



INDEPENDENT AUDITOR'S REPORT

NSW Kids and Families

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of NSW Kids and Families, which comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and service group statements for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of NSW Kids and Families and the consolidated entity. The consolidated entity comprises NSW Kids and Families and the entities it controlled at the year's end or from time to time during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of NSW Kids and Families and the consolidated entity as at 30 June 2014, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion does not extend to the budget information. I have not audited the budget figures disclosed in the statement of comprehensive income, statement of financial position and statement of cash flows.

My opinion should be read in conjunction with the rest of this report.

The Board's Responsibility for the Financial Statements

The Board is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Board determine is necessary to enable the preparation of the financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

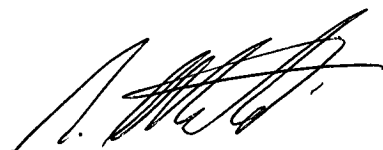
My opinion does *not* provide assurance:

- about the future viability of NSW Kids and Families or consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information, that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



Steven Martin
Assistant Auditor-General

29 September 2014
SYDNEY

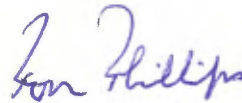
**NSW Kids and Families
Certification of the Financial Statements
for the year ended 30 June 2014**

I state pursuant to section 45F of the *Public Finance and Audit Act 1983*:

- 1) The financial statements of the NSW Kids and Families for the year ended 30 June 2014 have been prepared in accordance with:
 - a) Australian Accounting Standards (which include Australian Accounting Interpretations)
 - b) the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulations 2010* and the Treasurer's Directions;
 - c) the Financial Reporting Code for NSW General Government Sector Entities.
- 2) The financial statements exhibit a true and fair view of the financial position and the financial performance of the NSW Kids and Families; and
- 3) I am not aware of any circumstances which would render any particulars in the accounts to be misleading or inaccurate.



Joanna Holt
Chief Executive
29 September 2014



Ron Phillips
Board Chair

NSW Kids and Families
Statement of Comprehensive Income for the year ended 30 June 2014

PARENT								CONSOLIDATION		
Actual	Budget Unaudited	Actual		Notes	Actual	Budget Unaudited	Actual			
2014 \$000	2014 \$000	2013 \$000			2014 \$000	2014 \$000	2013 \$000			
			Expenses excluding losses							
			Operating Expenses							
---	---	---	Employee Related	3	6,757	6,756	5,283			
6,099	6,200	5,311	Personnel Services	4	---	---	---			
3,148	4,685	2,098	Other Operating Expenses	5	3,148	4,685	2,098			
17,040	17,040	13,923	Grants and Subsidies	6	17,040	17,040	13,923			
26,287	27,925	21,332	Total Expenses excluding losses		26,945	28,481	21,304			
			Revenue							
26,291	27,898	24,018	NSW Ministry of Health Recurrent Allocations	2(d)	26,291	27,898	24,018			
---	---	---	Acceptance by the Crown Entity of Employee Benefits	2(a)(ii),9	658	556	(28)			
189	---	16	Investment Revenue	7	189	---	16			
159	---	---	Grants and Contributions	8	159	---	---			
16	---	4	Other Revenue	10	16	---	4			
26,655	27,898	24,038	Total Revenue		27,313	28,454	24,010			
368	(27)	2,706	Net Result	16	368	(27)	2,706			
368	(27)	2,706	TOTAL COMPREHENSIVE INCOME		368	(27)	2,706			

The accompanying notes form part of these financial statements.

NSW Kids and Families
Statement of Financial Position as at 30 June 2014

PARENT								CONSOLIDATION			
Actual	Budget Unaudited	Actual						Actual	Budget Unaudited	Actual	
2014 \$000	2014 \$000	2013 \$000						2014 \$000	2014 \$000	2013 \$000	
			ASSETS								
			Current Assets								
4,160	4,524	4,524	Cash and Cash Equivalents	12	4,160	4,524	4,524				
416	93	93	Receivables	13	416	93	93				
<u>4,576</u>	<u>4,617</u>	<u>4,617</u>			<u>4,576</u>	<u>4,617</u>	<u>4,617</u>				
4,576	4,617	4,617	Total Current Assets		4,576	4,617	4,617				
			Non-Current Assets								
<u>4,576</u>	<u>4,617</u>	<u>4,617</u>	Total Assets		<u>4,576</u>	<u>4,617</u>	<u>4,617</u>				
			LIABILITIES								
			Current Liabilities								
981	1,538	1,539	Payables	14	981	1,538	1,539				
581	459	434	Provisions	15	581	459	434				
<u>1,562</u>	<u>1,997</u>	<u>1,973</u>			<u>1,562</u>	<u>1,997</u>	<u>1,973</u>				
			Total Current Liabilities								
			Non-Current Liabilities								
5	5	3	Provisions	15	5	5	3				
<u>5</u>	<u>5</u>	<u>3</u>			<u>5</u>	<u>5</u>	<u>3</u>				
1,567	2,002	1,976	Total Liabilities		1,567	2,002	1,976				
<u>3,009</u>	<u>2,615</u>	<u>2,641</u>	Net Assets		<u>3,009</u>	<u>2,615</u>	<u>2,641</u>				
			EQUITY								
<u>3,009</u>	<u>2,615</u>	<u>2,641</u>	Accumulated Funds		<u>3,009</u>	<u>2,615</u>	<u>2,641</u>				
3,009	2,615	2,641	Total Equity		3,009	2,615	2,641				

The accompanying notes form part of these financial statements.

NSW Kids and Families
Statement of Changes in Equity for the year ended 30 June 2014

PARENT AND CONSOLIDATION	Notes	Accumulated Funds \$000	Total \$000
Balance at 1 July 2013		2,641	2,641
Total Equity at 1 July 2013		2,641	2,641
Net Result for the year		368	368
Total Comprehensive Income for the year		368	368
Balance at 30 June 2014		3,009	3,009
Balance at 1 July 2012		----	----
Total Equity at 1 July 2012		----	----
Net Result for the year		2,706	2,706
Total Comprehensive Income for the year		2,706	2,706
Transactions With Owners In Their Capacity As Owners			
Increase/(Decrease) in Net Assets From Equity Transfers	18	(65)	(65)
Balance at 30 June 2013		2,641	2,641

The accompanying notes form part of these financial statements.

NSW Kids and Families
Statement of Cash Flows for the year ended 30 June 2014

PARENT			CONSOLIDATION		
Actual	Budget Unaudited	Actual	Actual	Budget Unaudited	Actual
2014 \$000	2014 \$000	2013 \$000	Notes	2014 \$000	2013 \$000
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments					
---	---	---	---	(5,963)	(4,812)
(18,669)	(18,667)	(14,228)	Employee Related	(6,206)	(4,812)
(10,289)	(11,189)	(5,638)	Grants and Subsidies	(18,669)	(14,228)
(28,958)	(29,856)	(19,866)	Other	(4,326)	(826)
Total Payments				(28,958)	(19,866)
Receipts					
26,291	27,898	24,018	NSW Ministry of Health Recurrent Allocations	26,291	24,018
---	---	---	30 Reimbursements from the Crown Entity	---	30
189	---	---	17 Interest Received	189	17
159	---	---	Grants and Contributions	159	---
1,955	1,958	325	Other	1,955	325
28,594	29,856	24,390	Total Receipts	28,594	24,390
NET CASH FLOWS FROM OPERATING ACTIVITIES					
(364)	---	4,524	16	(364)	4,524
NET INCREASE / (DECREASE) IN CASH					
(364)	---	4,524	---	(364)	4,524
4,524	4,524	---	Opening Cash and Cash Equivalents	4,524	---
4,160	4,524	4,524	12	4,160	4,524
CLOSING CASH AND CASH EQUIVALENTS					

The accompanying notes form part of these financial statements.

**NSW Kids and Families
Service Group Statements
for the year ended 30 June 2014**

ENTITY EXPENSES AND INCOME	Service Group 1.1 * Primary And Community Based Services		Service Group 1.2 * Aboriginal Health Services		Not Attributable		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Expenses excluding losses								
Operating Expenses								
Employee Related	6,273	4,897	484	386			6,757	5,283
Other Operating Expenses	3,031	1,978	117	120			3,148	2,098
Grants and Subsidies	16,032	13,041	1,008	882			17,040	13,923
Total Expenses excluding losses	25,336	19,916	1,609	1,388			26,945	21,304
Revenue								
NSW Ministry of Health Recurrent Allocations **					26,291	24,018	26,291	24,018
Acceptance by the Crown Entity								
of Employee Benefits and Other Liabilities	650	(26)	8	(2)			658	(28)
Investment Revenue	187	15	2	1			189	16
Grants and Contributions	157		2				159	
Other Revenue	16		4				16	4
Total Revenue	1,010	(7)	12	(1)	26,291	24,018	27,313	24,010
Net Result	(24,326)	(19,923)	(1,597)	(1,389)	26,291	24,018	368	2,706
Other Comprehensive Income								
Total Other Comprehensive Income								
Total Comprehensive Income	(24,326)	(19,923)	(1,597)	(1,389)	26,291	24,018	368	2,706

* The name and purpose of each service group is summarised in Note 11

** Allocations are made on an entity basis and not to individual Service Groups. Consequently, allocations must be included in "Not Attributable" column.

NSW Kids and Families
Service Group Statements (Continued)
for the year ended 30 June 2014

ENTITY ASSETS AND LIABILITIES	Service Group 1.1 * Primary And Community Based Services		Service Group 1.2 * Aboriginal Health Services		Not Attributable		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
ASSETS								
Current Assets								
Cash and Cash Equivalents	3,912	4,266	248	258			4,160	4,524
Receivables	411	88	b	b			416	93
Total Current Assets	4,323	4,354	253	263			4,576	4,617
TOTAL ASSETS	4,323	4,354	253	263			4,576	4,617
LIABILITIES								
Current Liabilities								
Payables	945	1,451	36	88			981	1,539
Provisions	539	409	42	25			581	434
Total Current Liabilities	1,484	1,860	78	113			1,562	1,973
Non-Current Liabilities								
Provisions	5	3					5	3
Total Non-Current Liabilities	5	3					5	3
TOTAL LIABILITIES	1,489	1,863	78	113			1,567	1,976
NET ASSETS	2,834	2,491	175	150			3,009	2,641

* The name and purpose of each service group is summarised in Note 11

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

1. The Reporting Entity

The NSW Kids and Families (the Entity) was established under the provisions of the Health Services Act 1997 with effect from 1 July 2012.

The Entity as a reporting entity, comprises all the entities under its control, namely:

* The parent entity, comprises all the operating activities of the NSW Kids and Families

* The NSW Kids and Families Special Purpose Service Entity which was established as a Division of the Health Service on 1 July 2012 in accordance with the Health Services Act 1997. This Division provides personnel services to enable the Entity to exercise its functions.

As a consequence the values in the annual financial statements presented herein consist of the parent entity and the consolidated entity which comprises the parent and special purpose service entity. In the process of preparing the consolidated financial statements consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

The reporting entity is a NSW Government entity which is consolidated as part of the NSW Ministry of Health and NSW Total State Sector Accounts. The Entity is a not-for-profit entity (as profit is not its principal objective).

These consolidated financial statements for the year ended 30 June 2014 have been authorised for issue by the Chief Executive on 29 September 2014.

2. Summary of Significant Accounting Policies

Basis of Preparation

The Entity's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the requirements of the Health Services Act 1997 and its regulations (including observation of the Accounts and Audit Determination for Public Health Organisations), the Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2010, and the Treasurers' Directions. Apart from the basis for the Entity's budget figures, the financial statements comply with the Financial Reporting Code for NSW General Government Sector Entities. Further information on the budget figures can be found at Note 2(l).

The financial statements of the Entity have been prepared on a going concern basis.

The Secretary of Health, the Chair of NSW Kids and Families Board and the Chief Executive, expect to have a signed agreement later in 2014. The agreement will contain details of service and funding levels for the forward financial year. The service agreement sets out the level of financial resources for public health services under the Entity's control and the source of these funds. By agreement, the service agreement requires local management to control its financial liquidity and in particular meet benchmarks for the payment of creditors. Where the Entity fails to meet service agreement performance standards, the Ministry of Health as the state manager can take action in accordance with annual performance framework requirements, including financial support and increased management interaction by the Ministry.

Other mitigating circumstances why the going concern is appropriate include:

- * Appropriated funds, combined with other revenues earned, are applied to pay debts as and when they become due and payable.
- * The Entity has the capacity to review timing of subsidy cashflows to ensure that they can pay debts as and when they become due and payable.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements. The comparative period is a twelve month period.

Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards which include Australian Accounting Interpretations.

Significant accounting policies used in the preparation of these financial statements are as follows:

a) Employee Benefits and Other Provisions

i) Salaries & Wages, Annual Leave, Sick Leave and On-Costs

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability can be used to approximate the present value of the annual leave liability. On-costs of 15.1% are applied to the value of leave payable at 30 June 2014, (comparable on-costs for 30 June 2013 were 13.2%). The Entity has assessed the actuarial advice based on the Entity's circumstances and has determined that the effect of discounting is immaterial to annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

ii) Long Service Leave and Superannuation

The Entity's liability for Long Service Leave and defined benefit superannuation (State Authorities Superannuation Scheme and State Superannuation Scheme) are assumed by the Crown Entity.

The Entity accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Entity of employee benefits'.

Long Service Leave is measured at present value in accordance with AASB 119, Employee Benefits. This is based on the application of certain factors (specified in NSW Treasury Circular 14/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the reporting period is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

b) Insurance

The Entity's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government Entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

c) Finance Costs

Finance costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit general government sector entities.

d) Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

Sale of Goods

Revenue from the sale of goods is recognised as revenue when the Entity transfers the significant risks and rewards of ownership of the assets.

Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139, Financial Instruments: Recognition and Measurement.

Grants and Contributions

Grants and contributions are recognised as revenues when the Entity obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

NSW Ministry of Health Allocations

Payments are made by the NSW Ministry of Health on the basis of the allocation for the Entity as adjusted for approved supplementations mostly for salary agreements and approved enhancement projects.

This allocation is included in the Statement of Comprehensive Income before arriving at the "Net Result" on the basis that the allocation is earned in return for the health services provided on behalf of the Ministry. Allocations are normally recognised upon the receipt of cash.

e) Accounting for the Goods & Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that:

* amount of GST incurred by the Entity as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of an asset's cost of acquisition or as part of an item of expense; and

* receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

f) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are recognised in the net result when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

g) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

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

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the net result for the year, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as "available for sale", must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

h) De-recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Entity transfers the financial asset:

- * where substantially all the risks and rewards have been transferred; or
- * where the Entity has not transferred substantially all the risks and rewards, if the Entity has not retained control.

Where the Entity has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Entity's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

i) Payables

These amounts represent liabilities for goods and services provided to the Entity and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value.

Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Entity.

j) Equity Transfers

The transfer of net assets between entity as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector entities is designated or required by Accounting Standards to be treated as contributions by owners and is recognised as an adjustment to "Accumulated Funds". This treatment is consistent with AASB 1004, Contributions and Australian Interpretation 1038, Contributions by Owners Made to Wholly-Owned Public Sector Entities.

Transfers arising from an administrative restructure involving not-for-profit entities and for-profit government entities are recognised at the amount at which the asset was recognised by the transferor immediately prior to the restructure. Subject to below, in most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, the agency recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the entity does not recognise that asset.

k) Equity and Reserves

(i) Accumulated Funds

The category "accumulated funds" includes all current and prior period retained funds.

l) Budgeted Amounts

The budgeted amounts are drawn from the budgets agreed with the NSW Ministry of Health at the beginning of the financial year and with any adjustments for the effects of additional supplementation provided. The budget amounts are not subject to audit review and, accordingly, the relevant column entries in the financial statements are denoted as "Unaudited".

m) Service Group Statements Allocation Methodology

Using the statistical data for twelve months ending 30 June 2013, the data is then adjusted for any material change in service delivery or funding distribution, occurring in the 2013-14 year.

In respect of assets and liabilities the Ministry requires the Entity take action to identify those components that can be specifically identified and reported by service groups.

Remaining values are attributed to service groups in accordance with values advised by the NSW Ministry of Health, e.g. depreciation/amortisation charges form the basis of apportioning the values for Intangibles and Property, Plant & Equipment.

n) Changes in Accounting Policy, including new or revised Australian Accounting Standards

(i) Effective for the first time in 2013-14

The accounting policies applied in 2013-14 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that have impacted in 2013-14 and have been applied for the first time as follows:

AASB 119, AASB 2011-10 and AASB 2011-11, regarding employee entitlements, have mandatory application from 1 January 2013 and cover the recognition and measurement of short term and long term employee benefits. Refer Note 3 and 15.

AASB 2012-2, Amendments to Australian Accounting Standard - Offsetting Financial Assets and Financial Liabilities, has application for reporting periods starting on or after 1 January 2013 and seeks to address some of the offsetting criteria of AASB 7. Minor Adjustment has been made to note 19.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise. The following new Australian Accounting Standards have not been applied and are not yet effective. The possible impact of these Standards in the period of initial application includes:

AASB 2010-7, regarding Financial Instruments has mandatory application from 1 July 2015 and comprise changes to improve and simplify the approach for classification and measurement of financial assets. The change is not expected to materially impact the financial statements.

AASB 2011-7, Amendments to Australian Accounting Standards for the consolidation and joint arrangement standards, arise from the issuance of AASB 10, AASB 11, AASB 12, AASB 127, and AASB 128. For not for profit entities, the changes have application from 1 July 2014. Based on the initial high level assessment performed by the Ministry of Health, this standard has been assessed as having no material effect. The Entity in conjunction with the Ministry will be performing a detailed review of the impact of the standard to assess if any small foundations, trust or any other type of entities are controlled, noting if such relationship exists, it is still likely to be immaterial.

AASB 1055 and AASB 2013-1, regarding Budgetary Reporting has application from 1 July 2014. Any changes in future disclosures will be determined by the policies adopted for whole of government reporting.

AASB 9, Financial Instruments, has application from 1 Jan 2017. Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.

AASB 1031, Materiality, is applicable to annual reporting periods beginning on or after 1 January 2014. This Standard provides references to other Standards and the Framework that contain guidance on materiality.

AASB 2012-3, Amendments to Australian Accounting Standard - Offsetting Financial Assets and Financial Liabilities, has application from 1 January 2014 and seeks to address inconsistencies identified in applying some of the offsetting criteria of AASB 132.

AASB 2013-3, Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets, has application from 1 July 2014.

AASB 2013-6, Amendments to AASB 136 arising from Reduced Disclosure Requirements, has application from 1 July 2014.

AASB 2013-8, Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities, has application from 1 July 2014.

AASB 2013-9, Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments has application from 1 July 2014.

AASB 2014-1, Amendments to Australian Accounting Standards is a summary of changes and impacts on wording arising from changes in other standards issued by the Australian Accounting Standards Board which have been already assessed above. This standard has application from 1 July 2014.

AASB 2014-2, Amendments to AASB 1053 – Transition to and between Tiers, and related Tier 2 Disclosure Requirements which should have minimal impact due to exemptions not applying to General Government Sector Entities. This standard has application from 1 July 2014.

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
3. Employee Related				
Employee related expenses comprise the following:				
----	----	Salaries and Wages	4,960	4,880
----	----	Penalties	----	1
----	----	Superannuation - Defined Benefit Plans	115	58
----	----	Superannuation - Defined Contribution Plans	362	121
----	----	Long Service Leave	583	(81)
----	----	Annual Leave	486	264
----	----	Sick Leave and Other Leave	228	40
----	----	Workers' Compensation Insurance	23	----
-----	-----		-----	-----
-----	-----		6,757	5,283
-----	-----		-----	-----
4. Personnel Services				
Personnel Services comprise the purchase of the following:				
4,960	4,880	Salaries and Wages	----	----
----	1	Penalties	----	----
13	----	Superannuation - Defined Benefit Plans	----	----
362	121	Superannuation - Defined Contribution Plans	----	----
27	5	Long Service Leave	----	----
486	264	Annual Leave	----	----
228	40	Sick Leave and Other Leave	----	----
23	----	Workers' Compensation Insurance	----	----
-----	-----		-----	-----
6,099	5,311		-----	-----
-----	-----		-----	-----
5. Other Operating Expenses				
57	12	Advertising	57	12
46	6	Auditor's Remuneration - Audit of Financial Statements	46	6
717	563	Consultancies	717	563
208	----	Contractors	208	----
10	2	Food Supplies	10	2
294	536	Other (See (a) below)	294	536
273	62	Information Management Expenses	273	62
214	64	Maintenance (See (b) below)	214	64
18	2	Postal and Telephone Costs	18	2
377	521	Printing and Stationery	377	521
13	----	Rental	13	----
(5)	7	Special Service Departments	(5)	7
763	284	Staff Related Costs	763	284
163	39	Travel Related Costs	163	39
-----	-----		-----	-----
3,148	2,098		3,148	2,098
-----	-----		-----	-----

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
		(a) Other Includes:		
117	41	Corporate Support Services	117	41
8	15	Courier and Freight	8	15
1	----	Membership/Professional Fees	1	----
----	3	Other Operating Lease Expense - Minimum Lease Payments	----	3
168	477	Other Miscellaneous	168	477
<u>294</u>	<u>536</u>		<u>294</u>	<u>536</u>
		(b) Reconciliation of Total Maintenance		
3	22	Maintenance Contracts	3	22
84	42	New/Replacement Equipment under \$10,000	84	42
127	----	Repairs Maintenance/Non Contract	127	----
<u>214</u>	<u>64</u>	Maintenance Expense - Contracted Labour and Other (Non-Employee Related in Note 5)	<u>214</u>	<u>64</u>
<u>214</u>	<u>64</u>	Total Maintenance Expenses	<u>214</u>	<u>64</u>

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
6. Grants and Subsidies				
1,162	883	Non-Government Organisations	1,162	883
----	70	Grants to Research Organisations	----	70
----	63	NSW Government Sector Grants	----	63
----	----	Grant Payments to Other NSW Health Entities	----	----
15,633	12,668	Grants to Family Referral Services	15,633	12,668
245	239	Other Grants	245	239
<hr/>	<hr/>		<hr/>	<hr/>
17,040	13,923		17,040	13,923
<hr/> <hr/>	<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
7. Investment Revenue				
189	16	Interest	189	16
<u>189</u>	<u>16</u>		<u>189</u>	<u>16</u>

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
8. Grants and Contributions				
159	-----	Other Grants	159	-----
<u>159</u>	<u>-----</u>		<u>159</u>	<u>-----</u>
9. Acceptance by the Crown Entity of employee benefits				
The following liabilities and expenses have been assumed by the Crown Entity:				
-----	-----	Superannuation-defined benefit	102	58
-----	-----	Long Service Leave	556	(86)
<u>-----</u>	<u>-----</u>		<u>658</u>	<u>(28)</u>
10. Other Revenue				
Other Revenue comprises the following:-				
16	4	Sale of Merchandise, Old Wares and Books	16	4
<u>16</u>	<u>4</u>		<u>16</u>	<u>4</u>

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

11. Service Groups of the Entity

Service Group 1.1 - Primary and Community Based Services

Service Description: This service group covers the provision of health services to persons attending community health centres or in the home, including health promotion activities, community based women's health, dental, drug and alcohol and HIV/AIDS services. It also covers the provision of grants to non-Government organisations for community health purposes.

Objective: This service group contributes to making prevention everybody's business and strengthening primary health and continuing care in the community by working towards a range of intermediate results that include the following:

- improved access to early intervention, assessment, therapy and treatment services for claims in a home or community setting
- reduced rate of avoidable hospital admissions for conditions identified in the State Plan that can be appropriately treated in the community and
- reduced rate of hospitalisation from fall-related injury for people aged 65 years and over.

Service Group 1.2 - Aboriginal Health Services

Service Description: This service group covers the provision of supplementary health services to Aboriginal people, particularly in the areas of health promotion, health education and disease prevention. (Note: This program excludes most services for Aboriginal people provided directly by Local Health Districts and other general health services that are used by all members of the community).

Objective: This service group contributes to ensuring a fair and sustainable health system by working towards a range of intermediate results that include the following:

- the building of regional partnerships for the provision of health services
- raising the health status of Aboriginal people and
- promoting a healthy lifestyle.

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
12. Cash and Cash Equivalents				
4,160	4,524	Cash at Bank and On Hand	4,160	4,524
4,160	4,524		4,160	4,524
For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and short-term deposits.				
Cash & cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:				
4,160	4,524	Cash and Cash Equivalents (per Statement of Financial Position)	4,160	4,524
4,160	4,524	Closing Cash and Cash Equivalents (per Statement of Cash Flows)	4,160	4,524

Refer to Note 19 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
		13. Receivables		
		Current		
1	---	Sale of Goods and Services	1	---
4	29	Intra Health Receivables	4	29
146	57	Goods and Services Tax	146	57
59	7	Other Debtors	59	7
<hr/>	<hr/>		<hr/>	<hr/>
210	93	Sub Total	210	93
<hr/>	<hr/>		<hr/>	<hr/>
210	93	Sub Total	210	93
206	---	Prepayments	206	---
<hr/>	<hr/>		<hr/>	<hr/>
416	93		416	93
<hr/>	<hr/>		<hr/>	<hr/>

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
		14. Payables		
		Current		
----	----	Accrued Salaries, Wages and On-Costs	169	152
----	----	Taxation and Payroll Deductions	12	10
181	162	Accrued Liability - Purchase of Personnel Services	----	----
11	6	Creditors	11	6
		Other Creditors		
546	(1)	- Intra Health Liability	546	(1)
243	1,372	- Other	243	1,372
981	1,539		981	1,539
981	1,539		981	1,539

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
15. Provisions				
Current				
---	---	Annual Leave - Short Term Benefit	181	---
---	---	Annual Leave - Long Term Benefit	309	368
---	---	Long Service Leave Consequential On-Costs	91	66
581	434	Provision for Personnel Services Liability	---	---
581	434	Total Current Provisions	581	434
Non-Current				
---	---	Long Service Leave Consequential On-Costs	5	3
5	3	Provision for Personnel Services Liability	---	---
5	3	Total Non-Current Provisions	5	3
Aggregate Employee Benefits and Related On-Costs				
---	---	Provisions - Current	581	434
---	---	Provisions - Non-Current	5	3
---	---	Accrued Salaries, Wages and On-Costs (Note 14)	181	162
767	599	Liability - Purchase of Personnel Services	---	---
767	599		767	599

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
16. Reconciliation of Cash Flows from Operating Activities to Net Result				
(364)	4,524	Net Cash Flows from Operating Activities	(364)	4,524
(149)	(370)	(Increase)/ Decrease in Provisions	(149)	(370)
330	92	Increase / (Decrease) in Prepayments and Other Assets	330	92
551	(1,540)	(Increase)/ Decrease in Creditors	551	(1,540)
<hr style="width: 100%;"/>	<hr style="width: 100%;"/>		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
368	2,706	Net Result	368	2,706
<hr style="width: 100%;"/>	<hr style="width: 100%;"/>		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT AND CONSOLIDATION

17. Budget Review - Parent and Consolidated

Movements in the level of the NSW Ministry of Health Recurrent Allocation that have occurred since the time of the initial allocation in this financial year are as follows:

	Amount (\$000)
Total initial Budget from MoH for FY13/14	39,008
Plus the following Recurrent budget increment	FY13/14
Recurrent Budget to improve access to forensic and medical services for sexual assault victims, particularly Aboriginal Children	353
Recurrent Budget Transfer from the Centre for Aboriginal Health for the Maari Ma AMIHS project	300
Recurrent Budget for Aboriginal Family Health Strategy and Aboriginal Ear Health Strategy	361
Recurrent budget for NSW Newborn and Paediatric Emergency Transport Service (NETS)	460
Recurrent Budget Transfer from NSW Centre for the Advancement of Adolescent Health	362
 Total NSW Kids and Families available Budget for FY13/14	 <u>40,844</u>
 Less Protected Fund with MoH	 4,746
Less Transferring to Lad's and other health agencies from NSW Kids and Families Fund Entity (FE5401)	8,200
Less Roll over application from FY 12/13 funded by NSW Kids and Families cash at bank	1,607
Balance as per Statement of Comprehensive Income	<u>26,291</u>

Net Result

The actual Net Result was higher than budget by \$395,000, primarily due to:

1. \$1.5M underspend is due to the followings:

- a. Negotiations are continuing with all rural LHDs regarding resources they require to operate a sustainable forensic and medical sexual assault service for victims within their LHD particularly for Aboriginal children. A strategy of local and state-wide support is now being progressed to meet recommendations contained within the Ombudsman's Report on Aboriginal Child Sexual Assault. Next financial year it is anticipated that rural LHDs will be fully resourced, recruited and able to provide a 24/7 response supported by a statewide expert advice and retrieval service. Support for rural practitioners will include additional training programs for GP VMOs, Nurses and Paediatricians.
- b. SCHN convenes both the Greater Eastern & Southern and Western Children Healthcare Network (CHN). It is a timing issue in relation to submission received and allocation of funds to each of the CHNs.
- c. Translation of the 'Having a Baby' book into 20 most commonly spoken languages was delayed to 2014-15 due to service supplier's capacity.

2. \$1.6M less recurrent allocations from MoH is due to the roll over application from FY12/13 to FY13/14 which is funded from the cash balance in the bank in last financial year.

3. Other revenue in this year includes interest earned \$189,000, \$159,000 grants and contributions from Health Community & Disability Services Ministerial Council for National Child and Youth Strategic Framework for Health and \$16,000 Youth Health Manual sale to New Zealand.

Assets and Liabilities

Total Cash at bank as at 30 June 2014 is \$4.16M due to the underspend from FY12/13 \$2.7M plus the underspend in this this financial year total of \$1.5M. The receivables is made up of prepayment to Sax Institute contract in this year and GST refund from ATO. In terms of liability, there is \$600,000 less accrual in this year compared to last year.

Cash Flows

Total net cash flows from operating shows negative \$364,000 is mainly due to less cash received compared to the budget.

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

18. Increase/(Decrease) in Net Assets from Equity Transfers

Equity transfers effected in the 2012/13 year were:

A decrease in net assets of \$0.065M relating to the transfer of long service leave on-costs to the Crown

Equity transfers effected in the 2013/14 year were:

Nil

	2014	2013
	\$000	\$000
Equity transfers effected comprised:		
Crown Entity - Transfer of Long Service Leave On-costs	-----	(65)
	<u>-----</u>	<u>(65)</u>
Assets and Liabilities transferred are as follows:		
	2014	2013
	\$000	\$000
Assets		
Liabilities		
Current and Non-current LSL on-costs	-----	(65)
Increase/(Decrease) in Net Assets From Equity Transfers	<u>-----</u>	<u>(65)</u>

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

19. Financial Instruments

The Entity's principal financial instruments are outlined below. These financial instruments arise directly from the Entity's operations or are required to finance its operations. The Entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Entity's main risks arising from financial instruments are outlined below, together with the Entity's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Chief Executive and Board of Directors have overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risk faced by the Entity, to set risk limits and controls and monitor risks. Compliance with policies is reviewed by the Audit & Risk Management Committee and the internal auditors on a continuous basis.

(a) Financial Instrument Categories

PARENT AND CONSOLIDATION		Carrying Amount 2014 \$000	Carrying Amount 2013 \$000
Class:	Category		
Financial Assets			
Cash and Cash Equivalents (note 12)	N/A	4,160	4,524
Receivables (note 13)*	Loans and receivables (at amortised cost)	64	36
Total Financial Assets		4,224	4,560
Financial Liabilities			
Payables (note 14)**	measured at	969	1,529
Other (note)	amortised cost	----	----
Total Financial Liabilities		969	1,529

Notes

*Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

**Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7)

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

(b) Credit Risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the Entity. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from financial assets of the Entity, including cash, receivables and authority deposits. No collateral is held by the Entity. The Entity has not granted any financial guarantees.

Credit risk associated with the Entity's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW TCorp are guaranteed by the State.

Cash

Cash comprises cash on hand and bank balances deposited within the NSW Treasury banking system. Interest is earned on daily bank balances at rates of approximately 3.35% in 2013/14 compared to 4% in the previous year.

Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the NSW Ministry of Health Accounting Manual for Public Health Organisations and Fee Procedures Manual are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectable are written off. An allowance for impairment is raised when there is objective evidence that the Entity will not be able to collect all amounts due. This evidence includes past experience and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors.

The Entity is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2014: \$4K; 2013: \$9K) and more than 6 months past due (2014: \$59K; 2013: \$0K) are not considered impaired because they are confirmed to be collected in August 2014. Together these represent 100% of the total trade debtors.

Financial assets that are past due or impaired could be either 'Sales of Goods and Services' or 'Other Debtors' in the 'Receivables' category of the Statement of Financial Position.

2014	Total ^{1,2}	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
	\$000	\$000	\$000
<3 months overdue	4	4	----
3 months - 6 months overdue	----	----	----
> 6 months overdue	59	59	----
2013			
<3 months overdue	26	17	----
3 months - 6 months overdue	----	----	----
> 6 months overdue	----	----	----

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

Notes

1 Each column in the table reports "gross receivables".

2 The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the "total" will not reconcile to the receivables total recognised in the statement of financial position.

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

(c) Liquidity Risk

Liquidity risk is the risk that the Entity will be unable to meet its payment obligations when they fall due. The Entity continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through effective management of cash, investments and liquid assets and liabilities.

The Entity has negotiated no loan outside of arrangements with the NSW Ministry of Health or Treasury.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set by the NSW Ministry of Health in accordance with NSW Treasury Circular 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise.

The table below summarises the maturity profile of the Entity's financial liabilities together with the interest rate exposure.

NSW Kids and Families
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Maturity Analysis and interest rate exposure of financial liabilities

	Weighted Average Effective Int. Rate	Interest Rate Exposure		Non - Interest Bearing	Maturity Dates < 1 Yr
		Nominal Amount ¹	\$000		
2014	%				
Payables:					
- Accrued Salaries Wages, On-Costs and Payroll Deductions		169	169	169	169
- Creditors		800	800	800	800
		<u>969</u>	<u>969</u>	<u>969</u>	<u>969</u>
2013					
Payables:					
- Accrued Salaries Wages, On-Costs and Payroll Deductions		152	152	152	152
- Creditors		1,377	1,377	1,377	1,377
		<u>1,529</u>	<u>1,529</u>	<u>1,529</u>	<u>1,529</u>

Notes:

1 The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Entity can be required to pay.

The tables include both interest and principal cash flows and therefore will not reconcile to the Statement Of Financial Position.

NSW Kids and Families
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

(d) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Entity's exposures to market risk are primarily through interest rate risk on the Entity's borrowings and other price risks associated with the movement in the unit price of the Hour-Glass Investment facilities. The Entity has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Entity operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position date. The analysis is performed on the same basis for 2013. The analysis assumes that all other variables remain constant.

Interest rate risk

Exposure to interest rate risk arises primarily through the Entity's interest bearing liabilities.

However, the Entity is not permitted to borrow external to the NSW Ministry of Health (except energy loans which are negotiated through Treasury).

Both Treasury and NSW Ministry of Health loans are set at fixed rates and therefore are generally not affected by fluctuations in market rates. The Entity does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change of interest rates would not affect profit or loss or equity.

A reasonably possible change of +/-1% is used consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The Entity's exposure to interest rate risk is set out below.

	Carrying Amount \$'000	-1%		+1%	
		Profit	Equity	Profit	Equity
2014					
Financial Assets					
Cash and Cash Equivalents	4,160	(42)	(42)	42	42
Receivables	64	----	----	----	----
Financial Liabilities					
Payables	969	----	----	----	----

NSW Kids and Families
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for the year ended 30 June 2014

2013

Financial Assets

Cash and Cash Equivalents	4,524	(45)	(45)	45	45
Receivables	36	----	----	----	----

Financial Liabilities

Payables	1,529	----	----	----	----
----------	-------	------	------	------	------

20. Events after the Reporting Period

There are no events after the reporting period that require amendment to the financial statements.

END OF AUDITED FINANCIAL STATEMENTS