



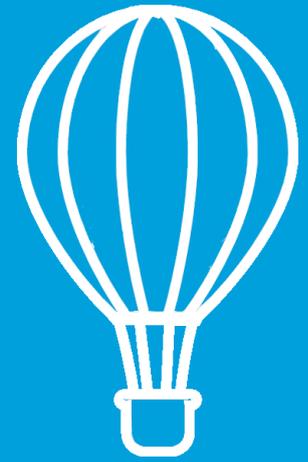
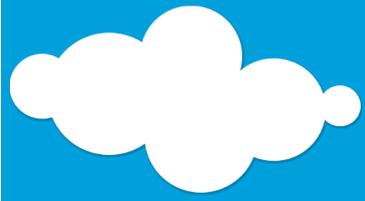
the
pyjama
foundation

Annual Report

FINANCIAL YEARS 2016 - 2017

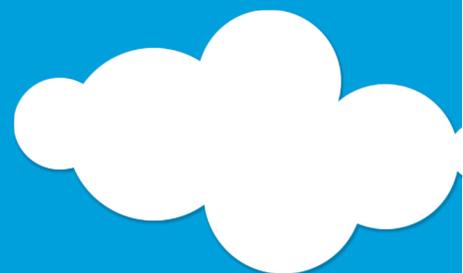


Supporting little kids with BIG dreams



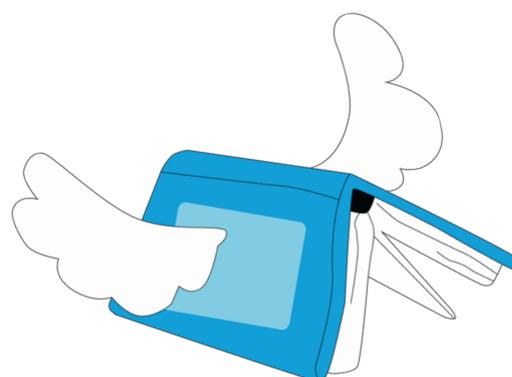
It's not where you start
but how high you aim
that matters for success.

-Nelson Mandela



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CEO'S MESSAGE



You are never too old, too wacky, too wild, to pick up a book and read to a child. - Dr Suess

We are thrilled to be mentoring 1440 children in care every week; so many minds being shaped for their future. With a milestone like this, it is always good to reflect on our vision from the start.

The Pyjama Foundation's Program was initially based on the empirically supported impact of a simple activity that most children take for granted - having books read to them. When we take the time to read aloud to the children in our lives, we bond closely with them in a secret society associated with the books we have shared.

The fire of literacy is created by the emotional sparks that fly when a child, a book and the person reading make contact. It's the relationship winding among the read aloud magic bringing everything together in easy harmony. Children need a solid read aloud foundation provided by parents and carers prior to school, and these children will very quickly learn how to read themselves.

The foundations of learning to read are set down from the moment a child first hears the sounds of people talking, the tunes of songs, and the rhythms and repetitions of rhymes and stories. Children who have not been regularly talked to, sung to or read aloud to from birth find life at school much more burdensome. Learning to read becomes a major stumbling block rather than a surprising delight.

Reading aloud to children early in life also rapidly develops their speaking skills. They can't learn to talk unless they are spoken to, which is why psychologists and speech pathologists tell us we need to have loving, laughing, deep and meaningful conversations. The more we talk to our kids the brighter they will be. Literacy and the ability to read is the fundamental platform for all learning. Reading and language helps you understand maths, and all other subjects of learning.

Thank you to our wonderful volunteers who mentor, read and inspire 1440 children in care each and every week.

CEO'S MESSAGE

Acknowledgement to our Principal supporters, Australia Post, the Queensland Government and the Commonwealth Bank of Australia. With this support we can make a considerable difference to the lives of vulnerable children.

Enormous appreciation to OMD Australia; an award-winning media agency who drive millions of dollars of promotions for The Pyjama Foundation, helping us spread our message, gather volunteers and raise much-needed funds.

Recognition to The Pyjama Foundation staff; a team of truly dedicated employees, who work hard and strong to support our vision. Thank you to the Board for their valuable time, dedication and strategic direction. And lastly thank you to the wonderful Foster Carers for allowing us into their homes to spend time with their children.

Warm Regards,



Bronwyn Sheehan
Founder and Executive Director



THANKS TO YOU...

We have achieved so much in the past year. Here are just some of the highlights you helped make possible:

More than

612

volunteers trained nationally

1412

foster children supported each week

\$1.8m

dollars raised for our
Love of Learning Program

200,000

event participants

100,000

hours spent supporting
kids in care

2500

gifts donated

716

Pyjama Angels placed in 2017

100,000

books read per annum

3000

hours of volunteer admin and
events support

400

hours of phone calls supporting our
volunteer Pyjama Angels



OUR MISSION AND VALUES

Our Vision

A world of unlimited opportunity for all children



Our Mission

Creating positive relationships for every Australian child in care;
empowering them with learning, life skills and confidence



Our Values

empowerment | trust | fun | teamwork | transformation



HELPING KIDS ACHIEVE THEIR DREAMS



The cycle of generational disadvantage can be broken.

Due to trauma they have suffered prior to entering the Foster Care System, many foster children fall into the lowest educational pool in Australia, creating obstacles for learning.

Across Australia, there are over 51,500 children in out-of-home care, and 143,000 children receiving some form of child protection services. The impact on children at risk, or in care, is severe and long-term. These children have lower educational attainment, lower employment prospects, higher criminal and arrest rates, and higher rates of teen pregnancy.

We're working with one child at a time to change their story and help them become the person they were born to be.

How our Love of Learning Program makes an impact:

According to the National Scientific Council on the Developing Child (2007) the single most important factor for building resiliency in children who face the highest risks is a long-term consistent relationship with a caring adult. The power of one strong adult relationship is a key ingredient in resilience - a positive, adaptive response in the face of adversity. The Pyjama Foundation implements a proven one-on-one mentoring model which delivers positive results for children involved.

The Pyjama Foundation supports the dreams of kids living in foster care. Whether they want to grow up to be an astronaut or a doctor, our Pyjama Angels are there to help them reach their potential by assisting them with learning and providing extra love and support.



Every child deserves a **champion**; an adult who will **never give up** on them, who understands the power of connection and insists they **become the best** they could possibly be.





OUR PARTNERSHIP : AUSTRALIA POST



In 2014, The Pyjama Foundation was chosen as one of seven national charity partners as part of Australia Post's community program, 'Our Neighbourhood'. Coming into our fourth year of the partnership, The main focus of the partnership between Australia Post and The Pyjama Foundation is the national expansion of Pyjama Angels to take the Love of Learning Program to significantly more children in out of home care. Together we are focused on building healthier, more vibrant and inclusive communities.



Australia Post and The Pyjama Foundation have worked together on a range of activities and events across Australia including:



- The recruitment of volunteers across the Australia Post workforce
- Participation in 11 Volunteer Awards across Australia
- Participation in The Pyjama Foundation key fundraising events: Battle of The Brains Trivia Night, National Pyjama Day, and Gala Dinner
- Toy drives for the annual Christmas parties
- Promotion of events
- Helping The Pyjama Foundation send 1400 books and cards to children in our Program on their birthday



Supported by



A woman with long brown hair, wearing a blue sleeveless top and dark pants, is sitting on a green beanbag chair. She is smiling and looking down at an open book she is holding. A young girl with blonde hair in a ponytail, wearing a purple and white striped dress, is sitting next to her, also looking at the book. The book is titled 'TOM' and features a picture of a yellow cat. The background is a library with many bookshelves filled with colorful books. There are several decorative pillows on the chair: a blue and white chevron patterned one, a red and white chevron patterned one, and an orange and white chevron patterned one. A white speech bubble with a blue outline is overlaid on the top right of the image, containing the quote.

Education is the most
powerful weapon we can
use to **change the world.**

- NELSON MANDELA



LOVE OF LEARNING

Our wonderful volunteers continue to pour in from communities throughout Australia. For the third year in a row we will train over 800 Pyjama Angels. Many people are looking for a way to contribute and to give time and energy to make their community stronger and more connected.

The Pyjama Foundation's simple, effective formula laid down thirteen years ago, continues to be an answer to this search for many caring people with love to share. We currently have 1412 children being visited each week by Pyjama Angels.

Our Sydney Coordinator, Megan Guenther has the following quote beneath her email signature:



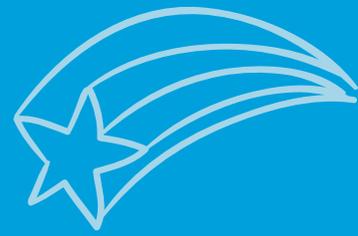
**When you make a
commitment, you build
hope. When you keep it, you
build trust.**



As a result of our recruitment, screening, training and support of Pyjama Angels, there are 1412 children who are learning to trust others and at the same time increasing their ability to learn; socialise; and contribute to our society.

It has been a busy year for our Program Team at head office and all our Regional Centres.

- We have acknowledged and celebrated the role of Pyjama Angels at our Pyjama Angel of The Year events in all our regions.
- We have run "Spread Your Wings Events" which are designed to upskill our volunteers in knowledge and practical activities to better understand and support our children. These events usually feature guest speakers who are professionals in their field, such as Speech Pathologists, Psychologists, and experts such as Brain Recovery Expert, Sheryl Bachelor.
- We have contributed to professional forums at Foster Care Queensland Conference; Peak Care meetings and Child Protection Advocates Committee meetings.



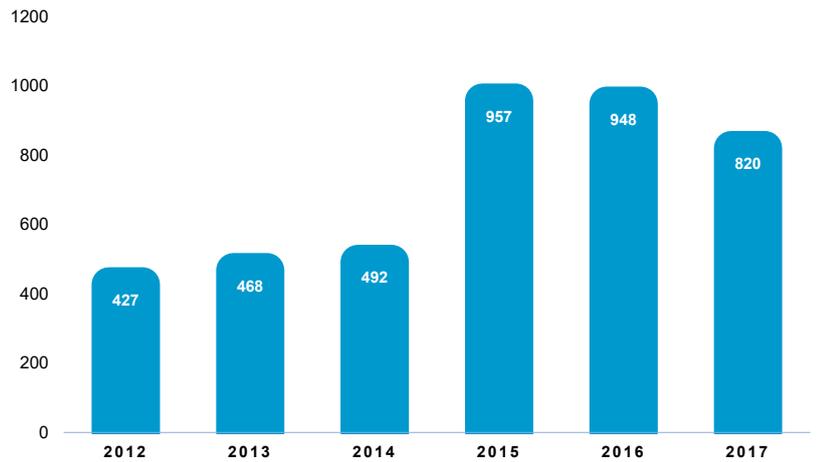
PROGRAM HIGHLIGHTS

- There have been stalls and displays in public spaces such as shopping centres and at sector events such as the Kyabra Family Fun Day.
- We have also held free events with community members such as children’s author, Chris Collin and Engineers Without Borders to engage and broaden the horizons of our children and their Carers and Pyjama Angels.

Each time we hear a speaker such as Sheryl Batchelor from “Stronger Brains” we learn more about why our Program works so well for children who have suffered trauma.

The Love of Learning Program continues to engage children and give hope to their Carers because it is so flexible, targeted at each individual child and their needs and because it is FUN!

NUMBER OF PYJAMA ANGELS TRAINED



1412 CHILDREN IN CARE SUPPORTED EVERY WEEK



LEARNING OUTCOMES

The Pyjama Foundation's Love of Learning Program was initially based on the empirically proven impact of a simple activity that most children take for granted – having books read to them. The Program has since expanded into numeracy and a variety of life-skills, socialisation, and educational play. Each quarter, we send out a Quarterly Pulse Survey (QPS) to our Pyjama Angels to measure the children's reading, writing, numeracy, life skills and confidence. The table below details the results from 2017 QPS.

0-5 Years old

- 72%** Found that children were more engaged and able to be actively involved and concentrate
- 74%** Noted children could concentrate for longer periods of time
- 57%** Noted speech / language improved in previous 3 months
- 75%** Of children improved in comprehension of stories and activities

6-12 Years old

- 80%** Noted an improvement in their child's general attitude towards learning
- 66%** Noted an improvement in attitude towards school
- 50%** Noted improvements in child's speech/language
- 70%** Found their child had improved self-confidence

13-18 Years old

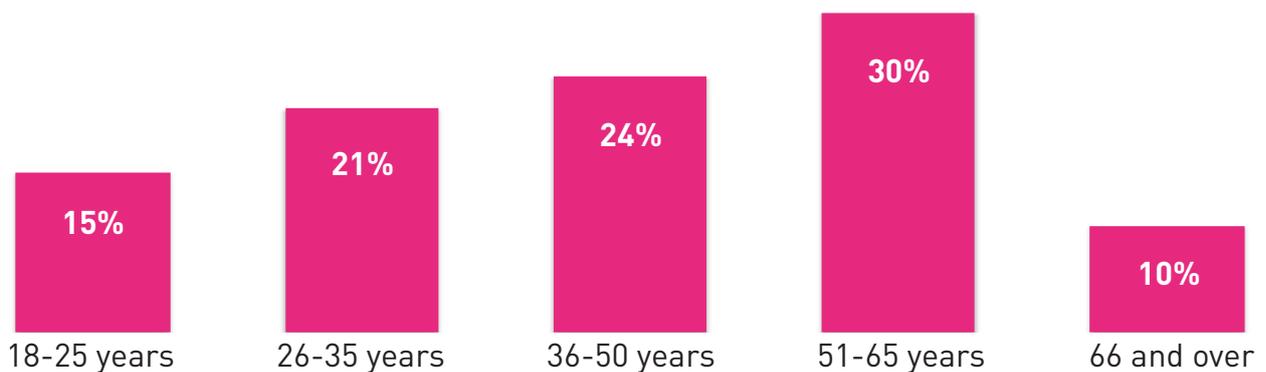
- 60%** Found an improvement in young person's attitude to learning
- 54%** Found children more positive about attending school
- 67%** Noted improvement in numeracy knowledge / skills
- 75%** Reported increase in confidence

OUR VOLUNTEERS: PYJAMA ANGELS



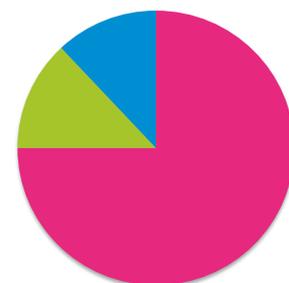
Our volunteers are the heart and soul of The Pyjama Foundation. Pyjama Angels are mentors, supporters, friends - they are constant champions who encourage children to reach their fullest potential, despite a fragile start.

About our Pyjama Angels



93% of our volunteers are female
7% of our volunteers are male

75% of our volunteers are employed
13% of our volunteers are retired
12% of our volunteers are students



72% of our volunteers have higher education
(study above grade 12)

PYJAMA ANGELS

The Pyjama Foundation's **Pyjama Angel of the Year Awards** celebrate the enthusiasm, commitment and dedication Pyjama Angels have made to the life of a child in care. We are truly humbled to hear the stories and experiences of our volunteers, the carers and the many community organisations that make our neighbourhoods so strong. Congratulations to all Pyjama Angels who continue to do such amazing work in transforming the lives of children in care through learning, life skills and confidence.

CAIRNS - MARY O'LOUGHLIN

Mary O'Loughlin is an exceptional Pyjama Angel. What has made Mary's placement especially memorable is that, for much of her time as a Pyjama Angel, she has been reading with not one, not two, not three, but four siblings! Like many of our Pyjama Angels, she has given of her time generously, she's displayed patience, resilience, flexibility and proven that even those entirely uninterested in crafts can be crafty when the need arises. She has been a warm, positive, constant presence in the lives of not one but four young people and that act, in itself, deserves a medal.

GLADSTONE - SHARON MOSTERT

Sharon Mostert has been mentoring Jack* for the past four years. Sharon has helped with socialising, manners, general care as well as his educational development. Sharon is very encouraging, passionate and creative and has made learning fun for Jack. Jack's carer has stated "Sharon has made a huge impact on our lives. Her support of our family has been invaluable."

GOLD COAST - JAN BANFIELD

Jan Banfield started as a Pyjama Angel seven years ago, and is reading with a teenage boy Mark*. Jan was nominated by Mark's foster carer who says, "Jan is incredibly committed to Mark and has a real empathy for him. She fits into the household beautifully and works around his needs and never questions or judges him." Jan has also gone the extra mile to contact the school to speak with his teachers and also visits the library to bring activities that work for him.

“

One of the best things about being a Pyjama Angel is **being involved** in the **life of a young person**, seeing them **take control** of their life and have the power to make the **best possible future** for themselves

- PYJAMA ANGEL

”

OF THE YEAR

IPSWICH - SHARON JORDAN

Sharon Jordan has been mentoring not one, not two, but three young boys from the same family for the past two years. Sharon has taken the placement in her stride and has been an amazing support not only to the three young boys but also to the family itself. Foster carer Jenny* says, "Sharon has been a blessing to our family, she is involved with not only my 3 boys but also my own family. We all love her. She is the most caring and helpful person for my boys, they love and adore her. They are always excited to hear what they are doing with Sharon." Apart from being extremely busy being a Pyjama Angel, Sharon is always happy to help out with fundraising events in Ipswich and has supported The Pyjama Foundation with amazing donations and prizes for our fundraisers.

NEW SOUTH WALES - STELLA ANGELO

Stella Angelo has been mentoring 14 year old Kevin* for nearly two years now and has been instrumental in getting him to appreciate the benefits of education and take great pride in his successes. His carers and his case worker have noticed a big improvement in this young man in his communication, school work, attitude and behaviour. Stella is a great listener for when her teenager wants to talk and has helped enormously with his well-developed self-awareness.

MACKAY - SUE MCGANN

Sue has been a Pyjama Angel since 2012 and is currently mentoring two young girls. She is an incredibly kind, patient and thoughtful person, always helping out where she can. She has spoken at training's, volunteered at events, organised fundraising prizes and is a reliable and trusted support to our Mackay Coordinator. The foster family Sue visits has stated she is an amazing lady and they appreciate everything Sue has done for their family. They claim the girls' grades have improved since Sue has been visiting and the girls love working with Sue!



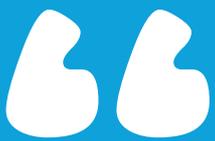
PYJAMA ANGELS

SUNSHINE COAST - ADELE DUANE

Adele Duane has been visiting sixteen year old Noah* for six years now and has formed a strong relationship with him. Noah's Foster Carers said, "Adele listens to him and encourages him, he knows that she is on his side, and she has gained his respect. Whilst I am sure there has been lots of frustration over the years and perhaps that feeling of not making a difference, but what makes a wonderful Pyjama Angels is not always the A+ report card, but the little things; life skills, role modelling or some good advice. These are the things that make a huge difference in a child's life." Thank you, Adele, for your lovely manner, patience, communication, enthusiasm and commitment!

TOOWOOMBA - BETSY WILES

Betsy Wiles was nominated for Pyjama Angel of the Year by Amelia* and her foster carer for her accommodating, warm and flexible nature, her dedication to the family and her friendship. From the carer's perspective, "Betsy has always been a wonderful ear when I have had a tough day. She has brought a great sense of humour to many situations that may not have seemed funny to me but Betsy has lightened them. She has offered her help when I have been unwell. Betsy has a huge place in our hearts. We love her to bits. She is an extraordinarily kind and generous person." Congrats Betsy on being a fantastic role model, mentor and inspiration to Amelia*!



Every child is one caring adult away
from being a success story.



- JOSH SHIPP



OF THE YEAR

VICTORIA - KEVIN LEE

Kevin was placed in 2014 but he actually heard about The Pyjama Foundation on the radio six years earlier. He was so impressed with the Foundation that he rang and was told that there was no program in Victoria at that time. Kevin waited patiently, and when he heard that our program had started in Victoria he didn't hesitate in calling Victoria Coordinator Shannon to sign up and train to become a Pyjama Angel.

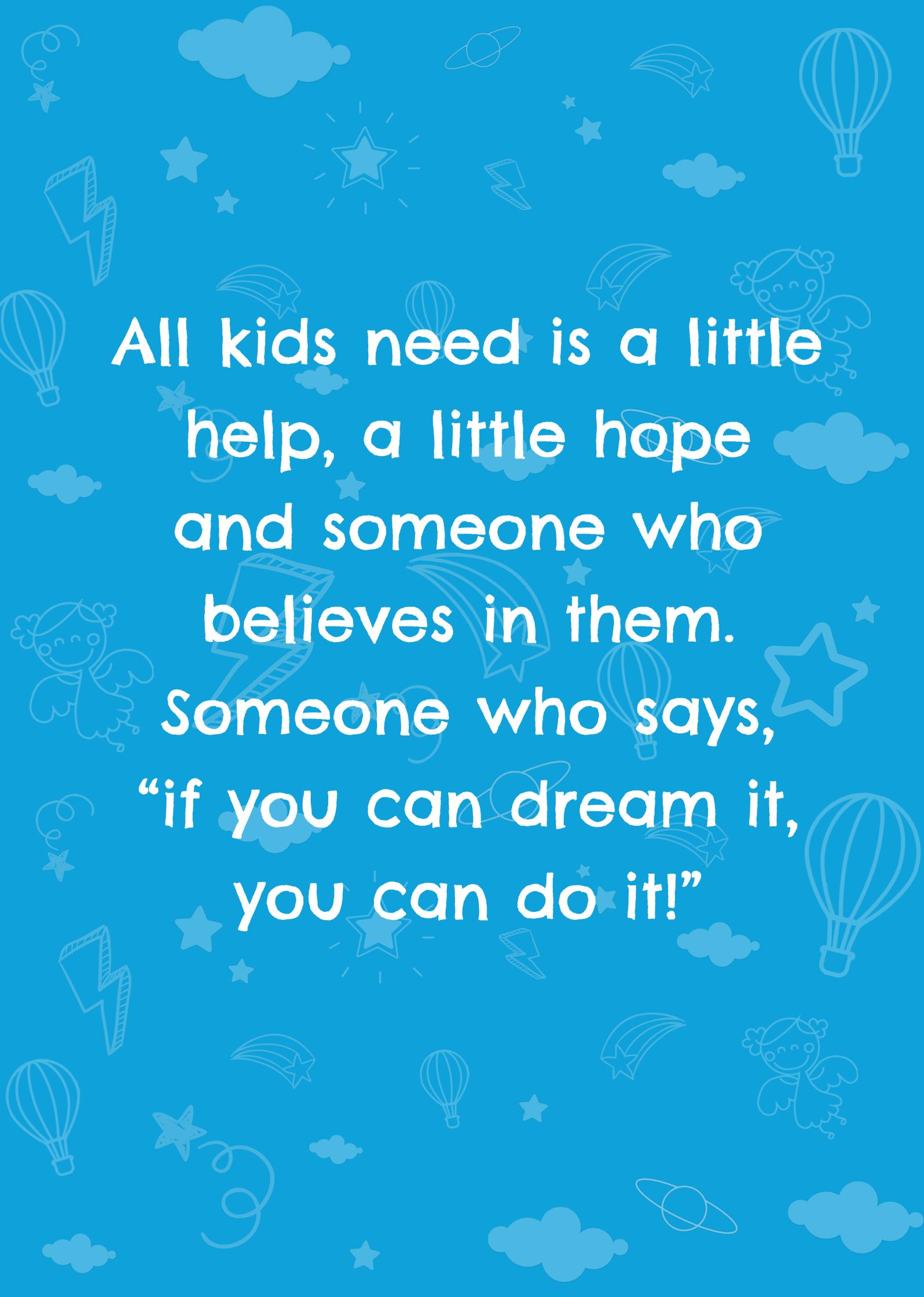
Kevin has been visiting Kerry* for the past three years, where initially Kerry had a low attention span and needed help with his speech. Kerry would often quit when he was 'bored' by work that he found to be too difficult and would get distracted easily. By 2015 Kevin had found activities to engage his little boy, such as mazes, dot to dot puzzles and anything with patterns or pattern recognition. In 2016, Kevin was still doing the puzzles and patterns but he reported reading longer books with his child and noted that school reports had improved.

This year, Kerry is calmer during Kevin's visits, he has an increased attention span, growing vocabulary, better reading fluency and improved persistence when working on activities. What a remarkable journey Kevin has had. Along the way, Kevin has attended every event possible in our Melbourne region and has volunteered at several of these. The Pyjama Foundation appreciates Kevin's dedication, patience and persistence. Well done Kevin!

TOWNSVILLE - ANNETTE BRUDER

Annette Bruder has been a Pyjama Angel since 2015 and has been visiting two young children. Annette has had to be creative with her choice of activities, as the children initially had quick attention spans and needed necessary engagement to stay interested. Two years on and the roles have changed! The children are the teachers and Annette is now the student. "We were revising numbers and I was using a whiteboard. He asked how to write 100 then all the way through to 1000. He then took the board and asked me to tell him how to write the numbers and gave me a tick for each answer I got correct. Since then we always have to play school each session. However, he always has to be the teacher and classes are on his terms. I even had to bring along my triangle so he could ring the bell for class." We admire Annette's dedication to these young children in helping them to grow in self-confidence and to develop a love of reading, playing and learning.





All kids need is a little
help, a little hope
and someone who
believes in them.
Someone who says,
“if you can dream it,
you can do it!”

MEET: JENNY SMITH

A Pyjama Angel for 12 years and counting...

GENTLE, kind and selfless are a few of the words that best describes one of our longest-serving volunteer Pyjama Angels, Jenny Smith. Volunteering for more than 12 years, Jenny was one of the first few Pyjama Angels that trained with Founder, Bronwyn Sheehan, in her garage back in 2004.

A retired teachers aid, Jenny first began visiting a family of four boys, but as time progressed, she began focusing on the second youngest child, Ashely* who was 6 then. Now 18, Ashley and Jenny still spend time together, despite the fact Ashley is no longer under the State's care.

When asked why she still continues her visits, she replied, "because there's so much more to give. I like to see all children happy, and I think every child has a right to a happy childhood and by participating in this way, I can contribute to their childhood in a positive way."

Jenny certainly contributes to Ashely's life in a positive way - when they are spending time together, you will often find the two of them in the kitchen whipping up a feast for dinner, or head-down busy in a science experiment. Jenny and Ashley would also visit the library, art gallery, museum or planetarium when given the opportunity.

To say we are in awe of her dedication is an understatement. We are so thankful for volunteers like Jenny who go above and beyond to support kids.



“

You only get one childhood and I think it should be a happy one. I like to do something that can makes others feel good about themselves. We can't change the world that they live in, but we can impact on their life in this world.

”





OUR EVENTS AND FUNDRAISERS

Battle of The Brains Trivia Night

The first annual Battle of The Brains Trivia Night Campaign was a huge success for The Pyjama Foundation, and was well received by everyone who attended. Held in 11 different locations from Mackay right through to Melbourne, the purpose of the event was all about challenging other teams to see which teams would take out the title of 'Trivia Champions 2017'. Teams were treated to 10 rounds of trivia categories including geography, movies, music, sport and general knowledge. The Battle of The Brains Trivia Night had a roaring ambience, with so many teams having fun and enjoying the natural air of competitiveness. Overall, we achieved our fundraising goal, and raised \$30,000 from the events.



Sydney Gala Ball

In May 2017, we hosted our extravagant Sydney Gala Ball at The Ivy Ballroom, The Ivy with more than 300 guests in attendance. The room was filled with so many of our incredible sponsors and supporters including Commonwealth Bank, The All In Giving Circle, Tremor Video, Bauer Media and so much more. With the generosity and support of our donors, the spectacular evening raised more than \$150,000 for our Love of Learning Program.





OUR EVENTS AND FUNDRAISERS



Pyjama Party at Sea World

This year we decided to host our Pyjama Party at Sea World, to be able to immerse ourselves with sea animals and creatures by night. Unfortunately due to low-ticket sales (due to school holidays), we made the decision to cancel our event.

Inaugural Cat In The Hat Cocktail Party

We had an absolute blast at our Cat In The Hat Cocktail Party! Changing from our usual sit-down dinner, our events team decided to spice it up by opting for a cocktail party where guests could mingle and dance the night away without too much of the formalities. We had the pleasure of having The Executive Director of The Department of Child Safety, Matthew Lupi in attendance who played the role of Cat In The Hat and as our MC for the evening. We also welcomed the Minister for Child Safety, the Honourable Shannon Fentiman who gave a beautiful speech about the Department of Education’s ongoing support of The Pyjama Foundation. The event had 150 guests in attendance and raised \$50,000. A special thanks to our amazing event volunteers who helped coordinate our Cocktail Party.




CAT IN THE HAT COCKTAIL PARTY

Friday 22 September
7pm Queensland State Library



NATIONAL PYJAMA DAY

National Pyjama Day 2017 was a huge success for The Pyjama Foundation with a record amount of \$250,000 raised, and more than 1,700 organisations registered for the 'comfiest day of the year'!

For the first time, we created a microsite for our campaign, www.nationalpyjamaday.com where participants could easily register for Pyjama Day and donate. As a result of this, we saw a large increase in online giving and an increase in the average amount donated.

With support from our media partners, UnLtd, Bauer Media and OMD, we were able to secure incredible digital and outdoor media advertising opportunities, including billboards around QLD, NSW and VIC.

Special thanks to Adshel, QMS, Val Morgan Outdoor and oOh! Media for donating highly valuable advertising space.



1,700

Registered organisations

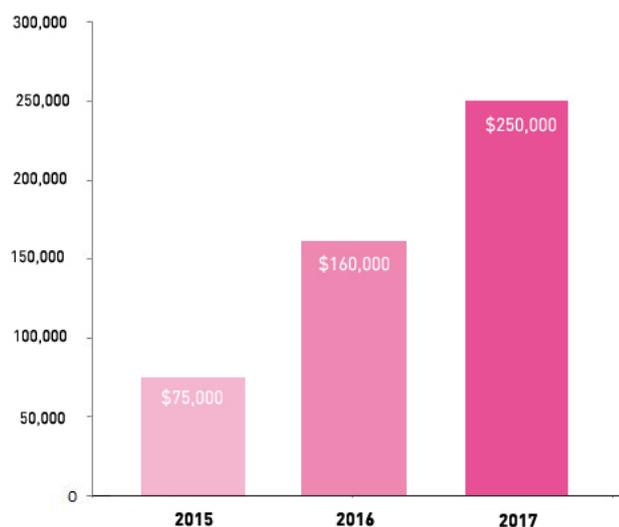
111,000

Number of participants

\$250,000

Dollars raised from
National Pyjama Day

**Money Raised on National Pyjama Day
2015-2017 comparison**





National Pajama Day





OUR MEDIA PARTNERS BAUER MEDIA, UNLTD & OMD

BAUER MEDIA

2017 has seen the Bauer Media team supporting us again through the placement of free full page ads in a number of popular national magazines including New Idea and OK!, as well as support through their internal payroll giving and volunteering. The support of Bauer Media has been tremendous and has directly helped to increase the number of new Pyjama Angels as we keep track of where people have heard about us – and magazines and the Bauer advert is a regular response. This year has also seen us brief new sections of Bauer Media, including their Finance Team, which directly resulted in a number of their team applying to become Pyjama Angels as well as corporate volunteering. We are thrilled to have the continued support of Bauer Media and the fabulous people that work there and look forward to a fabulous year ahead.



MEDIA GROUP

UNLTD

Without the tireless work of the small team at UnLtd, we would not have the support of Bauer Media and OMD. UnLtd have continued to open doors for The Pyjama Foundation and provide us with amazing opportunities to showcase what it is we do and to gain maximum exposure. UnLtd work within the Advertising and Media industry to connect selected not for profits who work to support underprivileged youth with agencies who can help to spread the word through pro bono support. We have been incredibly lucky to have been supported by the UnLtd team for a number of years now and the partnership just keeps getting stronger. This year we have also been fortunate to have received funding from UnLtd to upgrade our website – something that is desperately needed. Thank you UnLtd for all that you do, you are amazing!

UnLtd.

**Undoing youth
disadvantage
for good**



OMD

We have been incredibly lucky to have had another year working closely with the immensely talented people that make up OMD – Jonathan, Danni, Marelle and their teams. The support given to us over the last 12 months by the OMD team has been nothing short of amazing! With over \$1.2M worth of pro-bono advertising around National Pyjama Day taking our name into the homes of millions of people. This support has included national TV, magazines and newspapers as well as outdoor advertising and digital media too. The reach has been incredible and has meant that we have been able to raise awareness to the wider community about the unique needs of children in foster care and as a result, train far greater numbers of new Pyjama Angels and therefore, support more children in need. In addition to the advertising support given to us by the OMD team, they have also been busy with their own internal fundraising activities and this year they topped the National Pyjama Day charts with their 'Pyjamathon', raising a massive \$12,000 on the day. No mean feat and by far the largest National Pyjama Day fundraiser to date!! Thank you OMD for every single thing you have done for The Pyjama Foundation and Australian children in care.



REGIONAL HIGHLIGHTS OF THE YEAR

CAIRNS - JOELEEN BETTINI

Our Cairns Region has had a fantastic year with many highlights. Pyjama Day was a huge hit, with the community getting behind our largest signature event. Innisfail's town centre got involved and had incredible media coverage. Seeing the community in Innisfail and the support from locals was rewarding. We were also the beneficiary of Cairns' 'Your Wardrobe Markets' - these markets were a fantastic way to raise awareness of The Pyjama Foundation and effective way to raise over \$2000. The Cairns region would like to specially acknowledge the following supporters: Commonwealth Bank Innisfail, Australia Post in Innisfail and Cairns Indoor Sports Centre.

GLADSTONE - HAYLEY TAYLOR

We've had a good year in the Gladstone region, our corporate support has grown significantly thanks to the incredible media and advertising exposure we have received from our national media partners. The highlight of past financial year was National Pyjama Day - we had an overwhelming amount of community support and spirit. We were donated 100 beautiful pyjamas for children in our program! A special mention to our community supporters: Remax Gold Gladstone, Muffin Break, Gladstone CQ University, Studio B, Bentia from Gladstone Library, Hub Total Fitness, GAPDL Communities for Kids, Beast Martial Arts and Fitness Academy, Calliope State School, St Francis Primary School and Gladstone Cinemas.

GOLD COAST -STEPHANIE REARDON

The highlight for the year has been the success of our first trivia night fundraiser. With a highly motivated and can-do committee and with a wonderful response from our Pyjama Angels, supporters and friends, our Gold Coast region was able to raise a staggering \$5800! We had close to 100 people come along which was wonderful. Enormous thanks to all sponsors who supported us through monetary and in kind donations and the hard working members of our sensational committee. Our gratitude and thanks go to the following supporters: The Southport School Mums, a group of women who organise and run our Christmas party, Goodstart Early Learning Parkwood, Soroptimist International Gold Coast and Jan Banfield, Runaway Bay Lions Club, Shelley Aufret Real Estate and St Hilda's School.

IPSWICH - JULIE CRAIG

The best part of every year is meeting the wonderful dedicated volunteer Pyjama Angels that come my way. So far this year, I have trained, and placed 15 Pyjama Angels. I would personally like to thank the Pyjama Angels of Ipswich for their commitment to our program. Our region also had the opportunity to host two fundraisers, our Trivia Night and a Cent Sale which both raised over \$1000!



REGIONAL HIGHLIGHTS OF THE YEAR



MACKAY - KRIS CLANCY

There have been many highs in the Mackay region including our Battle of The Brains Trivia Night, our Pyjama Angel of The Year Awards, Christmas Party for Kids and of course, all our training days. I have been lucky to meet and train 12 new wonderful Pyjama Angels, and provide support to our current volunteers as well. Our region would like to thank the following sponsors to helping to make this past year the year it was: Graeme Bowling, Mortgage Choice Mackay and Let The Children Play (toyshop).

NEW SOUTH WALES - MEGAN GÜENTHER

We've been very lucky here in NSW to be able to welcome not one, but two new team members, Hayley Gould (Events and Placement Support) and Julian Ball (Placement Support). With extra hands on deck, we're able to train and support more volunteers, and get involved with more events. For the first time this year we hosted our Battle of The Brains Trivia Night which was a fun event with an incredible atmosphere. We also had our Sydney Gala Ball which was very successful. This year we have also been lucky to be a beneficiary of the ASX Thomson Reuters Charitable Foundation which allows us to benefit from their Golf Day and Race Day. We would like to thank the following corporates for their support: Clorox, Mamamia, Bauer Media, Rakuten, Nexia, Atlassian, OMD, Dural Rotary, Big Commerce, The All In Giving Circle, 201 Elizabeth Street and XL Events.

TOOWOOMBA - KERRIE BARBER-WHITE

We've had a busy and exciting year in the Toowoomba region. The highlight every year would have to be meeting and interviewing new potential Pyjama Angels, as well as hearing back from volunteers, knowing that their placements are going well. Having 'Coffee Catch-Ups' with the volunteers is always so eye-opening as well, listening to their experiences and how they are so innovative when it comes to organising and preparing activities for kids. In the past year we have trained 37 Pyjama Angels and have placed 36 of them (which is a fantastic rate!) I would like to thank the following people for helping to make it the amazing year it was: Toowoomba Regional Council, Michael Le Garde, Helen Yeo, Bunnings Warehouse, Luci Adams at St Saviours, Rotary and all the wonderful businesses and schools that supported our events throughout the year!



REGIONAL HIGHLIGHTS OF THE YEAR

TOWNSVILLE - ROBYN NARRATONE

It's impossible to list just one highlight in Townsville Region! We've had so many highlights including: being chosen as a charity beneficiary of the Townsville Cowboy's Field of Dreams campaign, which meant that we were given game tickets to give to our wonderful volunteers. This opportunity with the Cowboys also lead to one of their players, John Asiata, to sign up and become a Pyjama Angel as well!

Our Battle of the Brains event was a huge success, we had a sold out event with approximately 170 attending the night; despite the fact we were in the middle of Cyclone Debbie! We were also very fortunate be be the chosen charity for Townsville Port Authority Charity Golf Day, as a whopping \$17,000 was raised for our Love of Learning Program. We have worked tirelessly to maintain and build our networks throughout the Townsville Community, and we would like to give speical thanks to our corporate supporters including: GHD, Ross River Apex Club, Rotary Club of Townsville South West, Alligator Creek Lions Club, Townsville Port Authority, Subway Aitkenvale and Star 106.3FM.

VICTORIA - SHANNON O'BRIEN

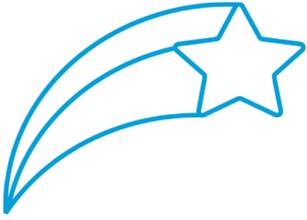
We've had a fantastic year here in Victoria! We recently had our newest team member, Geomar Landicho join us! Geomar will be assisting with placement support, as well as events and fundraising initiatives.

We've been very lucky to be granted a \$10,000 grant from Arbonne Charitable Foundation. This was the absolute highlight for our program in Victoria. Knowing that even though the Victorian team is tiny and it's impossible to hold our own weekend away for the kids - we can still make it happen by creating relationships with organisations that have a community strategy that align with The Pyjama Foundation.

Working with our interns is so much fun! I have felt so supported by our two AMAZING interns, Tash Stilianos and Angela Lopez. They have done a fabulous job working together on placements. They have helped grow and maintain the Program. Their thirst for knowledge and want to learn has been infectious.

We are all just so excited to see what we can do over this next year! 2018 - BRING IT ON!





“The best thing about being a **Pyjama Angel** is being **involved** in the life of a **young person**; seeing them **take control** of their life and have the **power** to make the **best possible future** for themselves.

Knowledge is power and I believe that **knowledge** is the basis of **good decision making**. This and helping them see what is possible in their futures will help set up **successful, happy lives**.

The little successful stepping stones along the way like **school awards** and seeing how **happy** my little person is when she gets good marks for assignments, really does make the **experience very special**.”

- PYJAMA ANGEL





OUR FINANCIAL RESULTS



Board Governance

The Pyjama Foundation Board which is comprised of voluntary members, has a focus on continuous improvement and effective governance.

The Pyjama Foundation has the vision of empowering children in foster care with learning, life skills and confidence to change the direction of their lives.

Highlights over the year.

- 9 board meetings
- Strategic Planning Day in Feb 2017
- Annual General Meeting in November 2017
- External evaluation – Social Outcomes
- Review of structure

The Pyjama Foundation engaged Social Outcomes in June 2016 as an external evaluation piece. This report reviewed the background and workings of The Pyjama Foundation, it identified the cost to Government of Out of Home Care, and highlighted the impact of the Love of Learning Program to the 1400 children receiving our service.

The potential long-term cost savings created through The Pyjama Foundation were demonstrated through: cost of housing and homelessness, cost of unemployment, cost of mental health and cost of criminality. This report highlighted the opportunities and potential partnerships to increase the impact and financial sustainability of our Program and operations moving forward.

We are working towards our Five Year Strategic Plan

1. Enhance and expand programs and services that increase the learning skills of children in out of home care in Australia
2. Raise further income annually to enable delivery of the most beneficial programs for children in care
3. Strengthen organisational capability to meet The Pyjama Foundation's Strategic Goals
4. Ensure the marketing and positioning of The Pyjama Foundation's support service delivery and donor development.

Directors Report

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2017.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Shane O’Kane
- Bronwyn Sheehan
- Jim Morrison
- Brian Healey
- Peter Ostick

Objectives

Our Vision – A world of unlimited opportunity for all children.

Our Mission – Creating positive relationships for every Australian Child in care; empowering them with learning, life skills and confidence.

Our Values – Empowerment/Trust/Fun/Teamwork/Transformation

Strategy for achieving the objectives

The Pyjama Foundation strategy is to provide a reading and learning mentor to every Australian child in foster care. With over 51,000 Australian children in care, and rising, children on protection orders are less likely to meet national minimum literacy and numeracy standards.

We will enhance and expand our programs and services that increase the learning skills of children in care in Australia.

In the next three years, we aim to double the number of children in care who participate in the Love of Learning Program. Ultimately our strategic intent is to reach all Australian children in care with our programs.

Principal Activities

The principal activities of the company during the financial year were implementing The Pyjama Foundation Love of Learning Program and other activities supporting foster children and the foster care community.

There were no other significant changes in the nature of the company’s principal activities during the financial year.

Performance measures

- The company measures its performance in a number of ways:
- Time spent with child - The Pyjama Foundation is providing 100,100 hours per annum to mentor and support children in care.
- Number of children participating in the program every week – we are currently reading to 1412 foster children every week.
- Number of books read per year – We are reading 100,000 books each year to children in foster care.
- Satisfaction from Foster Carers – 90% of foster carers of children in the Love of Learning Program have seen an improvement in the child’s literacy skills.

Directors Report



Shane O'Kane
Principal, Queensland Infrastructure Partners

Shane has 25 years of experience in finance sector which includes significant experience in both the infrastructure sector and corporation and privatisation transactions.

His experience includes involvement in acquisitions as well as advising governments on the sales process including a greater than 12 month secondment to the South Australian government in relation to the corporatisation and privatisation of the State Bank of South Australia.

Shane has developed innovative structures which may be significant benefit to the State during the sale process to assist with managing risk and maximising the financial return. In addition if these structures are pursued, they may be of significant benefit to the State in funding future infrastructure needs and monetising other infrastructure assets.

Appointed February 2009



Bronwyn Sheehan
Founder and Executive Director, the Pyjama Foundation

2009 Queensland Australian of the Year

Bronwyn Sheehan founded The Pyjama Foundation in 2004 to make positive impact on the lives of our community's most vulnerable children. In less than five years, The Pyjama Foundation has won a number of awards, garnered corporate and government support, and inspired a large team of community volunteers.

A nurse and midwife and business owner, Bronwyn herself was inspired by the work of foster carers. Bronwyn was alarmed at statistics highlighting the poor literacy levels of children in care, and determined to find a way to address this issue. This was the beginning of The Pyjama Foundation Love of Learning Program. Bronwyn Sheehan is the 2009 Queensland Australian of the Year and 2008 National Finalist of the IBM Community and Government category of the Telstra Business Women's Awards.

Appointed 30 September 2004



Jim Morrison

Jim has extensive accounting, finance and transaction experience in both domestic and international markets. He has worked in Australia, Hong Kong, Singapore and the USA. Jim is currently retired with this most recent position as Chief Financial Officer of international technology company GroundProbe. Prior to this he was a Partner in international accounting firm Deloitte for over ten years.

Appointed 30 October 2006

Directors Report



Brian Healey

Brian is a Global Co Lead Agribusiness Partner in the Brisbane office of K&L Gates, a global law firm with 47 offices around the world. Brian has more than 20 years' experience servicing clients in agribusiness and primary industries including in agricultural property transactions, water transactions and in leading teams in mergers and acquisitions. Brian has been involved in some of Australia's largest and most complex agribusiness transactions and regularly provides advice to leading rural enterprises and other commercial enterprises in their business dealings. Brian has a strong interest in corporate governance and is motivated by seeing his clients succeed and grow their businesses whilst providing strategic advice for their benefit where he can.

Brian joined The Pyjama Foundation Board in June 2014



Peter Ostick

Peter is currently founding board member and Managing Director of TVN which was recently acquired by Tremor Video a US based technology company. TVN was an Internet delivered video platform that connected buyers and sellers through technology. Before founding TVN Peter was part of the Microsoft executive team that launched Microsoft Media Network in Australia and an early stage employee of Aquantive which was sold to Microsoft in 2008. Peter brings an entrepreneurial energy combined with a goal orientated mindset to any venture he is involved with.

Peter joined The Pyjama Foundation Board in November 2014



Roxanne Dunkel

Roxanne has vast commercial experience gained both as a commercial lawyer and as the co-owner and publisher of the Australian Jewish News. Throughout her career she has provided voluntary legal advice at both the Kingsford and Redfern Legal Centres, advising on diverse issues relating to families. Roxanne became a director of The Pyjama Foundation in 2016, and has broad philanthropy sector experience.

Roxanne joined The Pyjama Foundation Board September 2016

THE PYJAMA FOUNDATION LIMITED
A.B.N. 43 111 196 742

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2017

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DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2017.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Shane O'Kane
Bronwyn Sheehan
Jim Morrison
Brian Healey
Peter Ostick
Roxanne Dunkel (appointed on September 2016)

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

Objectives

Our Vision – A world of unlimited opportunity for all children.

Our Mission – Creating positive relationships for every Australian Child in care; empowering them with learning, life skills, and confidence.

Our Values – Empowerment/Trust/Fun/Teamwork/Transformation

Strategy for achieving the objectives

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We will enhance and expand our programs and services that increase the learning skills of children in care in Australia.

In the next three years, we aim to double the number of children in care who participate in the Love of Learning Program.

Ultimately our strategic intent is to reach all Australian Children in care with our programs.

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- Number of children participating in the program every week – We are currently reading to 1440 foster children every week.
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- Satisfaction from Foster Carers – 90% of foster carers of children in the Love of Learning Program has seen an improved in the child's literacy skills.

DIRECTORS' REPORT (Continued)

Information on directors

Shane O'Kane Principal, Queensland Infrastructure Partners

Shane has 25 years of experience in finance sector which includes significant experience in both the infrastructure sector and corporation and privatisation transactions.

His experience includes involvement in acquisitions as well as advising governments on the sales process including a greater than 12 month secondment to the South Australian government in relation to the corporatisation and privatisation of the State Bank of South Australia.

Shane has developed innovative structures which may be significant benefit to the State during the sale process to assist with managing risk and maximising the financial return. In addition if these structures are pursued, they may be of significant benefit to the State in funding future infrastructure needs and monetising other infrastructure assets.

Appointed February 2009

Bronwyn Sheehan Founder and Executive Director, the Pyjama Foundation

2009 Queensland Australian of the Year

Bronwyn Sheehan founded The Pyjama Foundation in 2004 to make positive impact on the lives of our community's most vulnerable children. In less than five years, The Pyjama Foundation has won a number of awards, garnered corporate and government support, and inspired a large team of community volunteers.

A nurse and midwife and business owner, Bronwyn herself was inspired by the work of foster carers. Bronwyn was alarmed at statistics highlighting the poor literacy levels of children in care, and determine to find a way to address this issue. This was the beginning of The Pyjama Foundation Love of Learning Program. Bronwyn Sheehan is the 2009 Queensland Australian of the Year and 2008 National Finalist of the Community and Government category of the Telstra Business Women's Awards. This year Bronwyn attended Harvard Business School in Boston to complete a Program Evaluation Course for the Not for Profit Sector.

Appointed 30 September 2004

Jim Morrison

Jim has extensive accounting, finance and transaction experience in both domestic and international markets. He has worked in Australia, Hong Kong, Singapore and the USA.

Jim's most recent position was Chief Financial Officer of international technology company GroundProbe. Prior to this he was a Partner in international accounting firm Deloitte for over ten years.

Appointed 30 October 2006

DIRECTORS' REPORT (Continued)

Brian Healey

Brian is a partner in the Corporate & Commercial and Property & Projects Groups. He has over 20 years' experience as a lawyer servicing agribusiness and rural industry as well his commercial property clients.

Brian has been involved in some of Australia's largest and most complex agribusiness transactions and regularly provides advice to leading rural enterprises and other commercial enterprises in their business dealings.

Brian has a strong interest in corporate governance and is motivated by seeing his clients succeed and grow their businesses whilst providing strategic advice for their benefit where he can.

Brian joined The Pyjama Foundation Board in June 2014

Peter Ostick

Peter is an Internet executive, founder and board member. Following the sale in 2015 of digital video marketplace TVN of which Peter was a founder, Peter began working with organisations and individuals who are driving the next wave of digital transformation. Before founding TVN Peter was part of the Microsoft executive team that launched Microsoft Media Network in Australia and an early stage employee of Aquantive which was sold to Microsoft in 2008.

Peter brings an entrepreneurial energy combined with a goal orientated mindset to any venture he is involved with.

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Roxanne has vast commercial experience gained both as a commercial lawyer and as the co-owner and publisher of the Australian Jewish News. Throughout her career she has provided voluntary legal advice at both the Kingsford and Redfern Legal Centres, advising on diverse issues relating to families.

Roxanne became a director of The Pyjama Foundation in 2016, and has broad philanthropy sector experience.

Roxanne joined The Pyjama Foundation Board September 2016

DIRECTORS' REPORT (Continued)

Meetings of directors

The number of directors' meetings (including special meetings) and number of meetings attended by each of the directors of the company during the financial year are:

	No. of Meetings Attended	No. of Meetings Eligible to Attend
Shane O'Kane	5	8
Bronwyn Sheehan	8	8
Jim Morrison	7	8
Brian Healey	5	8
Peter Ostick	5	8

Contribution on winding up

Every members of the Company undertakes to contribute to the assets of the Company in the event of the Company being wound up during the period of membership or within one year afterwards for payment of the debts and liabilities of the Company contracted before the time at which membership ceases and the costs charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves such amount as may be required, not exceeding the sum of \$100.

Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of directors.

On behalf of the directors



Mrs Bronwyn Sheehan
Director



Mr Jim Morrison
Director

Dated this 31 day of October 2017



Audit Services

THE PYJAMA FOUNDATION LIMITED
ABN 43 111 196 742
AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS
ACT 2001 TO THE DIRECTORS OF THE PYJAMA FOUNDATION LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

.....
Robert HJ Edwards B Com FCA
RCA#6246
Level 1, 180 Main Street
Kangaroo Point, QLD 4169

Dated: 25 October 2017

National Property Business Tax Accounting & Wealth Advisory Group

C & N Audit Services
Lv 1, 180 Main Street Kangaroo Point QLD 4169
PO Box 7437 EAST BRISBANE QLD 4169

T: 07 3391 6300

ACN: 162 759 168

Grow and Protect Your Wealth

www.chan-naylor.com.au

Liability Limited by a scheme approved under Professional Standards Legislation

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2017 \$	2016 \$
Recurrent- State		518,072	329,216
Tax Deduct Donations - Trust		325,000	285,000
Donations Received		266,519	229,018
Event Income		263,364	288,732
PJ Day donations		219,425	71,967
Grant Income		121,209	112,532
Operating- Non Recurred - Corporate		49,600	66,000
Operating Recurrent - Corporate		12,040	77,291
Interest received		10,571	12,619
Operating-recurrent-local		1,430	1,430
Operating - Non Recurrent - Local gov		-	10,000
Capital - Corporate		-	10,000
Operating - Non Recurrent - St		-	10,000
Other Income/Loss		(2,580)	-
Total Revenue		1,784,650	1,503,805
Advertising and Promotions		(4,591)	(12,828)
Bank Charges		(1,178)	(722)
Books Puzzles and Games		(13,996)	(3,650)
Cleaning		(4,024)	(2,873)
Computer/website		(13,854)	(15,538)
Consultancy Expenses		(19,626)	(360)
Depreciation Expenses		(5,652)	(13,832)
Electricity		(5,860)	(5,589)
Events		(240,148)	(165,674)
Freight		(380)	(129)
Insurance		(9,830)	(11,850)
Internet and Database		(20,996)	(23,934)
Land Lines and Mobile Phones		(12,936)	(9,975)
Legal & Accounting		(19,412)	(11,714)
Maintenance		(5,058)	(9,031)
Meeting/Entertainment		(7,865)	(11,002)
Memberships		(15,708)	(8,277)

The accompanying notes form part of these financial statements.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2017 \$	2016 \$
Merch Fees		(6,474)	(2,319)
Office Expense		(5,405)	(4,324)
Office Expense Interstate		(361)	-
Photocopier hire		(6,492)	(5,657)
Postage		(156)	(213)
Printing and Stationary		(15,493)	(15,739)
Rent		(72,137)	(66,172)
Staff Amenities		(4,247)	(2,020)
Staff Entitlements		(107)	(14,341)
Sundry Expenses		(84)	-
Superannuation		(83,254)	(76,514)
Travel & Entertainment		(32,292)	(26,172)
Volunteer & Public Liab Insurance		-	(500)
Volunteer Expenses		(17,200)	(12,342)
Wages & Salaries		(879,126)	(806,830)
Workers' Compensation		(7,818)	(5,601)
Total Expenses		<u>(1,531,758)</u>	<u>(1,345,720)</u>
Current year surplus before income tax		<u>252,892</u>	<u>158,084</u>
Income tax expense		-	-
Other Comprehensive Income		-	-
Total comprehensive income for the year		<u>252,892</u>	<u>158,084</u>
Total comprehensive income attributable to members of the entity		<u>252,892</u>	<u>158,084</u>

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,195,469	912,204
Trade and other receivables	4	40,061	55,888
Other current assets	5	5,854	5,854
TOTAL CURRENT ASSETS		<u>1,241,384</u>	<u>973,946</u>
NON-CURRENT ASSETS			
Plant and equipment	6	16,011	22,440
Intangible assets	7	5,750	5,750
TOTAL NON-CURRENT ASSETS		<u>21,761</u>	<u>28,190</u>
TOTAL ASSETS		<u>1,263,145</u>	<u>1,002,136</u>
CURRENT LIABILITIES			
Trade and other payables	8	93,891	85,882
Provisions	9	78,703	79,465
TOTAL CURRENT LIABILITIES		<u>172,595</u>	<u>165,347</u>
NON-CURRENT LIABILITIES			
Provision	9	55,936	55,067
TOTAL NON-CURRENT LIABILITIES		<u>55,936</u>	<u>55,067</u>
TOTAL LIABILITIES		<u>228,531</u>	<u>220,414</u>
NET ASSETS		<u>1,034,614</u>	<u>781,722</u>
EQUITY			
Retained Surpluses		1,034,614	781,722
TOTAL EQUITY		<u>1,034,614</u>	<u>781,722</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Note	Retained Surpluses \$	Total \$
Balance at 30 June 2015		623,638	623,638
Total comprehensive income for the year		158,084	158,084
Balance at 30 June 2016		781,722	781,722
Total comprehensive income for the year		252,892	252,892
Balance at 30 June 2017		1,034,614	1,034,614

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2017 \$	2016 \$
Cash Flows From Operating Activities			
Receipts from donations/ grants		1,792,486	1,491,186
Payments to suppliers and employees		(1,519,792)	(1,351,283)
Interest received		10,571	12,619
Net cash inflows / (outflows) from operating activities	10	283,265	152,522
Cash Flows From Investing Activities			
Payments for property, plant and equipment		-	(6,310)
Net cash inflows / (outflows) from investing activities		-	(6,310)
Cash Flows From Financing Activities			
Repayments from borrowings		-	-
Net cash inflows / (outflows) from financing activities		-	-
Net increase / (decrease) in cash and cash equivalents		283,265	146,212
Cash and cash equivalents at beginning of year		912,204	765,992
Cash and cash equivalents at end of year	3	1,195,469	912,204

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

The financial statements cover The Pyjama Foundation Limited as an individual entity, incorporated and domiciled in Australia. The Pyjama Foundation Limited is a company limited by guarantee.

The financial statements were authorised for issue on 31 October 2017 by the directors of the company.

1. Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users depended on general purpose financial statements. These financial statements are therefore special purpose financial statements have been prepared in order to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and *Corporation Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-Profits Commission Act 2012*, *Corporation Act 2001* and the significant accounting policies below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue and Other Income

Grant Revenue is recognized in the Statement of Profit or Loss and Other Comprehensive Income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognized in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognized as income on receipt.

The Pyjama Foundation Limited received non-reciprocal contribution of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

1. Summary of Significant Accounting Policies (continued)

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(b) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(c) Plant and equipment

Each class of plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset as the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on either a straight-line / diminishing basis over the assets useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Plant and equipment	10% - 66.67%
Motor vehicle	25%

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

1. Summary of Significant Accounting Policies (continued)

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Trade and other receivables

Trade and other receivables include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(f) Goods and Services Tax

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

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

(g) Income Tax

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

(h) Intangibles

Patents and trademarks are recorded at cost.

(i) Provisions for employee entitlements

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

1. Summary of Significant Accounting Policies (continued)

(j) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(k) Critical Accounting Estimates and Judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgments and estimates will seldom equal and related actual results.

In the director's opinion, there are no particular estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities as of the balance sheet date.

2. New accounting standards for application in future periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the company, together with an assessment of the potential impact of such pronouncements on the company when adopted in future periods, are discussed below:

AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019). When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases and related Interpretations*. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

-recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);

-depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;

-inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;

-application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

2. New accounting standards for application in future periods (continued)

-inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the directors anticipate that the adoption of AASB 16 will impact the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 1058: *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

The significant accounting requirements of AASB 1058 are as follows:

-Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.

-Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: *Contributions*.

Although the directors anticipate that the adoption of AASB 1058 may have an impact on the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 2016-4: Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1 January 2017).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

2. New accounting standards for application in future periods (continued)

This Standard amends AASB 136: Impairment of Assets to remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and clarify that AASB 136 does not apply to non-cash-generating specialised assets that are regularly revalued to fair value under the revaluation model in AASB 116 and AASB 138: Intangible Assets, but applies to such assets accounted for under the cost model in those Standards. AASB 2016-4 is not expected to have a significant impact on the company's financial statements.

	2017 \$	2016 \$
3. Cash and cash equivalents		
Cash float	-	2,200
Cash at bank	1,195,469	910,004
	<u>1,195,469</u>	<u>912,204</u>
4. Trade and other receivables		
Other receivables	40,061	55,888
	<u>40,061</u>	<u>55,888</u>
5. Other current assets		
Prepayment	5,854	5,854
	<u>5,854</u>	<u>5,854</u>
6. Plant and Equipment		
Office furniture & equipment - at cost	22,917	46,566
Less: accumulated depreciation	(11,515)	(32,504)
	<u>11,402</u>	<u>14,062</u>
Computers – at cost	6,843	53,517
Less: accumulated depreciation	(5,719)	(49,785)
	<u>1,124</u>	<u>3,732</u>
Motor vehicle – at cost	14,686	14,686
Less: accumulated depreciation	(11,201)	(10,040)
	<u>3,485</u>	<u>4,646</u>
Total Plant and Equipment	<u>16,011</u>	<u>22,440</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

	2017 \$	2016 \$
7. Intangibles		
Patents and trademarks	<u>5,750</u>	<u>5,750</u>
8. Trade and other payables		
CURRENT		
GST payable	32,055	29,334
Trade creditors	15,824	13,543
Other creditors and accruals	<u>46,012</u>	<u>43,005</u>
	<u>93,891</u>	<u>85,882</u>
9. Provisions		
CURRENT		
Employee benefits – Annual leave	78,703	79,465
NON-CURRENT		
Employee benefits – Long service leave	<u>55,936</u>	<u>55,067</u>
	<u>134,639</u>	<u>134,532</u>
10. Reconciliation of net cash provided by operating activities to net profit from ordinary activities after income tax		
Surplus for the year	252,892	158,084
Depreciation and amortisation	5,652	13,832
Unrealised gain/loss recognised in equity	778	
Changes in operating assets and liabilities		
Decrease/(Increase) in trade and other receivables	15,827	(24,996)
Decrease/(Increase) in other current assets	-	39
Increase/(Decrease) in trade and other payables	8,009	(8,778)
Increase/(Decrease) in provision	<u>107</u>	<u>14,341</u>
Cash inflow from operating activities	<u>283,265</u>	<u>152,522</u>
11. Bank guarantees		

The Pyjama Foundation Limited has provided a bank guarantee of \$29,746 as at 30 June 2017.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2016

12. Member's guarantee

The Pyjama Foundation Limited is a company limited by guarantee. Every member of the Company undertakes to contribute to the assets of the Company in the event of the Company being wound up during the period of membership or within one year afterwards for payment the debts and liabilities of the Company contracted before the time at which membership ceases and the costs charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves such amount as may be required, not exceeding the sum of \$100.

13. Contingencies

There were no material contingent assets and liabilities as at 30 June 2017.

14. Operating lease commitments

	2017	2016
	\$	\$
Non-cancellable operating lease contracted for but not recognised in the financial statements:		
Payable – minimum lease payments		
- not later than 12 months	67,404	66,850
- between 12 months and five years	-	67,534
	<u>67,404</u>	<u>134,384</u>

The directors note that the current lease will be expire in May 2018, discussion will be conducted for renewing the lease in the 2017 AGM.

15. Subsequent Events

There has not arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect substantially:

- (a) the company's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the company's state of affairs in future financial years.

16. General information

The registered office of the company is:
LG Solomon 16 Cox Road Windor Qld 4030

The principal place of business is:
Unit 7/10 Depot Street Banyo Qld 4014

The financial report was authorised for issue, in accordance with a resolution of directors, on 31 October 2017. The directors have the power to amend and reissue the financial report.

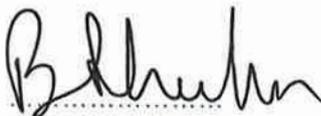
DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, as set out in the financial statements, present fairly the company's financial position as at 30 June 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements and complying with the *Australian Charities and Not-for-profits Commission Act 2012*, *Australian Charities and Not-for-profits Commission Regulation 2013* and *Corporations Act 2001*, and
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Mrs Bronwyn Sheehan
Director


Mr Jim Morrison
Director

Dated this 31 day of October 2017



Audit Services

**Independent Auditor's Report
to the members of
The Pyjama Foundation Limited
ABN 43 111 196 742**

Opinion

I have audited the financial report of The Pyjama Foundation Limited, which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In my opinion, the accompanying financial report of The Pyjama Foundation Limited, is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Regulations 2001*.

Basis for Opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

National Property, Business, Tax Accounting & Wealth Advisory Group

C & N Audit Services
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PO Box 7437 EAST BRIS BANE QLD 4169

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ACN: 162 759 168

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Emphasis of Matter – Basis of accounting

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

I communicate with the directors regards, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



.....
Robert Edwards B Com FCA
RCA# 6246
Level One 180 Main Street
Kangaroo Point Qld 4169

Dated: 31 October 2017

THANK YOU SO MUCH TO OUR SUPPORTERS!

A very big thank you to all of our generous corporates, donors, foundations, event and community fundraisers, - we're so thankful for your support and hope you will be able to support us again next year.

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**Contact our head office if
you any questions**

Phone: (07) 3256 8802

Fax: (07) 3256 2278

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Banyo, QLD

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4014

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www.thepyjamafoundation.com

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