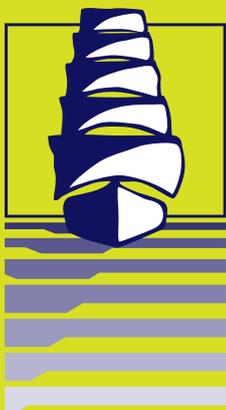




**ODYSSEY
HOUSE**



*'A Calm in
the Sea of
Addiction'*

Odyssey House
**ANNUAL
REPORT
2014**



WHO WE ARE

Odyssey House McGrath Foundation was founded in 1977 by Sydney businessman, Walter McGrath, following the death of his son from a heroin overdose. As a testament to his son, Mr McGrath committed himself to finding a program to help other young people who suffered from problems with drug dependence.

After much international research, Mr McGrath felt that the Odyssey House Program would be easily transferrable to Australia.

Odyssey House opened its therapeutic doors on 30 October, 1977. From humble beginnings, the program has expanded and prospered. The first residents to enter Odyssey House were housed in tents and slept on timber bunks.

Today, Odyssey House operates one of the largest and most successful rehabilitation services in Australia for men and women dependent on alcohol and other drugs. More than 35,000 people have been helped over the past 36 years.

Services offered by Odyssey House are provided through a continuum-of-care model from medically assisted withdrawal and long-term residential rehabilitation, through to after care.

Odyssey House has built its client service and staff culture on five values or pillars:

- Trust
- Honesty
- Responsibility
- Concern
- Love

These pillars, along with our commitment to collaboration with our stakeholders, are used to guide how we engage with our clients and how we expect them to engage with us and other program participants.

Board members and staff at all levels reaffirm these values and are committed to using them in all communications and interactions both within and outside the organisation.



OUR MISSION

Odyssey House McGrath Foundation is a not-for-profit organisation dedicated to providing a dynamic and diverse range of services to our clients. Our programs assist participants to overcome their drug dependencies on harmful substances by empowering them through the concept of self-help and the ability to integrate, live within and contribute to the community.

OUR VISION

To save and improve the lives of people dependent on alcohol and other drugs.

OUR GOALS

By providing professional support in a safe environment and using the therapeutic community model, our goals are to:

- Support our clients to overcome their dependencies
- Empower our clients to address the causes of their dependence
- Assist our clients to develop a capacity for self-help
- Enable our clients to live within and contribute to the community.

Odyssey House is dedicated to giving people something addictions never can: a future.

Our goals are aligned to the Strategic Plan 2014-16, which identifies seven priorities the board and staff are committed to delivering:

1. Improve and consolidate the mix of programs and services
2. Strengthen our linkages and collaborations with key stakeholders
3. Secure an ongoing funding base
4. Enhance our research and evidence base
5. Pursue the establishment of a general practice and medical network model
6. Implement new marketing initiatives
7. Implement a capital improvement program



WHAT WE DO

Odyssey House provides a comprehensive range of drug and rehabilitation services:

- Admissions and Intake Centre
- Medically Assisted Withdrawal Unit
- Residential Rehabilitation programs, incorporating
 - Assessment and Referral Centre
 - Parents' and Children's Program
 - Progressive Learning Centre
 - Accommodation for Magistrates Early Referral Into Treatment (MERIT)
 - Two community houses
- After Care Program
- Community-based MERIT program

The treatment methods used by Odyssey House are unique in treating problematic drug misuse and its attendant behaviours as symptomatic of underlying personal problems (e.g. low self-esteem, sexual abuse, domestic violence, parental drug misuse, health problems, family/relationship issues), which must be addressed to successfully overcome drug dependence and remain abstinent in the long-term.

Our programs are not easy. In order for personal growth to replace drug dependency, clients work hard to change

their negative attitudes and values, confront the reasons they resorted to drug misuse and learn strategies for dealing with the ups and downs of daily life. For most of our residential rehabilitation clients, this means they undertake treatment at Odyssey House for several months, some for more than a year. The journey to become an individual with self-confidence, a sense of adequacy and coping ability is arduous, but worthwhile.

There are no simple answers to the problems of drug misuse. However, research and experience have consistently shown that drug rehabilitation can work. The longer a person engages with rehabilitation, the better their chances of remaining abstinent in the long-term. Two-thirds (67%) of a sample of Odyssey House residents were drug-free when followed up three years after completing our Residential Rehabilitation Program, according to the Australian Treatment Outcome Study (2007) conducted by the National Drug and Alcohol Research Centre.

Odyssey House is closely linked to the Network of Alcohol and Other Drugs Agencies, the Australasian Therapeutic Communities Association, the World Federation of Therapeutic Communities.



WHO WE SERVE

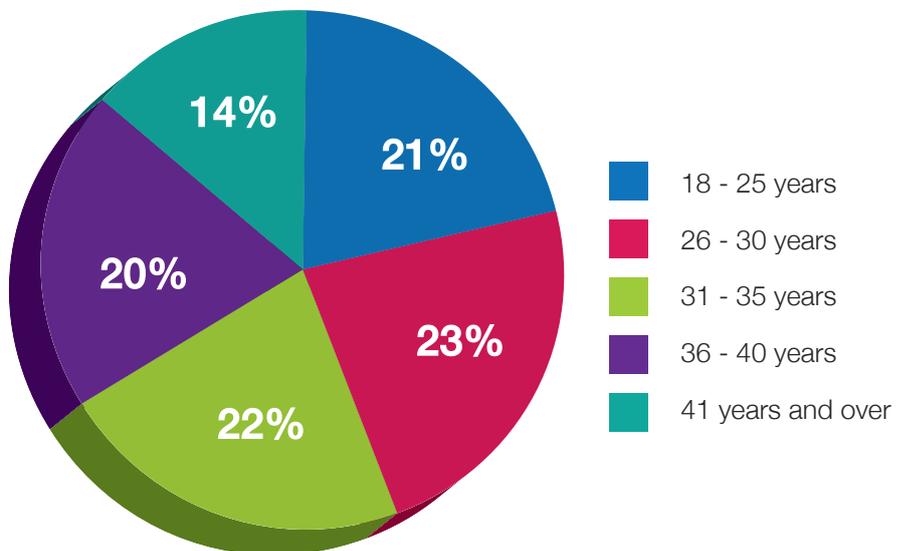
Odyssey House serves a challenging client population. On average clients have had nine previous attempts at treatment and often see us as their last hope in being able to break free of their long-standing dependence on alcohol and other drugs. More than half of our clients have a co-existing mental health problem and a significant proportion have poor education and employment histories and involvement with the criminal justice system.

People come to Odyssey House from across NSW and other states. Health agencies, medical professionals, counsellors, court personnel, the judiciary, police and family members are just some of the individuals involved in referring people to Odyssey House. There are also many self-referred clients.

The Admissions and Intake Centre staff handled more than 30,000 telephone inquiries during the 2013-14 financial year, providing information, initial alcohol and other drugs assessments, referrals to other services and support to members of the community.

During the year, 642 people were admitted into our alcohol and other drug rehabilitation programs: 437 men (68%) and 205 women. Of these, 324 clients were admitted directly into the Odyssey House Residential Rehabilitation Program and 318 clients were admitted to our Medically Assisted Withdrawal Unit (167 entered the residential program after completing withdrawal; others were referred on for follow-up treatment or support as required).

The age breakdown of clients who entered Odyssey House programs during the year was:



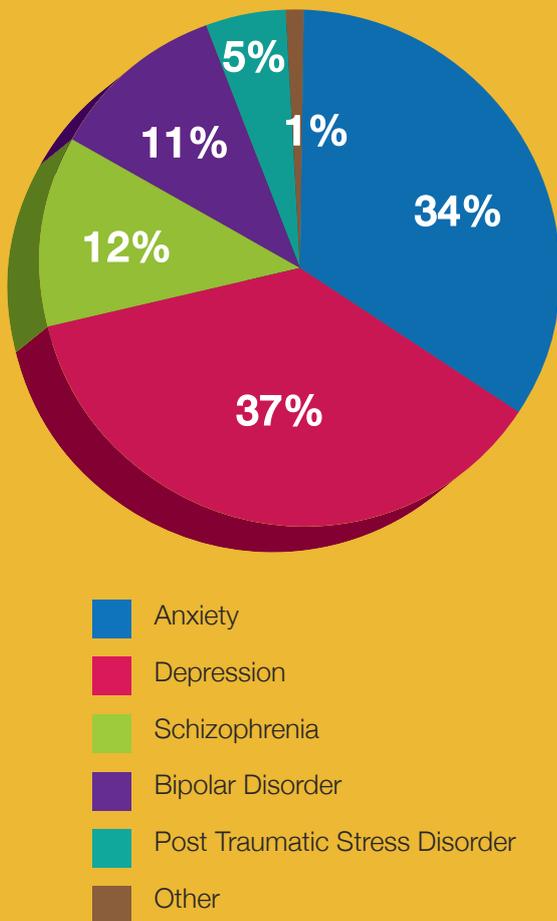
Four in ten (43%) of clients admitted to our Residential Rehabilitation Program were under some legal stipulation: bonded, bailed, home detention order, court diversion programs including Magistrates Early Referral Into Treatment (MERIT) or Court Alcohol and Drug Assessment Service (CADAS) or under Community Corrections Supervision. For many, their admission to Odyssey House represents a major turning point in their lives, assisting them to deal with the reasons they resorted to drugs and rebuild their lives to become productive members of society.

In 2013-14, Odyssey House residents accounted for more than 28,507 drug-free and crime-free days.

Mental illness and drug dependence

Drug dependence combined with mental health problems continues to be a significant issue and poses specific treatment challenges. Approximately 57 per cent of clients accessing our residential services during the year had co-existing mental illness such as depression, anxiety, bipolar disorder, schizophrenia, post traumatic stress disorder or borderline personality disorder. This represents an increase of 11 per cent on 2012-13 when 51 per cent of clients had a dual diagnosis, a continuing an upward trend evident since 1999, when 10 per cent of clients had a co-existing mental illness.

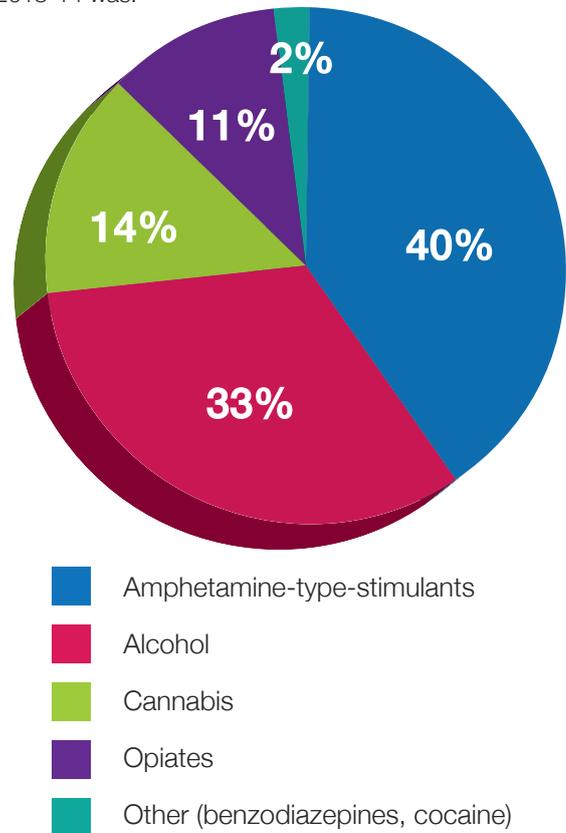
Clients with a dual diagnosis had the following mental illnesses:



In addition to benefiting from psychiatric services at Odyssey House, clients participate in a specific dual diagnosis therapy group that helps them understand their condition and the need to continue taking their medications (if prescribed) and provides access to support services to avoid relapse to mental illness and substance misuse.

Primary drugs of concern

Although many clients report multiple drug dependencies, the principal drug of concern nominated by clients entering the Residential Rehabilitation Program during 2013-14 was:



Amphetamine-Type Stimulants (crystal meth, speed, ice and base) was the number one drug class of concern for four in ten clients admitted during the year, the highest recorded for ATS at Odyssey House. This represents a 21 per cent increase on 2013 (33% of clients nominated ATS) and a 60 per cent increase since 2010 (16% of clients), when this upward trend recommenced after four years of decline.

Alcohol remains a significant problem, nominated by one in three clients as their principal drug of concern; this is an increase of 18 per cent on 2013 (28% of clients) and the highest figure for alcohol since 2011 (30% of clients) when it was the leading drug of concern before being overtaken by ATS in 2012.

Approximately 70 per cent of all clients nominate alcohol as one of their drugs of concern. Alcohol misuse is closely related with anxiety and depression and poses medical challenges during withdrawal for those who are seriously dependent. In addition, alcohol may act as a gateway drug for illicit drug misuse, raising significant relapse risks for alcohol and other drugs when clients return to the community after rehabilitation.

Opiates (including heroin, morphine, buprenorphine and methadone) continued to decline as the principal drug of concern for Odyssey House clients – down by 42 per cent over the previous year, from 19 per cent to 11 per cent. This represents the lowest figure for opiates in more than ten years, down from approximately 45 per cent of admissions in 2003.

Admissions for cannabis as the primary drug of concern were down 17.6 per cent on the previous year, from 17 per cent to 14 per cent.



CHAIRMAN'S REPORT

I am pleased to present the chairman's report for the 2013-14 financial year.

Odyssey House McGrath Foundation in New South Wales has continued to provide an important health service directly to people whose lives have been adversely affected by alcohol and other drugs, and indirectly to their families, friends and the broader community. During the year, 642 people were admitted to our programs, including 318 people who entered our Medically Supervised Withdrawal Unit (167 of whom transitioned to our residential program) and 334 people admitted directly to our Residential Rehabilitation Program.

We reached a number of milestones this year.

Firstly, our chief executive officer James Pitts has achieved a remarkable 30 years of service with Odyssey House, including 19 years as CEO. He has transformed Odyssey House into a multi-modality service organisation that provides a continuum of care from assessment to after care, including specialised treatment programs to address clients' needs. This has not only improved outcomes for clients, but also increased Odyssey House's ability to secure funds in a hyper-competitive funding environment where demonstrating excellence in service delivery is essential to survival. James's leadership of Odyssey, his advocacy in the community and the wise counsel he has provided to many people throughout his tenure have helped many people to recover and live better lives.

Secondly, after 20 years in Surry Hills, our city-based Admissions and Intake Centre was relocated to newer and much improved facilities at Redfern, which provides a better working environment for our staff and a more welcoming place for new admissions.

Also, despite a challenging environment of escalating costs and flat income, Odyssey House made a small surplus in FY2014. This is a tribute to disciplined financial management, successful fundraising events and the continuing support of our generous donors. Corporate and personal philanthropy remains an important part of the funding for Odyssey House services, supplementing grants from the federal and state governments. The funding of drug and alcohol services is currently under review at both the state and federal level, which we believe offers the opportunity for Odyssey House to play an important part in the provision of health services into the future.

We are grateful for the support shown to Odyssey House at all levels of government. I particularly thank the Member for Campbelltown, Bryan Doyle MP, and the Mayor of Campbelltown, Councillor Clinton Mead, for their support throughout the year, including officiating at our annual Celebrate Recovery Day.

I would like to recognise the leadership team of our chief operating officer, Margaret Noonan, our chief clinical officer, Sharon Mestern, our financial controller, Loretta Watts, and our fundraising and marketing manager, Alexandra Macaulay, who joined us in July 2013 bringing extensive experience in the fundraising sector.

I also thank my fellow directors for their service and commitment throughout the year

Finally, it is important to recognise the people who have participated in our programs for their determination, personal achievement and the support they provide each other.

Doug Shedden



CHIEF EXECUTIVE OFFICER'S REPORT

The past year has again been a challenging one on a number of fronts.

The proportion of people entering our service with co-existing mental illness and alcohol and other drug dependence diagnoses continued to climb: 57 per cent of people entering our Residential Rehabilitation Program had a dual diagnosis. This is a 12 per cent increase over the previous year and a 470 per cent increase since 1999. We continued to meet the needs of these clients through our specialised group therapy intervention Dual Diagnosis Group.

Amphetamine-Type Stimulants (ATS) continued to be the primary drug of concern for our clients for the third year running. There was a 21 per cent increase in admissions for people dependent on ATS (e.g. ice, speed, base) from 33 per cent to 40 per cent of admissions. These clients often require particular attention due to mental health problems that underlie their drug use, are caused by ATS use and/or caused by withdrawal, as well as the difficulty engaging and motivating ATS users in treatment, which may adversely affect up to the first 12 weeks of their rehabilitation. However, we developed a protocol for a Group Intervention for Amphetamine-Type Stimulants (GIATS) in 2009 through the federal government's Amphetamine-Type Stimulants Grant Program. This intervention has been a tremendous help in assisting affected clients.

We continued to ensure the efficacy of our program services through our annual staff retreat to engage in training, share knowledge, plan ahead and discuss issues such as managing challenging client behaviours, successful recovery and self-care.

During the year we undertook a total review of our program services

to streamline our processes. The review focused on the length of the rehabilitation program, examining what services and interventions could be offered internally and/or externally and developing greater cohesion between the transition of our residential and re-entry programs. Action plans were developed, some of which were implemented over the second half of the year.

We also participated in parallel reviews conducted by the NSW and Federal Departments of Health of all the alcohol and other drugs services they fund. The NSW government is seeking to develop a new, more efficient funding model, while the federal government aims to determine what services are in place and whether some can be consolidated. Both reviews are still underway.

Our legacy of partnering with other social service organisations continued. We entered a Memorandum of Understanding with the Partners in Recovery Consortium, which is funded by the Federal Department of Health to provide seamless service access for people with chronic mental health problems. We maintained formal relationships with the Tharawal Aboriginal Corporation; the Drug and Alcohol Women's Network (DAWN); the Illawarra Aboriginal Medical Service (IAMS); the University of Western Sydney's Medical School and Psychology Department; and Notre Dame University. We were pleased to welcome many stakeholders to the official opening in March 2014 of our new Admissions and Intake Centre in Redfern.

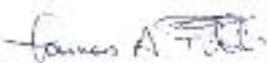
As usual, we participated in or hosted a number of fundraising events over the year, which assist us greatly to meet our financial obligations. Our end of financial year appeal was also very successful as we received \$198,000 in donations during June 2014 alone!

Our status as a key media commentator on alcohol and other drug issues and polices was maintained again this year. Odyssey House featured in 362 media items with an average impact rating of 4.3 out of 5.0, generating more than 24.5 million opportunities for people to see/hear positive coverage about Odyssey House, the work we do and the people we assist. We achieved 187 talk segments, 168 news segments and seven feature stories in various media with highlights including profiles on Channel 10's Studio 10, ABC's 7:30 NSW, SBS's The Feed and ABC/Radio National's Conversations, extensive news coverage of drug trends from the 2013 Odyssey House Annual Report, and features in The Australian Financial Review and The Global Mail. I was also a guest commentator at the Australian Crime Commission's release of their "Illicit Drug Data Report" in April, which generated numerous media interviews. The media in our local Macarthur area continue to feature news of our achievements and our clients. We believe this contributes to a more supportive community for our organisation and our clients in recovery.

I had the pleasure of presenting on "Models of Therapeutic Community Training: Past, Present and Ensuring the Future" to the European Federation of Therapeutic Communities Conference in Prague, Czech Republic in September 2013 and the Australasian Therapeutic Communities Conference on the Gold Coast in October 2013. During the year I was also a guest speaker on drug law reform at a Family Drug Support Forum, and on drugs in the workplace at the Campbelltown Chamber of Commerce.

This year, as in others, we have been able to successfully meet the challenges posed by the increased complexities of our client population. We maintain a standard of providing interventions based upon evidence and standards of best practice. We are supported in our endeavours by other organisations who share the same objectives of assisting those in need.

Lastly, as always, we have been greatly assisted by the hard work our board of directors. It is also my pleasure to congratulate our staff, who have the difficult task of getting our clients to overcome their veneer of anger and hostility to be able to realise their true worth and potential!



James A Pitts, MA



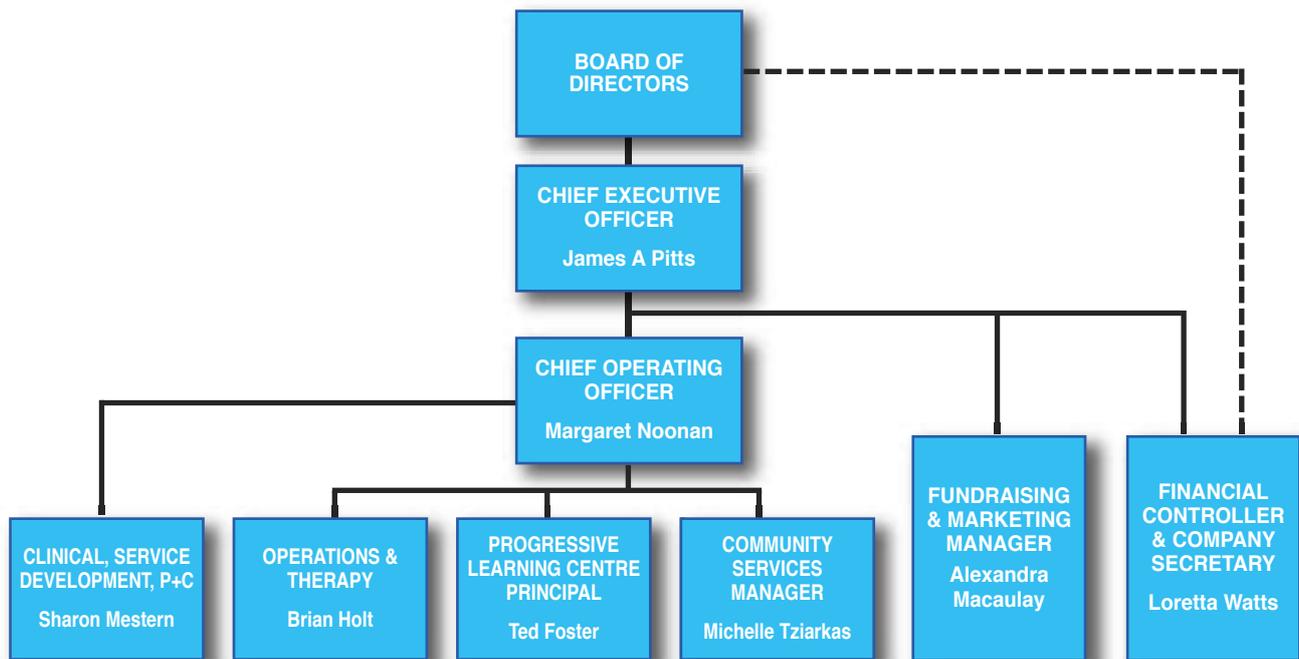
MAJOR SUPPORTERS

A Green
 Australian Fund Managers Foundation
 Australian Youth & Health Foundation
 B Hutchinson
 Bruce Soloman (Albion Hotel)
 C Grubb
 Campbelltown Catholic Club
 C Bishop
 D Snedden
 Dick Austen
 Dr M Morrow
 Ferris Family Foundation
 Fesq & Company
 G Wilson
 G Pratt
 G Wayling

Hunt Family Foundation
 ICAP Australia
 Interface Australia
 Interrisk Australia
 J & C Murray
 J Wilkinson
 James N Kirby Foundation
 John Lamble Foundation
 King & Wood Mallesons
 L Davis
 L Green
 Liangrove Foundation
 Lower Blue Mountains Rotary Club
 M O'Connor
 M & C Green
 M & J Hawker

Nandaroo Pty Ltd
 Nedigi Pty Ltd
 P Wiggs
 P Rogers
 R Albert AO
 R Keldoulis
 R & J Grant
 R & H Waters
 S Maple-Brown
 St Andrews Australia
 The RA Gale Foundation
 The Rodney & Judith O'Neil Foundation
 The Vernon Foundation
 The Victor Smorgon Charitable Fund
 WM & SK Loewenthal

OUR PEOPLE



Odyssey House staff are dedicated to providing quality services and care. They come from a diverse range of backgrounds and cultures, which enriches the service delivery environment and supports our commitment to diversity and employment equity. As always, the staff are to be commended for their ability to deal with a demanding client population whose needs become greater and greater. It is the staff who are able to see through the veneer of hostility or reticence often presented by our clients, to see the potential that lies beneath that façade. They provide the consistency within the treatment environment that allows our clients to make lasting changes to overcome their dependency on alcohol and other drugs. A

third of our staff have been part of the Odyssey House family for more than ten years!

Odyssey House cares for its staff in this demanding work environment. We are committed to providing a safe workplace for all employees in accordance with the Occupational Health and Safety Act, and staff attend comprehensive courses on OH&S, infection control, first aid and fire training.

Staff take part in fortnightly debriefs with their peers to discuss any issues. Odyssey House also provides an external Employee Assistance Program, which provides free and confidential counselling and advice to staff and their families on work-related and personal matters.



FUNDRAISING AND MARKETING

The Fundraising and Marketing Department of Odyssey House is crucial to the overall success of the program. Odyssey House receives funding for the programs and services from the NSW and federal governments; monies are also sourced from client contributions (e.g. Centrelink benefits) to offset the costs associated with the provision of room and board. Even with this level of financial support, a substantial gap in our income must be filled to meet our requirements in what is always a difficult fundraising environment.

The Fundraising and Marketing Department has taken a strategic approach to increasing corporate and public support for Odyssey House through:

- A new, user-friendly website (www.odysseyhouse.com.au) to cater to key audiences – people seeking our services; donors/supporters; those seeking general information about our programs and services. The website is the central repository for news and information.
- Quarterly newsletters, both mailed and emailed to more than 3,500 recipients
- Establishing corporate partnerships, such as with Morgan McKinley, a professional services recruitment agency that assists residents in job-preparedness
- Hosting a variety of fundraising events

Fundraising events during 2013-14 included:

- Wilson Asset Charity Cycle Ride
- Real Men Cook for Odyssey, with various celebrity “chefs” supporting the cause
- Annual Corporate Luncheon, featuring guest speaker Jennifer Westacott, then CEO of the Business Council of Australia
- ASX Thomson Reuters Charity Golf Day and Gala Dinner
- ASX Thomson Reuters Regatta
- ICAP Charity Day
- Australian Fund Managers Award Dinner

Highlights:

- Increased staff to include one part-time person
- Secured volunteer to assist with the database update
- Established Marketing Committee with board involvement



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Stephen's story

Life begins at 50 for Odyssey House resident, Stephen, after completing 18 months of treatment to overcome a fractured childhood and 35 years of drug dependence.

"I was abandoned as a newborn and spent my first seven years in a children's home. I had shelter and food, but it was a tough environment and I didn't experience love as a little boy.

"When I was adopted I thought I'd finally got the family I craved, but my new parents were predators. Several times a week my mother would sexually abuse me and then my father would beat me. They would lock me in a cage under the house for a few days before it started again. I felt ashamed, dirty and powerless.

"One day in desperation I confided in a local tough guy. I was fourteen. He took me under his wing ... but first he urged me to bash my father and mother. When I said I couldn't, a friend injected me with speed. I immediately felt ten foot tall and bulletproof and thought I'd found my 'medicine' to deal with life. I bashed my father and left home forever.

"I'd escaped the abuse and belonged to a 'family' as part of the gang. For 35 years I lived a life of crime and violence, dependent on amphetamines and sometimes morphine to dull my pain.

"I was married, but I found emotional intimacy difficult and didn't share my life with my wife. I know now this was emotional abuse. As part of my therapy I wrote to ask her forgiveness, which she graciously gave me.

"At age 49, I saw a family walking past, holding hands and laughing. I felt utter despair that I'd never have that sort of life. I'd tried to commit suicide before, but this time I didn't want to die: I wanted a new life free of drugs and violence.

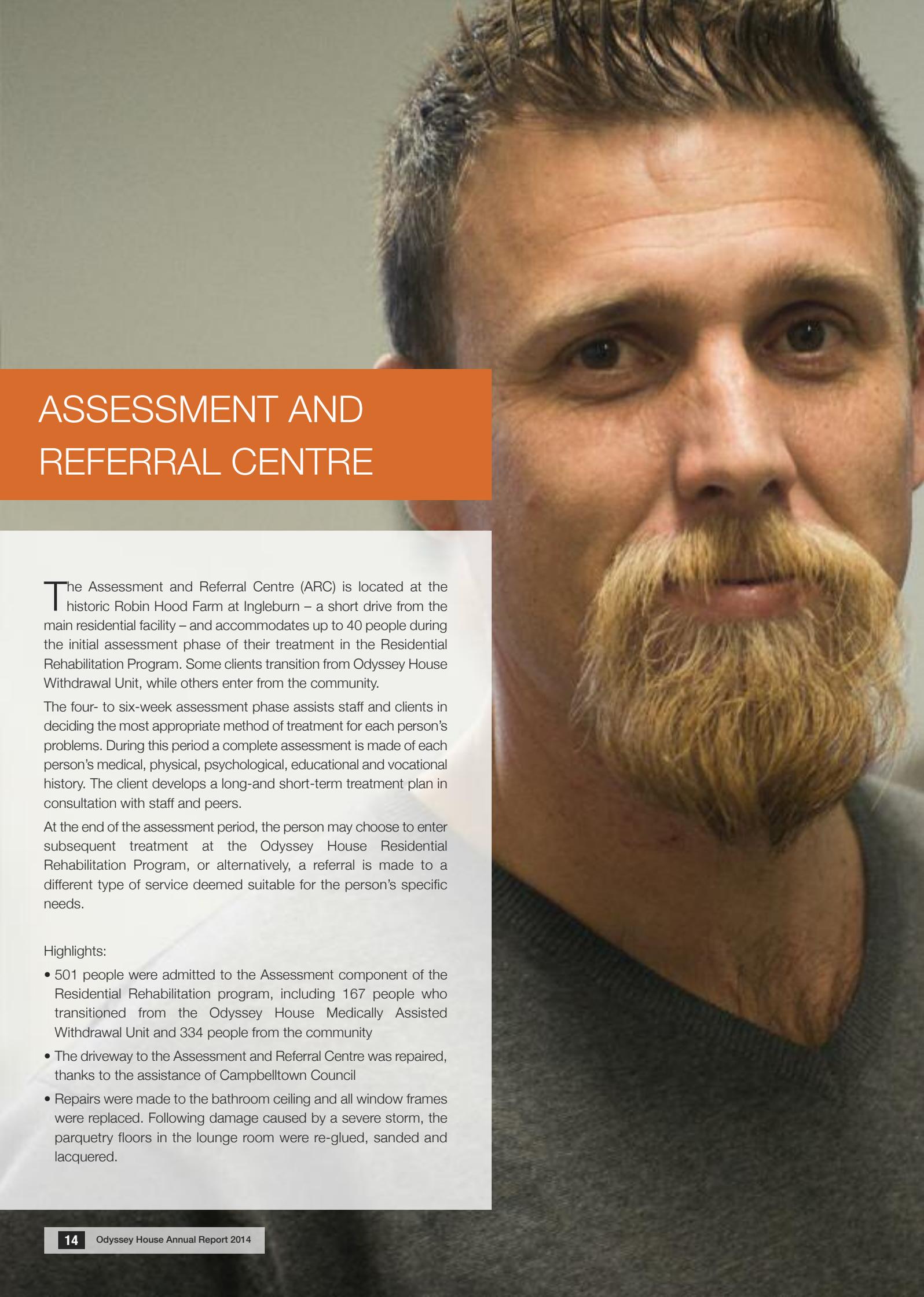
"I had to wait two weeks to get into Odyssey House. During that time I slept rough and went through withdrawal alone. I haven't used drugs since.

"My time here has been confronting as I've worked through my issues and put them behind me. Odyssey House is my family now. I've had amazing support from the staff and my brothers and sisters in the program, including Survivors Group, which helps people who've endured sexual abuse.

"As a senior resident, I got satisfaction from sharing what I'd learnt with the junior residents so they realise they can have a better life, that they're worth something. I'm planning to study welfare so I can help people see it's never too late to beat addiction and rebuild your life.

"You discover who you can really be at Odyssey. I've built a strong value system based on the pillars of love, trust, honesty, personal responsibility and concern. I'm happier now than I've ever been and I now have a chance to start again and experience living, not just existing."





ASSESSMENT AND REFERRAL CENTRE

The Assessment and Referral Centre (ARC) is located at the historic Robin Hood Farm at Ingleburn – a short drive from the main residential facility – and accommodates up to 40 people during the initial assessment phase of their treatment in the Residential Rehabilitation Program. Some clients transition from Odyssey House Withdrawal Unit, while others enter from the community.

The four- to six-week assessment phase assists staff and clients in deciding the most appropriate method of treatment for each person's problems. During this period a complete assessment is made of each person's medical, physical, psychological, educational and vocational history. The client develops a long- and short-term treatment plan in consultation with staff and peers.

At the end of the assessment period, the person may choose to enter subsequent treatment at the Odyssey House Residential Rehabilitation Program, or alternatively, a referral is made to a different type of service deemed suitable for the person's specific needs.

Highlights:

- 501 people were admitted to the Assessment component of the Residential Rehabilitation program, including 167 people who transitioned from the Odyssey House Medically Assisted Withdrawal Unit and 334 people from the community
- The driveway to the Assessment and Referral Centre was repaired, thanks to the assistance of Campbelltown Council
- Repairs were made to the bathroom ceiling and all window frames were replaced. Following damage caused by a severe storm, the parquet floors in the lounge room were re-glued, sanded and lacquered.



CLINICAL SERVICES

Medically Assisted Withdrawal Unit

The Odyssey House Medically Assisted Withdrawal Unit is housed in a modern facility built on the grounds of Robin Hood Farm in 1999. The rural setting provides an ideal environment of privacy and comfort, which helps the men and women who are attempting to withdraw from a range of licit and illicit drugs.

The unit accommodates up to 12 people in need of medically supervised withdrawal. Qualified nurses staff the unit on a 24-hour basis. All clients are reviewed and assessed by a doctor to determine an appropriate withdrawal regime.

The program lasts from seven to ten days and includes a social and medical assessment and an individually tailored withdrawal regime as well as supportive individual and group counselling. Participants are also taught relaxation techniques and receive educational information on relapse prevention. On completion, clients are referred on for ongoing support in their recovery in the community, or may enter the Odyssey House Residential Rehabilitation Program.

Highlights:

- 318 people were admitted to the Withdrawal Unit during 2013-14
- 237 people completed their withdrawal and 167 transferred to our Residential Rehabilitation Program
- The Withdrawal Unit and medical office supervised 85 nursing/medical students

Clinical Department

Odyssey House has an extensive Clinical Department, which includes psychologists, therapists, a general practitioner and psychiatric consultants.

Highlights:

- 21 students undertook placements during the year - an intern psychologist, five counselling students, eight students from Notre Dame University, two from the University of Western Sydney and five studying Drug and Alcohol or Community Services programs at TAFE
- Clinicians administered the following psychometric measures:
 - 233 General Health Questionnaires (GHQ)
 - 134 Gambling Screens
 - 530 Kessler Psychological Stress Scales
 - 20 Personality Assessment Inventories
 - 43 WAIS-IV Assessments
- 529 private therapy sessions were conducted
- 49 Assessment Stage and 40 Structure (Level 1-4) Dual Diagnosis Group sessions were held. The most prominent diagnosis was depression, followed by anxiety.
- 8 men's therapy groups were held for 199 attendees
- 8 women's therapy groups were held for 77 attendees
- The JANUS Dual Diagnosis program was presented at the Australasian Therapeutic Community Conference on the Gold Coast in October, 2013
- The Mingu Yaban Aboriginal Group participated in Closing the Gap Day and NAIDOC Week activities; 117 Indigenous residents attended.



RESIDENTIAL REHABILITATION PROGRAM

After completing the initial phase of the Odyssey House program at the Assessment and Referral Centre, clients enter the main treatment facility at Eagle Vale in Sydney's west. Here, they live and work together as a small therapeutic community and undertake the rehabilitation process within a highly structured environment, with treatment and support provided by professional counsellors, medical staff and their peers.

The therapeutic interventions used at Odyssey House include extended group therapy specific to each level of the program, one-on-one counselling, cognitive behavioural therapy, acceptance and commitment therapy, domestic violence counselling, psychological services, psychiatric services, anger management groups, assertiveness skills training and sexual abuse interventions.

Clients achieve therapeutic goals by demonstrating their ability to move through the four stages of the Odyssey House program:

- Level 1 - Understand and negotiate the Odyssey House system positively
- Level 2 - Organise and complete set tasks
- Level 3 - Have a responsible approach to others
- Level 4 - Be responsible for your own welfare

As residents move through the different levels, they gradually take over the day-to-day administration and running of Odyssey House. Job functions include cooking, maintaining the property, painting, gardening, driving and administrative activities.

Most clients live at Odyssey House for several months, some for more than a year. Research shows that the longer a person remains in treatment in the therapeutic community, the better their chances of remaining abstinent in the long-term. The ultimate goal of Odyssey House is that clients can leave the protected environment to face the future unafraid and fulfil their potential to be productive, happy, healthy, law-abiding members of society.

A client's success is therefore not dependent on completing all four

levels of the program, but on the significant benefits they achieve through treatment such as: measurably improved physical and mental health; increased self-esteem and self-worth; vocational and job-seeking skills; enhanced parenting techniques; better communication and social skills; and other practical coping strategies to help them to live an abstinent lifestyle free of dependence.

To help clients maintain the gains made through treatment, they are encouraged to move into community housing as they transition back into day-to-day life after rehabilitation, and to access ongoing support through the Odyssey House After Care Program.

Highlights:

Centreline/Administration

- Odyssey House employed past graduates Steve Kent (also a member of the therapy team), Cameron Brown and Aggie Legenzia

Kitchens

- Chris Moore was appointed to the new position of kitchen liaison, which was created to ensure residents working in the kitchens receive consistent training and to manage stock monitoring and menu control
- A significant cash donation from ICAP enabled the purchase of much-needed kitchen equipment – new stoves, dishwashers, toasters and mixers – for the main residence, Assessment and Referral Centre and the Parents' and Children's Program kitchens.

Grounds and Operations

- All lounges were replaced in the top group therapy room
- Residents held a car wash, which raised money to purchase a new table tennis table
- The roof and guttering of the Eagle Vale facility was repaired

PARENTS' AND CHILDREN'S PROGRAM

The Parents' and Children's program at Odyssey House makes it possible for parents in the Residential Rehabilitation Program to live with their young children in self-contained cottages with communal dining facilities.

With residents living together as a family, the program teaches parenting skills and seeks to develop a happy, healthy, self-supporting unit that strives to break the cycle of generational drug misuse. It is dedicated to meeting the individual needs of the parent with their drug rehabilitation and parenting, the young child/children with their educational, emotional and physical development, and the family's wellbeing as a whole.

Children are encouraged to attend the local day care facility or primary school, and are provided with supervised play and recreational activities. When parents finish their rehabilitation and they, along with staff, recognise they have achieved confidence and responsibility in the upbringing of their child, they have the option of graduating from the program.

Highlights:

- 12 families participated in the Parents & Children's Program: 15 parents with 19 children aged 0-5 years, including two healthy babies born to parents in the program
- Two-thirds of children entering the program with their parent/s were under the care and supervision of the Department of Family and Community Services
- All school-aged children attended pre-school or primary school
- All parents attended Parents Group sessions and evaluated the content as very helpful, providing an opportunity to discuss issues, update their parenting skills and learn new techniques
- 25 parents completed the Triple P Parenting Program, including residents who are undertaking rehabilitation while living away from their children and participating Odyssey House's Parents in Contact Program
- Some families participated in a four-day holiday at the beach in Kiama
- To ensure a confident re-entry phase, some parents and children engaged in social activities such as visiting Sizzlers, going swimming and to various parks
- New stoves, ovens and microwave ovens were installed
- A new fence was built to enclose the whole facility and improve safety



PROGRESSIVE LEARNING CENTRE (PLC)

The Progressive Learning Centre (PLC) is the education unit at Odyssey House. It aims to provide educational experiences that foster personal growth, enabling our clients to effectively participate in the wider community without the influence of drugs or alcohol.

The Progressive Learning Centre is registered by the NSW Department of Education and Training and is a member of The Association of Independent Schools (AIS).

Dynamic and innovative in their approach, staff at the centre teach courses in remedial English and maths, computer skills and visual arts. As well as the skills content in each subject area, teachers focus on helping clients to achieve personal growth and enhance their social skills.

The art-as-therapy component enables residents to create something they can be proud of, express their feelings and interact better with others in a nonthreatening environment. Artistic activity – from woodworking and screen printing to drawing, painting and clay work – has recognised benefits for people with poor social or communication skills, low self-esteem or mental health problems, which often co-exist with alcohol and other drug dependence.

Vocational guidance seminars and individual career consultations provided by the PLC greatly assist residents in the re-entry phase of the program, helping them identify what careers would be appropriate for their personality and their professional growth and which ones may be relapse triggers.

Highlights:

- PLC staff administered 122 Wide Range Assessment Tests (WRAT)
- Successfully applied to NSW Environmental Trust for their “Food Gardens in Schools” program. As a result we will construct a greenhouse to provide seed stock for a vegetable garden
- Received a \$16,000 grant for computer server upgrade for wireless capacity across all program sites
- Conducted a successful program on behalf of the “School for Volunteer Management”, which led to six residents obtaining their Certificate II in Active Volunteering
- Conducted Men’s Group - Time Out for Men
- Provided art therapy for residents in the Withdrawal Unit
- Conducted a music workshop and a Life Skills program for Assessment Phase residents
- Ceramics teacher Clara Hali donated her bronze work from “Sculpture by the Sea” Exhibition for auction at an Odyssey House fundraising event





AFTER CARE PROGRAM

Located in Campbelltown, the Odyssey House After Care program delivers non-residential services to people who have undertaken the Odyssey House Residential Rehabilitation Program or community-based clients seeking assistance with their alcohol, other drugs or gambling problems. Referrals are accepted from other alcohol and drug agencies, family and friends, police and judiciary, and health and medical professionals, as well as self-referred clients.

Weekly educational and support groups are provided. The program takes a holistic approach and aims to assist clients to build recovery-based lifestyles. Topics covered include:

- Relapse prevention skills
- Early recovery challenges
- Relationships
- Life skills
- Stress management
- Communication
- Healthy lifestyles
- Employment and education

Eight-week Relapse Prevention courses are conducted and Lifeline Group facilitators run regular Money Management courses. Sessions in employment training, work preparation

and vocational guidance are conducted with clients during the year with assistance from Frank Baran Consulting.

With the support of Odyssey House's JANUS Dual Diagnosis Program staff, After Care provides responsive services to clients who have a co-existing mental illness, and a weekly group is conducted to specifically address the issues they experience.

Clients can attend a weekly individual counselling session to discuss their own personal relapse issues in more detail. The program recognises that slips and relapses sometimes happen and the aim is to assist clients manage these occurrences to prevent a return to sustained alcohol or other drugs misuse.

During the year, social activities are organised with clients to help them develop their social skills without the use of alcohol and/or other drugs.

After Care has good relationships with agencies in the Macarthur area, including the local Aboriginal Health Service Tharawal, receiving local referrals and also referring our clients to local services.



MAGISTRATES EARLY REFERRAL INTO TREATMENT PROGRAM (MERIT)

The Magistrates Early Referral Into Treatment (MERIT) Program is a drug-crime diversion initiative based in local courts throughout NSW and aimed at breaking the drug-crime cycle. The MERIT program provides treatment to people who are charged with criminal offences and whose matters are being heard in the local court. Defendants must demonstrate illicit drug use problems and be motivated to undertake drug treatment.

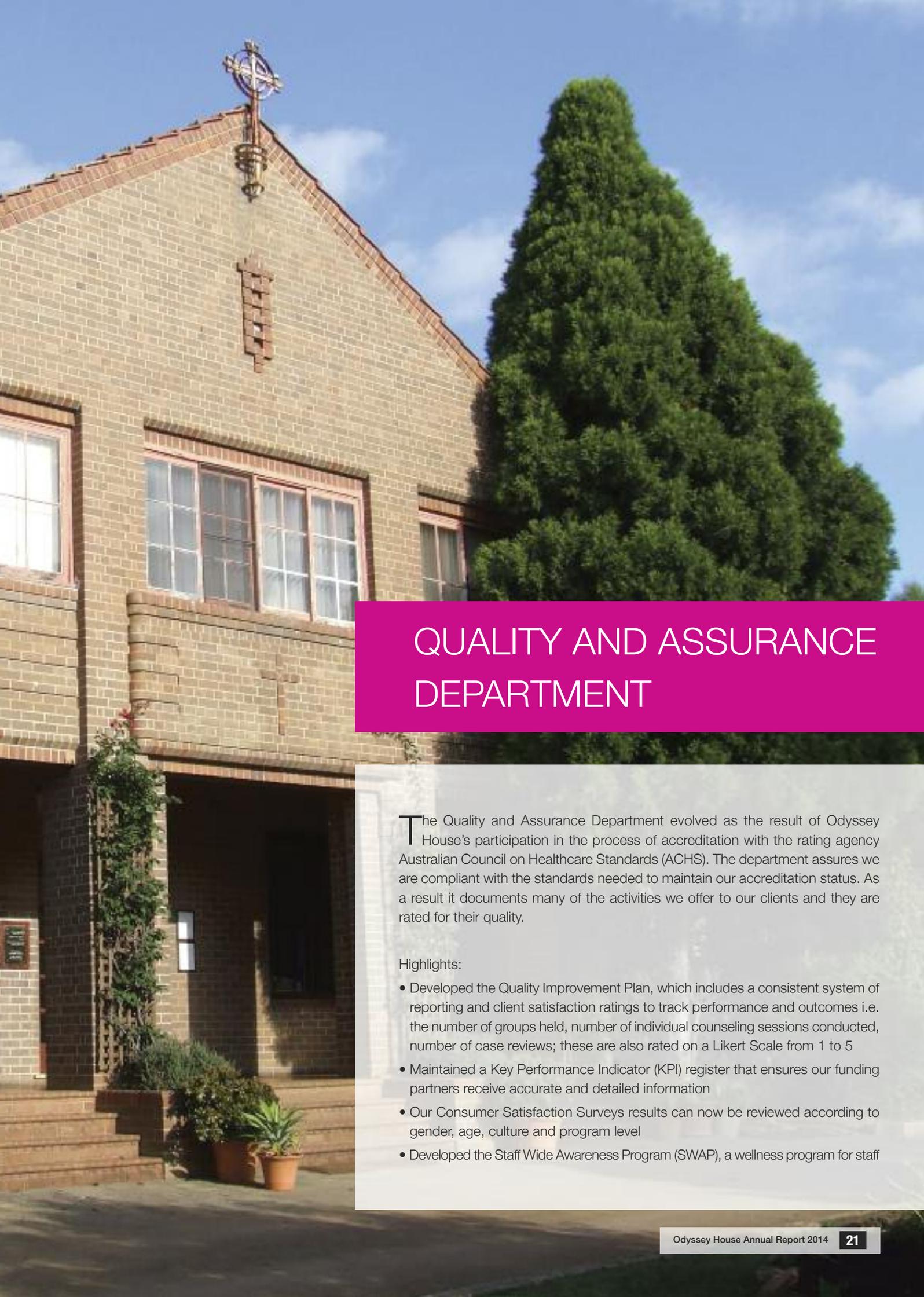
Once assessed as suitable and accepted onto the program, participants attend counselling and case management sessions for approximately 12 weeks, with bail conditions specifying they must attend MERIT sessions. Defendants are closely managed by the MERIT team throughout the program, with the magistrate receiving regular reports on participation. Magistrates are able to consider the defendants' progress in treatment as part of the final sentencing.

Odyssey House was the first non-government organisation to oversee management of a MERIT Program in a major metropolitan area. The Odyssey House MERIT team provides services to clients in the four police local area commands of Eastern Beaches, Eastern Suburbs, Rose Bay and Botany Bay. The team is based at the Odyssey House Assessment and Intake Centre in Redfern. The MERIT case managers attend Waverly Local Court twice a

week to receive and assess new referrals and provide feedback to the magistrate about the progress of defendants currently in the program.

Highlights:

- Odyssey House MERIT achieved positive client outcomes consistent with MERIT teams statewide
- 86 clients were referred to the MERIT team during the financial year; 85 were assessed and 68 accepted into the program. Fifty people completed the program during the year.
- Positive client outcomes have included:
 - Successful completion of TAFE courses
 - Gaining and maintaining employment
 - Entering detoxification and rehabilitation programs
 - Making lifestyle changes
 - Achieving abstinence or a significant reduction in substance misuse
- Odyssey House MERIT has continued to build and maintain strong relationships with services in the area, particularly a diverse range of rehabilitation programs that assist clients to make the required changes in their lives



QUALITY AND ASSURANCE DEPARTMENT

The Quality and Assurance Department evolved as the result of Odyssey House's participation in the process of accreditation with the rating agency Australian Council on Healthcare Standards (ACHS). The department assures we are compliant with the standards needed to maintain our accreditation status. As a result it documents many of the activities we offer to our clients and they are rated for their quality.

Highlights:

- Developed the Quality Improvement Plan, which includes a consistent system of reporting and client satisfaction ratings to track performance and outcomes i.e. the number of groups held, number of individual counseling sessions conducted, number of case reviews; these are also rated on a Likert Scale from 1 to 5
- Maintained a Key Performance Indicator (KPI) register that ensures our funding partners receive accurate and detailed information
- Our Consumer Satisfaction Surveys results can now be reviewed according to gender, age, culture and program level
- Developed the Staff Wide Awareness Program (SWAP), a wellness program for staff

board of directors



Natalie Archer

Natalie Archer is a co-founding director of Bendelta and a practice area expert in strategy, cultural alignment, governance and leadership, working with clients across both the public and private sector, concentrating on the transformational impact of building strategically aligned capabilities within organisations. Her primary focus is assisting with the design of strategically aligned leadership and management programs that optimise learning and result in transformational results for both individuals and organisations.



Christine Bishop

Christine Bishop joined the board in 2011. She spent 25 years in legal practice, then eight years with the Department of Juvenile Justice as a psychologist specialising in alcohol and other drug issues with young people. She has an interest in pathways to recovery that balance medical, legal and social issues so that clients leave treatment with skills leading to pro-social and productive lives. Christine is a member of the Mental Health Review Tribunal and a fellow of the Institute of Company Directors and has served on several not-for-profit boards.



Prof Jan Copeland

Professor Jan Copeland (PhD, BSc Psych (Hons)) is the founding director of the National Cannabis Prevention and Information Centre (NCPIC) at the University of New South Wales since 2007. She has worked in the addictions field for more than 20 years over a range of topics. She is best known for her studies developing and testing brief interventions for the management of cannabis use disorder among adults and adolescents.



John Coughlan

John Coughlan (BEC, Dip Rur.Acc., FCA) enjoyed a 25-year career in the racing industry occupying chief executive positions in the thoroughbred, harness and greyhound industries in NSW and Queensland, after an eight-year career in chartered accounting. He is chairman of Sire Custodians Ltd and has been a director of Odyssey House and chairman of the Finance and Risk Management Committee since 2006.



Marina Go

Marina Go is the CEO of Private Media, Australia's leading premium digital publisher, and founder of the career women's website Women's Agenda. Marina has over 25 years of leadership experience in the media industry, having started her career as a journalist. She is a member of the advisory boards of the Walkley Foundation, The Remarkables Group and Women's Agenda. She has an MBA from The Australian Graduate School of Management, a BA (Mass Communications) from Macquarie University and is a member of the AICD.



Jeremy Goff

With 25 years' experience in the private and public sectors, Jeremy Goff's career spans from university lecturer to the 1996 Stolen Generation Inquiry through state and federal parliaments, corporate strategy, PR and government relations, the defence industry, forestry, manufacturing, information technology, regional development and the arts. Jeremy has been a director of Odyssey House since 2013.

The Odyssey House McGrath Foundation board of directors plays an important role in the management of Odyssey House. The board is committed to building and strengthening Odyssey House and represent the community as well as the residents.

These are the directors during the reporting period.



Tim
Green

Tim Green (BComm) is the executive chairman of AOS Studley. He was formerly chief executive of real estate agency Tim Green Commercial, which he founded in 1991. Tim has been a director of Odyssey House since 2006.



Valerie
Hoogstad

Valerie Hoogstad has lectured at several universities in Communication studies and International education. She was the director for international education at Australian Catholic University. She currently works at Sydney University and is chair of The Centre for Volunteering NSW. Valerie has been a director of Odyssey House for more than 15 years.



Douglas
Snedden
(Chairman)

Douglas Snedden has been the chairman of Odyssey House since October 2011. Formerly managing director of Accenture, he is a director of The Black Dog Institute, the St James Ethics Centre, Transfield Services Ltd, UXC Ltd and Hillgrove Resources Ltd and an advisory council member of the Centre for Social Impact.



Garry
Wayling

Garry is a Chartered Accountant. He graduated from the University of New South Wales in 1976 with a Bachelor in Commerce in Accounting Finance and Systems. Garry's professional experience includes more than 35 years in accounting and business leadership. He was an Audit Partner at Arthur Andersen and then Ernst & Young Australia. After retiring from professional practice in 2010 he has performed consulting and management roles mostly in the leasing and mining industries. Garry currently is an Independent Director at ASX listed OneVue Limited, holds other private company directorships and is an ex-officio member of the audit and risk committee of Mission Australia. Garry has been a director at Odyssey House for a year and a member of the audit and risk committee of Odyssey House since 2012.



Geoff
Wilson

Geoff Wilson is the founder and chairman of independent investment manager Wilson Asset Management. Geoff holds a number of public company and charitable Board positions. He has a Bachelor of Science Degree and a Graduate Management Qualification. Geoff is a fellow of the Institute of Company Directors and the Financial Services Institute of Australasia. He has been a director of Odyssey House since 2008.

Odyssey House McGrath Foundation

ABN 49 001 418 257

Financial Statements

For the Year Ended 30 June 2014

Odyssey House McGrath Foundation

ABN 49 001 418 257

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For the Year Ended 30 June 2014

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Odyssey House McGrath Foundation

ABN 49 001 418 257

Directors' Report

The directors of Odyssey House McGrath Foundation submit herewith the annual report of the Company for the financial year ended 30 June 2014.

Directors

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

Names	Appointed/Resigned
Natalie Nicole Archer	
Christine Anne Bishop	
Jan Copeland	
John Francis Coughlan	
Timothy Michael Green	
Martina Go	
Jeremy Goff	
Valerie Hoogstad	
Douglas Norman Sneider	
Garry Ronald Wrayling	Appointed 23 November 2013
Geoffrey James Wilson	

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

Information on directors

Natalie Nicole Archer

Qualifications BA, BCom

Occupation Director

Christine Anne Bishop

Qualifications BA, LLB, B Sc (Hons) M. Psych (For) (Hons), MFMH

Occupation Director

Jan Copeland

Qualifications PhD, BSc(Psych) Hons, SRN, SRM

Occupation Professor and Director, National Cannabis Prevention and Information Centre, UNSW

John Francis Coughlan

Qualifications BEc Dip Rur Acc (UNE), FCA, FCPA

Occupation Director

Timothy Michael Green

Qualifications BCom

Occupation CEO

Odyssey House McGrath Foundation

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Directors' Report

Information on directors continued

Marina Go	
Qualifications	BA, MBA
Occupation	Publishing
Jeremy Goff	
Qualifications	BA (Hons 1)
Occupation	Corporate Relations
Valerie Hoogstad	
Qualifications	BA, MA
Occupation	Director, Senior Lecturer
Douglas Norman Snedden	
Qualifications	BEd
Occupation	Director
Garry Ronald Wayling	
Qualifications	BCom, ACA, GAICD
Occupation	Director
Geoffrey James Wilson	
Qualifications	BSc
Occupation	Chairman

Principal activity

The principal activity of the Company during the financial year was the provision of residential and non-residential drug and rehabilitation centres and a detoxication unit. There was no significant change in the nature of this activity during the financial year.

Strategy, objectives and performance

The Company's long term objectives are to be sustainable and strive for continuous improvement so as to offer the best possible outcomes for the client's requiring our assistance.

The entities short term objectives are to improve service, delivery and organisational structure.

To achieve these objectives, the entity has adopted the following strategies:

Service Delivery Priorities:

1. Continuously improve the delivery of core business services and measure improvements against each stated success measures.

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Odyssey House McGrath Foundation

ABN 49 001 418 257

Directors' Report

Strategy, objectives and performance continued

2. Successfully complete the accreditation process and embed quality improvement against our organisation's operations.
3. Strengthen our relationships and partnerships with stakeholders, including social housing provider, and employment, education and training providers including TAFE, the Aboriginal service system.

Organisational Priorities

1. Secure and ongoing funding base for Odyssey House's core business.
2. Develop and implement an electronic client database that will make streamline staff access to information and support improved client service delivery.
3. Increase public and community awareness of Odyssey House as a successful drug and alcohol service provider, including via our publications and website.
4. Build a strong evidence - based culture throughout the organisation based on quality data gathering and outcome reporting.

Meetings of directors

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 10 meetings of directors were held.

	Directors' Meetings	
	Number eligible to attend	Number attended
Natalie Nicole Archer	10	5
Christine Anne Bishop	10	7
Jan Copeland	10	5
John Francis Coughlan	10	8
Timothy Michael Green	10	6
Marina Go	10	4
Jeremy Goff	10	4
Valeria Hoogstad	10	5
Douglas Norman Shedden	10	10
Gerry Ronald Weyling	6	4
Geoffrey James Wilson	10	5

Members' guarantee

In accordance with the entity's constitution, each member is required to contribute a maximum liability to contribute of \$50 each in the event that the entity is wound up.

Odyssey House McGrath Foundation

ABN 49 001 418 257

Directors' Report

Members' guarantee continued

The total amount that members of the entity are liable to contribute if the company is wound up is \$550 (2013: \$550).

Auditor's independence declaration

The auditor's independence declaration is included after this report.

This director's report is signed in accordance with a resolution of directors.

On behalf of the Directors in accordance with a resolution of the Board of Directors:

Director: 
Douglas Norman Snedden

Director: 
John Francis Coughlan

Dated: 30 September 2014

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 450 121 050

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The Board of Directors
Odyssey House McGrath Foundation
PO Box 459
CAMPBELLTOWN NSW 2560

29 September 2014

Dear Board Members,

Odyssey House McGrath Foundation

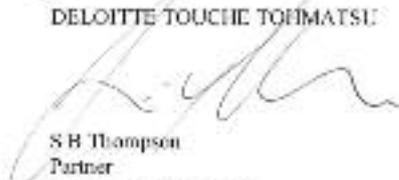
In accordance with the *Australian Charities and Not-for-profit Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Odyssey House McGrath Foundation.

As lead audit partner for the audit of the financial statements of Odyssey House McGrath Foundation for the financial year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



DELOITTE TOUCHE TOHMATSU



S H Thompson
Partner
Chartered Accountants
Parramatta

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

Odyssey House McGrath Foundation

ABN 49 001 418 257

Directors' Declaration

The board members declare that:

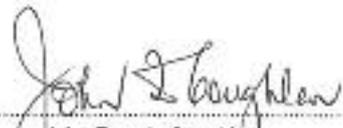
- a. in the board members' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- b. in the board members' opinion, the attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company; and

Signed in accordance with a resolution of the board members made pursuant to s.60.15 of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director


Douglas Norman Snedden

Director


John Francis Coughlan

Dated: 30 September 2014

Odyssey House McGrath Foundation

ABN 49 001 418 257

Declaration by responsible officer in respect of Fundraising Appeals

I, James Pitts, Chief Executive officer and responsible officer of Odyssey House McGrath Foundation, declare in my opinion that:

- (a) the financial report gives a true and fair view of all income and expenditure of Odyssey House McGrath Foundation with respect to fundraising appeal activities for the year ended 30 June 2014;
- (b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities for the year ended 30 June 2014;
- (c) the provisions of the Charitable Fundraising Act 1991 (NSW) and the conditions attached to the authority have been complied with for the year ended 30 June 2014; and
- (d) the internal controls exercised by Odyssey House McGrath Foundation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

Dated 30 September 2014



James Pitts (Chief Executive Officer)

Odyssey House McGrath Foundation

ABN 49 001 418 257

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2014

		2014	2013
	Note	\$	\$
Revenue	2	6,593,380	6,006,431
Investment income	2	82,856	96,425
Employee benefits expense		(4,896,092)	(4,790,662)
Depreciation and amortisation expense	9	(264,606)	(250,775)
Operating expenses		(1,379,004)	(1,365,290)
Finance costs		(18,381)	(21,172)
Profit/(loss) before tax		118,153	(325,043)
Income tax expense		-	-
Profit/(loss) for the year	2	118,153	(325,043)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified to profit or loss when specific conditions are met		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		118,153	(325,043)

The accompanying notes form part of these financial statements.

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Odyssey House McGrath Foundation

ABN 49 001 418 257

Statement of Financial Position

As At 30 June 2014

	Note	2014 \$	2013 \$
Assets			
<i>Current assets</i>			
Cash and cash equivalents	4	881,589	634,587
Trade and other receivables	5	55,651	165,618
Inventories	6	30,459	39,548
Financial assets	7	1,132,799	1,100,000
Other assets	8	36,976	18,283
Total current assets		<u>2,137,484</u>	<u>2,158,234</u>
<i>Non-current assets</i>			
Other assets	8	30,250	18,550
Property, plant and equipment	9	2,145,113	2,182,185
Total non-current assets		<u>2,175,363</u>	<u>2,200,735</u>
Total assets		<u>4,312,847</u>	<u>4,358,969</u>
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	10	608,077	633,757
Other liabilities	11	180,483	304,712
Borrowings	12	113,373	51,476
Provisions	13	600,251	585,452
Total current liabilities		<u>1,502,184</u>	<u>1,555,407</u>
<i>Non-current liabilities</i>			
Other liabilities	11	32,658	43,548
Borrowings	12	106,024	213,829
Provisions	13	98,029	90,389
Total non-current liabilities		<u>236,711</u>	<u>347,766</u>
Total liabilities		<u>1,738,895</u>	<u>1,903,173</u>
Net assets		<u>2,573,952</u>	<u>2,455,799</u>
Equity			
Contributed equity		15,000	15,000
Retained earnings		<u>2,558,952</u>	<u>2,440,799</u>
Total equity		<u>2,573,952</u>	<u>2,455,799</u>

The accompanying notes form part of these financial statements.

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Odyssey House McGrath Foundation

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Statement of Changes in Equity For the Year Ended 30 June 2014

2014

	Retained Earnings	Total Members' Funds	Total
Note	\$	\$	\$
Balance at 1 July 2013	2,440,799	15,000	2,455,799
Profit for the year	118,153	-	118,153
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	118,153	-	118,153
Balance at 30 June 2014	2,558,952	15,000	2,573,952

2013

	Retained Earnings	Total Members' Funds	Total
	\$	\$	\$
Balance at 1 July 2012	2,785,842	15,000	2,780,842
Loss for the year	(325,043)	-	(325,043)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	(325,043)	-	(325,043)
Balance at 30 June 2013	2,440,799	15,000	2,455,799

The accompanying notes form part of these financial statements.

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Odyssey House McGrath Foundation

ABN 49 001 418 257

Statement of Cash Flows For the Year Ended 30 June 2014

	2014	2013
Note	\$	\$
Cash flow from operating activities		
Receipts from fundraising appeals, donations, residences and bequests	6,538,039	6,604,787
Payments to suppliers and employees	(6,274,271)	(6,516,159)
Interest received	82,856	96,425
Interest paid	(18,381)	(9,288)
Cash generated from/(used in) operations	<u>328,243</u>	<u>173,797</u>
Cash flows from investing activities		
Proceeds from (investments in) term deposits	(32,799)	688,824
Payments for property, plant and equipment	(227,534)	(138,696)
Net cash provided by (used in) investing activities	<u>(260,333)</u>	<u>528,128</u>
Cash flows from financing activities		
Repayment of borrowings	(45,908)	(17,885)
Net cash used in financing activities	<u>(45,908)</u>	<u>(17,885)</u>
Net increase in cash and cash equivalents	22,002	684,040
Cash and cash equivalents at beginning of the year	746,045	62,005
Cash and cash equivalents at end of financial year	4 <u>768,047</u>	<u>746,045</u>

The accompanying notes form part of these financial statements.

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Odyssey House McGrath Foundation

ABN 49 001 418 257

Notes to the Financial Statements For the Year Ended 30 June 2014

1 Significant accounting policies

(a) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Accounting Standards – Reduced Disclosure Requirements*, and comply with other requirements of the law.

For the purposes of preparing the financial statements, the Company is a not-for-profit entity.

The financial statements were authorised for issue by the directors on 11 September 2014.

(b) Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 2 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Odyssey House McGrath Foundation

ABN 49 001 418 257

Notes to the Financial Statements For the Year Ended 30 June 2014

1 Significant accounting policies continued

(c) Revenue recognition

(i) Sale of goods or services

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for returns, rebates and other similar allowances.

Revenue from the sale of goods or services are recognised when the goods or services are delivered and titles have passed at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods or services sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount on initial recognition.

Odyssey House McGrath Foundation

ABN 49 001 418 257

Notes to the Financial Statements
For the Year Ended 30 June 2014

1 Significant accounting policies continued

(d) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership of to the lessee. All other leases are classified as operating leases.

The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(e) Contributions - Government grants / Donations

A contribution occurs when the Company receives an asset, including the right to receive cash or other forms of asset without directly giving approximately equal value to the other party to the transfer; that is, when there is a non-reciprocal transfer. Contributions would include donations and government grants. Contributions that are income exclude contributions by owners.

Income from contributions is recognised when all the following conditions are satisfied:

- the Company obtains control of the contribution or right to receive the contribution;
- it is probable the economic benefits comprising the contribution will flow to the Company; and
- the amount of contribution can be measured reliably.

Income arising from contributions is measured at the fair value of the contributions received or receivable.

When full control, measurement and benefit are achieved on receipt of funds, these funds are recognised as income on receipt.

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Odyssey House McGrath Foundation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

(e) Contributions - Government grants / Donations continued

Government grant funding is reviewed at each reporting date, to determine whether grant income is restrained from recognition due to an agreement to provide services or facilities that make it eligible to receive the income. Government funding that is determined to be of a service nature is brought to account when service obligations have been performed.

(f) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal value using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services by employees up to reporting date.

(g) Taxation

The Company is exempted from income tax under Division 50 of the Income Tax Assessment Act 1997.

(h) Property, Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land) less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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Notes to the Financial Statements
For the Year Ended 30 June 2014

1 Significant accounting policies continued

(h) Property, Plant and Equipment continued

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Plant and Equipment	5 years
Motor Vehicles	4.4 years
Leasehold Improvements	20 years
Land and Buildings	20 years
Leased Motor Vehicles	Over the lease term

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(i) Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease (see (h) above).

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase (see (h) above).

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

(j) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

(l) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

(i) Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

- (i) **Financial assets continued**
and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in note 17.

Held-to-maturity investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

AFS financial assets

Listed shares and listed redeemable notes held by the Company that are traded in an active market are classified as AFS and are stated at fair value. The Company also has investments in unlisted shares that are not traded in an active market but that are also classified as AFS financial assets and stated at fair value (because the directors consider that fair value can be reliably measured).

Fair value is determined in the manner described in Note 18. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on AFS equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

Financial liabilities continued

- If forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in Note 19.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out at (c) above.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(n) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(o) Comparative Amounts

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(p) Critical judgements in applying accounting policies

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

As described at (h) above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

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Notes to the Financial Statements
For the Year Ended 30 June 2014

1 Significant accounting policies continued

(g) Application of new and revised Accounting Standards

New and revised AASBs affecting amounts reported and/or disclosures in the financial statements

In the current year, the Company has applied a number of new and revised AASBs issued by the Australian Accounting Standards Board (AASB).

AASB 1053 'Application of Tiers of Australian Accounting Standards' and AASB 2010-2 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements'

AASB 1053 establishes a differential financial reporting framework consisting of two tiers of reporting requirements for general purpose financial statements, comprising Tier 1: Australian Accounting Standards and Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements (RDR). AASB 2010-2 makes amendments to each Standard and Interpretation indicating the disclosures not required to be made by 'Tier 2' entities or inserting 'RDR' paragraphs requiring simplified disclosures for 'Tier 2' entities. The adoption of these standards has resulted in significantly reduced disclosures, largely in respect of impairment, related parties, financial instruments and cash flows.

AASB 2011-2 'Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements'

AASB 2011-2 establishes reduced disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements in relation to the Australian additional disclosures arising from the Trans-Tasman Convergence Project. The adoption of this amending standard does not have any material impact on the financial statements.

AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'

The Foundation has applied the amendments to AASB 7 'Disclosures: Offsetting Financial Assets and Financial Liabilities' for the first time in the current year. The amendments to AASB 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement. The amendments have been applied retrospectively.

As the Foundation does not have any offsetting arrangements in place, the application of the amendments does not have any material impact on the financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

(q) Application of new and revised Accounting Standards continued

New and revised AASBs affecting amounts reported and/or disclosures in the financial statements continued

AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle'

The Annual Improvements to AASBs 2009 - 2011 have made a number of amendments to AASBs. Amendments made to AASB 1, AASB 101, AASB 116, AASB 132 and AASB 134. The application of these amendments does not have any material impact on the financial statements.

AASB CF 2013-1 'Amendments to the Australian Conceptual Framework' and AASB 2013-9 'Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments' (Part A Conceptual Framework)

This amendment has incorporated IASB's Chapters 1 and 3 Conceptual Framework for Financial Reporting as an Appendix to the Australian Framework for the Preparation and Presentation of Financial Statements. The amendment also included not-for-profit specific paragraphs to help clarify the concepts from the perspective of not-for-profit entities in the private and public sectors.

As a result the Australian Conceptual Framework now supersedes the objective and the qualitative characteristics of financial statements, as well as the guidance previously available in Statement of Accounting Concepts SAC 2 'Objective of General Purpose Financial Reporting'. The adoption of this amending standard does not have any material impact on the financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

(q) Application of new and revised Accounting Standards continued

New and revised AASBs affecting amounts reported and/or disclosures in the financial statements continued

AASB 13 'Fair Value Measurement', AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13', and AASB 2012-1 'Amendments to Accounting Standards Fair Value Measurement – Reduced Disclosure Requirements'

The Company has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of AASB 13 is broad; the fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other AASBs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of AASB 2 'Share-based Payment', leasing transactions that are within the scope of AASB 117 'Leases', and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements.

AASB 13 requires prospective application from 1 July 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Company has not made any new disclosures required by AASB 13 for the 2013 comparative period. The application of AASB 13 does not have any material impact on the amounts recognised in the financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Significant accounting policies continued

(q) Application of new and revised Accounting Standards continued

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In August 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued comprising AASB 10 'Consolidated Financial Statements', AASB 11 'Joint Arrangements', AASB 12 'Disclosure of Interests in Other Entities', AASB 127 (as revised in 2011) 'Separate Financial Statements' and AASB 128 (as revised in 2011) 'Investments in Associates and Joint Ventures'. Subsequent to the issue of these standards, amendments to AASB 10, AASB 11 and AASB 12 were issued to clarify certain transitional guidance on the first-time application of the standards.

As the Company does not have any investments in subsidiaries, associates and joint arrangements, the application of these new and revised standards does not have any impact on the disclosures or on the amounts recognised in the financial statements.

(r) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Company.

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Notes to the Financial Statements
For the Year Ended 30 June 2014

2 Revenue

Revenue

The following is an analysis of the Company's revenue for the year from continuing operations excluding investment income.

	2014	2013
	\$	\$
Revenue		
- Donations	348,403	333,675
- Grants	4,770,715	4,118,763
- Treatment cost and fees	1,130,008	1,164,144
- Fundraising income	248,973	307,102
- Other income	94,281	56,788
- Profit on disposal of property, plant and equipment	-	27,858
	<u>6,593,380</u>	<u>6,008,431</u>

Investment income

Interest income

- bank deposits	<u>82,856</u>	<u>95,425</u>
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The following is an analysis of investment income by category of asset.

Loans and receivables (including cash and bank balances)	<u>82,856</u>	<u>95,425</u>
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Total interest income earned on financial assets that are not designated as at fair value through profit or loss

	<u>82,856</u>	<u>95,425</u>
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3 Profit for the year

Profit for the year has been arrived at after charging (crediting):

Finance Costs

Financial liabilities measured at amortised cost:

- Unwinding of discount on financial liabilities	10,058	11,908
- Interest on finance lease	<u>8,322</u>	<u>9,268</u>
Total finance costs	<u>18,381</u>	<u>21,172</u>

The result for the year includes the following specific expenses:

Other expenses:

Impairment of receivables - Doubtful debts	1,825	-
Salaries, wages and on costs	4,487,304	4,404,284
Superannuation contributions	<u>408,787</u>	<u>388,378</u>

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Notes to the Financial Statements
For the Year Ended 30 June 2014

4 Cash and cash equivalents

	2014	2013
	\$	\$
Cash on hand	2,300	2,251
Cash at bank	279,289	832,336
Short-term bank deposits	600,000	-
	<u>881,599</u>	<u>834,587</u>

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	881,599	834,587
Less amount owing to residents		
Residents welfare accounts	10 (113,552)	(88,542)
Balance as per statement of cash flows	<u>768,047</u>	<u>746,045</u>

5 Trade and other receivables

CURRENT		
Trade receivables	4,420	63,863
Interest receivable	24,122	11,265
Other receivables	27,109	80,860
	<u>55,651</u>	<u>165,988</u>

6 Inventories

CURRENT		
At cost:		
Stock on hand	<u>30,459</u>	<u>36,548</u>

7 Financial assets

CURRENT		
Held-to-maturity financial assets	19 1,132,789	1,100,000

The company holds term deposits that carry interest at fixed rates.

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Notes to the Financial Statements
For the Year Ended 30 June 2014

8 Other assets

	2014	2013
Note	\$	\$
CURRENT		
Prepayments	<u>36,976</u>	<u>18,283</u>
NON-CURRENT		
Rental bond	<u>30,250</u>	<u>18,550</u>
9 Property, plant and equipment		
Buildings		
At cost	348,440	348,440
Accumulated depreciation	<u>(92,119)</u>	<u>(78,370)</u>
	<u>256,321</u>	<u>270,070</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	562,643	474,178
Accumulated depreciation	<u>(367,399)</u>	<u>(303,340)</u>
	<u>195,244</u>	<u>170,838</u>
Motor vehicles		
At cost	208,842	208,330
Accumulated depreciation	<u>(119,154)</u>	<u>(82,648)</u>
	<u>89,688</u>	<u>125,682</u>
Leasehold improvements		
At cost	4,059,717	3,920,650
Accumulated depreciation	<u>(2,455,857)</u>	<u>(2,305,055)</u>
	<u>1,603,860</u>	<u>1,615,595</u>
	<u>1,888,792</u>	<u>1,912,115</u>
	<u>2,145,113</u>	<u>2,182,185</u>

Odyssey House McGrath Foundation

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Notes to the Financial Statements
For the Year Ended 30 June 2014

9 Property, plant and equipment continued

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings	Plant and Equipment	Motor Vehicles	Leasehold Improvement s	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2014					
Balance at 30 June 2013	270,070	170,838	125,002	1,610,095	2,182,185
Additions	-	88,466	-	139,068	227,534
Depreciation and amortisation expense	(13,749)	(64,060)	(35,984)	(150,803)	(264,606)
Balance at 30 June 2014	<u>256,321</u>	<u>195,244</u>	<u>89,018</u>	<u>1,603,860</u>	<u>2,145,113</u>

10 Trade and other payables

	2014	2013
	\$	\$
CURRENT		
Trade payables	213,716	223,407
Sundry payables and accrued expenses	200,009	321,818
Residents welfare accounts	113,552	88,542
	<u>19</u>	<u>608,077</u>
		<u>633,767</u>

No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

11 Deferred revenue

CURRENT		
Deferred income	10,887	10,887
Unexpired specific grants	169,596	293,825
	<u>180,483</u>	<u>304,712</u>
NON-CURRENT		
Deferred income	<u>32,658</u>	<u>45,546</u>

Odyssey House McGrath Foundation

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Notes to the Financial Statements
For the Year Ended 30 June 2014

12 Borrowings

	Note	2014 \$	2013 \$
CURRENT			
Lease liability	12(a)14	85,810	23,913
Loan - Campbelltown property	12(b)	27,563	27,583
		<u>113,373</u>	<u>51,476</u>
NON-CURRENT			
Lease liability	12(a)14	14,584	100,552
Loan - Campbelltown property	12(b)	91,430	113,277
		<u>106,024</u>	<u>213,829</u>
Total borrowings	19	<u>219,397</u>	<u>265,305</u>

(a) Lease liabilities are secured by the underlying leased assets.

(b) The loan is secured over Campbelltown Property. It is due to be repaid by 2018.

13 Provisions

CURRENT			
Provision for annual leave		252,203	232,878
Provisions for long service leave		272,509	231,893
Provisions for on costs		35,115	67,191
Provision for TIL and RDO		40,424	13,390
		<u>600,251</u>	<u>565,452</u>
NON-CURRENT			
Provisions for on costs		-	9,864
Provisions for long service leave		98,029	80,704
		<u>98,029</u>	<u>90,568</u>

The provision for employee benefits represents annual leave and vested long service leave entitlements accrued and compensation claims made by employees.

Odyssey House McGrath Foundation

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Notes to the Financial Statements
For the Year Ended 30 June 2014

14 Capital and Leasing Commitments

(a) Finance Leases

	Note	2014 \$	2013 \$
Minimum lease payments:			
- not later than one year		88,799	32,382
- between one year and five years		14,786	103,586
Minimum lease payments		<u>103,585</u>	<u>135,968</u>
Less: finance charges		(3,181)	(11,503)
Present value of minimum lease payments	12	<u>100,404</u>	<u>124,485</u>

Finance leases are in place for motor vehicles and normally have a term between 3 and 9 years.

(b) Operating Leases

Minimum lease payments under non-cancellable operating leases:			
- not later than one year		100,833	64,068
- later than five years		284,167	-
- more than five years		2	2
		<u>385,002</u>	<u>64,070</u>

Operating leases have been taken out for premises. Lease payments are increased on an annual basis to reflect market rentals.

15 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2014 (30 June 2013:Nil).

16 Events Occurring After the Reporting Date

There have been no events subsequent to balance date which would have a material effect on the Company's financial statements as at 30 June 2014.

Odyssey House McGrath Foundation

ABN 49 001 418 257

Notes to the Financial Statements

For the Year Ended 30 June 2014

17 Key Management Personnel Compensation

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	Note	2014 \$	2013 \$
Short-term employee benefits		481,178	365,021
Long-term benefits		76,805	62,772
		<u>557,983</u>	<u>428,793</u>

18 Information and Declarations to be Furnished Under the Charitable Fundraising Act 1991

Details of Aggregate Gross Income and Total Expenses of Fundraising Appeals

Gross Proceeds from Fundraising Appeals

Fundraising Functions	321,847	397,072
Donations from Charitable Trusts and Foundations	10,000	208,785
General Donations	330,312	114,580
	<u>662,159</u>	<u>721,437</u>

Fundraising Functions

Real Men Cook	77,715	40,057
City Cycling Classic	27,525	85,898
Fund Managers Awards (FMA)	96,597	111,329
Corporate Luncheon	66,960	104,462
Odyssey by the Bay	-	1,466
ASX Thomson Reuters Charity Foundation Art Union	50,920	53,820
	<u>321,847</u>	<u>397,072</u>

Less Cost of Fundraising Functions

Real Men Cook	12,152	12,196
City Cycling Classic	5,421	15,932
Corporate Luncheon	20,235	23,833
Open Day	-	3,150
ASX Thomson Reuters Charity Foundation Art Union	35,353	34,927
	<u>73,161</u>	<u>89,938</u>

Cost of Other Fundraising Appeals

	<u>278,359</u>	<u>279,476</u>
Total Cost of Fundraising Appeals	<u>351,520</u>	<u>369,414</u>
Net Surplus Obtained from Fundraising Appeals	<u>310,639</u>	<u>352,023</u>

Odyssey House McGrath Foundation

ABN 49 001 418 257

Notes to the Financial Statements
For the Year Ended 30 June 2014

18 Information and Declarations to be Furnished Under the Charitable Fundraising Act 1991 continued

Details of Aggregate Gross Income and Total Expenses of Fundraising Appeals continued

The Company received donations from Corporate Organisations, Charitable Trusts, Companies and the general public. Fundraising appeals held during the year include Real Men Cook, the Citi Cycling Classic, the Corporate Luncheon, Odyssey by the Bay, ASX Thomson Reuters Charity Company Art Union and the Fund Managers Awards. The Company and the Sydney Children's Hospital Company are joint beneficiaries of the Fund Managers Awards.

	2014	2013
	\$	\$
Statement Showing How Funds Received were applied for Charitable Purposes		
Net Surplus Obtained from Fundraising Appeals	<u>310,639</u>	<u>352,023</u>
This is applied to the charitable purposes in the following manner:		
To supplement Government assistance in funding the Foundation's programs	<u>310,639</u>	<u>352,023</u>

	2014		2013	
	\$	%	\$	%
Comparison by Monetary Figures and Percentages				
Total cost of fundraising / gross income from fundraising	351,520 /		389,415 /	
	662,159	53	721,437	51
Net surplus from fundraising / gross income from fundraising	352,023 /		352,023 /	
	721,437	47	721,437	49

19 Financial Instruments

(a) Categories of financial instruments

	2014	2013
	\$	\$
Financial Assets		
Cash and cash equivalents	4 881,509	834,587
Held-to-maturity investments	7 1,132,799	1,100,000
Trade and other receivables	5 55,651	185,819
Total financial assets	<u>2,070,049</u>	<u>2,100,408</u>
Financial Liabilities		
Financial liabilities at amortised cost		
Trade and other payables	10 608,077	633,767
Borrowings	12 219,397	285,305
Total financial liabilities	<u>827,474</u>	<u>899,072</u>

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Odyssey House McGrath Foundation

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Notes to the Financial Statements

For the Year Ended 30 June 2014

20 Fair Value Measurement

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

The Company does not have any financial assets and financial liabilities that are measured at fair value at the end of each reporting period.

21 Company Details

The registered office of and principal place of business of the company is:

Odyssey House McGrath Foundation
13A Moonstone Pl
Eagle Vale NSW 2558

Independent Auditor's Report to the Members of Odyssey House McGrath Foundation

Report on the Financial Report

We have audited the accompanying financial report of Odyssey House McGrath Foundation, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration. In addition, we have audited Odyssey House McGrath Foundation's compliance with specific requirements of the *Charitable Fundraising Act 1991* for the year ended 30 June 2014.

Directors' Responsibility for the Financial Report and for Compliance with the Charitable Fundraising Act 1991

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for compliance with the *Charitable Fundraising Act 1991*. The directors are also responsible for such internal control as the directors determine is necessary to enable compliance with requirements of the *Charitable Fundraising Act 1991* and the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's compliance with specific requirements of the *Charitable Fundraising Act 1991* and the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 entity has complied with specific requirements of the *Charitable Fundraising Act 1991* and the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the company's compliance with specific requirements of the *Charitable Fundraising Act 1991* and amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of non-compliance with specific requirements of the *Charitable Fundraising Act 1991* and material misstatement of the financial report, whether due to fraud or error. In making these risk assessments, the auditor considers internal control, relevant to the company's compliance with the *Charitable Fundraising Act 1991* and 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Inherent Limitations

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error, or non-compliance with the *Charitable Fundraising Act 1991* may occur and not be detected. An audit is not designed to detect all weaknesses in Odyssey House McGrath Foundation compliance with the *Charitable Fundraising Act 1991* as an audit is not performed continuously throughout the period and the tests are performed on a sample basis.

Any projection of the evaluation of compliance with the *Charitable Fundraising Act 1991* to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of Odyssey House McGrath Foundation would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Odyssey House McGrath Foundation is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*;
- (b) the financial report agrees to the underlying financial records of Odyssey House McGrath Foundation that have been maintained, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations for the year ended 30 June 2014; and
- (c) monies received by Odyssey House McGrath Foundation, as a result of fundraising appeals conducted during the year ended 30 June 2014, have been accounted for and applied, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations.


DELOITTE TOUCHE TOHMATSU

Stewart Thompson
Partner
Chartered Accountants
Parramatta

Dated 2 October 2014

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

Compilation Report to Odyssey House McGrath Foundation

We have compiled the accompanying Unaudited Profit and Loss Account of Odyssey House McGrath Foundation for the year then ended 30 June 2014. These have been prepared in accordance with the basis of accounting described in Note 1 to the financial statements.

Directors' Responsibility

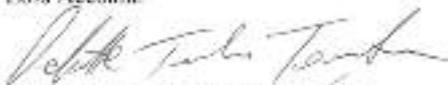
The directors of Odyssey House McGrath Foundation are solely responsible for the information contained in the Unaudited Profit and Loss Account and has determined that the basis of accounting used is appropriate to meet their needs.

Our Responsibility

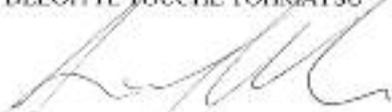
On the basis of information provided by Directors of the company we have compiled the accompanying Unaudited Profit and Loss Account in accordance with the basis of accounting and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which directors of the company provided, in compiling Unaudited Profit and Loss Account. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The Unaudited Profit and Loss Accounts were compiled exclusively for the benefit of directors of the company. We do not accept responsibility to any other person for the contents of the Unaudited Profit and Loss Account.



DELOITTE TOUCHE TOHMATSU



Stewart Thompson
Partner
Chartered Accountants
Parramatta

Date: 2 October 2014

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Odyssey House McGrath Foundation

ABN 49 001 418 257

For the Year Ended 30 June 2014

Unaudited Profit and Loss Account

	2014	2013
	\$	\$
Income		
Donations	349,403	333,675
Grants	4,770,715	4,116,763
Treatment cost and fees	1,130,008	1,164,144
Functions income - net	248,873	307,102
Other income	94,281	56,789
Profit on disposal of property, plant & equipment	-	27,958
Interest received	82,856	86,425
	6,676,236	6,102,858
Less: Expenses		
Affiliation fees/subscriptions	43,343	28,149
Amortisation of leased assets	150,803	133,733
Audit fees	45,779	35,600
Bad debts	1,825	-
Bank charges	12,094	18,070
Bedding & linen	5,845	754
Clinical supervision	12,634	8,925
Computer/IT expenses	46,552	64,322
Conferences	1,393	7,230
Consultant fees	68,083	80,811
Depreciation	113,803	117,042
Development and public relations	-	325
Equipment purchases	4,827	5,093
Equipment rental and maintenance	18,483	23,710
Food & beverages	180,118	172,809
Interest paid	8,322	9,266
Unwinding of discount on financial liabilities	10,059	11,806
Hygiene supplies	59,848	51,362
Insurance	93,777	106,461
Kitchen supplies	10,757	3,191
Legal Fees	37,736	13,182
Maintenance of buildings and grounds	163,452	179,801
Marketing expenses	34,093	16,340
Medical supplies and testing	29,121	18,985
Motor vehicle expenses	38,026	42,727
Occupancy - building rentals	77,238	86,424
Occupancy - utilities	145,196	131,588
Office supplies, postage and printing	47,088	47,958
Recreation expense	20,010	21,325
Recruiting costs	5,187	35,662

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Odyssey House McGrath Foundation

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For the Year Ended 30 June 2014

Unaudited Profit and Loss Account

	2014	2013
	\$	\$
Rent	67,382	67,382
Sundry expenses	(56,078)	(73,781)
Salaries and on costs	4,896,092	4,790,682
Staff training	22,802	31,921
Strata fees	8,356	14,008
Telephone	64,233	64,024
Text, books, teaching aids and reference materials	27,263	13,113
Transport	34,682	27,878
Travel - overseas	7,849	-
	<u>6,558,083</u>	<u>6,427,898</u>
Profit/(loss) before income tax	<u>118,153</u>	<u>(325,043)</u>

Photographs courtesy of Lisa Thompson
www.lisaphoto.com.au

Saving and improving the lives of people dependent on alcohol and other drugs

**ODYSSEY
HOUSE**



*'A Calm in
the Sea of
Addiction'*

Odyssey House McGrath Foundation
13a Moonstone Place
EAGLE VALE NSW 2558

Telephone: (02) 9820 9999
Facsimile: (02) 9820 1796
Email: info@odysseyhouse.com.au
Website: www.odysseyhouse.com.au
Authority to Fundraise: CFN 12596
ABN: 49 001 418 257

Odyssey House McGrath Foundation incorporated and domiciled in Australia, is a public company limited by guarantee.
Donations to Odyssey House of \$2.00 and above are tax deductible.