



2010 Annual Report



Southern Junction Community Services Inc
Connecting People | Building Communities

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Acknowledgement

Southern Junction Community Services gratefully acknowledges the support of our funding bodies, philanthropic supporters and corporate and community donors for their ongoing support of our work with socially and economically disadvantaged people.

We also express our sincere appreciation of the work undertaken by government agencies and other community organisations that work collaboratively with our staff to provide an increasingly diverse array of quality, coordinated services that respond to the needs of families and individuals in a timely and effective way.

Whilst we as professional agencies continue to work together, we also acknowledge the courage, determination and perseverance of our clients who continue to inspire us with their resilience, capacity to overcome barriers and to pursue their hopes and dreams.



Southern Junction Community Services

Statement of Purpose

Southern Junction Community Services will provide quality information, accommodation and support services relevant to people who are socially or economically disadvantaged, are homeless or at risk of homelessness. We will work with other agencies, groups and individuals in the community to overcome barriers, develop resilience and enhance the community connectedness of groups and individuals.

Vision Statement

The value of all groups and individuals is actively demonstrated by the way they are included and enabled to participate in the community.

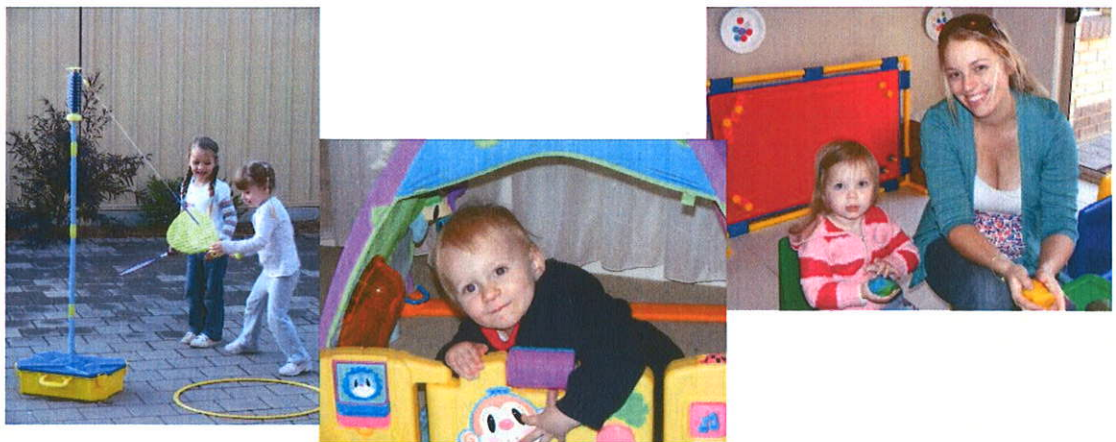
Mission Statement

Southern Junction Community Services will work in a way that is people focused, flexible and responsive, with an emphasis on early intervention and prevention. Our work will reflect the belief that all people have the right to pursue and achieve independence and self-reliance.

Core Values

Southern Junction Community Services aspires to deliver flexible and responsive services that are underpinned by the following core values:

- **RESPECT** ~ Every person deserves to be treated with respect
- **TRUST** ~ Safety and trust are the foundations of healthy families and relationships
- **INCLUSION** ~ Inclusive communities value and embrace diversity
- **INTEGRITY** ~ Acting in a way that is honest, just and open to others



Celebrating the first birthday of Community Connections ~ Seaford Meadows



Governance Leadership and Planning

Chairperson's Report



Alison King
Chairperson – SJCS Board

This year has been one of considerable growth and development for Southern Junction Community Services (SJCS). Our 'Housing the South' Strategy is being implemented and the formation of Junction Housing demonstrates Southern Junction's commitment to providing affordable housing in the Southern area of Adelaide, including the Fleurieu Peninsula. However it is the wide range of other services that SJCS provides to people in need that continues to make the organisation what it is.

The Board of SJCS is committed to maintaining the wide range of community services to support people who are socially or economically disadvantaged, are homeless or at risk of homelessness. Support with housing is an important service, but it is more than that. Our specialist homelessness services and other initiatives including our 'Point of Engagement' and 'Turning Point' programs assist people to overcome barriers, develop resilience whilst our family and community centres enhance community connection in people's lives.

The Board continues to give due consideration to the organisation's strategic growth and directions to enable it to respond to emerging community needs.

In the spirit of continuous quality improvement, the Board has undertaken a comprehensive Governance Review during the past 12 months, culminating in Board Members participating in a Peer Review. An ongoing commitment to evaluation and improvement has been firmly established and all board members have received training in governance and financial reporting.

"The Board continues to give due consideration to the organisation's strategic growth and directions to enable it to respond to emerging community needs."

Alison King – Chairperson SJCS Board

Some of the changes resulting from the Governance Review include reducing the size of the Board, developing role descriptions for office bearers and updating the Code of Conduct for board directors. The position of Deputy Chair was also created to support the Chair and facilitate succession planning and I am pleased to welcome Clare MacAdam, our former Secretary, into this role. John Amer is serving as Secretary in her place until the Annual General Meeting and I gratefully acknowledge the outstanding work of



David Healey who continues to serve as Treasurer.

Completing their terms as Board Directors this year have been John Enders and Chris Doull. John has served as Board Chairperson for almost two years and stepped down in June to pursue interstate business interests. The Board has appreciated John's commitment and contribution through what has been an important period of development for the organisation. Chris Doull served on the Board for three years and the objectivity of her legal and administrative experience has been invaluable in supporting Board deliberations and initiatives.

"The Board of SJCS is committed to maintaining the wide range of community services to support people who are socially or economically disadvantaged, are homeless or at risk of homelessness."

Alison King – Chairperson SJCS Board

The Board acknowledges the diligence and effort that the Chief Executive Officer, Graham Brown applies to his role and the successful operations of SJCS. The Board has continued to work with Graham to support him in undertaking this role.

I would like to thank the other Board members for their time and contributions to Southern Junction Community Services this year, in Board meetings, task groups and other activities.

I would also like to extend the thanks and appreciation of the Board to the staff of Southern Junction as without their tireless efforts, SJCS would not be able to provide the wide range of quality services that it does and many members of our community would not receive the help and support they deserve. Thank you to everyone for making Southern Junction Community Services the organisation that it is today.

Alison King

Chairperson of the Board of Directors



Board of Directors

The governance of Southern Junction is supported by an experienced Board of Directors with broad management experience and high levels of expertise in health, housing, education, employment, public relations, community services and business sectors.

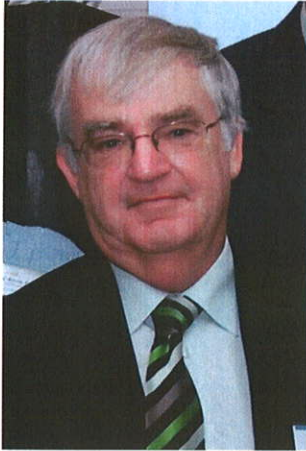
SJCS Board Directors from the left Graham Brown, Alison King, Chris Doull, Clare MacAdam, Marina Deaville, Bill Peterson, & John Amer. (Absent: David Healey, Graeme Duncan)



Board Director	Position	Task Group Focus
Alison King (Chairperson)	Manager of GP Plus Health Care Centre Marion	Governance Review Task Group Strategic Planning Task Group CEO Contract of Employment Task Group
Clare MacAdam (Deputy Chairperson)	Director of Development - Annesley College	Governance Review Task Group Strategic Planning Task Group CEO Appraisal Task Group
David Healey (Treasurer)	Management Accountant - Department of Families and Communities	Finance & Risk Review Group CEO Contract of Employment Task Group
John Amer (Secretary)	Retired Former Property Manager	Finance & Risk Review Group
Chris Doull	Director, Strategic Support, Courts Administration Authority	Strategic Planning Task Group CEO Appraisal Task Group
Bill Peterson	Housing Manager, Bowden Brompton Housing Service	Governance Review Task Group
Graeme Duncan	Business Manager, eResearch SA and SABRENet	Finance & Risk Review Group
Marina Deaville	Finance Manager Seymour College	Finance & Risk Review Group
Graham Brown	Ex-Officio Member Chief Executive Officer	Finance & Risk Review Group Governance Review Task Group



Treasurer's Report

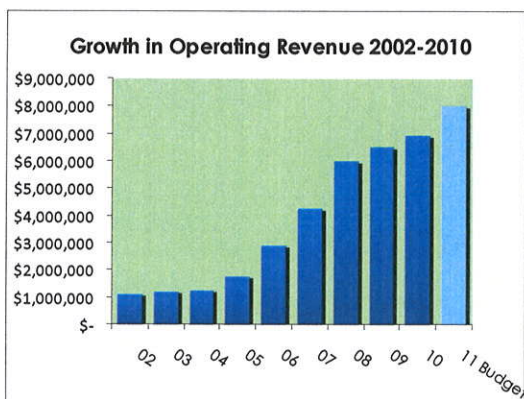


David Healey
Treasurer – SJCS Board

Operating Activities

Southern Junction finished the 2009/10 financial year with an operating surplus of \$47,000. This modest surplus reflects the Board's policy of using the majority of our revenue in providing client services while maintaining sufficient reserves to ensure the organisation's continued financial viability.

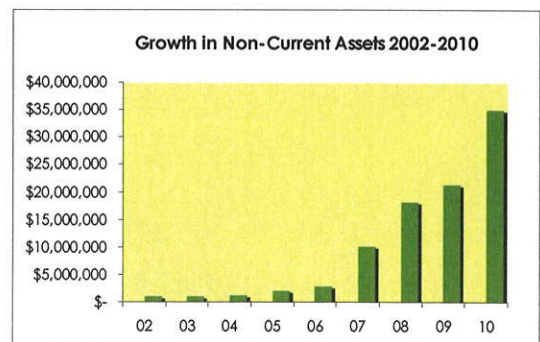
Our operating revenue increased by 7% compared with the previous year, continuing the strong pattern of growth experienced during the past five years. Operating revenue was \$6.9 million in 2009-10, representing growth of 283% over the past five years.



Capital Growth and Activities

In last year's Annual report we predicted a rapid growth in our housing stock and the start of this projected growth can be seen in the 2009/10 financial statements. The Statement of Comprehensive Income reflects that we have received \$5.8million in Capital grants to date, from the total of \$15.7million secured as a result of State Government funding tenders processes during 2009-10. These funds are being used for the acquisition of land and construction of social housing properties. It is anticipated that the remaining balance of these capital grants will be received and acquitted during 2010-11. In addition to these grants, SJCS was successful in winning \$498,000 per annum for 10 years from the Federal Government under the National Rental Affordability Scheme.

The statement of Financial Position shows the value of our total assets has increased to \$36.0 million (\$21.4million in 2008-09) and Total Members Funds has grown to \$7.8million (\$2.0 in 2008-09).



Southern Junction's fixed assets are valued at \$35.3 million this year compared with \$2 million in 2005.



Management of Growth

The Board recognises that the significant growth in revenue, expenditure and assets outlined above requires sound financial management and systems, and appropriate levels staff and infrastructure.

- **Management positions**

During the year additional positions were established to manage Housing Development and Human Resources.

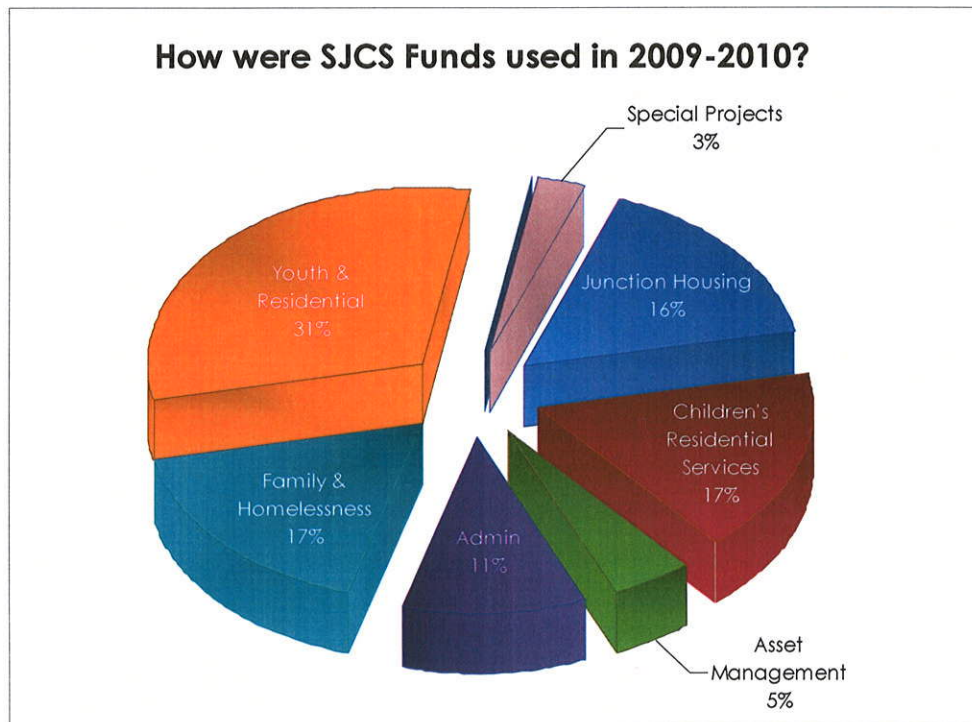
- **Risk Management**

Extensive work was undertaken this year in developing and implementing a Quality, Risk and Effectiveness Plan. The role of the Board's Finance sub-committee has been expanded to include oversight of organisational risk management.

- **Financial Management Training for Board Directors**

All Board Directors receive financial management training as part of their orientation process. This year Board Directors were provided with additional training to assist them in interpreting monthly financial reports.

David Healey
SJCS Board - Treasurer



Chief Executive Officer's Report



Graham Brown
Chief Executive Officer

Building upon a thirty year heritage of service provision, the capacity of Southern Junction Community Services (SJCS) to dynamically respond to the changing needs of socially and disadvantaged people has been further enhanced during the 2009-10 period.

I am pleased to report that the quality of Southern Junction's integrated framework for sound governance and effective management was affirmed as a 'leading example of best practice' during the Service Excellence Program audit process conducted during the year. SJCS gained further recognition during the year through its endorsement as a 'Preferred Support Provider' for the provision of specialist homelessness services and as a 'Preferred Growth Provider' for the construction and management of affordable housing in South Australia.

Further evidence of Southern Junction's holistic approach is demonstrated in our Triennial Plan through a strong focus upon the ongoing development of the organisation's integrated 'Crisis to Connectedness' service model. This approach recognises the need to provide clients with a seamless service response through well-coordinated

internal referrals to the ever-increasing array of quality services provided by SJCS, and where appropriate, timely and accurate referral to other government and community agencies through well-established professional networks. Through its dedicated professional staff, SJCS has continued to apply its resources to the central task of empowering and supporting clients to make healthy, positive decisions and to take life-changing steps that will alleviate the impact of adverse factors and circumstances upon themselves and their children.

Whilst the Homelessness sector in SA has undertaken a major reform process during the last twelve months, SJCS has consolidated its role as a key provider of specialist homelessness services in both the outer southern Adelaide and Fleurieu regions. Subsequently, SJCS will be expanding the Fleurieu Housing Support Service to Kangaroo Island in the year ahead. In an effort to avert homelessness and achieve sustainable tenancies, SJCS has also undertaken a 'Tenancy Improvement Project' which documents the organisation's tried and proven approach to facilitating successful tenancies by effectively managing the interface between social support and tenancy management services.

A research project has been undertaken to gain insight into the unmet needs of vulnerable infants and children associated with our services. Given the findings of this 'Vulnerable Infant and Children Intervention Initiative' (VIACII) Report, it is disappointing to report that, in spite of sound service outcomes and strong advocacy with funding bodies, both the Turning Point (TPP) and Nexus Programs (NP) closed in June 2010 unable to find a continuing source of funding for this program. Evaluation



reports undertaken by Flinders University indicated that the TPP's intervention with men who use violence in relationships improved the safety of women and children and strengthened interagency responses to domestic violence in the southern Adelaide region. Similarly, independent evaluation of the Nexus Program's early identification and engagement with 'at risk' children and their families, indicates that flexible and responsive case work and improved interagency coordination can very effectively steer young people away from destructive and abusive behaviours and toward more positive and sustainable life patterns.



CEO Graham Brown
Let the site works begin!

As part of our strategy to enable young people to live well in the community, SJCS has partnered with the City of Onkaparinga to manage and develop the delivery of health promoting, interactive youth services in the region and also to establish an innovative new Social Enterprise project which is expected to provide new pathways into sustainable employment for disadvantaged young people.

Following successful tender outcomes in 2009, Junction Housing (JH) has attracted substantial capital grants from State Government, secured rental subsidies from the National Rental Affordability Scheme (NRAS) and generous philanthropic support from

the Wyatt Benevolent Institution. This has enabled JH to embark upon the construction of 83 new dwellings for affordable rental.

In order to accommodate the growth of the Junction Housing staff team, new offices were opened at Morphett Vale. This site incorporates a Staff Development Centre and accommodates our growing Human Resource Management team.

I extend sincere thanks to our dedicated Board, staff and volunteers for their continuing commitment to the service of socially and economically disadvantaged people. After many years of service, I also acknowledge the resignations of Mr Kym McIntosh (General Manager – Services) and Ms Karyn Webb (Development Manager). Both have played key roles in the growth and development of SJCS and I thank them both for their professionalism.

Finally, I thank our funders, sponsors and donors whose generous support enables us to continue to engage with people at their point of need and to support them in pursuing the fulfillment of their hopes and dreams.

Graham Brown
Chief Executive Officer



Service Excellence Awards Ceremony
Certificate Presentation: Michelle Hopkin (Left), Graham Brown, & Joslene Moselle - Chief Executive, Department of Families and Communities (Right)



Impact of Services

Family Services

- **Enhanced the social, emotional and developmental outcomes for 40 primary school aged children** who were engaging in harmful and destructive behaviours.
- **130 school visits** conducted with children with challenging and abusive behaviours
- **150 home visits conducted** with parents of children with high and complex needs
- **Assisted over 74 individuals and families** to work through complex and challenging issues through Parent Adolescent Counselling



Community Connections ~Seaford Meadows a place to 'Meet, Learn & Play'

- **Supported 28 individual victims of sexual abuse** through the Sexual Abuse Support Service
- **Advocated for improved access to services for 0-5 year old children** in the suburbs of Hackham, Hackham West, Morphett Vale, Christie Downs and Lonsdale through Southern Family Links and other services
- **Actively participated in a Working Party addressing the needs of children aged 8-12 years** via an interagency forum which focused directly upon the needs of families and children in this age group
- **Supported 6 children** through ICAN Case Management funding to set goals that will address their issues



that are impacting on school retention.

- **'Small Steps' Supported Playgroups** engaged with **50 socially isolated parents and 66 vulnerable children** who are impacted by multiple adversity factors including poverty and social isolation.
- **Delivered Effective Parenting training to over 65 parents** of children who have experienced trauma and/or have challenging behaviours via the 'Hand in Hand' Course
- **'Who's in Charge' Course provided skills training and peer support for 38 parents, guardians or caregivers** who are struggling with children or adolescents who are being violent and abusive toward them or other family members
- **Supported over 28 men take responsibility for their violent and abusive behaviours** in their relationships and families, through case management and group work whilst concurrently supporting their current/former partners
- **35 Aboriginal men** participated in a **State Nunga Men's' Camp** where they were challenged to consider factors and address issues that contribute to their violent and abusive behaviours within their relationships.



Children's Services

- Provided **short-term, Emergency Accommodation for 28 children** under Guardianship of the Minister for Families and Communities
- Provided **stable Residential Accommodation** for approximately 16 children (aged 5-11) for periods greater than 3 months.
- **Provided 365 nights of safe, supported residential accommodation for children aged 5-14** who are under the Guardianship of the Minister for Families and Communities.

Youth and Residential Services



- Provided **24 homeless young people with stable residential accommodation** for periods greater than 3 months.
- **Provided safe, supported residential accommodation for 47 young people** (aged 11-18) who are under the Guardianship of the Minister for Families and Communities.
- **Provided 1,454 hours of mentoring for 29 children and young people** who are living in complex circumstances.

Home and Community Development

- **Supported approximately 70 high-risk families** to address challenging life issues, stabilise their circumstances and subsequently prevent eviction and prevent high risk disadvantaged young people becoming homeless.

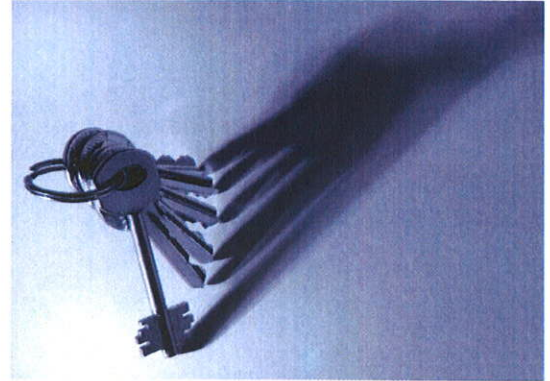


- **Provided outreach support for 98 homeless young people** in the outer southern suburbs of Adelaide including 24% with indigenous heritage.
- **Supported over 167 children**, of adult (primary) clients, who are subject to significant adversity and 'risk' factors.
- **Provided intensive support for 'high-risk' families** (including 6 families with total of 21 children) through targeted drug and alcohol intervention strategies throughout pregnancy and early infancy.
- **'Active Communities' Initiatives** provided opportunities for participation in a range of inclusive community activities
- **Established 'Community Connections – Seaford Meadows'** (Neighborhood House) as a **safe and welcoming place to 'Meet, Learn and Play'**
- Provided **Christmas Hampers for over 200 disadvantaged families.**



Junction Housing

- Provided **transitional housing** for a total of **89 young people and 36 children** throughout the year
- Provided **long-term affordable housing for 282 people** with low household incomes in 104 Community Housing Association dwellings.
- These tenancies include:
 - **19 people with significant physical disabilities**
 - **29 people with diagnosed mental illness**
 - A cluster of dwellings that provides stable housing for **5 people with intellectual disabilities** and other high and complex needs



Securing stable housing is a critical step toward 'unlocking the doorway' to the future for many people

'Housing the South' Strategy

Junction Housing has commenced development of an additional **83 new affordable dwellings**.

- **Four (4) new high-quality affordable and sustainable dwellings** have already been yielded from this housing construction pipeline.
- **79 dwellings are currently in planning and construction** phases in the following regions:
 - Inner Southern Metropolitan Area
 - Outer Southern Metropolitan Area
 - Mid-South Coast
 - Lower Fleurieu Peninsula

"I am very happy to be living in a new home. We have moved 6 times in 8 years, it is security for me."

- Affordable Housing Tenant



Working Together

Southern Junction highly values our working relationships with a wide range of other government and community service agencies.

The ongoing financial support of Federal, State and Local Government agencies, from philanthropic, corporate and local businesses and also from an increasing number of service clubs is much appreciated.

Southern Junction's well-established collaborative links with other organisations often enable staff to make timely and accurate interagency client referrals in response to the immediate needs. Achieving well-integrated and coordinated service responses results in the delivery of high quality client service responses.

They say that good partnerships can really make things happen and this is certainly true of the Family Connections Centre at Hackham. Southern Junction has entered into a partnership agreement with the City of Onkaparinga and Southern Adelaide Health Services to sustain this centre as 'a safe place to Meet, Learn and Play'.



Signing a Memorandum of Understanding for the Family Connections Centre – Hackham. From left Doug Ranson (Southern Primary Health), Fiona Boyle (City of Onkaparinga), and Graham Brown (SJCS)

The viability of the Centre has been sustained with the generous support of local businesses and the Southern Family Benefit Fund.



Flin Chambers, Managing Director of Flinders Home Timber and Hardware receives thanks from children and parents at Family Connections Centre – Hackham during a cheque presentation.

Partnering to address homelessness

Southern Junction has entered into a partnership agreement with Lutheran Community Care to advance the work of both agencies as providers of Specialist Homelessness Services in the outer southern Adelaide region.



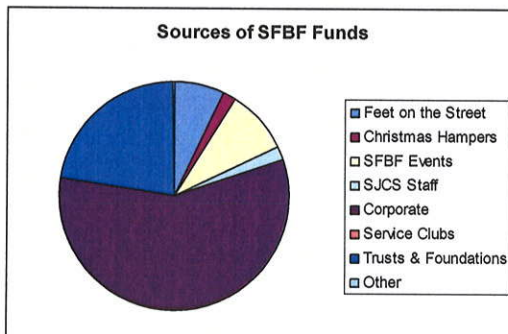
Helen Lockwood, Director of Lutheran Community Care discusses the Memorandum of Understanding with SJCS CEO Graham Brown



Southern Family Benefit Fund

The Southern Family Benefit Fund has been established to extend the support that Southern Junction Community Services can offer to families who are impacted by multiple adversity factors including:

- *Low Household Income*
- *Relationship Breakdown*
- *Violence, abuse and trauma*
- *Children with special needs*
- *Physical and mental illness*



(Graph to be 3D and Border removed)

A total of \$225,904 was raised during 2009-10 through the generous financial support of philanthropic trusts and foundations, corporate and business groups, service groups, community donors and payroll deduction schemes.

(See list on page ??)

Southern Junction was therefore able to extend the nature and level of support that can be provided to disadvantaged families and vulnerable children in the Southern Adelaide and Fleurieu Regions.

Allocation of SFBF Funds	\$\$'s
Family & Sexual Abuse Counselling	\$56,000
Point of Engagement 2009-11	\$30,000
Family Connections Centre at Hackham	\$11,500
Community Connections Centre at Seaford Meadows	\$10,000
Effective Parenting	\$23,339
'Small Steps' Supported Playgroups	\$30,000
Christmas Hampers (x200)	\$8,000
Funds Carried into 2010-11	\$60,000
Total	\$228,839

Totals currently being revised & table to be black



Richard Campbell presents a cheque from the AMP Foundation to Board Directors John Amer & John Enders.

During 2009-10 the Southern Family Benefit Fund supported the following initiatives:

- Provided free access to a professional **Parent Adolescent Counseling Service**
- Sustained free access to a professional **Sexual Abuse Counselling & Support Service**
- Delivered **'Hand in Hand'** and **'Whose in Charge'** effective parenting courses to families that really need support to deal with difficult behaviours and challenging circumstances
- Operated three unique **'Small Steps' Supported Playgroups** for vulnerable children and socially isolated parents
- Provided **over 200 Christmas Hampers** to socially and economically disadvantaged families
- Established a range of creative family and community activities in our new **'Community Connection' Centre** in the rapidly growing suburb of Seaford Meadows
- Provided a diverse range of creative parenting and children's activities every week from the **'Family Connections' Centre** at Hackham.



Service Provision

Children's Services

The Children's Services Portfolio has provided safe residential accommodation for children under State Care at sites including:

- Parkview House,
- Clanree House,
- Paramatta House (closed in October 2009).

Each Supported Emergency Accommodation Service provides a home-like environment tailored to meet the needs of specific age and/or sibling groups and gender-specific groups. The number of children or young people accommodated in each unit varies from 2-6 according to the care needs of each group.

"It's nice to be in the same place as my brother and sister".
(Clanree House)

Regular visits from the Office of the Guardian were welcomed throughout the year. Very positive feedback was received on each occasion, and contributed to our ongoing pursuit of best outcomes for our young residents. Education Support Workers have been appointed during the year as part of a pilot scheme that aims to support children to sustain school participation and achieving better educational outcomes whilst other aspects of their lives are subject to significant change.



The Children's Services Portfolio has embraced the importance of continuous quality improvement and is working within well-defined strategic and operational frameworks. Key strategies adopted include:

- Promoting active participation in community activities by young people and children whilst in state care
- Ensuring that care is child-focused and providing
- opportunities for participation
- Whilst adhering to organisational boundaries and standards,
- recognising that nurturing relationships with children in care is critically important
- Seeking to respect and strengthen each clients' cultural identity
- Promoting the rights of children and young people in alternative care.
- Providing a structured professional development program for staff.

Site	Target Group	Age	Gender	Placements
Parkview House	Alternative Care	10 – 15yo	2 male 2 Female	21
Clanree House (siblings)	Alternative Care	5 - 13.	Mixed gender	6
Paramatta House	Alternative Care	5 - 13	1 male 1 female	2



Family Services

The Family Services Portfolio has provided an increasingly diverse range of intervention and support services in response to the diverse needs of socially and economically disadvantaged families and vulnerable children living in the Southern Adelaide and Fleurieu regions.

"A long-term client with a history of horrific abuse has just begun to talk about what they have been exposed to"

SJCS Support Worker

Turning Point Program

SJCS's innovative Turning Point Program (TPP) has demonstrated an effective approach to engagement with men who use violence in their relationships, whilst seeking to ensure the safety of women and children. TPP has provided one to one counselling and facilitated referral to a 24 week 'Men Stopping Violence' (MSV) group program. The TPP model has incorporated a women's advocate role that links with other workers in the domestic violence and women's health sectors.

Formal evaluation by Flinders University has confirmed positive attitudinal and behavioral changes occurred in men by:

- Undertaking intensive one-to-one counselling with men and providing information and referral to other health services to address drug and alcohol and mental health.
- Promoting and facilitating dialogue in the community sector about how effective intervention with men contributes to the safety and welfare of children.
- Providing best practice training for men's workers
- Compiling a uniform set of practice documents that will underpin future work in this area.
- Establishing a strong working relationship with the Aboriginal

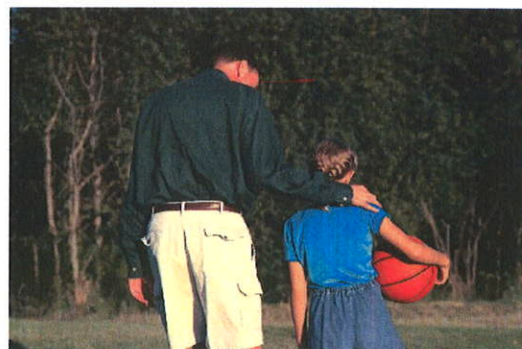
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Services (Note: 30 -40% of TPP clients identify as Aboriginal or Torres Strait Islander).

In a further effort to contribute to the safety of women and protection of children, SJCS has developed a 'Southern Family Safety Initiative' in collaboration with the Southern Domestic Violence Service. Resources are currently being sought to implement this innovative service.

Nexus Program

The Nexus Program (NP) has developed a sound reputation for successfully engaging with 'at risk' children to address their destructive and antisocial behaviours that may otherwise lead to involvement in the Juvenile Justice system. NP has worked to improve the coordination of client interventions that lead to more stable home environments and improved school participation.



Nexus outcomes have included:

- Increased attendance at school and participation in learning
- Reduced levels of police involvement
- Increased participation in healthy community activities

At the conclusion of the initial funding agreements with the Federal Attorney General's Department, and in spite of extensive efforts to secure recurrent funding, both the Nexus and Turning Point Programs unfortunately closed on 30 June 2010.



Professional Counselling Services

SJCS's highly-regarded professional counselling services continue to operating at capacity:

- **Parent Adolescent Counselling** service supports families to avert family breakdown by supporting young people and their parents through the inherent challenges of the teenage years including managing emotions, depression and self-harming behaviours. Parents are assisted to develop coping skills and strategies for effective parenting. Counselors undertake mediation and conflict resolution between family members and foster more nurturing ongoing relationships, even whilst family members are living apart.
- **Sexual Abuse Counselling** provides invaluable support to people who have suffered the trauma of rape and sexual abuse. The service also offers training and support to family members who often share the pain of loved ones
- A new **Pre-Adolescent Counselling** service has been established this year focusing upon the needs of children aged 8 – 12 years. Activity-based therapies including the use of tools such as sand therapy and emotive cards, help the child feel comfortable whilst attending to issues including anger management and bullying.

A family is moving to the country with greater confidence and ability to manage the difficult times and to establish realistic supports for themselves.

Effective Parenting

Two highly effective and popular parenting courses are presented each school term:

- **'Hand in Hand'** assists parents and caregivers to manage

children aged 4 – 12 years with challenging and difficult behaviours. This results in many parents making real and significant changes, improving relationships between children and their families and assisting children to develop the skills necessary to manage their own behaviours and participate more positively in community.



- **'Who's in Charge?'** is an eight week course that assists parents to cope with and address the violent and/or abusive behaviours of their children. Increased parental awareness of issues around child/parent violence enables parents to feel more empowered to take action. The course assists parents to manage boundaries, reduce aggression and develop more positive relationships in the home.

Early Childhood Intervention Program

'Small Steps' Supported Playgroups provide invaluable support to many families with a focus upon socialisation, healthy nutrition and enriched-play. The level of support provided varies according to needs of the participants in each group, e.g. transport, age-specific groups and sessions run after school for mixed age groups. Staff often play a mentoring role at our exciting new 'Community Connections' Centre at Seaford Meadows, with a growing number of new playgroups being established.



Southern Family Links

Southern Family Links is a key component of the 'Communities for Children' Strategy in the Onkaparinga region which has recently expanded to include Aldinga and Sellicks Beach, with a special focus upon families with children aged 0-12 years and who have a family member with a disability. A 'Welcome to Child Care' booklet is being developed with strong support from Childcare Centres, including a local Aboriginal pre-school. SFL staff welcomed the opportunity to establish and strengthen working relationships with the local Aboriginal community during the life of the project.

A young father and husband is supported to confront the effects of abuse in his early childhood and his subsequent offending behaviours as a young person.

Four family days, including one targeted toward encouraging fathers to play with their children, provided many families with enjoyable enriched play experiences.



Community members celebrate the first birthday of the Community Connections Centre at Seaford Meadows

Family and Community Centres

SJCS's Family Centre at Hackham and Community Centre at Seaford Meadows have provided safe places for communities to **meet, learn and play** throughout the year. These hubs of activity provide opportunities for people of all ages to connect to their local community while attending activities that build skills and develop family relationships. Special events including community barbeques, Christmas Walks, Mini-Olympics and 'Water Wise' Fun Day's have proven very popular.

Active community volunteers provide the 'life-blood' of these Centres and their efforts underpin the success and undeniable value of the Centres.



Home and Community Development Services

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SJCS Home & Community Development Team

Outreach Support Services for Homeless Young People

Southern Junction has been re-affirmed as a preferred provider of Specialist Homelessness Services and continues to provide outreach and residential support to over 100 young people (63 female and 41 male) and their families in the past year:

- 48% of the client group are young families
 - 27% of these were single parent families.
- 72 vulnerable accompanying children received support, advocacy and referral in the areas of childcare, recreation, structured play/skill development, health/medical services and parental access arrangements.
- 587 casual clients between the ages of 15 and 24 years were provided with information and referral
 - 242 of these being under 18 years old.
- 25% of the clients identified as Aboriginal increased slightly from 24%.
- The main reason given by clients for their homelessness continues to be relationship/family breakdown.
- Key issues include:

- Establishment and support of safe and appropriate 'shared rental'
- Desperate need for access to affordable and community housing in the light of the current highly competitive private rental market.

Southern Adelaide Housing Support Service

Of the 64 Housing SA clients supported by the 'Southern Tenancy Support Service' in the past year:

- 50 were female and 14 were male.
- 68% of clients were 30-55 years old
- 17% were aged in the 40-44 years bracket

*"Thankyou so much for helping me to get financial support through the CentreLink system"
Community Housing Tenant*

- 4% of clients were aged 65+
- 16% of clients identified as being Aboriginal.
- 111 children accompanied parents (clients) seeking homelessness support
 - 34% of these children identified as Aboriginal
 - 45% of children were in the 5-12 years age group.
- 101 casual clients were supported with information, advice and practical support through food or food vouchers, phone cards, bus tickets and referrals to appropriate services.



Vulnerable Infants and Children

The children of homeless families received support, advocacy and referral in the areas of assistance with behavioural problems, structured play/skill development, health services and school liaison.

"Instead of focussing on just mother and baby, Fleurieu Housing Support Service focused on the whole family, because all family members are involved in these situations"
FHSS Client feedback

'Point of Engagement' Program

The Point of Engagement supports families that have acknowledged their substance abuse issues and are seeking to make changes to their lives and drug-taking behaviours to improve parenting skills, family relationships and health.

The program uses a flexible, interdisciplinary approach focussing on the development of healthy attachment relationships between infants and parents, to reduce the effects of drug and alcohol and family violence on children's development. The program also links families into mental health services and community supports and services.



Through a well-established partnership, Drug and Alcohol Services South Australia continues to work collaborative with PoE staff, offering priority counselling including home visits for all families engaged in the program. Outcomes for families have included:

- Reduction in drug use including abstinence
- Four children were reunified with their parents whilst on the program
- Four children are currently undergoing reunification process.
- Eight families successfully attending parenting courses and playgroups.



Fleurieu Housing Support Service

The Fleurieu Housing Support Service (FHSS) has consolidated its place in the Southern Fleurieu service network since its inception in late 2008. Service outputs during the year include:

- 222 clients accessing outreach support, 98 of these being male and 124 being female
- Age range of the client group extends for 15 to 87 years of age
- 61 accommodation outcomes achieved including placement in private rental houses and units, public rental houses and units, caravan park tent sites, on-site vans and cabins, holiday houses, hotel and motel accommodation, a church property, community housing and a local youth share-house.



Youth and Residential Services

Residential Youth Services encompasses three residential care services; Mulberry Court, Gulfview House and Junction House and includes the Youth Connections Mentoring Program. The following table summarises the target client group and capacity of each program.

Services	Target Group	Age	Gender	Placements
Mulberry Court	Alternative Care	12 – 17yo	male	6 at any point in time
Gulfview House	Alternative Care	12 – 17yo	female	4 at any point in time
Junction House	Homeless and at Risk	14 – 18yo	4 male 4 female	6 long term 2 emergency
Youth Connections	Alternative Care – SEAS sites	5 – 17yo	Male and female	Mentoring as required

The Supported Emergency Accommodation Services (SEAS) for adolescents have been re-aligned into gender-specific sites resulting in both genders becoming more settled and comfortable in their homes.

The role of Educational Support Worker (ESW) has been introduced at each SEAS site in order to increase support for young people to achieve better educational outcomes by:

- enhancing communication and liaison with schools
- promoting positive attitudes to learning
- increasing rates of school attendance
- promoting positive socialisation at school
- reducing the number of adverse client incidents at school such as disruptive behaviours, school exclusion days, need for disciplinary actions
- improving self-esteem and educational achievements.

Junction House

Junction House has operated at capacity for the majority of the year and has continued to provide both a safe haven and positive experience for homeless young people.

Nine young men and fifteen young women have been accommodated and over 2,800 healthy and nutritional evening meals have been provided to our clients during that period.

Although working with young people who have experienced homelessness, and who may exhibit challenging behaviours, can be challenging at times. Staff have maintained strong support and shared many words of encouragement with young people during their times of crisis and upheaval.

Gulfview House

SEAS Gulfview House has developed over the past year and has provided support to twenty young women since July 2009, some more than once. Largely clients have been supported and transitioned successfully into independent living programs.



There have been improvements and maintenance to the building and equipment available over the past year. One client returning for her second placement at Gulfview House, walked around with a smile and an approving nod, saying "well, you listened to me, I said when I was here last time this place isn't colourful enough and now you have bright pictures, cushions, table cloths". Staff reinforced that we do listen to clients and she could be proud of herself for contributing to the happiness of other girls in care who spend time living at Gulfview House. Thanks to her suggestion it is now a brighter and more colourful place to stay.



Mulberry Court

SEAS Mulberry Court has supported 27 young men in the past year, with successful transitions and reunifications. Young people have been successfully matched with our Youth Connections Program and the ESW. The young people attend fortnightly house meetings where they have the chance to have their say in the units. The young people have been involved in many activities including a gardening project and ongoing activity. Some of these pieces are displayed around the units at the request of the young people.

The site has recently undergone a refurbishment of the common living areas. This has created a formal lounge and recreation room to enable young people and staff to utilise the areas effectively and create more opportunities for self selection and increase independent living skills.



Youth Connections

Youth Connections experienced high staff turnover during the 2009-2010 financial year. Despite this we engaged with 29 individual SEAS young people and spent over 1,400 hours in one on one mentoring.

The month of December and January were very successful with young people participating in both one on one mentoring and group outings. Through the summer holidays mentors were able to plan multiple outdoor activities for the SEAS clients to enjoy as a group.



Junction Housing

Junction Housing is the property division of Southern Junction Community Services and is a leading social housing provider and has been endorsed by Housing SA as a Preferred Growth Provider. Junction Housing increases access to appropriate and affordable housing by developing and managing rental homes for households with very low, low or moderate incomes.

Junction Housing provides;

- Community Housing for eligible tenants
- Affordable Housing for eligible tenants
- Management services for small cooperatives and associations
- Partnership opportunities for private builders and developers.

Stable, affordable housing is the fundamental foundation upon which people build their lives and improve health, education and employment outcomes. Working in partnership with government, the private sector and members of the community, Junction Housing aims to:

- Increase access to good quality affordable and sustainable housing for South Australians
- Foster good health, well-being and community connectedness through the provision of stable housing
- Promote environmental sustainability
- Stimulate the local economy.

Community Housing Association

Following the transfer of a number of dwellings and tenancies from Housing Cooperatives in 2009/10, Junction Housing is now manages 104

Community Housing Association dwellings.



SJCS Junction Housing Team

Housing Development

As part of our strategic plan to increase the supply of affordable housing, Junction Housing is an active property developer. Working with the private sector – including property developers, builders such as Fairmont Group and financial institutions such as HomeStart and Westpac – and government, Junction Housing manages the entire property development cycle from feasibility through to project delivery.

During 2009 Junction Housing was successful in securing capital grants and ongoing funding support to develop **86 new affordable dwellings** that will be completed during 2010/2011. To maximize housing outcomes Junction Housing has leveraged capital grants by taking on debt facilities provided by Westpac and HomeStart. Current projects include a range of greenfield and infill projects in locations including:

- 14 dwellings in the Inner South
- 37 dwellings in the Outer South
- 29 dwellings on the mid South Coast
- 6 dwellings on the Lower Fleurieu Peninsula.



Anniversary Apartments

The 'Anniversary Apartments' Project is an innovative medium density affordable housing development consisting of 21 dwellings designed by Fairmont Homes to meet six star energy efficiency standards. In an innovative collaborative venture with the City of Onkaparinga, the project also includes provision for connection to a recycled storm water system to be built by the City of Onkaparinga.



Above: Artist's impression of "Anniversary Apartments" – 21 dwelling affordable housing development featuring recycled water connections and 6 star energy efficiency.

Property and Tenancy Management

The number of properties managed by Junction Housing has increased overall by 32 properties during 2009-2010 taking the total to **168 properties**. Junction Housing's Community Housing property numbers continue to represent the largest proportion of housing managed by Junction Housing and have increased with the transfer of 24 Community Housing properties from two Cooperatives and 5 Affordable Housing properties. We thank the former Cooperative members for entrusting the ongoing management of their tenancies to our team.

The Tenant Services Team also manages a range of other properties as outlined in the table and graph below.

Properties Management (as at 30th June 2010)	Number
STS properties used for Supported Tenancies	36
Community Housing	104
SJCS Affordable Housing properties	11
Residential sites	5
SJCS owned	3
Administration sites	7
Neighborhood house	2
Total Properties Managed	168



Administration and Financial Management

Sound Administration

Southern Junction's Administration team provides administrative and executive support to the wider organisation and has continued to grow this year to support the expanding array of programs and services provided by the organisation across five office sites. The team has become more dynamic throughout the year by providing opportunities for staff to develop skills across a number of the office sites.



The continued organisational growth has been underpinned by efficient and effective use of IT systems. The growth of the organisation has led to the appointment of a full time IT officer to support users and maintain the increased number of computer systems. With the geographic location of new

expanding sites, IT services has focused on strategies for linking offices to provide strengthened data collection and information sharing between offices.

Southern Junctions fleet of motor vehicles has grown to 26 to support the increased diversity of programs offered across the organisation. Vehicles are maintained to a high standard to ensure flexible and efficient access safe for all staff. The diversity of vehicles provides flexibility in the delivery of services to our clients depending on the requirements of a program at a particular point in time.



SJCS Finance Team

Accountable Financial Management
Awaiting Finance Report



Acknowledgements

The 'Foundations' for Success

Southern Junction Community Services gratefully acknowledges the substantial financial support of the following Philanthropic Trusts and Foundation:

- *Wyatt Benevolent Institution*
- *Paul Terry Foundation*
- *Pickard Foundation*
- *Danks Trust*
- *AMP Foundation*

Valued Supporters of our Housing Projects

Junction Housing gratefully acknowledges the financial and in-kind support provided by:

- Housing SA, Department of Families and Communities;
- SA Department of Health, Mental Health Unit
- Department of Families, Housing, Community Services and Indigenous Affairs: National Rental Affordability Scheme
- Wyatt Benevolent Institution
- City of Onkaparinga

Southern Junction also appreciates the financial and in-kind support provided for special projects by:

- *The Fairmont Homes Group – 'Community Connections – Seaford Meadows' Neighbourhood House*
- *Community Benefit SA*
- *City of Onkaparinga*
- *Flinders University of SA*

Southern Family Benefit Fund

Thanks are also extended to sponsors & donors of 'Southern Family Benefit' including:

Aldinga Glass & Aluminum
Amanda Rishworth – Member for Kingston
AMP Foundation
AVJennings
Best Electrical
Beyond Imagination Entertainment Pty Ltd
BT Financial Group
Busyhands Property Maintenance
CD & JA Hogan
Christine Miller Accounting & Taxation Services
City of Onkaparinga
Danks Trust
Fairmont Homes Group
Fenton's Conveyancing
Flinders Home Timber & Hardware
Reynella

Grating Industries
Individual Community Members
Lightwork Home Cleaning
Lions Club of McLaren Vale Districts
McLaren Vale Rotary Club
Noarlunga Rotary Club
Prime Auto Care
Savings & Loans
Shimadzu Medical Systems
SJCS Board Directors
SJCS Staff Members
Springtime Concepts Pty Ltd
The Original Open Market
Westpac
Wirreanda High School
Wistow Locks Alarm's General Repairs



Valued Service Providers and Suppliers

Southern Junction Community Services gratefully acknowledges that the following agencies and businesses have provided good service and value in support of our work during 2009-10.

Accredited Locksmiths Doors & Security Pty Ltd
All Waste Water Services
Angry Beaver
BDO
Beachlands Lawn & Garden Service
Best Electrical
Busy Hands Property Maintenance
Cartridges Now
Chubb Fire & Safety
Clarkson's Glass
CMI Toyota Southside
Corporate Express
Davis & Brooks Building Services
Davis Langdon
Discount City Carpets
Doherty Plumbing
Fairmont Group
Fenton's Conveyancing
Frontline Development Consultants
Gary Price – Window Cleaning
G-Force Building & Consulting

Global Bath Insert Pty Ltd
HomeStart Finance
Housing SA
Ian's Garage Door Centre
Jamie Brougham – Gardening Services
Jarvis Toyota
Jim's Antennas
Lightwork Home Cleaning
Natasha Adams Graphic Design & Illustration
Noarlunga Carpet Company
Ollie Com Voice & Data Solutions
Puratap
R & J McCann & P.A. Kerkemeyer
Richardson Cleaning Service
Signature Lawns
Southern Locksmiths
Southwick Goodyear
Suburban Locksmiths
Wayne Phillis Ford & Kia
Westpac
Wistow Locks Alarms & General Repairs



Audited Financial Statements
For the period 1st July 2009 to 30th June 2010



SOUTHERN JUNCTION COMMUNITY SERVICES INC

**FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2010**

CONTENTS

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7.	Cashflow Statement
8-17	Notes to and forming part of the Financial Statements

INDEPENDENT AUDITOR'S REPORT

To Southern Junction Community Services Inc

We have audited the accompanying financial report, being a special purpose financial report, of Southern Junction Community Services Inc, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the statement of board of directors.

The Responsibility of the Committee of the Association for the Financial Report

The Committee of the Association are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the Associations Incorporation Act 1985 and are appropriate to meet the needs of the members. The Committee's responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.



The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee's financial reporting requirements under the Associations Incorporation Act 1985. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Southern Junction Community Services Inc as of 30 June 2010 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

A handwritten signature in black ink that reads 'BDO'.

BDO (SA)

A handwritten signature in black ink that reads 'Shirley Schaefer'.

Shirley Schaefer
Partner

Dated this 15th day of October 2010

SOUTHERN JUNCTION COMMUNITY SERVICES INC

STATEMENT OF BOARD DIRECTORS

In the opinion of the Directors of the Board:

- (a) The financial statements as set out on pages 4 to 17 are drawn up so as to present fairly the results of the operations of the Association for the financial year ended 30 June 2010 and the state of affairs of the Association as at 30 June 2010; and
- (b) At the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

In accordance with a resolution of the Board of the Association.


.....
Chairperson


.....
Treasurer

Signed at Adelaide this 14th day of October 2010

SOUTHERN JUNCTION COMMUNITY SERVICES INC

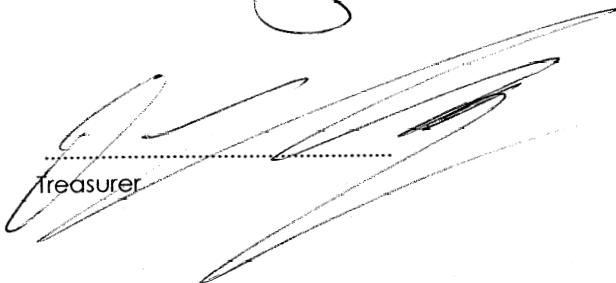
REPORT OF BOARD DIRECTORS

During the financial year ended 30 June 2010 in the opinion of the Directors of the Board:

- (a) No officer of the Association, nor a firm of which an officer is a member, or a body corporate in which an officer has a substantial financial interest, has received or become entitled to receive a benefit, as a result of a contract between the officer a firm of which the officer is a member or a body corporate in which the officer has a substantial financial interest and the Association; and
- (b) No officer of the Association has received directly or indirectly from the Association any payment or other benefit of a pecuniary value, other than Officers employed by the Association are paid salaries which have been determined in accordance with general market conditions.

In accordance with a resolution of the Board of the Association.


.....
Chairperson


.....
Treasurer

Signed at Adelaide this 14th day of October 2010

SOUTHERN JUNCTION COMMUNITY SERVICES INC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2010

	<u>Notes</u>	2010	2009
		\$	\$
REVENUE OPERATING			
Rental Properties		794,341	635,564
Donations		225,904	142,249
Operational Grants		5,637,077	5,302,371
Interest Received		24,555	25,013
Service Fees		3,800	0
Other Income		228,699	342,985
TOTAL INCOME		<u>6,914,376</u>	<u>6,448,182</u>
EXPENSES - OPERATING			
Salaries, Wages and other staffing costs		5,082,692	4,578,058
Client Expenses		209,853	288,857
Depreciation		172,551	167,443
Insurance		31,486	42,462
Property Expenses	3	757,901	659,682
Other Expenses	4	612,802	542,139
TOTAL EXPENSES		<u>6,867,285</u>	<u>6,278,642</u>
Surplus (Deficit) from Operating Activities	5	<u>47,091</u>	<u>169,541</u>
<u>Revenue - Primarily of a Capital Nature</u>			
Capital Grants	2	5,774,405	60,000
Net gain (loss) on disposal of non current assets		2,439	-7,345
		<u>5,776,844</u>	<u>52,655</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>5,823,935</u>	<u>222,196</u>
ACCUMULATED SURPLUS AT THE BEGINNING OF THE YEAR		<u>1,255,871</u>	<u>1,033,675</u>
ACCUMULATED SURPLUS AT THE END OF THE YEAR		<u>7,079,807</u>	<u>1,255,871</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

SOUTHERN JUNCTION COMMUNITY SERVICES INC

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2010

	<u>Notes</u>	2010 \$	2009 \$
<u>CURRENT ASSETS</u>			
Cash	6	606,468	43,732
Receivables	7	378,561	133,375
Prepayments		28,373	27,053
		1,013,401	204,160
<u>NON CURRENT ASSETS</u>			
Community Housing		25,693,895	17,198,895
Property Plant & Equipment	8	9,583,179	4,067,245
		35,277,074	21,266,140
<u>TOTAL ASSETS</u>			
		36,290,476	21,470,300
<u>CURRENT LIABILITIES</u>			
Interest Bearing Liabilities	9	47,739	38,647
Payables & Other Accruals	10	386,301	286,857
Funds held for Specific Purposes	11	841,354	754,526
Provisions	12	342,457	314,007
		1,617,851	1,394,037
<u>NON CURRENT LIABILITIES</u>			
Interest Bearing Liabilities	9	818,962	711,702
Funds held for Specific Purposes	11	272,539	116,745
Provisions	12	86,491	72,117
Contributed Debentured Property	13	25,693,895	17,198,895
		26,871,887	18,099,458
<u>TOTAL LIABILITIES</u>			
		28,489,737	19,493,496
<u>NET ASSETS</u>			
		7,800,738	1,976,804
<u>MEMBERS FUNDS</u>			
Asset Revaluation Reserve	14	720,932	720,932
Southern Family Benefit Fund Reserve	15	99,635	19,635
Retained Surplus		6,980,171	1,236,237
		7,800,738	1,976,804

The above statement of changes in equity should be read in conjunction with the accompanying notes.

SOUTHERN JUNCTION COMMUNITY SERVICES INC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2010

	Retained Surplus \$	Southern Family Benefit Fund Reserve \$	Asset Revaluation Reserve \$	Total \$
Total Equity at 1st July 2008	1,033,675	0	690,932	1,724,607
Net Result for the year 2008-09	202,561	19,635	0	222,196
Asset Revaluations	0	0	30,000	30,000
Total Equity at 30th June 2009	<u>1,236,237</u>	<u>19,635</u>	<u>720,932</u>	<u>1,976,804</u>
Net Result for the year 2009-10	5,743,934	80000	0	5,823,934
Asset Revaluations	0	0	0	0
TOTAL EQUITY AT 30TH JUNE 2010	<u>6,980,171</u>	<u>99,635</u>	<u>720,932</u>	<u>7,800,738</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

SOUTHERN JUNCTION COMMUNITY SERVICES INC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
<i>Cash flows from Operating activities</i>			
Receipts from customers		6,820,423	6,920,788
Payments to suppliers and employees		-6,437,436	-6,140,367
Interest received		22,212	30,938
Interest paid		-37,765	-50,397
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		<u>367,432</u>	<u>760,962</u>
<i>Cash flows from Investing activities</i>			
Capital Grants		5,774,405	0
Purchase of property, plant and equipment		-5,761,310	-880,872
Proceeds from sale of property, plant and equipment		67,555	0
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		<u>80,650</u>	<u>-880,872</u>
<i>Cash flows from Financing activities</i>			
Proceeds from borrowings		362,911	397,500
Repayment of borrowings		-92,708	-41,732
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		<u>270,203</u>	<u>355,768</u>
Net increase in cash and cash equivalents		718,286	235,857
Cash and cash equivalents at beginning of period		838,182	602,325
CASH AND CASH EQUIVALENTS AT END OF PERIOD	6	<u>1,556,468</u>	<u>838,182</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

SOUTHERN JUNCTION COMMUNITY SERVICES INC

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

1 CORPORATE INFORMATION

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (SA). The Board has determined that the association is not a reporting entity.

SJCS Inc. provides a range of community based services and also holds a portfolio of properties used for social housing purposes.

The financial statements are presented in the Australian currency.

Southern Junction Community Services Inc is an incorporated body resident in Australia.

The address of the registered office and principal place of business is 34 Beach Road, Christies Beach.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The report has been prepared in accordance with the requirements of the Associations Incorporation Act and the following Australian equivalents to International Financial Reporting Standards (AIFRS):

- AASB 101 Presentation of Financial Statements
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
 - AASB 107 Statement of Cash Flows
- AASB 110 Events after the End of the Reporting Period
 - AASB 1031 Materiality
- AASB 1048 Interpretation and Application of Standards.

The financial statements have also been prepared on a historical cost basis, except for investment properties, land and buildings, plant and equipment deemed to be at fair value on transition to AIFRS, derivatives, available-for-sale financial assets and held-for-trading investments that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair value attributable to the risks that are being hedged. Non-current assets and disposal groups held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

The concept of accruals accounting has been adopted in preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements.

(b) Revenue Recognition

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Rendering of Services

Revenue for the supply of community based services where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised that are recoverable, up to a contracted limit.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Rental Income

Rental income on social housing properties is accounted for on a straight-line basis over the lease term.

Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the entity will comply with all the attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

(c) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is determined as the depreciated replacement cost of the asset.

(d) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Cash is also deposited against Debt facilities with re-draw capabilities. These are offset against the non-current borrowings and are included in Cashflow Statement total of Cash and Cash Equivalents.

(e) Trade Receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectibility of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that the entity will not be able to collect all amounts due according to the original terms. Objective evidence of impairment include financial difficulties of the debtor, default payments or ability for debtor to achieve repayment plans. On confirmation that the trade receivable will not be collectible the gross carrying value of the asset is written off against the associated provision.

From time to time, the entity elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and are not, in the view of the directors, sufficient to require the derecognition of the original instrument.

(f) Property, Plant and Equipment

Land and buildings are measured at fair value less accumulated depreciation. Any accumulated depreciation at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated as the revalued amount of the asset. A revaluation surplus is credited to other comprehensive income (the asset revaluation surplus) unless it reverses a revaluation decrease on the same asset previously recognised in profit or loss. A revaluation deficit is recognised in profit or loss unless it directly offsets a previous revaluation surplus on the same asset in the asset revaluation surplus. On disposal, any revaluation surplus relating to sold assets is transferred to retained earnings. Independent valuations are performed regularly to ensure that the carrying amounts of land and buildings does not differ materially from that the fair value at the end of the reporting period.

All other plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairments.

Land is not depreciated. Depreciation on other assets is calculated on a straight-line basis over the estimated useful life, or in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term, as follows:

- Buildings	40 years
- Computer Equipment	4 years
- Vehicles	3 - 5 years
- Furniture, fittings and equipment	3 - 8 years

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

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in profit or loss in the year that the item is derecognised.

(g) Social Housing Properties

Social housing properties are initially measured at cost including transaction costs. Subsequent to initial recognition, social housing properties are carried at fair value, which is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset.

Property under construction held for future use as social housing property is also carried at fair value unless fair value cannot yet be reliably determined. If fair value cannot yet be reliably determined, the property will be accounted for at cost until either the fair value can be reliably determined or when construction is complete.

(h) Leases

Leases of property, plant and equipment where the entity has substantially all the risks and rewards of ownership are classified as finance leases and capitalised at inception of the lease at the fair value of the leased property, or if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership of the net asset are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

When assets are leased out under finance leases, the present value of the lease payments is recognised as a lease receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the lease term using the net investment method which reflects a constant periodic rate of return.

Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in negotiating operating leases are added to the carrying value of the leased asset and recognised as an expense over the lease term on the same bases as the lease income.

(i) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the entity prior to the year end and which are unpaid. These amounts are unsecured and have 5-60 day payment terms.

(j) Interest-Bearing Liabilities

All loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the loans and borrowings using the effective interest method.

All borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(k) Funds held for Specific Purposes

Funds held for specific purpose comprises funds held by SJCS that are to be applied towards future costs that the organisation are compelled to meet. This include meeting contractual obligations in social housing maintenance, monies held on behalf of 3rd parties and monies related to contracts for future service provision. These amounts do not bear interest and are classified between current and non-current liabilities.

(l) Borrowing Costs

Borrowing costs incurred for the construction of a qualifying asset are capitalised during the period of time that it is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed when incurred.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate on the entity's borrowings outstanding during the year, being 7.34% (2009: 6.23%).

(m) Provisions

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the end of the reporting period are recognised in Provisions in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Payables and Other Accrual.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Retirement Benefit Obligations

The entity has a defined contribution superannuation fund. Contributions are recognised as expenses as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(n) GST

Revenues, expenses are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

2 Capital Grants

During the year specific purpose capital grants were received and either expended on non-current assets or unspent at year end. In accordance with Accounting Standard AASB 1004 - Contributions, these grants have been treated as operating income and the assets, where purchased, have been capitalised and depreciated.

The amount for this year is as follows:

Grants to acquire / develop social housing properties	5,774,405
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The inclusion of these grants as revenue has the effect of increasing what would normally be understood to be the operating result by an amount of \$5,774,405 (2008-09: increased by \$60,000)

3 Property Expenses

	2010	2009
	\$	\$
Capital Contribution relating to Community Housing	133,776	108,806
Supported Tenancy Scheme Rent to Housing S.A.	241,479	232,218
Office Rent	45,081	45,276
Building Repairs & Maintenance	121,934	97,514
Rates & Taxes	127,558	98,502
Other Property Expenses	88,073	77,366
	<u>757,901</u>	<u>659,682</u>

4 Other Expenses

Interest Expense	44,478	51,624
Food supplies	109,982	98,437
Telephones	71,126	68,094
Motor Vehicle expenses	83,869	85,542
Minor Equipment	98,138	58,619
Sundry Expenses	205,208	179,824
	<u>612,802</u>	<u>542,139</u>

5 Surplus (Deficit) from Operating Activities

The operating result was influenced by the investment in the capacity of the Social Housing Portfolio (Junction Housing) of the organisation. It is envisaged that the increased capacity will steer Junction Housing through the future projected growth in housing numbers.

6 Cash

	2010	2009
	\$	\$
High Performance Account	456,706	1,418
Cheque Account	145,765	38,450
Petty Cash	3,996	3,841
Undeposited Funds	0	23
	<u>606,468</u>	<u>43,732</u>

Cash of \$950,000 (2008-09: \$794,450) is also deposited against Debt facilities with re-draw capabilities (refer to Note 9). These are reflected against the non-current borrowings in the Statement of Financial Position and is included in Cashflow Statement total of Cash and Cash Equivalents. This includes funds held for future building maintenance.

7 Receivables

Debtors	327,038	74,604
Less: Doubtful Debts	-16,150	-16,150
GST Receivable	62,422	72,747
Rent in Arrears	2,907	2,174
Interest Receivable	2,344	0
	<u>378,561</u>	<u>133,375</u>

8 Property Plant & Equipment

	Freehold Land & Buildings	Motor Vehicles	Computer Equipment	Furniture, Fixtures & Equipment	Office Renovations	TOTAL
	\$	\$	\$	\$	\$	\$
Cost of fair value						
At 1 July 2008	2,725,000	477,707	130,287	161,695	168,263	3,662,952
Additions	625,000	284,328	25,878	37,664	0	972,870
Work in Progress	26,264	0	0	0	0	26,264
Revaluation increment	30,000	0	0	0	0	30,000
Disposals	0	202,236	31,392	0	0	233,628
At 30 June 2009	3,406,264	559,799	124,773	199,360	168,263	4,458,459
Additions	4,922,601	201,703	44,721	42,695	0	5,211,719
Work in Progress	165,240	0	0	0	0	165,240
Revaluation increment	0	0	0	0	0	0
Disposals	0	111,504	1,789	19,573	0	132,866
At 30 June 2010	8,494,105	649,998	167,705	222,482	168,263	9,702,552
Accumulated Depreciation						
At 1 July 2008	0	95,256	76,580	77,575	76,382	325,793
Charge for the year	0	78,108	28,997	30,859	29,479	167,443
Disposals	0	70,630	31,392	0	0	102,022
At 30 June 2009	0	102,734	74,185	108,434	105,861	391,214
Charge for the year	0	88,234	26,206	34,717	23,394	172,551
Disposals	0	46,389	1,789	19,573	0	67,751
At 30 June 2010	0	144,579	98,602	123,579	129,255	496,015
Net Carrying Amount						
at 30 June 2010	8,494,105	505,419	69,103	98,903	39,008	9,206,537
at 30 June 2009	3,406,264	457,065	50,588	90,926	62,402	4,067,245

The State of South Australia has registered interest over the title of the organisation's affordable housing and mental health housing properties. The registration of this interest has the effect of preventing dealings in the title without the consent of the relevant Minister.

SJCS is able to borrow against the asset and secure borrowings by mortgage.

		2010	2009
		\$	\$
9 Interest Bearing Liabilities			
(Current)			
<i>Secured Liabilities</i>			
Borrowings		22,549	7,767
Hire Purchase Liability	17	25,190	30,880
		<u>47,739</u>	<u>38,647</u>
(Non Current)			
<i>Secured Liabilities</i>			
Gross Borrowings		1,768,962	1,491,100
less: Cash deposits offsetting Borrowings	6	950,000	794,450
Hire Purchase Liability - NC	17	0	15,052
		<u>818,962</u>	<u>711,702</u>
Loans to be paid as follows:			
Within one year		47,739	38,647
One to five years		471,728	115,000
Over five years		347,234	596,702
		<u>866,701</u>	<u>750,349</u>
10 Payables & Other Accruals			
<i>Unsecured Liabilities</i>			
Creditors and Accruals		180,504	148,905
Accrued Wages		205,797	137,952
		<u>386,301</u>	<u>286,857</u>
11 Funds held for Specific Purposes			
		2010	2009
		\$	\$
(Current)			
Southern Family Benefit Fund	15	0	50,000
Grants Received in Advance		725,289	588,492
Funds held for 3rd parties		27,796	20,176
Property Maintenance		88,269	95,859
		<u>841,354</u>	<u>754,526</u>
(Non Current)			
Property Maintenance		272,539	116,745
12 Provisions			
(Current)			
Annual Leave		256,704	214,432
Long Service Leave		28,200	21,300
Sick Leave		20,000	20,000
Special Projects		37,553	58,275
		<u>342,457</u>	<u>314,007</u>
(Non Current)			
Long Service Leave - Non Current		86,491	72,117
13 Contributed Debentured Property			
SACHA		25,693,895	17,198,895

During 2009-10 new debentured property was contributed by SACHA to the value of \$7,145,000 (2008-09: \$2,060,000) and existing debentures were revised by SACHA by \$1,350,000 (2008-09: \$237,269) to reflect the Valuer General's valuation of the properties which are debentured.

14 Asset Revaluation Reserve

	2010	2009
	\$	\$
Opening Balance	720,932	690,932
Add: Transfer from revaluation of property	0	30,000
Closing Balance	<u>720,932</u>	<u>720,932</u>

15 Southern Family Benefit Fund Reserve

Opening Balance	19,635	0
Add: Donations received for future service provision	80,000	19,635
Closing Balance	<u>99,635</u>	<u>19,635</u>

16 Cashflow Information

Reconciliation of net cashflow from Operating activities to Operating result

Surplus (Deficit) from Operating Activities	47,091	169,541
Depreciation and amortisation	172,551	167,443
Net gain (loss) on disposal of non current assets		
Changes in Assets and Liabilities		
Decrease (Increase) in receivables and prepayments	-246,506	77,588
Increase (Decrease) in payables	108,851	-42,443
Increase (Decrease) in provisions	42,824	53,591
Increase (Decrease) in funds held for property maintenance	148,204	6,707
Increase (Decrease) in funds held for Southern Family Benefit Fund	-50,000	44,455
Increase (Decrease) in funds held for grants received in advance	136,797	218,952
Grants in advance not in operating result	0	60,000
Funds held for 3rd parties	7,620	5,128
Net Cash Used in Operating Activities	<u>367,432</u>	<u>760,962</u>

17 Capital and Leasing Commitments

	2010	2009
	\$	\$

(a) Hire Purchase Commitments

The following Hire Purchase Liabilities have been capitalised in the financial statements at balance date:

Payable:

Not later than 1 year	25,911	34,073
Later than 1 year but not later than 5 years	0	15,542
	<u>25,911</u>	<u>49,617</u>
Less: Future finance charges	722	3,683
	<u>25,190</u>	<u>45,933</u>

18 Auditor's Remuneration

	2010	2009
	\$	\$

Remuneration for the auditor of SJCS

(i) for audit of accounts	9,130	13,159
(ii) for other services provided	0	0
	<u>9,130</u>	<u>13,159</u>

19 Commitments

At the reporting date, SJCS had a commitment of \$6,498,448 (2008-09: \$858,000) being the balance of amounts payable on building and land contracts that were signed as at this date. The building contracts relate to the construction of social housing properties. The amount is expected to be paid during 2010-11.

There are sufficient Capital Grants and Debt finance approved to meet this capital expenditure.

20 Contingent Liabilities and Contingent Assets

There are no contingent assets or liabilities.

21 Events occurring after Balance Sheet date

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