure of the Social Fund's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

Note 21(b) contains information about the provision for care leavers claims.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Contribution to General and Property Funds

The General Fund records all territorial and divisional headquarters' costs. These headquarters oversee the social infrastructure of The Salvation Army. An 'arms length' contribution is charged by the General Fund to the Social Fund for services provided.

The Property Fund records all costs relating to the Property Department and the Territorial Headquarters building. An 'arms length' contribution is charged by the Property Fund to the Social Fund for services provided, and towards the costs of the Territorial Headquarters building.

(s) Capital Revenue available for allocation

The Salvation Army Australia Southern Territory has adopted a policy of separately disclosing revenue received which is designated for capital purposes rather than operating activities. This designation is determined either directly by the donor or by the Trustees of The Salvation Army Australia Southern Territory. This revenue is fully allocated to reserves and special purpose funds to be used to provide and maintain the infrastructure used by the social programmes of The Salvation Army Australia Southern Territory.

(t) Employment Plus

The Salvation Army Australia Southern Territory in conjunction with The Salvation Army Australia Eastern Territory has been jointly involved in a jointly controlled operation of the national Salvation Army Employment Plus programme since 1 May 1998. This project commenced when The Salvation Army in Australia won a tender from the Federal Government to provide employment services to long-term unemployed persons. This project is considered to be part of the overall aims of The Salvation Army and is not considered separate from these aims in any way. This programme is not considered to be a stand-alone operation. It is consistent with the aims of The Salvation Army to assist the long-term unemployed. The proportionate interests in the assets, liabilities, income and expenses of the Employment Plus joint programme activity have been incorporated in the financial statements.

(u) Leases

The Salvation Army leases some shops and office facilities. The provisions of these leases are such that substantially all the risks and benefits of ownership of the property are retained by the lessors and accordingly, in the financial statements, they are classified as operating leases.

Payments made under operating leases are expensed on a straight-line basis over the term of the lease. Refer note 18(b) for details of non-cancellable operating lease commitments.

(v) Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

(w) Rounding

All amounts in the financial report have been rounded to the nearest thousand dollars except where otherwise indicated.

(x) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2012, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Social Fund, except for the following:

AASB9 Financial Instruments – mandatory for the 30 June 2016 financial statements and which could impact the classification and measurement of financial assets.

AASB119 Employee Benefits – mandatory for the 30 June 2014 financial statements and which could impact the classification and measurement of employee entitlement provisions.

The Social Fund does not plan to adopt these standards early and the extent of the impact has not been determined.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

NOTE

2013
\$'000

2012
\$'000

2. REVENUE FROM ORDINARY ACTIVITIES

Revenue from rendering of services:

Government grants
Fee for service – Government Funding
Resident contributions and patient fees

128,072
34,170
15,312

119,169
40,876
14,561

177,554

174,606

Other revenue from ordinary activities:

Revenue from trading and rent
Other donations received – other than from the Red Shield Appeal

96,755
3,879

93,546
2,560

100,634

96,106

278,188

270,712

Total revenue from ordinary activities

3. ALLOCATIONS

Allocations have been made to/(from) the following capital funds, excluding working capital:

Property contributions fund	14(a)	2,651	62
Reserves	14(a)	(14,646)	5,043
Trusts and special purpose funds	14(a)	(1,062)	(4,209)
Legacies	14(a)	2,327	4,634

(10,730)

5,530

4. AUDITORS' REMUNERATION

Audit Services

Auditors of the Trust

KPMG Australia

311

304

Other Services

Auditors of the Trust

KPMG Australia

19

41

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

5. RED SHIELD APPEAL DONATIONS

Donations

Victoria **23,275**
South Australia **6,129**
Western Australia **10,022**
Tasmania **2,466**
Northern Territory **562**
Victorian Bushfire Appeal **-**
Victorian Flood Appeal **-**
NSW/QLD Flood Appeal – Note 1. **76**

Less: Expenses **(11,265)**

Net Revenue Available for Distribution/Allocations

Distribution/Allocations

Social programme deficits:

Employment, education and training **499**
Children and young people at risk **2,654**
Addictions and substance abuse – Note 2. **1,349**
Aged care and disability support **10**
Individual and family support **12,267**
Homelessness and domestic violence **5,463**
Chaplaincy **3,865**

Social services and community programmes total **26,107**

Capital Appeals **1,123**
Other Emergency Appeals **221**
Victorian Bushfire Appeal **-**
Victorian Flood Appeal **-**
NSW/QLD Flood Appeal – Note 1. **76**

Donor designated gifts for social services and community programmes **3,738**

Total Distribution/Allocations

Notes

1. Donations were received through The Salvation Army Australia Southern Territory Red Shield Appeal towards the NSW/QLD Flood Appeal. Flood relief efforts in NSW/QLD are managed by The Salvation Army Australia Eastern Territory, so these funds have been forwarded to their office for distribution.

2. The Salvation Army Australia Southern Territory Social Fund provided funding of \$3,095,000 towards addictions and substance abuse social programmes in 2013 (2012: \$3,257,000). \$1,349,000 of these funds came directly from the Red Shield Appeal, so the balance came from other income sources within the Social Fund.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

5. RED SHIELD APPEAL DONATIONS (continued)

Victorian Bushfire Appeal

Amount set aside within reserves at 30 June 2012 for commitments beyond 30 June 2012

Donations
The Salvation Army Australia Southern Territory Red Shield Appeal Emergency appeals
The Salvation Army Australia Eastern Territory Red Shield Appeal Emergency appeals

Expenditure in 2012/13

Amount set aside within reserves at 30 June 2013 for commitments beyond 30 June 2013

Victorian Flood Appeal

Amount set aside within reserves at 30 June 2012 for commitments beyond 30 June 2012

Donations
The Salvation Army Australia Southern Territory Red Shield Appeal Emergency appeals
The Salvation Army Australia Eastern Territory Red Shield Appeal Emergency appeals
Other

Expenditure in 2012/13

Amount set aside within reserves at 30 June 2013 for commitments beyond 30 June 2013

Interest earned on unutilised Victorian Bushfire funds is allocated to the Disaster Relief Reserve (part of 'social programme enhancement and development' reserve balance – see Note 14(c)), to be used to assist with future disaster relief provided by The Salvation Army Social Fund.

Interest of \$112,000 (2012: \$274,000) was allocated to this reserve during 2013, and the Disaster Relief Reserve has a balance of \$1,170,000 at 30 June 2013 (2012: \$992,000).

6. CASH

Cash on hand
Cash at bank

NOTE	2013 \$'000	2012 \$'000
5. RED SHIELD APPEAL DONATIONS (continued)		
Victorian Bushfire Appeal		
Amount set aside within reserves at 30 June 2012 for commitments beyond 30 June 2012	4,243	7,316
Donations The Salvation Army Australia Southern Territory Red Shield Appeal Emergency appeals The Salvation Army Australia Eastern Territory Red Shield Appeal Emergency appeals	–	1
Expenditure in 2012/13	4,243	7,317
Amount set aside within reserves at 30 June 2013 for commitments beyond 30 June 2013	(1,885)	(3,074)
Victorian Flood Appeal		
Amount set aside within reserves at 30 June 2012 for commitments beyond 30 June 2012	–	2,036
Donations The Salvation Army Australia Southern Territory Red Shield Appeal Emergency appeals The Salvation Army Australia Eastern Territory Red Shield Appeal Emergency appeals Other	–	995
Expenditure in 2012/13	–	1
Amount set aside within reserves at 30 June 2013 for commitments beyond 30 June 2013	–	–
Interest earned on unutilised Victorian Bushfire funds is allocated to the Disaster Relief Reserve (part of 'social programme enhancement and development' reserve balance – see Note 14(c)), to be used to assist with future disaster relief provided by The Salvation Army Social Fund.		
Interest of \$112,000 (2012: \$274,000) was allocated to this reserve during 2013, and the Disaster Relief Reserve has a balance of \$1,170,000 at 30 June 2013 (2012: \$992,000).		
6. CASH		
Cash on hand Cash at bank	178	178
	8,395	522
	8,573	700

20

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

	NOTE	2013 \$'000	2012 \$'000
7. RECEIVABLES AND OTHER CURRENT ASSETS			
Current			
Prepayments		945	896
Accommodation Bond Rollovers	1(g)	5,140	5,538
Sundry debtors		6,918	10,792
		13,003	17,226
Non-current			
Deferred Consideration		3,150	3,300
Accommodation Bond Rollovers	1(g)	19,197	30,700
Sundry debtors		1,277	246
		23,624	34,246
8. OTHER FINANCIAL ASSETS			
Current			
Short-term deposits		28,992	45,323
Non-current			
Unlisted units in managed investment funds		143,644	124,394
Long-term deposits		1,779	13,188
Fixed interest securities		13,989	–
Other		692	789
		160,104	138,371
		189,096	183,694
Impairment losses			
At 30 June 2013, the Social Fund has reviewed its financial assets for impairment and determined that an impairment loss of \$186,000 (2012: \$179,000) is required. This expense is included within 'other operating expenses from ordinary activities' in the Statement of Comprehensive Income.			
9. INVENTORIES			
Raw materials and stores		171	254
Work in progress		18	19
Finished goods		792	619
		981	892
10. PROPERTY, PLANT AND EQUIPMENT			
Freehold Land and Buildings			
Freehold land at cost		34,978	33,929
Buildings at cost		203,675	200,446
Accumulated depreciation		(45,375)	(41,420)
		158,300	159,026
Total Freehold Land and Buildings		193,278	192,955

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

	NOTE	2013 \$'000	2012 \$'000
10. PROPERTY, PLANT AND EQUIPMENT (continued)			
Leasehold Property			
At cost		13,009	12,262
Accumulated depreciation		(7,290)	(6,016)
		5,719	6,246
Total Leasehold Land and Buildings			
Building Schemes in Progress – at cost			
Motor Vehicles			
At cost		4,127	4,030
Accumulated depreciation		(3,608)	(3,336)
		519	694
Plant and Equipment			
At cost		23,279	20,686
Accumulated depreciation		(15,276)	(12,976)
		8,003	7,710
		222,877	215,044
Social Fund freehold/leasehold land and buildings of \$198,997,000 (2012: \$199,201,000) are funded through the Property Contributions Fund (excluding building schemes in progress funding) of \$195,957,000 as at 30 June 2013 (2012: \$196,628,000). The remaining balance is funded from the following sources:			
Interest-free loans		2,200	2,400
Social Fund freehold properties – unfunded		840	173
Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:			
Freehold Land and Buildings			
Carrying amount at beginning of year		192,955	164,240
Additions (transfers from Building Schemes in Progress – Cost)		4,670	33,432
Disposals		(308)	(1,152)
Depreciation		(4,039)	(3,565)
		193,278	192,955
Leasehold Property			
Carrying amount at beginning of year		6,246	7,720
Additions (transfers from Building Schemes in Progress – Cost)		–	129
Other Additions		967	–
Depreciation		(1,494)	(1,603)
		5,719	6,246

The Salvation Army Australia
Southern Territory Social Fund
Notes to the Financial Statements

	2013 \$'000	2012 \$'000
10. PROPERTY, PLANT AND EQUIPMENT (continued)		
Building Schemes in Progress – Cost		
Carrying amount at beginning of year	7,439	27,271
Additions	12,751	14,865
Transfers to Freehold Land and Buildings/Leasehold Property	(4,670)	(33,561)
Transfers to Plant and Equipment	(162)	(1,136)
Carrying amount at end of year	15,358	7,439
Motor Vehicles		
Carrying amount at beginning of year	694	1,014
Additions	151	120
Disposals	(11)	(63)
Depreciation	(315)	(377)
Carrying amount at end of year	519	694
Plant and Equipment		
Carrying amount at beginning of year	7,710	7,420
Additions	2,676	3,625
Disposals	–	–
Depreciation	(2,383)	(3,335)
Carrying amount at end of year	8,003	7,710
11. PAYABLES		
Current		
Sundry creditors and accruals	31,299	21,950
Prepaid government funding	6,557	8,346
	37,856	30,296
12. EMPLOYEE BENEFITS		
Current		
Employee entitlements	19,712	17,855
Non-current		
Employee entitlements	2,420	1,997

The Salvation Army Australia Southern Territory contributed \$15,039,000 (2012: \$12,722,000) on behalf of employees to the superannuation plans of their choice, in accordance with superannuation guarantee legislation.

The Salvation Army Australia
Southern Territory Social Fund
Notes to the Financial Statements

	NOTE	2013 \$'000	2012 \$'000
13. PROVISIONS			
Current			
Accommodation bond rollovers	1(g)	2,098	2,440
Care Leavers claims	21(b)	2,000	2,000
		4,098	4,440
Non-current			
Accommodation bond rollovers	1(g)	11,869	18,360
Care Leavers claims	21(b)	3,800	2,225
Make good of leased premises	1(o)	409	388
		16,078	20,973
14. CAPITAL FUNDS			
(a) Movements in Capital Funds			
Property Contributions Fund			
Opening Balance	209,256	202,575	
Net Transfers	4,438	6,619	
Allocations from working capital fund	3	2,651	62
Closing balance		216,345	209,256
Reserves			
Opening Balance	115,180	114,287	
Net Transfers	(1,954)	(5,398)	
Transfer to/(from) Fair Market Reserve	11,505	1,248	
Allocations from/(to) working capital fund	3	(14,646)	5,043
Closing balance		110,085	115,180
Trusts and Special Purpose Funds			
Opening Balance	13,499	18,330	
Net Transfers	(2,025)	(622)	
Allocations from working capital fund	3	(1,062)	(4,209)
Closing balance		10,412	13,499
Legacies			
Opening Balance	22,933	18,898	
Net Transfers	(459)	(599)	
Allocations from working capital fund	3	2,327	4,634
Closing balance		24,801	22,933
Working Capital Fund			
Opening Balance	7,491	7,665	
Operating (deficit)/surplus before allocations	(10,175)	5,356	
Allocations from/(to) other capital funds	3	10,730	(5,530)
Closing balance		8,046	7,491

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

14. CAPITAL FUNDS (continued)

(b) Property Contributions Fund

Under International Salvation Army accounting policies and procedures, all contributions, grants, donations and other revenue that will finance property projects must be specifically accounted for in the books of The Salvation Army Australia Southern Territory.

Upon completion of each project, the respective contributions are transferred to the Property Contributions Fund.

This balance represents the commitments that were fulfilled in acquiring the land and buildings shown as assets held by The Salvation Army Australia Southern Territory. These contributions remain in the statement of financial position to 'fund' the depreciation on these properties, thus relieving the working capital fund of this charge.

	2013 \$'000	2012 \$'000
Property development	17,460	23,625
Training	2,184	2,209
Social programme enhancement and development	24,282	23,221
Capital asset contribution	2,027	3,109
Planned maintenance	8,629	8,026
Asset replacement	7,286	7,260
Aged care reserves	22,816	29,735
Capital projects funding	3,767	3,509
Employment and training	10,072	15,079
Fair Market Investment Reserve	19,806	8,301
Investment Fluctuation Reserve	(11,857)	(11,761)
Other	3,613	2,867
	110,085	115,180

These balances are amounts set aside by the Territorial Finance Council to meet realistic, planned or anticipated needs for The Salvation Army Australia Southern Territory, thereby relieving the working capital fund from the future cost of these needs.

An explanation of the purpose of each reserve is provided below.

Property Development

This balance represents funds set aside for future property development within the Social Fund.

It also represents the net proceeds on sold properties, which are set aside until allocated to new capital schemes. In most cases, the net proceeds on a particular sold property are utilised as part funding for a specific new capital scheme. However, in some cases, excess property is sold and the net proceeds are available more generally for a number of capital schemes, or other purposes as determined by the Territorial Finance Council. It also includes a specific allocation for property development purposes in relation to retired officers' quarters.

Training

This balance represents funds set aside to be used towards the cost of officer and employee training, and to further enhance future service provision and delivery.

Social Programme Enhancement and Development

This balance represents funds retained by specific social centres to be utilised, in conjunction with the funding bodies supporting these programmes, for the enhancement and development of these programmes, as well as unused quota funding available at the reporting date by division for future social programme development, within their social centres.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

14. CAPITAL FUNDS (continued)

Capital Asset Contribution

This balance represents funds utilised to purchase capital assets (excluding land and buildings). These funds will be used to offset the future expensing of such assets through depreciation charges in subsequent financial periods.

Planned Maintenance

This balance represents funds set aside for the future maintenance and repair of property assets held by the Social Fund of The Salvation Army Australia Southern Territory.

Asset Replacement

This balance represents funds set aside for the future replacement of various fixed assets, including computers, across various social centres and Territorial Headquarters social departments.

Aged Care Reserves

This balance includes funds set aside for contingency (refer Note 21(a)) issues resulting from the sale of 15 aged care centres on 1 July 2005, forthcoming major property developments at aged care centres retained by The Salvation Army, and a perpetual reserve, from which its interest will be used to assist with funding the ongoing operational costs within our remaining aged care centres.

Capital Projects Funding

This balance represents funds set aside by the Territorial Finance Council to cover various project costs included within non-current assets.

Employment and Training

This balance represents funds set aside for future initiatives across the Territory, including the potential future obligations of Employment Plus beyond the current job network contract period.

Fair Market Investment Reserve

This balance represents the unrealised gain on unlisted units held in managed investment funds as at 30 June 2013.

Investment Fluctuation Reserve

This balance represents the impairment expense recorded on unlisted units in managed investment funds in the previous financial year, offset by realised gains or losses on disposal of unlisted units.

Other

This is the balance of a number of minor reserves that have been set aside at the direction of the Territorial Finance Council.

	2013 \$'000	2012 \$'000
(d) Trust and Special Purpose Fund Balances		
Restricted Funds		
Special purpose trusts	2,388	2,411
Emergency Appeals	3,055	4,374
General deposits	4,205	4,440
Building deposits	764	2,274
	10,412	13,499

The Salvation Army is called upon to utilise large amounts of specified donations and other restricted revenue, which must be accounted for meticulously in accordance with the donor's wishes. It is therefore common for large balances to be unavoidably carried forward from one year to another, until such time as the funds can be used for the specific purposes for which they have been given.

On this basis, the trusts and special purpose fund balances are not actually revenue available to The Salvation Army Australia Southern Territory until they are expended on the purpose specified by the donors. There can be no change of purpose of any amount donated without reference to the person or organisation that set the conditions. An explanation of the purpose of each special purpose reserve is provided below.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

14. CAPITAL FUNDS (continued)

Special Purpose Trusts

The Salvation Army holds a number of balances, where the donor has stipulated that the capital is invested, and interest generated on such capital funds be used in a particular way. This reserve identifies the balance of such capital funds.

Emergency Appeals

The Salvation Army has received funds from donors for specific emergency appeals, mainly for Victorian bushfire relief. These relief efforts will continue well beyond 30 June 2013 so this balance represents the unexpended portion of funds donated for this purpose.

Building and General Deposits

This balance represents funds held on behalf of specific social centres, set aside for specific purposes until used. For example, if a centre receives a specified donation from the Red Shield Appeal, but has not utilised the funds at the end of the year, then the funds are carried forward to the next year as part of this reserve.

15. INCOME TAX

The following Salvation Army organisations are endorsed by the Australian Taxation Office as Income Tax Exempt Charities:

The Salvation Army Australia Southern Territory General Work Institution; The Salvation Army (South Australia) Property Trust;
The Salvation Army Australia Southern Territory Social Work Institution; The Salvation Army (Western Australia) Property Trust; and
The Salvation Army (Victoria) Property Trust; The Salvation Army (Northern Territory) Property Trust.
The Salvation Army (Tasmania) Property Trust;

Donations of two dollars (\$2) or more given to the following funds attract income tax deductibility:

- (i) The Salvation Army Australia Southern Territory Social Work Institution
- (ii) The Salvation Army Red Shield Appeal

	2013 \$'000	2012 \$'000
Accommodation Bonds – amortisable	85	76
Accommodation Bonds – refundable	1,399	1,241
Unsecured loans	200	200
	1,684	1,517
Accommodation Bonds – amortisable	256	226
Accommodation Bonds – refundable	4,196	3,723
Unsecured Loans	2,000	2,200
	6,452	6,149

Entry Contributions/Accommodation Bonds

These balances are repayable to residents of aged care centres upon their vacating of the centres. When taking up residence at aged care centres, government legislation allows for residents to pay a refundable and an amortisable entry contribution to The Salvation Army. The refundable portion is in the form of an interest-free loan repayable in full, while the amortisable portion is amortised over five years. The amortisation amount is transferred to reserves held for aged care redevelopments.

Unsecured loans

These balances represent loans provided by government bodies towards the construction of aged care centres.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

17. SPECIAL PURPOSE FUNDS – NON-CURRENT LIABILITY

This amount relates to trust funds held by The Salvation Army on behalf of residents of various social centres.

18. COMMITMENTS

(a) Capital Commitments

The Salvation Army Australia Southern Territory is constantly engaged in planned and ongoing construction projects requiring the commitment of significant funds. Certain portions of these funds will be provided by Territorial Headquarters and other funds will be received from other sources. Due to the uncertainties necessarily surrounding funding from sources other than Territorial Headquarters, it is not possible, at any point in time, to quantify the exact financial commitment required of Territorial Headquarters for these projects. However, the maximum values are:

	2013 \$'000	2012 \$'000
Cost to complete property schemes in progress	20,000	19,707
Property schemes approved but not commenced as at 30 June 2013	214	756
	20,214	20,463

(b) Operating Lease Commitments

Future operating lease rentals for properties not provided in the financial statements and payable:

	2013 \$'000	2012 \$'000
Not later than one year	23,274	23,707
Later than one year but not later than five years	36,214	38,762
Later than five years	917	691
	60,405	63,160

The Social Fund leases a number of properties under operating leases. The leases typically run for a period of 3 to 5 years and usually include an option to renew the lease after that period. Lease payments are increased at the end of the lease period to reflect market rentals.

19. RELATED PARTY DISCLOSURES

Key Management Personnel Disclosures

The Trustees of The Salvation Army are deemed to be the key management personnel of the Social Fund.

The names of the Trustees who held office during the year ended 30 June 2013 were:

Commissioner Raymond Finger	Lieutenant-Colonel Rodney Barnard
Commissioner Floyd Tidd	Lieutenant-Colonel Graeme Rigley
Colonel Peter Walker	Captain Malcolm Roberts
Lieutenant-Colonel Ian Hamilton	Mr Gregory Stowe
Lieutenant-Colonel Vivien Callander	

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

Trustees' Remuneration

The Trustees are officers or staff of The Salvation Army Australia Southern Territory, and receive remuneration in accordance with established Salvation Army guidelines as below. In addition, officer trustees also receive accommodation and use of a motor vehicle at no cost as part of their officership, in accordance with established Salvation Army guidelines. No additional remuneration is received by these officers for acting in their capacity as Trustees of the Social Fund. Staff trustees receive the use of a motor vehicle at no cost as part of their employment contract. There are no other transactions with key management personnel.

	2013 \$'000	2012 \$'000
Total income paid or payable, or otherwise made available to all Trustees of the Social Fund from the Social Fund or any related party	361	353

20. NOTES TO THE STATEMENT OF CASH FLOWS

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank, cash in transit and cash held at social centres net of outstanding bank overdrafts. Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

NOTE	2013 \$'000	2012 \$'000
Cash	6	8,573

21. CONTINGENT LIABILITIES

a) Sale of aged care centres on 1 July 2005

On 1 July 2005, The Salvation Army completed the sale of 14 of its 19 sites catering for aged care hostels and nursing homes, as well as retirement living units, to Retirement Care Australia (RCA). In addition, TriCare acquired the Hayville retirement village in Box Hill, Melbourne. The business sale agreements included various warranties from The Salvation Army to the purchasers, whereby under certain circumstances, they may seek financial compensation from The Salvation Army.

In addition, at the time of divesting some of its aged care centres, the Department of Health and Ageing had provided The Salvation Army with capital grant funding towards the construction of Gilgunya Village, Weeroona Hostel, Inala Village Nursing Home, Edenfield Hostel, Warrina Hostel and Darwin Nursing Home. Under certain conditions, a portion of these capital grants may need to be repaid by The Salvation Army to the Department of Health and Ageing. The amount repayable to the Department of Health and Ageing reduces over time, with 2021 being the last expiration date for the capital grant funding provided for Gilgunya Village. As at 30 June 2013, the maximum capital grant funding which would have been repayable to the Department of Health and Ageing was \$1,470,000 (2012: \$1,861,000).

At 30 June 2013, the Trustees are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required. However, funds have been set aside to an 'aged care divestment warranty reserve' to cover contingencies.

b) Care Leavers claims

The Salvation Army has publicly expressed it is deeply regretful of any incident of abuse perpetrated between the 1940s and 1980s towards children who had been in its care. This provision is to cover claims currently being processed, including costs for access to professional counselling services, pastoral care, medical expense reimbursements and legal costs.

In addition to the provision for care leavers claims of \$5,800,000 recorded at 30 June 2013 (refer Note 13), there may be further claims lodged with The Salvation Army, which would need to be assessed. The Salvation Army is unable to quantify the estimated future costs of such claims.

The Salvation Army Australia Southern Territory Social Fund

Notes to the Financial Statements

22. THE SALVATION ARMY ENDOWMENT FUND

The Salvation Army Endowment Fund was founded on 7 February 2013 as a joint initiative between The Salvation Army Australia Southern Territory and The Salvation Army Australia Eastern Territory. It is a public ancillary fund administered by ANZ Trustees Limited as the sole trustee. During 2012/13, each territory provided seeding funds of \$2Mn each. The seeding funds provided by The Salvation Army Australia Southern Territory were funded from an allocation from Social Fund board designated reserves.

The Salvation Army Australia Southern Territory Social Fund

Trustees' Declaration

In the opinion of the Trustees of the Salvation Army Australia Southern Territory Social Fund ('Social Fund'):

- (i) The accompanying financial statements and notes set out on pages 49 to 71 are drawn up so as to present fairly the financial position of the Social Fund as at 30 June 2013 and the results of its operations and its cash flows for the year then ended;
- (ii) The operations of the Social Fund have been carried out in accordance with its Trust Deed during the year ended 30 June 2013;
- (iii) The financial statements have been prepared in accordance with Accounting Standards – Reduced Disclosure Regime; and
- (iv) There are reasonable grounds to believe that the Social Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Trustees:

Floyd J Tidd, Commissioner
Territorial Commander
TRUSTEE

Gregory F Stowe
Chief Financial Officer
TRUSTEE

Dated at Melbourne this 22nd day of October 2013

**Independent auditor's report to the Trustees of the Salvation Army Australia
Southern Territory Social Fund**

Report on the financial report

We have audited the accompanying financial report of The Salvation Army Australia Southern Territory Social Fund (the Social Fund), which comprises the Statement of Financial Position as at 30 June 2013, and the Social Fund Statement of Comprehensive Income, Social Fund Statement of Changes in Capital Funds and Social Fund Statement of Cash Flows for the year ended on that date, notes 1 to 22 comprising a Statement of significant accounting policies and other explanatory information.

Trustees' responsibility for the financial report

The Trustees of the Social Fund are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and for such internal control as the Trustees determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, a view which is consistent with our understanding of the Trustee's financial position and of its performance.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's opinion

In our opinion the financial report presents fairly, in all material respects, in accordance with Australian Accounting Standards – Reduced Disclosure Requirements the Financial position of The Salvation Army Australia Southern Territory Social Fund as of 30 June 2013 and its financial performance and its cash flows for the year then ended.



KPMG



Darren Scammell

Partner

Melbourne

22 October 2013

Corporate Partners

South Australia

Adelaide Hatters
A & L McEvoy
Apex Communication Technologies Pty Ltd
Arts Projects Australia
Australian Executor Trustees
Australian Hotels Association
– SA Branch 'Hotel Care Community Projects'
BankSA & Staff Charitable Fund
Beaumont Tiles
BHP Billiton (Matched Giving Programme)
Christmas Party for Special Children
Claridge Holden
CMV Foundation
Corporate Financial Services Commonwealth Bank
Dareel Pty Ltd as Trustee for Uhrig Family Trust
D Cross
Diamond Photographics
Don & Rosa Luca
D York
Electel Resources Pty Ltd
Flexichem Pty Ltd
Foodland Group (SA)
GJ & JA Smith Investments Pty Ltd
Graeme Johnson Pty Ltd
Gray Management Group
Horton Pty Ltd
IGA South Australia
Integrated Waste Services
Jones Lang LaSalle
Kleenheat Gas Pty Ltd
Land SA
Life FM
Macquarie Group Foundation
Medallion Homes Pty Ltd
McConnell Dowell Corporation Ltd/
Built Environ Pty Ltd
Minter Ellison SA/NT
Myer Community Fund
Radio 5AA
R Petterson
Rundle Mall Management
SA Power Networks
Santos Adelaide Mid Winter Charity Ball 2012
Sarah Constructions
Self Storage Australia
SGIC
S Kidman & Co Ltd
Southern Cross Austereo Adelaide
State Government of South Australia
The Advertiser Sunday Mail Foundation
The Day Family Foundation
The Haigh Family
The Jolly Swagman
The Rotary Club of Adelaide
Thyne Reid Foundation
Vili Milisits OAM & Rosemary Milisits OAM
Yalumba Wine Company

Tasmania

ABC Giving Tree
Allport Trust
Aurora Energy
Bendigo Bank
Bidvest
Bruce Wall Trust
Budget Rent a Car
Clarendon Trust
Colin Bisdee Trust
Commonwealth Government of Australia
Glasser & Parker Pty Ltd
Hills Transplants
Hotel Grand Chancellor Hobart
IGA Tasmania
Kleenheat Gas Pty Ltd
Kmart Australia Ltd
Launceston Airport
Lowes
Metro
McDonald's
Motorcycle Riders Association Tas
Motors Foundation
R. F. & R. E. Cane Charitable Trust
RBR Refrigerated
Scene Change
SB Security
Shannons Car Insurance
Slick Promotions
Southern Cross Media
Sykes Group
State Government of Tasmania
Tasmanian Alkaloids
Tasmanian Community Fund
The Examiner Newspaper
The Mercury Newspaper
Westpac Banking Corporation
Woolworths

Victoria

A A Holdings Pty Ltd
AMP
AMP Foundation
AMP Workplace Giving Programme
Annie & John Paterson Foundation
ANZ Trustees Foundation – The Sandy Michell Legacy
AON Risk Services Australia Limited
Apple Marketing
Ashurst Australia (Workplace Giving)
Australian Unity Limited (Workplace Giving)
Bell Charitable Fund
BHP Billiton
BHP Billiton Employee Contributions (Workplace Giving)
BHP Billiton Matched Giving Programme
BlueScope Steel Limited (Workplace Giving)
Brand Smart
Brian M Davis Charitable Foundation
Busby Homes Pty Ltd
CAF Community Fund (Workplace Giving)
CAF UK (Charities Aid Foundation UK)
CGU Insurance
Collier Charitable Fund
Commonwealth Government of Australia
Community Enterprise Foundation (Bendigo Bank)
Corrs Chambers Westgarth (Workplace Giving)
CSIRO (Workplace Giving)
CSR (Workplace Giving)
Dimmick Charitable Trust
Drakensberg Trust
eftpos Payment Australia Limited
Fagg's Mitre 10
Flaming Rhino Design Pty Ltd
Ford Motor Company of Australia Ltd
Ford Motor Company of Australia Ltd (Workplace Giving)
Goldman Sachs (Workplace Giving)
Genet Foundation Ltd
Hilton White Estate
IAG Insurance Australia Group (Workplace Giving)
Industry Funds Management Pty Ltd (Workplace Giving)
Industry Funds Services Group (Workplace Giving)

Inner Range Pty Ltd

Ivor Ronald Evans Foundation,
managed by Equity Trustees
Joe White Bequest
John and Betty Laidlaw
Jones Lang LaSalle
King & Wood Mallesons (Workplace Giving)
Kleenheat Gas Pty Ltd
Kmart Australia Ltd
Lionel R. V. Spencer Trust, managed by Perpetual
Lord Mayor's Charitable Foundation
Macquarie Group Foundation (Workplace Giving)
McConnell Dowell Corporation Ltd
Mary Kay Cosmetics Pty Ltd
Melbourne Airport
Melbourne's Cheapest Cars
Minter Ellison Lawyers (Workplace Giving)
Myer Community Fund
National Australia Bank Limited (Workplace Giving)
National Wealth Management (Workplace Giving)
Newcrest Mining Limited
One Steel Trading Pty Ltd (Workplace Giving)
Optus Communications
Orica Australia Pty Ltd
Orica Australia Pty Ltd (Workplace Giving)
Origin Energy (Workplace Giving)
Pacific Brands WORKWEAR
Paper Agencies (Aust & NZ) Pty Ltd
Pitcher Partners (Workplace Giving)
QSuper (Workplace Giving)
Reece Pty Ltd
Ritchies Stores Pty Ltd
Scalzo Food Industries
Sensis Pty Ltd (Workplace Giving)
ShareGift Australia
Smith Family Trust
Smith & Smith Manufacturing
Southern Cross Austereo
State Government of Victoria
Telstra Corporation Limited (Workplace Giving)
Telstra Foundation
Tennis Australia (Australian Open)
The Boston Consulting Group (Workplace Giving)
The Cameron Foundation
The Cassidy Bequest Endowment,
managed by Perpetual
The Deloitte Foundation (Workplace Giving)
The G W Vowell Foundation Limited
The Hugh Williamson Foundation
The Marian & E. H. Flack Trust
The Miller Foundation
The Orloff Family Charitable Trust
The Perpetual Foundation – The Russell Endowment
The Salvation Army Westcare (Workplace Giving)
The Stuart Leslie Foundation
The Sun Foundation Pty Ltd
The Yulgilbar Foundation
Tieco International (Aust) Pty Ltd
Tonnex International
United Way (Workplace Giving)
Victoria Police (Workplace Giving)
Village Roadshow Limited
Westpac Banking Corporation
William Angliss (Victoria) Charitable Fund
Wood Family Foundation
Woolworths Limited

Western Australia

Advertising Federation of Australia
Alcock Brown-Neaves Foundation
Apache Energy Ltd
Austral
Australian Childrens Trust
Automotive Holdings Group
Barrick Australia Pacific (Plutonic)
Bedding Superstore
Bendigo Bank
Benz Industries
BHP Billiton Iron Ore Pty Ltd
Budget Rent a Car
Bunnings Group Ltd
Burning Bush Resources
Calibre Global
Christmas Island Charity Association
City of Bayswater
Coates Hire Pty Ltd
Community Newspaper Group
Compass Foundation
Coopers Partners
Crown Perth
CRS Pty Ltd
Dale Alcock Homes
DVG Automotive Group
Ernst and Young
Fast-Fluor SKM Iron Ore Joint Ventures
Flinders Charitable Foundation
Forrest Family Investments Pty Ltd
Fruit Boost
Fuel Creative
Galvin Properties Pty Ltd
gtmedia
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Karrinyup Shopping Centre
Katana Asset Management
Kimbar Nominees Pty Ltd
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Lavan Legal
Leighton Contractors
Lycopodium Ltd
Macmahon Holdings Ltd
McConnell Dowell
McCusker Charitable Foundation
McDonald's Australia
McVay Foundation
Minemax Pty Ltd
Mining and Civil Australia Pty Ltd
Mineral Resources
Monodelphous Group Ltd
Netball WA
Oasis Ball Committee
Occumed
Packer & Co
Panoramic Resources Ltd
Patersons Securities
PDC Global Pty Ltd
PEK Nominees Pty Ltd
Perth Arena
Printforce
Ragged Range Mining Pty Ltd
RBS Morgans
Real Estate Institute of WA
SGIO
Solid Gold
Southern Cross Austereo
Subiaco Football Club
Swan Transit Operations Pty Ltd
Temco Distributors
The Richardson Foundation
The Rowley Foundation
The Stan Perron Charitable Trust
The Wearne Charitable Trust
The West Australian Newspapers Ltd
Transfield Services
Westrac Pty Ltd
Wonteco Pty Ltd
Wythenshawe Foundation

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