

Annual General Meeting

2014/2015 Year



This family photo has been selected for the front page of this report because it helps us understand who we are. This family has been very actively involved with CCS this year. They are from regional Queensland and this photo says a lot about the family focus of this organisation.

It also tells us why we have to focus on expanding our capabilities. Organisations such as ours face any number of challenges – many quite daunting but none of those are as daunting as challenges families face every day.

We have been unable to provide this family with the standard of accommodation they need – specifically wheel chair access to our units because all of our units have been full for many weeks now.

Behind all of the words and facts in this report are the real people, courageous families and wonderful children that we must focus on.

AGM 2015 Combined Governance and Operations

Our Brand and Actions

A significant amount of time has been spent on our brand concept over 2014 and 2015. The outgoing Board has agreed that our brand is defined as follows:

- For Families by Families. *Historically the Brand has been Families helping families*
At an operational level, this is reflected in our family style independent accommodation which clearly demarcates us from other suppliers
At an activity level, our iconic events such as Camp Crystal, Ekka Day and our Xmas party are all whole of family focussed
At a governance level half of our outgoing Board are parents or siblings of an oncology child

- We do not discriminate. Our support to families is not conditional on their disease status, the ethnic, social circumstances of the family, where they come from or the length of time they have to be in Brisbane for treatment.

In 2014/15, we accommodated 38 families.
Since 2012, we have accommodated 112 families. The average length of stay for families is 183 days. Families from all over Queensland and Northern NSW are supported.

Region	Total Days of Accommodation	Average days per family
North Qld	3592	202
Far North Q	2248	173
Wide Bay Burnett	1788	199
North NSW	1480	185
SEQ	1402	156
Darling Downs	1232	137
Central Qld	1187	237
North Coast	979	140
South Coast	522	174
W and NW Downs	488	244
Overseas	415	415
	15333	

- We do not charge families for the services we provide. There are no extra charges to families for such services such as laundry, telecoms or transport services irrespective of where they are accommodated. An example of this is our transport services - in the period December 2014 to July 2015, we provided 886 bus trips for 2300 passengers. Almost 15% of those trips were for families accommodated at other charities. In 2014/15 we also provided financial assistance to 17 families 9 of who were SEQ families' not requiring support for accommodation.

CCS Dec 2014 to June 2015 Transport services	
Total Passengers from CCS	2300
Total trips	886
Included in the above are	
Airport trips	95
Number of Passengers to airport	189
Trips in support of Families from other NFP	115
Number of Passengers from other NFP	222
Other NFP include Ronald Macdonald House, Leonard Lodge and Leukaemia Foundation	

Our Accommodation Strategy

In the 2014/15 year, we explored a number of potential sites for a partial or a full relocation of our services to the LCCH precinct. A small working group of staff and Board members inspected a total of 8 separate properties all within 1.5 kms of the LCCH. Some were eliminated on price, some were eliminated on town planning grounds and some were eliminated due to site contamination concerns.

We have purchased a house and office existing building at the corner of Athlone Street and Annerley Road less than 700m from the LCCH and we are still exploring other opportunities. The Annerley Road building commenced taking families in September 2015 and will be progressively fitted out for our needs by the end of 2015.

The Board also decided to progressively sell down our Herston assets in stages using a sell and lease back strategy. At the time of this report, the first stage of this strategy is largely completed.

Governance Matters

In 2013 to 2015 a number of major changes were made in the area of governance. These changes were implemented or commenced in the 2014/15 year.

Board meetings and allowances

Board meetings are now held monthly. Board members receive a travel allowance and receive a small allowance to cover other costs. These allowances are paid automatically once a member has been cited as being present at a meeting. With the increasing number of regional Board members, the air and car travel and accommodation costs has risen – in 2014/15 these costs were \$12,600 or 1.3% of our total operating costs.

Board oversight of operations

In 2014/15, we commenced trialling a system where Board members with particular skills were given authority by the Board to oversight some operational activities. Currently social media and web matters are under the oversight of the Secretary. It is also likely that in 2015/16, such areas as marketing and fund raising along with the regional program will be assigned to skilled Board members to oversight. Assistant treasurer and assistant secretary positions are also likely to be nominated.

Strategic Plan – In 2013/14 a draft strategic plan was prepared. It is due for review in 2015/16.

Strategic Priorities – 2013 – 2018 (with achievement as of August 2015 noted in *italics*) are given below.

Increase the availability of high quality family accommodation near the LCCH hospital.

Provide 16 accommodation units and 1 unit for short stay hospital visits by 2015.

Provide 18 accommodation units and 2 units for short stay hospital visits by 2016.

Provide 24 accommodation units and 4 units for short stay hospital visits by 2018

We have 12 units at Herston and 3 short term stay units at South Brisbane. Increases in land values in the inner city areas has limited our ability to reach this objective.

Increase the number of families that Childhood Cancer Support Inc provides services to.

Increase the number of families that are provided with accommodation near the hospital.

Involve more Brisbane based families in social activities.

Increase social activities in regional areas.

By August 2015, planning and implementation in regional areas has not been consistent with this objective in the 5 regions. Staffing and networking issues have been a problem. In 2015/16, regional board member of the CCM will increase from 1 out of 9 to 4 out of 9. The new facilities at the south side include space and capacity for greater involvement and contact with Brisbane based families.

In 2014/15 we trialled a series of art and wellbeing programs with good result to run alongside our existing activities. This pilot is being expanded for 2015/16.

In 2014/15, our major family event of Ekka, Camp Crystal, and the Xmas party were strongly supported with over were attended by over 700 persons and our Talk Like a Pirate fund day was celebrated in over 75 schools and businesses.



Expand membership and increase the involvement of volunteers in Childhood Cancer Support Inc. programs.

Double the number of members in Childhood Cancer Support Inc. by 2015. Membership numbers have increased from 75 to over 125 since 2013. Active membership remains less than desirable.

Continue to increase the membership of Childhood Cancer Support Inc. every year. In 2014/15 a number of membership rule changes have been discussed and staff have been developing better ways to provide feedback to members. In 2015/16, these changes should be fully implemented.

Increase the number of appropriately trained volunteers participating in Childhood Cancer Support Inc. events and service delivery programs every year. By August 2015, we have implemented working relationships with 3 major secondary schools, their past students as well as the TocH organisation to co-operatively implement 4 major events each year (Ekka, Camp Crystal, and the Xmas party). Students from St Marys College in Ipswich are shown opposite with their buddies from Camp Crystal. In 2014/15, there were over 500 volunteer days of input. This is in addition to the direct to CCS volunteer days already in place. If we add



governance voluntary governance input and direct no governance time, well over 1000 days of voluntary support helps run what we do.

Develop relationships and partnerships with other not for profit organisations and corporate sponsors.

Work with likeminded organisations in order to collaborate, not duplicate service delivery. Work on these matters has continued. CCS has been part of a group of NFP working on transport solutions and in recent times has developed processes for lobbying government on matter of common interest to other NFP'.

Develop new key partnerships with other not for profit organisations every year. Other than existing relationships (ToCH) there has been no new initiatives in this area.

Every year develop partnerships with new corporate sponsors to participate in Childhood Cancer Support Inc. events and capital investment programs. A new set of corporate sponsors has been fostered with resultant contributions to our transport support and the fit out of our Annerley Road short stay facilities. A lot more work on these areas where corporates can see exactly where they can assist is needed.

Our Financial Position

Our Balance Sheet

Our audit show that the land and cash we have in various accounts has a total value of \$6.1 million. Of this \$1.6 million is in various cash accounts including funds we have been 'saving' in expectation of the need to acquire accommodation on the Southside.

We have a debt to the ANZ bank for \$1 million as a result of the purchase of our Annerley Road property. This loan facility was negotiated during the 2014/15 year after proposals for financing our south side strategy were obtained from 3 major banks. The ANZ has been extremely understanding of the need for flexibility in financing and we are appreciative of their support.

From a balance sheet perspective we are well placed to develop further capability on the Southside.

Management of debt and the maintenance of our service capacity will be the key balance sheet components of future strategies. In 2014/15, the Board decided to sell our Herston properties in two lots; initially Kyeema and Nunyara and in the medium term THD and Allara. The sale strategy involves the assets being sold and then leased back for up to 5 years. Effectively this releases funds locked into the value of these properties to help fund new Southside facilities whilst maintaining our service capacity. As of the date of this AGM, a contract of sale on Nunyara and Kyeema has been signed.

Our Cash Flow

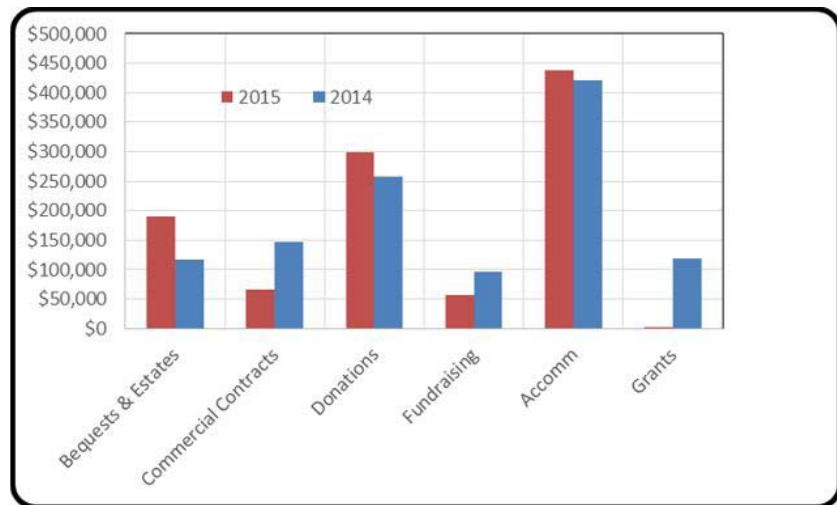
This Board well understands that even for Not for Profit organisations it is the cash flow component of finances that will underpin these future strategies. It is inevitable that debt financing will be required to assist with our transition to the Southside.

Our audited accounts show that in 2014/15 our income and expenditure statement shows a nett of \$248,417 with a gross income of or 21% of our gross income of \$1,151,333. The results are similar to the 2013/14 year. In the year we did have some \$77,000 in extraordinary income resulting from the sale of Hetherington Street and we did incur some non recurrent costs due to consultancy and professional service fees involved in the sale and search for new properties. After allowing for these

non-recurrent items as well as non cash costs such as depreciation and staff provisions, our trading bottom line is around \$350,000 for the year.

Our Challenges

The chart opposite clearly shows where our main financial challenges lie. Accommodation subsidies are our largest source of income followed by donations. Both of these are reasonably reliable and predictable. In 2015, the continued decline in our commercial contracts resulted in these contracts not being renewed. These were telemarketing contracts and the Boards of the last few years have long had concerns about telemarketing being a proper fit for this organisation.



Bequests and Estates are episodic income streams, however in the longer term this area has been a reasonably reliable income stream. There is only one year in the last 6 years when this income stream has been negligible.

Fundraising via events has been disappointing for a number of years and in 2014/15 continued to decline despite a significant amount of staff and volunteer input. Grants in 2014/15 were essentially negligible and this was disappointing.

In June of 2014/15, the Board commenced a number of changes to staffing and fund raising processes to address the challenges of our poor performance. These changes include:

- Setting clear targets for fund raising events and working more closely with our supporters. High costs events with low or uncertain returns will no longer be supported. In 2014/15, we intentionally closed a number of fund raising initiatives which were considered by the Board to be too high a risk given the return (tele-marketing) or which did not have a sufficient margin to justify the workloads imposed on our limited staffing and volunteer resources. The focus in 2015/16 must be to reset our fund raising activities and not focus so heavily on flag ship high risk activities that do not directly relate to our families and supporters. With better networking with our families and our supporters, our donations stream remains consistent with some growth and the bringing on line of new accommodation will improve our cash position and get some economy of scale into that side of the operation.
- Project budgeting will be a key tool for events
- Expert assistance will be retained to improve our success rate on grants.

The Board has set a reasonably simple target of a trading bottom line of \$500,000 for the 2015/16 year.

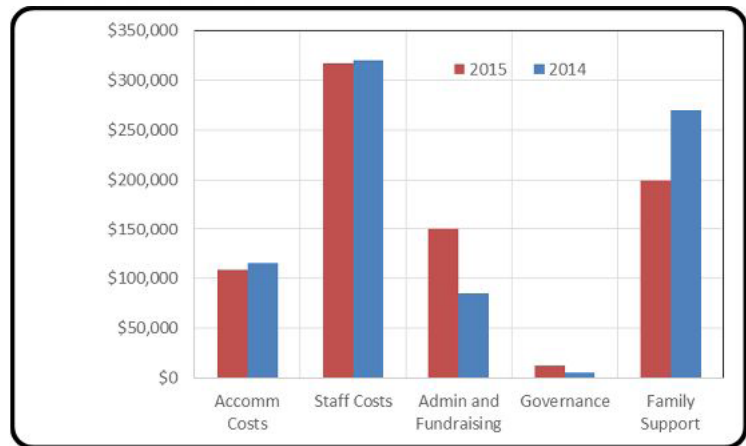


On the costs side, our costs remain relatively consistent. Administration and fundraising costs were higher in 2014/15 and this was associated with the retention of expert external advice on town planning, valuation services and property inspection. This will continue into 2015/16.

Whereas there is some variability in income streams, our costs are relatively consistent from year to year.

This will change in the 2015/16 year when the lease back costs for 6 units at Herston comes into our cost line as an accommodation cost. Given that our wait list consistently sits at between 3 and 6 families, it is imperative that we source five or more units on the Southside. This will offset the cost line impact from the lease back arrangements.

In 2015/16, it is projected that the Board will have a far greater input into fund raising (as well as all other operational matters). Our recent experience of leaving this to staff to design and implement has been a failure.



Our Staffing

We started 2014/15 with two new senior staff and a new support staff appointment in administration support. Throughout the year we also employed 2 casual bus drivers whose role is to assist with unit maintenance as well as transporting families to and from the hospital. The changes to this staffing arrangements are summarised below:

- The demand for our bus services is such that we will continue at the current staffing levels
- Lisa Godier who was appointed to the position of General Manager, resigned in mid-2015 for family health reasons. Lisa's contribution in promoting the organisation to the hospitals and corporate sector was very significant.
- Rona Claffey was appointed on secondment from NAB for 12 months to assist with fund raising and events. Rona has also played a significant role in assisting with family support. Rona secondments ends in September 2015.
- Sarah Amos was appointed as an administration assistant with a focus on improving our social media and web based initiatives as well as resolving legacy issues with our IT system. Sarah was particularly effective in those roles and she recently obtain a professional position elsewhere. In her relatively short stay with us she set a strong foundation for us to build on.

At the end of the 2014/15 year, Rogan Hume resigned as Secretary of the Board and assumed the position of General Manager. Rogan will continue in that role in 2015/16. As a Board member he has been heavily involved in restructuring our operations and exploring opportunities on the south side.

Gina Garza continues to efficiently and caringly manage our family support services – in many ways the most varied and challenging function. Over the past year she set in place a number of processes about our services that I as President are heavily reliant on – indeed the breadth of this current report would not have been possible without her – let alone the complexity of our accommodation transport and financial assistance activities.



Ray Garza has run the transport and logistics side of our Herston operations with a panache and style that is greatly appreciated by families. In more recent times he has been ably assisted by Anton Vlahos – Ray can do many things – but driving 2 buses at once is not one of his many talents.

Finally Jo Spencer continues to play an important role as our finance officer. We are an NFP organisation with a million dollar turnover subject to numerous reporting and diligence requirements. Jo is integral to those functions.

Our Board Members

The Board this year has overseen substantive change in the organisation.

David Teal is retiring from the Board at this AGM after many years hard work realigning our financial accounting and management system to fit with modern day standards. When combined with capital expenditure on a scale not seen before by this organisation, David role has been far more than one would normally face as an honorary treasurer.

Josie Thomson, joined the Board last year following years of service as a corporate ambassador for the organisation. Josie is also retiring this year for personal reasons – but she will be continuing in her corporate support role – a role which in this last year has created greater awareness and support from the corporate sector.

All other Board members have expressed a wish to remain on the Board. Their backgrounds in business, promotions, childhood oncology, education and government brings a diverse skills set which is important to the organisation.