



# ANNUAL REPORT

## 2018/2019

Celebrating 15 Years of fun, learning and lasting memories



## Meet Pyjama Angel Jennifer

Jennifer began her Pyjama Angel journey a year ago with a then 16-year-old girl. She was at the crux of her high school career with the hopes of progressing onto University.

Together they worked on her weaknesses and built upon her strengths, they built an incredible friendship that continues to grow. An unbreakable bond which as now 18-year-old Louise would say, will impact the rest of her life.

Their time together was and continues to be unique, while initially Louise wanted the support with her homework, it has manifested to be much more – creating their own book club and practising mindfulness through water colour painting.

**“I found that, obviously I was benefitting her life but our relationship was also benefiting me..”**

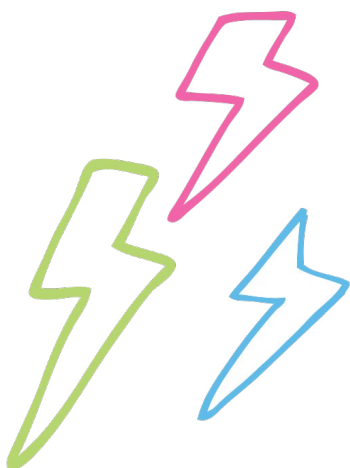
“She’s had a marked improvement (in her writing) and even her teachers could see the effort she was now putting into her work. I just thought that was so beautiful that I could help with that.

“I’m so proud of her. You build this beautiful relationship and you’re really proud of who they are and what they do and it’s wonderful for her to see what hard work does.”

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# A message from the CEO

2019, and The Pyjama Foundation celebrates 15 years.

Once again time for reflection. From our humble beginnings operating The Pyjama Foundation from my dining room table in 2004, we have travelled a remarkable journey. Starting the organisation with only limited assets, but a strong vision has led to our success. My stand was to empower the children in care with education and bring some fun, joy and an abundance of books into their lives. I knew if we could implement this vision, it would have to make a difference in the fractured lives and educational future for this unique pool of children in out of home care.

15 years has witnessed The Pyjama Foundation attract 8500 new and dedicated Pyjama Angels to be trained and empowered and to sprinkle some magic on children who are desperately needing positive connections. The children are loving our program and are making comments such as: My Pyjama Angel is very nice, smart and funny, not bossy, and fun to hang out with. I feel safe and I like her very much. Or, My Pyjama Angel is a good friend. My Pyjama Angel helps me work towards a better future, she helps me understand things, she tells me how good I am, when I am grumpy, she tells me to take big breaths and helps me calm down. I love my Pyjama Angel.

So how does this equation work! The Pyjama Foundation has committed and enthusiastic volunteers, who are compelled to make a difference. Add some children who are eager for connections, then insert into the mix, characters like Hairy Maclary, Spot the Dog, The Hungry Caterpillar, Matilda, The Wide Mouth Frog, Baby Wombat, Cat in the hat, and the result is togetherness and the educational value of being read to. A young person receiving the warmth and care of a trusted adult.

Mem Fox, in 2005, in a letter of support said to us, "The work of The Pyjama Foundation is particularly exciting since in their program the bonding with an adult will happen at the same time as children bond with a particular book, which they will want to hear over and over again. In turn developing the ability to read and write."

Sometimes it is not easy for our volunteers. They need to be brave and they often wear their heart on their sleeve. But the benefits to our volunteers are what makes them come back each week. To see the progress of the children, to see their smiling faces, to have them waiting at the door for you, to see them have successes, is heartwarming and it is contagious.



"You can find magic wherever you look, just sit back and relax all you need is a book." - Dr Suess



Billy loves to read with me, Every visit I take new books and he loves them. He thrives on one on one time. We have a wonderful time together.

In 15 years, we have read aloud millions of books, we have introduced animals, places in the world, wizards, magic, characters, super heroes, rhymes, songs, humor, jokes and poetry. We have turned nonreaders into readers and shared with the children our love of books.

According to research, reading frequently does actually make you smarter. Not only does it help you retain knowledge, but it helps you remember knowledge later in life. It is always fabulous to be reminded about the benefits of reading. Reading can help with any stress or turmoil in your life. Children who read often and widely get better at it. Reading exercises our brain. It improves our concentration. Reading teaches children about the world around them. Reading improves vocabulary and language skills. Reading develops a child's imagination. Reading helps children to develop empathy. But most of all reading is fun. We all have an invaluable part to play in ensuring the young people in our lives fall in love with books. It is a gift they will cherish forever. Children are soothed by a calm voice. Hearing the rhythm of words and the expression in voices builds a rich and diverse network of language for their developing brains. The key here is exposure.

The more you read aloud to your child, the more words they will be exposed to and the more solid their foundation for future literacy skills will be. Exposing them to gorgeous illustrations, exquisite writing and the joy of story is the best way to help them fall in love with books. A level of literacy is important in successfully navigating life and becoming an informed, active and contributing member of society.

To sum up our Program, we recently received this note from one of our foster carers:

"I am writing this as I would like to say that our Pyjama Angel is the best thing to happen for our family. Not only has she helped my child in all aspects of her schooling, but a beautiful listener for me. What a beautiful thing to do for us, and my child and I love her to death. Thank you from the bottom of my heart".

Thank you to all our supporters, funders, staff, volunteers and children. Together we can change the world one child at a time.

Warm regards,

Bronwyn Sheehan  
Founder and Executive Director



# Our Vision and Mission

## Our Vision

A world of unlimited **OPPORTUNITY**  
for **ALL** children



## Our Mission

Creating positive **RELATIONSHIPS** for every  
Australian child in care; **EMPOWERING** them with  
**LEARNING, LIFE SKILLS** and **CONFIDENCE**.

## We Value

empowerment, trust, fun,  
**TEAMWORK** and transformation



## Our Culture

We are a strong team because we look for opportunities  
to **LEARN** and grow; we have a positive, playful  
attitude; we say everything we want to say.



# Our Love of Learning Program

The Pyjama Foundation's mission: Creating positive relationships for every Australian child in care, empowering them with learning, life skills and confidence, is still our focus after 15 years of doing just that.

Our wonderful Pyjama Angels are bringing joy into Australian homes every week and Carers and Child Safety workers are amazed at the change in confidence and empowerment that they witness in the children.

However, the 15 years have taught us that our program works best and lasts longest if our Pyjama Angels feel connected to the larger organisation and are aware of what we are achieving nationally.

Bronwyn, creator of the Pyjama Foundation, often refers to the organisation as The Pyjama Family. So, our "Mission" of creating positive relationships, applies to every member of The Pyjama Family.

More and more Pyjama Angels are joining our Facebook 'closed group' (664 currently), reading our monthly Love of Learning email and quarterly E-News, and coming to events.

This year we have focused on meeting our goal of retraining all Pyjama Angels who have been placed for 5 years or more. This has been a very positive experience for our Pyjama Angels, who have been unanimous in their comments that the day was enlightening, affirming of what they have been achieving and a boost to their enthusiasm for the role of Pyjama Angel.

Having these experienced and committed Pyjama Angels in the room with our new trainee volunteers is a wonderful addition to every training day. The interplay between the long term Pyjama Angels and the aspiring Pyjama Angels is a pleasure for our training teams to watch.

## Meeting our mission

714

New Pyjama Angels have been trained so far in 2019.

784

Foster children have been placed with their new Pyjama Angel.

1416

Pyjama Angels are visiting children each week to broaden their knowledge and view of the world and lift their gaze to the view of what is possible for their life.

1416

Messages are delivered personally to children in care every week that "You matter, I think about you and I enjoy our time together."

1416

Pyjama Angels take the opportunity provided by The Pyjama Foundation to bring joy into the life of a child in care by having fun.



IT'S ALL THANKS TO  
YOU...

300,000+

Event participants

784

Pyjama Angels placed

126,900

Hours spent supporting kids  
in care

120,000

Books read per annum

1,416

Pyjama Angels are visiting  
children each week



# Research Project with QUT

Dr Ruth Knight from QUT's Australian Centre for Philanthropy and Nonprofit Studies is leading the research project we are undertaking to gain evidence about the outcomes of the Love of Learning Program.

The project began by undertaking a literature review (available here\*) to identify the key risk and protective factors for children in OOHC experiencing educational disadvantage. The review describes evidence-based interventions that improve educational outcomes for children and young people in OOHC in Australia and overseas. This review helped us gain confidence that our program at The Pyjama Foundation aligns with best practice.

In the words of Dr Knight, "As a researcher at The Australian Centre for Philanthropy and Nonprofit Studies (ACPNS), I would like to acknowledge the social impact being created by The Pyjama Foundation and commend them for their work empowering vulnerable children to learn life skills and confidence."

"The Pyjama Foundation attracts a high quality of volunteers, who are well trained and supported. These volunteers are committed to achieving best practice and establishing a long-term connection with young people at risk of exclusion and isolation. The work of The Pyjama Foundation is well regarded in our community for its evidence-based positive contribution to improving the lives of Queensland's children and young people in care."

Currently, the research project is gaining feedback from children in The Love of Learning Program, and assessing the key components of our program. Once we have validated the feedback process we intend to roll this out so that all children in our program can give us regular feedback about the outcomes being achieved. This means we can regularly report to our supporters and funders, and continue to improve our support for Pyjama Angels, and the educational outcomes for children in the program.

Thank you to all the individuals, Angels, Foster Carers and children who have been involved the research project so far, and those assisting us to gain valuable feedback from children in the program. Please stay tuned, we will be updating everyone about the results of the research project very soon.

"If children feel safe, they can take risks, ask questions, make mistakes, learn to trust, share their feelings and grow."

- Alfie Kohn





## Meet Pyjama Angel Joel

Juggling work, family, friends and personal hobbies means most of us have very busy schedules. Joel was not an exception to this rule, with a very busy work-life as well as a very healthy social life. Amongst balancing all of that, he knew he needed to do something bigger than himself.

“I wanted to do something a bit selfless with my time because we all get caught up with our work and our own personal stuff, but you’ve got to give a little sometimes to balance your life out,” he said.

**“Their learning gets altered so much by what’s happening in their home and I saw that when I first started with T\*. He couldn’t spell basic words...”**

Joel was assigned to 11-year-old T\* who he quickly discovered was a reserved and quiet young man who struggled with trust and letting new people in.

“He’s a bright young kid and he was pretty quiet for the first few months I started seeing him, but he slowly came out of his shell. Their learning gets altered so much by what’s happening in their home and I saw that when I first started with T\*.”

“He couldn’t spell basic words, although his math was really good; I think he’s got one of those minds. It has improved so much in the last 18 months that I’ve been with him which is really good to see. His self-esteem has grown too.”

“

I am grateful every day for the opportunity that I have had in being J's Pyjama Angel.

Every time I look at his beautiful little face, I am just so thankful that he is in my life and to watch him develop and grow has been just amazing.

- Jean, Pyjama Angel

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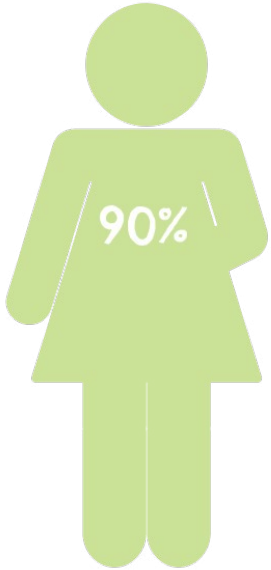
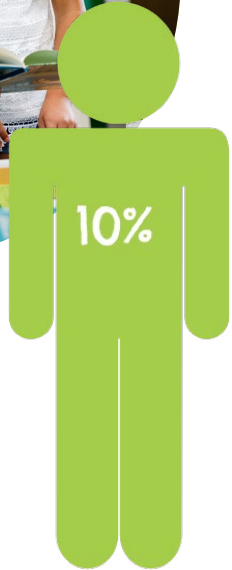
# Our Incredible Volunteers



Our Love of Learning Program wouldn't be the success it is today without our incredible Pyjama Angels, who come to us from all walks of life...



- 75%** have higher education
- 68%** are employed
- 11%** are retired
- 13%** are currently studying



## Volunteer Ages

18-25 years old	<b>12%</b>
26-35 years old	<b>26%</b>
36-50 years old	<b>27%</b>
51-65 years old	<b>24%</b>
66+ years old	<b>11%</b>

# Pyjama Angels of the Year

The Pyjama Foundation's Pyjama Angel of the Year Awards celebrates the enthusiasm, commitment and dedication Pyjama Angel's have made to the life of a child in foster care. We are truly humbled to hear the stories and experiences of carers who have been blessed to have a Pyjama Angel in their home. Congratulations to all the amazing Pyjama Angels who continue to transform the lives of children in care with learning, life skills and confidence.

## GOLD COAST

Gillian Vaughan-Jones and Jean Shaw

Gillian and Jean have been collectively visiting four children for a total of 12 years. Within this time their dedication and commitment has been unwavering, supporting not only the children but also their foster carer who sees both women as part of her extended family. In her own words she said, "Both Gill and Jean have shown my kids that they can have trust in people outside of our home. These amazing women have become very special to our family, they have supported the children through some extremely difficult times, have put up with behaviours and have continuously proven their commitment."



## IPSWICH

Ann-Maree Paynter

Ann-Maree's journey as a Pyjama Angel has been truly remarkable. Back in 2012 she was matched with a then 12-year-old girl whose side she has not left since, even though she has turned 18 and moved into an assisted living arrangement. This child's carer speaks so highly of Ann-Maree's impact, particularly her unwavering consistency and patience. We think she described the impact perfectly in these few, beautiful words: "Ann-Maree would never shut J\* down, took everything she said seriously and would hear everything she had to say."

## GLADSTONE

Lisa Crompton

Lisa was placed with her Pyjama Child in the March of 2017. In this time, she has developed a very special bond with the child she supports and her child is always excited to see her. Her carer says "Foster children often miss out on having/spending time with extended family. Lisa is so much more than a volunteer to us, she is like an Aunty to her cherub, and she is like a family member to our whole family".



# Pyjama Angels of the Year



## **MACKAY** Bob Shaw

Bob was placed with a young man, now 10, when he was just 5 years old. Present throughout all the ups and downs of his lower primary years, Bob has made a remarkable difference in the child's life always going above and beyond in his visits by including all the children in the household and always remaining consistent in their lives (even when he's on holidays). His foster carer says, "Bob has had a big impact in our home, not just with A\* but with all the kids. He's like a member of the family."

## **SUNSHINE COAST** Moya Mullins

For more than 7 years, Moya has supported a wonderful young man. His carer speaks so highly of Moya's contribution, saying above all she has modelled loyalty and commitment never failing to miss a week (even when she's away - always sending a postcard)! When asked about Moya's impact, the child's carer said "Whatever the game, Moya encourages John to share and be inclusive. This has improved his relationship skills, his ability to communicate, understand and apply the rules consistently, given him a better sense of fair play and how to be gracious in defeat and humble in victory."

## **LOGAN** Natasha Jones

5 years ago, Natasha made the decision to become a Pyjama Angel and has made the unwavering commitment ever since. The carer of the child she supports says Natasha has an enormous heart, always willing to support her child with anything he needs. In the words of her carer, she says: "Natasha is a fantastic, outgoing person. Despite her own health difficulties, she never postpones her visits, genuinely loves coming to our home."

**"Bob has had a big impact in our home, not just with A\* but with all the kids. He's like a member of the family."**

# NSW Pyjama Angel of the Year

## Julian Bowker

Julian has a very special story having worked with a child living in residential care for the last three years. Travelling all the way from the Central Coast to Western Sydney to visit the young man he supports, Julian has always remained committed, passionate and truly dedicated to his placement. Read more about their journey written by the caseworker of the young man he supports:

“As C’s caseworker I’ve had a unique perspective to witness the people who have truly had significant positive impacts in C’s life. Julian came along in C’s life at a very tumultuous time, he has always persevered with patience and compassion.

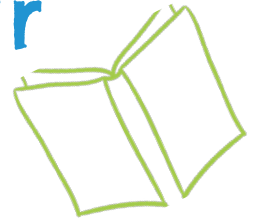
C starts to describe the huge list of activities that Julian has engaged in with C at a time when there was no one else to step up. Apart from being a mentor, a teacher, a role model, he was a friend. A friend who, despite navigating through troubled waters, has always maintained a positive outlook, and more importantly, a real belief in C’s potential to become the best man he can be.

It’s not difficult for C to remember fondly, Julian’s generosity and outgoing personality which has given C so many opportunities to experience things he would have otherwise never been able to. A smile creeps across C’s face as he launches into stories of Julian taking him to the beach, sailing, bike riding, bush walks, rock climbing, indoor skydiving, helping him with school work, and just being there for him whenever he needed.

Finding someone who is so wholeheartedly committed to helping vulnerable young people is extremely rare and to have someone who can maintain this level of devotion and longevity is almost unheard of.”



# Pyjama Angels of the Year



## MELBOURNE

Phil Wilson

Phil has been a passionate Pyjama Angel for 3 years now, always going above and beyond for our Foundation - supporting the Christmas Toy Drive and other fundraising initiatives. While it took a few months for Phil and his Pyjama child to find their stride, about 9 months into the sessions, J\* has now come on leaps and bounds with his reading. While skeptical at first, the child's carer is now amazed by all the support Phil has shown to his Pyjama Child. In her own words, she said: "There's been times when I've told him to not worry about coming to see J\*, and yet he shows up no matter what. He's just got so much time for J\*. He really does go above and beyond."



"There's been times when I've told him to not worry about coming to see J\*, and yet he shows up no matter what."

## CAIRNS

Alisa Paterson

Alisa has been with her cherub – a young man of 13 - for nearly four years. Before this long-term placement, Alisa spent 9 months with a young girl in 2015 before being kind enough to take on a temporary one-month placement in early 2016 while another Pyjama Angel was away. After this, she was placed in the home she would continue with a lovely boy – then aged 9 – in need of some support with his homework. All these years later, the pair are still going strong, despite her young cherub entering his teens and starting high school. The child's carer said Alisa has not only formed a beautiful friendship with the child she supports but also the carer who says he feels "blessed" to have her in their life.

## Toowoomba

Sandy McNally



Sandy has been an amazing support for three siblings living together in care, acting as a friend and positive adult role model since 2013. Their carer appreciates the reinforcement and the extra hand, helping all of the children in the home reach their full potential. In her own words, she said: "Sandy has made things easier because she gives the kids something I can't give them. They have known her for so long now that she has become part of the family. I'm the disciplinarian whereas Sandy has a very different role so she can talk to the kids and say things I can't. She spends individual time with them and it's that personal interaction that I don't get to do as a carer."



# Pyjama Angels of the Year

## TOWNSVILLE

Lesley Hunt and Bev Bouthett

Collectively, Lesley and Bev have been in the lives of the two young men they visit for more than 10 years. For Lesley, she has been visiting within a residential home for 6 of these years where she has taken on challenges with grace and respect. Her Pyjama Child's previous house manager, said that for the past 6 years Lesley has been the one consistent, positive person in his life. She said, "so many children in residential facilities don't have even one special relationship, as workers and child safety officers change regularly and relationships within the home can be very fractious. She celebrates the small achievements and shows tenacity when things get tough."

Similarly for Bev, there have also been challenges throughout her placement which she has also tackled with an unwavering love and commitment to her Pyjama Child. In the words of his foster carer, "Bev has made such a positive impact on our family as she is now part of our family, Bev has a true love and ambition to make our little boy strive to his full potential and greatness, she shows genuine care and interest in his life, his interests and goals."

"She would help me realise that I could carry on tomorrow. She would also make me feel better."

## BRISBANE

Karen Cutlack

Karen first trained to be a Pyjama Angel back in 2008 and has been spreading her wings with us ever since. Over this time Karen has shown endless loyalty and persistence in even the most difficult placements. Visiting one home and supporting many children throughout the 11 years, her carer had some beautiful words to share about her commitment. "Karen has amazing patience. If any of the kids were down or were having a bad time, she would take the time to make them feel special. And even when I was going through some things, she'd stay back after her visit and talk to me and make me feel supported also. She would help me realise that I could carry on tomorrow and the reassurance that I was doing things well. She would always make me feel better."





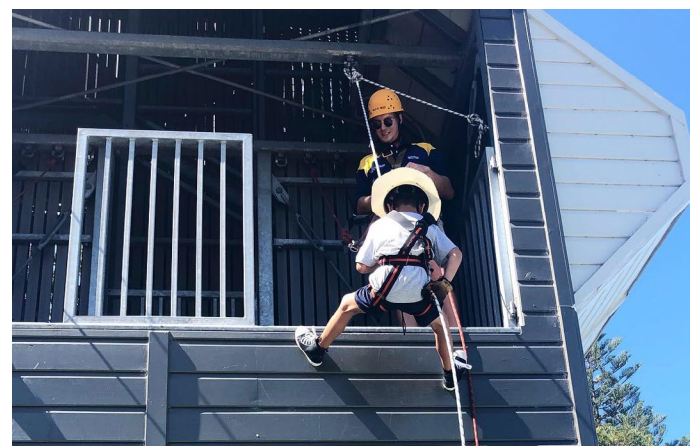
**“Never underestimate the impact of a responsive adult on a child’s life. An adult who looks after a child’s needs with sensitivity and kindness is quite literally life-defining.”**

# Our Events and Fundraisers

## CAMP FOR KIDS IN CARE SUPPORTED BY PHIL DI BELLA

In December, we were very lucky to whisk 40 foster children and their carers away to Tallebudgera Recreation Centre on the Gold Coast for a week of sun, sand, and so many incredible activities. The foster families had an amazing week as they bonded with one another. The children were challenged physically - they were involved with rock climbing, surfing, giant swings, high ropes, and kite making, kayaking, canoeing, swimming and team building activities. The foster carers had a massage and were taken out for a special, well-deserved dinner (without the kids!) It was an opportunity for the foster carers to relax, and not have to cook or run errands for a whole week.

Camp is always a heart-felt time for The Pyjama Foundation's team as it gives staff the opportunity to spend an entire week with the children we support. To be able to build rapport with the children, to be able to engage in activities and to provide guidance and encouragement further fuels our purpose and mission in supporting these kids.



## PYJAMA PARTY AT MOVIE WORLD

There's not too many things better than the opportunity to wear your PJ's while you seek thrills and screams at one of the Gold Coast's famous theme parks. Our Pyjama Party is just that! On the 16th of August 2,000 party-goers got into their comfiest attire and came to Warner Bros. Movie World to experience the park at night, along with all their favourite rides, live entertainment, a dance party with the Looney Tunes and great food! The evening was a lot of fun for all involved and raised over \$13,000 for our Love of Learning Program.



# Our Events and Fundraisers

## BIG DREAMS GALA BALL (15TH BIRTHDAY)

This year marked The Pyjama Foundation's 15th year of operation. To celebrate, the 2019 Big Dreams Gala Ball was the perfect opportunity to reflect on the Foundation's key milestones achieved throughout the years, including mentoring more than 8,500 children and reading more than 2.5 million books to kids in care. The night was simply magical filled with incredible live entertainment, memorable speeches from Tim (a Love of Learning Program recipient of over 10 years), and so many different fundraising opportunities including live auction, silent auction, raffle tickets and mystery envelopes.

The room was filled with the Foundation's greatest supporters from Child Safety Officers, Government officials, through to our long-term volunteer Pyjama Angels. The evening raised more than \$46,000 for the Love of Learning Program - allowing us to impact the lives of even more children living in out-of-home care. Thank you to all the businesses who supported our event through in-kind donations - the night simply wouldn't have been what it was without their phenomenal support.



## BATTLE OF THE BRAINS TRIVIA

During the month of March we hosted our Battle of the Brains Trivia Night in 10 different locations. Battle of the Brains Pyjama Trivia Night is all about coming together with your friends, family and colleagues to go head to head with other teams to see which team is the smartest - taking out the title of 'Trivia Champion'! It was also about raising funds for our Love of Learning Program. Participants were encouraged to don their pyjamas or onesies, while battling against other teams in different categories including general knowledge, fun facts, music, movies and sports. Our Trivia Night campaign raised \$42,000 in total for our Love of Learning Program.



# Foster Child Testimonial

“My name is T\* and I would like to talk about my experience with having the Pyjama Foundation in my life supporting me for so many years and encouraging me to be the best person I can be.

I came into care at 18 months old. My sister who I have been with most of my cared for years said I had 27 placements before I came to live where I have been since I was 7 years of age and I have been here for 11 years and I am not going anywhere.

I remember my early years of learning and not being happy so I didn't want to learn and was suspended from school a few times and I had the school in lockdown twice, I would throw chairs through the windows and just had bad behaviours. I didn't get a report card until grade 4 because they said I couldn't be assessed as I was sent out of class and put into an isolated room with a computer and I used to send my carer emails through the day just asking her what she was doing and what was she making for dinner.

I was really lucky to join The Pyjama Foundation and got a really great Pyjama Angel named Julie who is a Journalist, so she is really smart and really interested in what I do. She has been my Angel for 10 years

When she first came to visit, I was really scared because I had so many adults giving me a hard time. I remember saying things to her that were horrible but I didn't know how to talk to people so she was really kind and if I said something not nice she would repeat it in a really nice way and she became my first real friend. And she is still one of my closest friends today.

When I first met Julie, I couldn't read and was in the Special Education Unit. I felt I would never make it to Graduation or be able to be independent but when I started High school I had learnt so much I was mainstream schooled and completed senior, I had an amazing Graduation and my Angel Julie came to see me which was fantastic and she cried when I actually graduated. She was amazing with all the help with my assignment and homework she helped me with. I owe her so much for everything but she said she is so proud of me.

I am proud of the person I have become and I am so grateful to The Pyjama Foundation.”



# Our Events and Fundraisers

## SYDNEY GALA BALL

In May 2019, we hosted our fourth annual gala at Sydney's Sofitel Wentworth Ballroom. It was a magical evening with breathtaking entertainment, high calibre prizes and unforgettable speeches. We were joined by 260 guests. The room was filled with so many of our incredible sponsors and supporters who made the night possible, including the Commonwealth Bank, The All In Giving Circle, EY, King & Wood Mallesons, OMD and so many more. With the generosity and support from our donors, the spectacular evening raised more than \$160,000 for our Love of Learning Program.

The highlight of the evening was a speech delivered by foster carers, Kathy and Tim who brought the room to tears with their moving words. Kathy spoke with so much conviction and emotion as she relayed her experiences of being a foster carer, the trials and tribulations that come along with it.

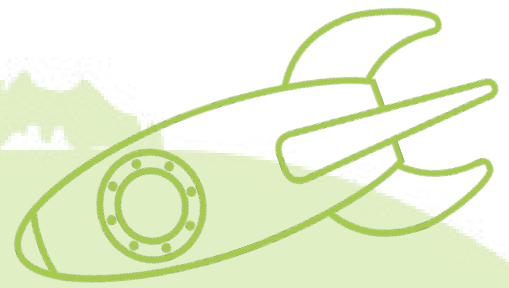


## Foster Carer Testimonial

So why did we go into fostering? At the beginning, it was because we had struggled with infertility but we didn't want to let that stand in the way of having a family. But really, there is one overarching reason why we became foster carers and I think this may be true for most foster carers:

**It's because our reasons to say yes were so much bigger than the reasons to say no.**

You don't need to be perfect or a saint to be a good foster carer. We really are just an ordinary family. I am certainly far from saintly and far from perfect but I know I am a good carer and a good mum. Despite my many faults, what makes me a good carer is that even on my very worst days, my kids have the most important things they need: they know they are loved and they know they are safe. What makes a good carer is a great capacity for love. A willingness to understand why kids with trauma behave the way they do and willingness to parent them the way they need, not the way others may think they deserve.



A good carer has a great tolerance of failure. And most of all, a good carer must be willing to risk a huge amount of heartbreak, more than you think possible. Foster carers love the starfish story. If you don't know it, it's the story of hundreds and hundreds of starfish washed up on a beach, and a young boy walking along picking them up and gently throwing them straight back into the sea. A man walked up to the young boy and asked him what he was doing. The boy tells him he is throwing the starfish back into the ocean, otherwise they'll die. The man laughs and says there are miles and miles of beach and hundreds of starfish. That the boy won't make any difference. The boy listens politely, then bends down and picks up another starfish and throws it into the surf. He smiles at the man and says...

## **I made a difference to that one..**

This is what foster carers do and this is what Pyjama Angels do. We change the world for one child at a time, and that makes a world of difference. When we first contacted the Pyjama Foundation my son B\* was 6 years old – he is now 11. He loves science, computers, cooking and sewing. He is funny. He is cheeky. He loves to dress up. He is my loving, quirky, loud, special boy. And I have been his proud mum since he was 9 months old. I saw the Pyjama Foundation as a way to help him feel special. To get more of the individual attention he needed, with the added bonus of helping a child who doesn't like reading and wasn't doing well at school.

I contacted the Foundation and the support we needed came through quickly. There was no question that asking for help meant that we were not coping. Just a genuine desire from everyone at The Pyjama Foundation to help my child as quickly as possible. They talked the talk, and they walked the walk. Not long after the paperwork was completed I had a call about a Pyjama Angel, Meg.

I didn't know much about Meg. I knew Meg didn't know much about us. But you know what? That didn't matter. All that mattered is that my child needed help and Meg was willing to help him. Regardless of the grief and trauma consuming our family, B\* had the predictable calm each week of Meg coming in. taught him to persist. B\* has learnt that, yes, schoolwork is often hard and daunting but he can keep trying. He is learning to ask for help and that when he asks for help, it will be given. Working with Meg has undoubtedly helped to increase his academic confidence and then his engagement and behaviour at school.

It's not knowing if everyone you love will remember your birthday, but being surprised by a beautiful birthday card and book, of course, sent by the Pyjama Foundation. It's all these things that might seem small to us, but to these small, wonderful kids it means so much.

**I see you. You matter. I am here for you.**



“The more healthy relationships a child has, the more likely they will be to recover from trauma and thrive. Relationships are the agent of change and the most powerful therapy is human love.”



# National Pyjama Day 2019

National Pyjama Day 2019 was a huge success for The Pyjama Foundation with a record number of workplaces and organisations registered. More than 1,900 organisations, including schools, child care centres and health clinics took part in the 'comfiest day of the year' with many already keen to participate again in the new year!

Our microsite [www.nationalpyjamaday.com](http://www.nationalpyjamaday.com) was easily accessed by participants who could register, download fundraising materials and easily donate online. We saw a large increase in online giving and internet traffic during this time, which largely came down to media and publicity surrounding the event.

With support from our sponsors, UnLtd, OMD and Bauer Media, we were able to secure incredible digital media advertising opportunities. This included invaluable coverage on the Logie Award Winning Lifestyle Program The Living Room on Channel 10, which aired to every state in Australia.

1,900

Registered Organisations

125,000

Number of Participants

\$256,000

Dollars raised from National Pyjama Day





# Our Pyjama Day Participants



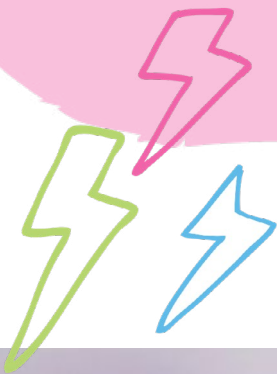
# 2019 Media Highlights

57 Total coverage by news outlets

38 Total coverage in print/online

19 Total coverage in radio/TV

15 Promotion by social influencers



# Our Corporate Partners

## Australia Post



In 2014, The Pyjama Foundation was chosen as one of seven national charity partners as part of Australia Post's community program 'Our Neighbourhood'. We have celebrated 6 years together. In the last 6 years with Australia Posts assistance we have trained 4585 new volunteers across Queensland, NSW and Victoria, making a massive difference to children in out of home care.

One of our favourite activities is making the children in our program feel special on their birthday by sending them a book and card each year. Our volunteers make beautiful hand made cards, we then colour the envelope and send a book. This is so exciting for the children to receive their very special colourful gift in the mail.

Together we are focused on enhancing community spirit and building more vibrant and inclusive communities to foster prosperity. We have loved having an Australia Post representative attend our 11 Volunteer Awards across Australia.



More than 5000 birthday gifts sent to children in care over the 6 year partnership





# Our Corporate Partners

## Commonwealth Bank

The Pyjama Foundation has had tremendous support from the Commonwealth Bank. Branches all around Queensland have been participating in National Pyjama Day for the last 8 years. There are 170 branches in Queensland in total which are involved, including Innisfail who gets every business in the main CBD to also participate in National Pyjama Day.

The branches have volunteered in our office to make birthday cards for the children which is a competitive but great team building activity. The branches collect beautiful presents for the children at Christmas time, and we have teams of employees come into our office for Christmas carols and present wrapping.

This year the School Banking team had a fun filled day for the children to help them have an increased understanding of money, budgeting and financial literacy. This was followed by a shop where the children earned money, sausage sizzle, ice cream van, photo booth and lots of giveaways. The children loved the experience, what a fun way to learn.”



170

Branches participating in National Pyjama Day

300

Kits donated to support children entering care

100

New bikes donated to children in our program



**Commonwealth**Bank

All kids need is a little help, a little hope and someone who believes in them...



# Our Media Partners

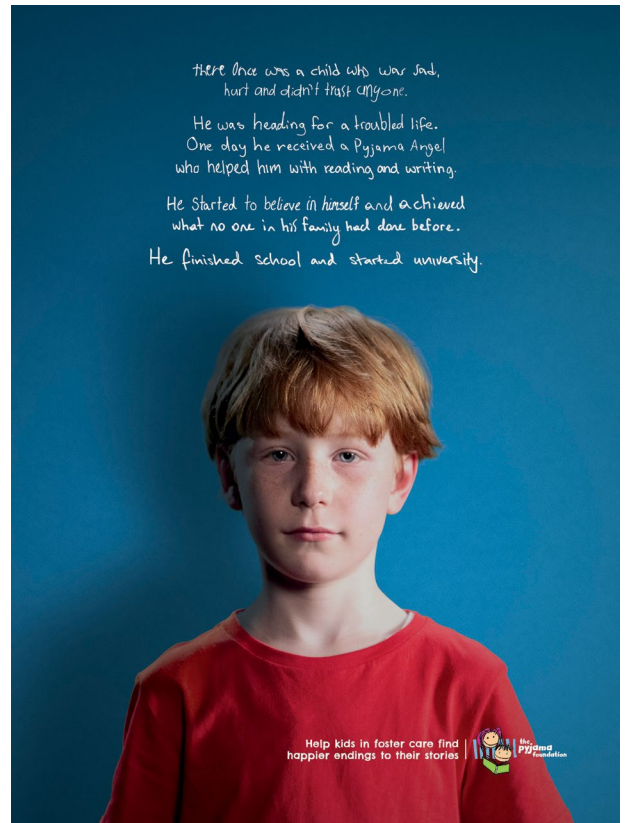
## UnLtd, OMD & Network Ten



### UNLTD

We have been very lucky to again have the incredible support of UnLtd again in 2019 whose tireless efforts have again made our collaboration with OMD and Network Ten possible. UnLtd work with the Advertising and Media industry to maximise our exposure and continue sharing our very important message nationally. We have been incredibly lucky to have been supported by UnLtd for a number of years now and our partnership only continues to grow.

This year we were lucky enough to receive a \$30,000 grant from them to support our Program costs in Sydney on top of all the priceless exposure they support us to receive. We are very fortunate to have such a strong relationship with the wonderful UnLtd team and look forward to expanding upon this in 2020.”



### OMD

We have had incredible support from OMD Sydney who, since 2017, has secured over \$3.3m in media value with support from media partners. To date this year, OMD has invested more than 350 hours into strategy, planning, trading and creative execution of our National Pyjama Day and donation campaigns. Not only that, for the third year running, OMD hosted their annual 'Pyjamathon', which is an amazing race-styled event, where 15 teams compete against each other, racing around Pyrmont to complete a series of challenges. OMD raised a record amount of \$19,000.

**THE PYJAMA FOUNDATION  
LIMITED ABN 43 111 196 742**

**FINANCIAL REPORT  
FOR THE YEAR  
ENDED 30 JUNE 2019**



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## DIRECTORS' REPORT

The directors present their report on the company for the financial year ended 30 June 2019. In order to comply with the provisions of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act), the directors report as follows:

### DIRECTORS

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

Brian Healey  
Bronwyn Sheehan  
Jim Morrison (resigned 27th July 2018)  
Peter Ostick  
Rowan Macdonald  
Roxanne Dunkel  
Shane O'Kane

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

### OBJECTIVES

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

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

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

### STRATEGY FOR ACHIEVING THE OBJECTIVES

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

We will enhance and expand our programs and services that increase the learning skills of children in care in Australia. In the next three years, we aim to double the number of children in care who participate in the Love of Learning Program. Ultimately our strategic intent is to reach all Australian children in care with our programs.

### PRINCIPAL ACTIVITIES

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

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

## DIRECTORS' REPORT (CONTINUED)

2.

### PERFORMANCE MEASURES

The company measures its performance in a number of ways:

- Time spent with child - The Pyjama Foundation is providing 126,900 hours per annum to mentor and support children in care.
- Number of children participating in the program every week – We are currently reading to 1410 foster children every week.
- Number of books read per year – We are reading 120,000 books each year to children in foster care.
- Satisfaction from foster carers – 90% of foster carers of children in The Love of Learning Program have seen an improvement in the child's literacy skills.

### INFORMATION ON DIRECTORS



#### **Brian Healey**

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

Brian has been involved in some of Australia's largest and most complex agribusiness transactions and regularly provides advice to leading rural enterprises and other commercial enterprises in their business dealings. Brian has a strong interest in corporate governance and is motivated by seeing his clients succeed and grow their businesses whilst providing strategic advice for their benefit where he can.

Appointed June 2014

#### **Bronwyn Sheehan**

Founder and Executive Director, The Pyjama Foundation



Bronwyn Sheehan founded The Pyjama Foundation in 2004 to make a positive impact on the lives of our community's most vulnerable children. Starting her career as a nurse and midwife, Bronwyn was inspired to create The Pyjama Foundation after she realised the plight of children living in out-of-home care in Australia. Now in its fourteenth year, The Pyjama Foundation has trained more than 5,000 volunteer mentors and has taken out several awards for its life-changing Love of Learning Program including the 2018 Telstra Business Award for Social Change.

The Pyjama Foundation is recognised as a charity which positively contributes to the Child Safety sector, actively making a difference to the life outcomes of children in care. Bronwyn has also won several prestigious awards including the Telstra Business Women's Awards in 2008, Queensland Australian of the Year in 2009 and was a recipient of Westpac's Social Change Fellowship in 2017.

INFORMATION ON DIRECTORS



**Peter Ostick**

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

Appointed November 2014



**Rowan Macdonald**

Partner, EY Financial Services

Rowan has more than 25+ years' experience in the financial services sector. His experience spans taxation, transaction execution, risk management and investment banking. His experience includes work with change management, addressing the impact of regulatory change and bedding down capital market transactions. Most significantly, Rowan has worked in management roles spanning EY's prestigious portfolio, including EY's Global Accounts Committee, as Managing Partner of EY's Oceania Financial Services business (2015 – 2017), and Managing Partner of EY's Asia-Pacific Financial Services taxation practice (2010 – 2015).

Appointed November 2017



**Roxanne Dunkel**

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

Appointed September 2016



**Shane O'Kane**

Shane has over 30 years of experience in the finance sector. He has extensive experience in the not for profit sector and currently serves on the board of a private philanthropic foundation, a regional children's hospital trust and an environmental foundation.

Appointed February 2009

## DIRECTORS' REPORT (CONTINUED)

4.

## MEETINGS OF DIRECTORS

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

Board Member	No. of Meetings to Attend	No. of Meetings Eligible to Attend
Brian Healy	5	7
Bronwyn Sheehan	7	7
Peter Ostick	7	7
Rowan Macdonald	7	7
Roxanne Dunkel	7	7
Shane O'Kane	6	7

## CONTRIBUTION ON WINDING UP

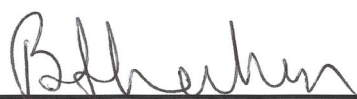
Every member of the Company undertakes to contribute to the assets of the Company in the event of the Company being wound up during the period of membership or within one year afterwards for payment of the debts and liabilities of the Company contracted before the time at which membership ceases and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

## AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of directors.

On behalf of the directors



Mrs Bronwyn Sheehan  
Director

Dated this 22th Day of October 2019



Mr Shane O'Kane  
Director

Dated this 22th Day of October 2019

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 60.40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS  
COMMISSION ACT 2012  
TO THE DIRECTORS OF THE PYJAMA FOUNDATION LIMITED**

As auditor of The Pyjama Foundation Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd



Robert Edwards  
Director

Brisbane, 22 October 2019

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

6.

	Note	2019 \$	2018 \$
<b>Income</b>			
Donations Received		510,017	283,643
Event Income		247,097	268,466
Fundraising - other		46,792	-
Grant Income		141,795	153,105
Interest		13,127	17,642
Operating - Recurrent		21,500	2,240
Operating- Non Recurrent		121,000	120,000
Other Income/Loss		17,075	39,087
PJ Day donations		230,665	256,524
Recurrent- State		496,088	526,964
Sponsorship		43,710	-
Tax Deduct Donations		208,425	255,000
<b>Total Income</b>		<b><u>2,097,291</u></b>	<b><u>1,922,671</u></b>
<b>Less Operating Expenses</b>			
Bank Charges		1,302	1,150
Books Puzzles and Games		1,876	6,745
Carer Training		1,418	157
Children/Volunteer gifts and cards		9,969	-
Cleaning		2,840	2,799
Commission collection donations		8,025	-
Community Engagement		11,663	4,411
Computer/website		3,141	10,765
Consultancy Expenses		284	2,554
Depreciation		2,086	3,124
Electricity		6,695	5,320
Events		131,878	198,575
Freight		382	694
Fuel on Motor Vehicle		2,743	2,803
Fundraising - other		19,762	-
Insurance		849	1,290
Insurance and Rego on Motor Vehicle		1,974	1,174
Internet and Database		21,269	36,960
Land Lines and Mobile Phones		12,781	11,683
Legal & Accounting		4,442	15,601
Low Value Assets (< \$5,000)		25,244	2,347
Maintenance		1,294	732
Makegood		16,835	-
Marketing and Promotions		14,474	6,463

The accompanying notes form part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019 (Cont.)

7.

	Note	2019 \$	2018 \$
<b>Operating Expenses Cont.</b>			
Meeting exp		1,709	11,638
Merch Fees		1,394	4,198
Office Expense		17,135	6,796
Office Expense Interstate		13,858	1,911
Outgoings		20,626	6,724
Photocopier hire		10,108	6,179
Postage		2,968	6,365
Printing and Stationary		10,043	23,894
Program Events		51,175	1,458
Provision for Annual & LSL		(1,040)	(14,694)
Recruitment Expense		280	-
Relocation Expenses		-	5,778
Rent		57,490	66,719
Software		8,306	523
Staff Amenities		3,172	4,103
Subscriptions/Memberships		15,208	11,613
Superannuation		120,002	96,817
Training & Development (Staff)		11,400	1,171
Training & Development (Volunteers)		23,325	34,658
Travel - General		31,867	29,494
Travel - Volunteer Training		3,136	-
Volunteer & Public Liability Insurance		8,071	1,257
Volunteer Training Resources		27,275	-
Wages & Salaries		1,246,760	1,066,500
Workers' Compensation		11,545	14,270
<b>Total Operating Expenses</b>		<u>1,999,039</u>	<u>1,702,719</u>
<b>Current year surplus</b>		<u>98,252</u>	<u>219,952</u>
<b>Other Comprehensive Income</b>			
<b>Total Comprehensive Income for the year</b>		<u>98,252</u>	<u>219,952</u>
<b>Total Comprehensive Income attributable to the entity</b>		<u>98,252</u>	<u>219,952</u>

The accompanying notes form part of these financial statements.



## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

8.

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,533,599	1,349,450
Trade and other receivables	5	42,490	51,291
Other current assets	6	<u>47,564</u>	<u>23,555</u>
<b>TOTAL CURRENT ASSETS</b>		<u><b>1,623,653</b></u>	<u><b>1,424,296</b></u>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	7	10,239	12,887
Intangible assets	8	-	5,750
Other non-current assets	9	<u>18,043</u>	<u>-</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u><b>28,282</b></u>	<u><b>18,637</b></u>
<b>TOTAL ASSETS</b>		<u><u><b>1,651,935</b></u></u>	<u><u><b>1,442,933</b></u></u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	180,212	68,421
Provisions	11	<u>113,716</u>	<u>106,709</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>293,928</b></u>	<u><b>175,130</b></u>
<b>NON-CURRENT LIABILITIES</b>			
Provision	11	<u>5,189</u>	<u>13,237</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u><b>5,189</b></u>	<u><b>13,237</b></u>
<b>TOTAL LIABILITIES</b>		<u><u><b>299,117</b></u></u>	<u><u><b>188,367</b></u></u>
<b>NET ASSETS</b>		<u><u><b>1,352,818</b></u></u>	<u><u><b>1,254,566</b></u></u>
<b>EQUITY</b>			
Retained Surplus		<u>1,352,818</u>	<u>1,254,566</u>
<b>TOTAL EQUITY</b>		<u><u><b>1,352,818</b></u></u>	<u><u><b>1,254,566</b></u></u>

The accompanying notes form part of these financial statements.

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

9.

	Note	Retained Surpluses \$
<b>Balance at 30 June 2017</b>		<u>1,034,614</u>
Total comprehensive income for the year		<u>219,952</u>
<b>Balance at 30 June 2018</b>		<u>1,254,566</u>
Total comprehensive income for the year		<u>98,252</u>
<b>Balance at 30 June 2019</b>		<u><u>1,352,818</u></u>

The accompanying notes form part of these financial statements.

## CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

10.

	Note	2019 \$	2018 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from donations/ grants		2,084,725	1,905,029
Payments to suppliers and employees		(1,913,703)	(1,768,690)
Interest received		13,127	17,642
Net cash inflows / (outflows) from operating activities	12	<u>184,149</u>	<u>153,981</u>
<b>Cash Flows from Investing Activities</b>			
Payments for property, plant and equipment		-	-
Net cash inflows / (outflows) from investing activities		<u>-</u>	<u>-</u>
<b>Cash Flows from Financing Activities</b>			
Repayments from borrowings		-	-
Net cash inflows / (outflows) from financing activities		<u>-</u>	<u>-</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<u>184,149</u>	<u>153,981</u>
Cash and cash equivalents at beginning of year		<u>1,349,450</u>	<u>1,195,469</u>
<b>Cash and cash equivalents at end of year</b>	4	<u><u>1,533,599</u></u>	<u><u>1,349,450</u></u>

The accompanying notes form part of these financial statements.

The financial report covers The Pyjama Foundation as an individual entity. The Pyjama Foundation is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2019 was to provide children in foster care the opportunity to change the direction of their lives with learning, life skills and confidence.

The functional and presentation currency of The Pyjama Foundation is Australian dollars. The financial report was authorised for issue by the Directors on 24th October 2019.

Comparatives are consistent with prior years, unless otherwise stated.

## 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

## 2 Change in Accounting Policy

The company has adopted all the amendments to the Australia Accounting Standards issued by the Australian Accounting Standards Board, which are relevant to and effective for the Company's financial statements for the annual period beginning 1 July 2018.

### Financial Instruments – Adoption of AASB 9

The Company has adopted AASB 9 *Financial Instruments* for the first time in the current year with a date of initial adoption of July 1, 2018.

As part of the adoption of AASB 9, the Company adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.
- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

The key changes to the Company's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the Company has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from July 1, 2018.

### Classification of financial assets

The financial assets of the Company have been reclassified into those measured at amortised cost on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics.

## 2. Change in Accounting Policy (Cont.)

### Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income.

### Financial instruments

*For current year*

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

### Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification*

On initial recognition, the Company classifies its financial assets into the following categories, those measured at amortised cost:

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

#### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

## 2. Change in Accounting Policy (Cont.)

### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

## 2. Change in Accounting Policy (Cont.)

### Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

*For comparative year*

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

### Financial assets

Financial assets are divided into the following category which are described in detail below:

- loans and receivables;

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and other receivables fall into this category of financial instruments.

None of the amendments have had a significant impact on the Company.

### 3 Summary of Significant Accounting Policies

#### (a) Income Tax

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

#### (b) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

#### (c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

#### Grant Revenue

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

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

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

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

Donations and bequests are recognised as revenue when received.

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

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

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

#### Other income

Other income is recognised on an accruals basis when the Company is entitled to it.



### 3. Summary of Significant Accounting Policies (Cont.)

#### (d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included 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 is classified as operating cash flows.

#### (e) Cash and Cash Equivalents

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

#### (f) Plant and Equipment

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

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

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

The capitalisation limit of all plant and equipment is \$5,000, all assets below that threshold are expensed immediately in the Statement of Profit and Loss.

#### Depreciation

Equipment is depreciated on a straight -line basis over the asset's useful life to the company, commencing when the asset is ready for use.

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

Fixed asset class	Useful life
Plant and equipment	10% - 50%
Motor vehicle	25%

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

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

### 3. Summary of Significant Accounting Policies (Cont.)

#### Plant and Equipment (Cont.)

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

#### (g) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

#### (h) Trade and Other Receivables

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

#### (i) Provisions for Employee Entitlements

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

### 3. Summary of Significant Accounting Policies (Cont.)

#### (j) Trade and Other Payables

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

#### (k) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2019, refer to Note 2 for details of the changes due to standards adopted.

#### (l) Critical Accounting Estimates and Judgments

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

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

	2019	2018
	\$	\$
<b>4. Cash and cash equivalents</b>		
Cash float	-	-
Cash at bank	1,533,599	1,349,450
	<u>1,533,599</u>	<u>1,349,450</u>
<b>5. Trade and other receivables</b>		
Rent in Advance	-	11,641
Other receivables	42,375	35,325
GST	115	4,325
	<u>42,490</u>	<u>51,291</u>
<b>6. Other current assets</b>		
Prepayment	<u>47,564</u>	<u>23,555</u>

**3. Summary of Significant Accounting Policies (Cont.)**

	2019	2018
	\$	\$
<b>7. Plant and Equipment</b>		
Office furniture & equipment - at cost	22,917	22,917
Less: accumulated depreciation	(14,638)	(13,206)
	<u>8,279</u>	<u>9,711</u>
Computers – at cost	-	6,843
Less: accumulated depreciation	-	(6,281)
	<u>-</u>	<u>562</u>
Motor vehicle – at cost	14,686	14,686
Less: accumulated depreciation	(12,726)	(12,072)
	<u>1,960</u>	<u>2,614</u>
 Total Plant and Equipment	 <u>10,239</u>	 <u>12,887</u>
<b>8. Intangibles</b>		
Patents and trademarks	<u>-</u>	<u>5,750</u>
<b>9. Other non-current assets</b>		
Bond	<u>18,043</u>	<u>-</u>
<b>10. Trade and other payables</b>		
CURRENT		
Trade creditors	35,052	4,708
Other creditors and accruals	77,980	63,713
Accrued income / deferred revenue	67,180	-
	<u>180,212</u>	<u>68,421</u>
<b>11. Provisions</b>		
CURRENT		
Employee benefits	113,716	106,708
NON-CURRENT		
Employee benefits	5,189	13,237
	<u>118,905</u>	<u>119,945</u>

**3. Summary of Significant Accounting Policies (Cont.)****12. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO NET PROFIT FROM ORDINARY ACTIVITIES AFTER INCOME TAX**

	2019	2018
	\$	\$
Surplus for the year	98,252	219,952
Depreciation and amortisation	2,086	3,124
Unrealised gain/loss recognised in equity	562	-
<b>Changes in operating assets and liabilities</b>		
Decrease/(Increase) in trade and other receivables	(13,452)	3,181
Decrease/(Increase) in other current assets	(18,259)	(31,488)
Increase/(Decrease) in trade and other payables	116,000	(26,094)
Increase/(Decrease) in provision	(1,040)	(14,694)
	<u>184,149</u>	<u>153,981</u>
<b>Cash inflow from operating activities</b>	<u>184,149</u>	<u>153,981</u>

**13. MEMBER'S GUARANTEE**

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

**14. CONTINGENCIES**

There were no material contingent assets and liabilities as at 30 June 2019.

**15. OPERATING LEASE COMMITMENTS**

Non-cancellable operating lease contracted for but not recognised in the financial statements:

	2019	2018
	\$	\$
Payable – minimum lease payments		
- not later than 12 months	92,732	80,966
- between 12 months and five years	<u>279,773</u>	<u>333,755</u>
	<u>372,505</u>	<u>414,721</u>

**16. COMMITMENTS**

As at the 30 June 2019, The Pyjama Foundation had no commitments, not recognised within these financial statements.

### 3. Summary of Significant Accounting Policies (Cont.)

#### 17. SUBSEQUENT EVENTS

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

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

#### 18. GENERAL INFORMATION

The registered office of the company is:  
LG Solomon, 16 Cox Road, Windsor QLD 4030

The principal place of business is:  
Unit 1, 43-49 Sandgate Road, Albion, QLD 4010

DIRECTORS' DECLARATION

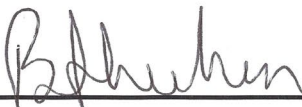
The directors of the registered entity declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 6 to 21, comply with Australian Accounting Standards and give a true and fair view of the financial position of the registered entity as at 30 June 2019 and of its performance for the year ended on that date.
2. This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.
3. There are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable.

Declaration under the Charitable Fundraising Act 1991 (the "Act") for the financial year ended 30 June 2019:

- a) The statement of profit or loss and other comprehensive income gives a true and fair view of all income and expenditure of the company with respect to fundraising appeals conducted by the company, and
- b) The statement of financial position gives a true and fair view of the state of affairs of the company with respect to fundraising appeals conducted by the company, and
- c) The provisions of the Act, the regulations under the Act and the conditions attached to the authority have been complied with by the company and
- d) The internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the company from any of its fundraising appeals.


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



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Mrs Bronwyn Sheehan  
Director

Dated this 22th Day of October 2019



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Mr Shane O'Kane  
Director

Dated this 22th Day of October 2019

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE PYJAMA FOUNDATION LIMITED

### **Opinion**

We have audited the financial report of The Pyjama Foundation Limited, (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration of the Company.

In our opinion:

1. The financial report of The Pyjama Foundation Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the entity's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations);
2. We have been given all the information, explanation and assistance necessary for the conduct of the audit;
3. The entity has kept financial records sufficient to enable a financial report to be prepared; and;
4. The entity has kept other records as required by Part 3-2 of *Australian Charities and Not-for-profits Commission Act 2012*.

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia; and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## ***Other information***

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

## ***Directors' Responsibilities***

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 such internal control as the Directors determine is necessary to enable 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.

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

## ***Auditor's Responsibilities for the Audit of the Financial Report***

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

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

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

# LNP Audit + Assurance

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We are also required to provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Robert Edwards.

LNP Audit and Assurance Pty Ltd



Robert Edwards

Director

Brisbane

Date: 22 October 2019

# A BIG THANK YOU TO OUR AMAZING SUPPORTERS

A very big thank you to all of our generous corporates, donors, foundations, event and community fundraisers - we are forever thankful for your support and hope you will be able to support us again in the years to come.



Major community partner of The Pyjama Foundation



**Queensland  
Government**

**UnLtd.**

Undoing youth  
disadvantage  
for good



**Commonwealth**Bank

**sunsuper**

- Ansvr
- ASX Reuters
- Athoc - Time to Share Ltd
- Aurizon Australia
- Bank of Melbourne Foundation
- Barbara Alice Trust
- Bauer Media
- BMW Club of QLD
- Brisbane Girls Grammar
- Cairns Car, Bike and Truck Show
- Carer Kafe Victoria
- Charter Hall
- Chris Jack Photography
- Copper Refineries Pty Ltd
- Cowboys Community Foundation
- Cuscal
- Di Bella Group
- Direct Connect
- DHL Supply Chain
- Dooleys Lidcombe Catholic Club Ltd
- Energex Limited
- Flying Beetroot Pty Ltd
- Frankston City Council
- EY - Ernst & Young
- Findex Community Fund
- Flight Centre Foundation
- Gambling Benefit Community Fund
- GiveEasy
- GHD Townsville
- Good Thnx Foundation Pty Ltd
- Graf Family Foundation
- Henzells Pelican Waters Foundation
- Indooroopilly Gold Club
- James N Kirby Foundation Limited
- Lord Mayor's Charitable Trust
- Like Minded Women Toowoomba
- Macpherson Kelley Foundation
- Mr Christian Beck
- Millett Family Foundation Pty Ltd
- M. Saunders Weinberg
- Naylor- Stewart Ancillary Fund
- Network Ten
- Newcastle Permanent Charitable Foundation
- QLD Community Foundation
- Royal Automobile Club of Victoria (RACV) Limited
- Rotary (Townsville and Brisbane)
- Sine A Light Foundation
- Toowoomba Regional Council
- The Bryan Foundation
- The Rali Foundation Pty Ltd
- The Arthur Earle Youth Foundation
- The Trustees of Suitters Foundation
- The Anna Josephson Foundation Pty Ltd
- The Corio Foundation
- The Reuben Peleman Benevolent Fund
- The Judith Musgrave Family Foundation
- The Brisbane Tolkien Fellowship
- Unity Water
- 10X10 Philanthropy

# HOW YOU CAN HELP US

1. Commit to a regular gift
2. Enter into a corporate partnership
3. Volunteer with us
4. Fundraise on our behalf
5. Join us at our annual events
6. Send us a once off donation
- 7. SPREAD THE WORD**



For more information, please contact our Brisbane Head Office

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Postal: PO Box 32, Lutwyche QLD 4030

Email: [admin@thepyjamafoundation.com](mailto:admin@thepyjamafoundation.com)

[www.thepyjamafoundation.com](http://www.thepyjamafoundation.com)

Thank you for all that  
you do to support  
children in care

