



Resourcefulness, artistic passion, imagination, tenacity and profound empathy with the strengths and weaknesses of those with whom we interact and try to lead to a better place are what characterised the Beyond Empathy team in the year gone. As in previous reporting periods, it was a year of both challenges and triumphs, a year of fine tuning and recalibrating what we do, and a year of stretching ourselves to produce better and better art that is relevant to and inspiring for our participants and the communities in which they live.

Community arts and cultural development is time intensive, multifaceted, and the processes involved need to be sensitive to each community's deeply embedded thinking and history. There are never any simple formulae that can be applied. There are often months and weeks when progress is made to joint understandings only for that to disintegrate through either a lack of sensitivity to those histories or a crisis overtaking the community. The BE team have learnt that one step forwards and two steps backwards is not failure; it is impetus for greater effort and humility.

The skills in the BE team, led by the incredibly capable and dedicated Kim McConville, continue to be honed and improved. The artists with whom the team collaborates help expand the artistic vision and possibilities of the works our community

members produce. We are always reaching higher and aspiring to get better outcomes ... both life outcomes for our participants and artistic outcomes from the activities in which they engage. We are aware of the importance of "not doing harm" in the communities which we enter, in gathering evidence and assessing it and recalibrating or even changing our efforts in the face of the evidence.

There is no steady state for the Beyond Empathy organisation. It would be easy if there was. Disadvantage builds up over time and takes time and patience to dislodge. And for that we need to thank our insightful and understanding donors and funders, who support us year in, year out. Your faith in Beyond Empathy and our work is vital, and we are grateful for it. We will not dishonour the trust you put in us.

Anna Buduls
Chair







Beyond Empathy (BE) is a small and effective grass roots organisation and intentionally uses community, arts and cultural development (CACD) practice to influence change in the lives of individuals and communities whose life cycles have been disrupted by disadvantage. Community, arts and cultural development (CACD) is a vibrant, diverse, professional practice that is in a constant state of evolution where the arts intersect with community aspirations.

Over the last 12 months, BE has used arts led processes to connect people who are disenfranchised with their community and local support workers and to broker relationships between them. Creating common ground amongst often disparate groups through art enables communication and conversation to take place in new ways and leads to changing perceptions of the 'other'. For change to take place, this shift in perceptions needs to take place on all sides. In some cases, people have been helped to make connections with participants, artists, and other workers from beyond their local surrounds, broadening everyone's experiences, insights and possibilities.

Media strategies form an integral part of the projects and ensure a broader audience than the specific community is reached. The issues that are being unpacked in any one community are often prevalent in many communities throughout Australia, and wide-reaching publicity can give help and hope to other communities experiencing similar issues. The BE model is available to assist communities interested in implementing similar projects.

During the 2010/11 year BE has maintained its commitment to delivering high-quality, participatory arts programs, which generated 46 media stories and several radio interviews in local, state, national and international media. We had 6,585 unique visitors make 9,799 visits and view 1,001,702 pages on our website. We have intentionally used these programs as the catalyst for 72 partnerships with community based organisations with long-term outcomes.

In November 2010 at the International Arts and Health Conference in Melbourne, BE received the Arts and Health in Rural and Regional Australia Award for Excellence (Regional Arts NSW). This recognition from international practitioners for our innovative approach to using the arts to enhance community wellbeing encourages us to continue on a path we know is effective. Although we have learnt profoundly over the past six years, we continue to be mindful of the challenges. The work is never easy and we maintain respect for the communities who trust us to work with them. We understand the



nature of the complex and unfamiliar challenges in the communities and the suspicion with which we are often greeted, as many organisations have attempted change efforts before with little success and have come and gone in our communities. Staying for the long haul despite the challenges is our point of difference and has never been more important. Often there are no precedents for effective strategies for these challenges from which we can draw. Instead, over time we have learnt to work through an emergent process where our participants can *find* a solution while working on the problem. This process acknowledges the uniqueness of every situation and hence of every solution: rather than imposing a 'one size fits all' solution from outside, we are helping participants create custom made solutions for their specific circumstances. This is the key to success and enabling trusting, authentic relationships.

BE always begins a project with the end in mind. However, because our work is emergent, we can't always tell what the next step will be. It's challenging for our team and this way of working is certainly not for everyone. We have learnt the hard way to choose our team carefully; we know working with this type of ambiguity is part of the deal and viewing the uncertainty as a positive catalyst for innovation is essential for project success. This

means our artists and community development team must remain nimble and flexible and work as a tight team where communication is key. Over the year we have done this well in some projects and as a result produced stunning, artistically innovative works with extensive reach into and out of the community. The Armidale project *Just One* Less is a great example of a project working like a well-oiled machine creating a beautiful tension between process and product. Expertly led by Artistic Director Anna Cater (Mitra Films) and her team, the project engaged projection artist Craig Walsh, in partnership with Digital Odyssey, a Museum of Contemporary Art Touring project, and produced a product and process resonating way beyond the Armidale community.

The production of profound and highly innovative artwork is central to every project's success and has been significant for us this year. Presenting our work to new audiences is critical for enriching the artistic vibrancy, or artistic vigour and energy, of communities, some of which have been drained of their vitality. In other cases, presenting the work to audiences who don't often get to experience new artistic concepts is exciting and central to both the individual's, the audience's and BE's identity. Some of the works our projects produced are powerful communication tools with the ability to influence





attitudinal and behavioural change beyond the communities where they originated. This process can be immediate or a slow percolation into society over time. So far, we have been successful in raising awareness of issues affecting communities in Australia through screenings, exhibitions, and other events. 2506, our short film produced in the Illawarra, was screened at short film festivals in WA, New Zealand and Ireland, winning the Audience Award at the Margaret River Shorts Film Festival (WA). 2506 was directed by Gemma Parsons and co-written with BE leader Jess Rees.

Rites of Passage, our Illawarra feature film project, screened trailers several times in the local Berkeley cinema, filling the house and celebrating the contributions of each young person involved. Predominately an art-house work, Phillip Crawford continues to inspire us with his vision, his artistic integrity and his commitment to working with young people, creating a film anthology of stories about growing up in a sometimes unsettling world. Produced by Anna Cater and mentored by Kriv Stenders (Director, Red Dog), it promises to be a beautiful and confronting work. We fully understand the power of works like this and, as a result, in the future we would like to approach the presentation of our work more strategically and focus on reaching new audiences, including

those in the health, education, and social justice sectors. Going forward, we aim to make sure our works can play a powerful advocacy role: works which enable communities to be part of shaping their own identity and allow new audiences to view and understand the issues through a different lens.

During 2010/2011 we have again trialled and

tested a wide spectrum of CACD practices, tweaked and honed our ideas, tested different art forms and abandoned some ways of working in preference for the more successful and strategic practices. We end the year with an established set of protocols or practices that are essential for project delivery and these are embedded deeply in our DNA. Importantly, we have also learnt this year to keep focused on the reason we exist and the task at hand: mission drift can be dangerous territory. Above all else we have learnt that things rarely go according to plan and in order to meet the needs of our communities, we must respond by taking risks - because if it was easy, it would have been done before. So, our work remains risky, highly responsive and innovative.

The year would not be complete without acknowledging the exceptional and sustained support of our benefactors, they are all listed at the end of my report on page 12. They are a dedicated bunch who understand the significance



of 'hanging in for the long haul'. We are particularly indebted to those donors who specifically fund our core business/infrastructure, which enables the smooth running of, and support for, our projects in community. This funding is the most difficult to source, as the results are the least overtly tangible. However, without this funding BE would not exist. The Westpac Foundation and Morgan & Banks have also provided BE with Capacity Building grants to assist us in growing the organisation.

Our work would not be possible without our dedicated and creative team of Phillip Crawford, Gemma Parsons, Jess Rees, Shayne Teece Johnson, Narelle Jarry, Anna Cater, Kellie Martusciello, Valerie Quinlin, and Jo Davidson, who all who maintain an incredible tension between their work as artists, the interests of the community and, most of all, the people served in our projects. Pia McBean, Nicola Speden and Trish Shortis in our head office are the vein running through our organisation. This year we also farewell Susie Spencer from our General Manager position. Her kindness and gentle spirit supported many of the team during some challenging and testing times.

I also want to acknowledge the outstanding efforts of the Better Factory Enterprises team in Bowraville, who were expertly led by Moray Ralph, Julia Morrell and Joan Marshall. The Better Factory Enterprises Strategy was concluded on June 30 and so we farewell many of the team in Bowraville. Our thanks go especially to Moray who navigated the team through some rigorous and confronting DEEWR KPIs and milestones. I don't think we would have been able to sail those Government waters as expertly as we did without his guidance and expertise.

BE uses art to influence change and this work is continually enriched by a crew of inspiring artists some of whom include Stephen Killick, Guy Crosley, Lamb Iovine, Kween G, Trav Ross, Polly Armstrong, Craig Walsh, Hiromi Tango, Raef Sawford, Yanni Scott Davis, Kai Tipping, Jamie Snowden, Joshua Thomason, Jac Freeman, Wendy Kimpton, Jonathan Stack, Tony Barry, Jason Winter Tammy Jarret, Lizzie Jarret, Joce Pritchard, Margot McCarthy, Danny Teece Johnson, Morganics, Soraya Touma and Margrit Rickenbach. Our work is held gently in the hands of our elders and we are grateful for their guidance and cultural wisdom. In particular they include Aunty Paula Duncan, Aunty Leslie Widders and Uncle Martin Ballangary. I also want to acknowledge the sad passing of Uncle Billo Priestley. He was a Kamilaroi warrior and leader, a cultural guide and teacher and a very dear friend. We miss his humour, his knowledge and his gentle hand at our backs.

As innovators, it's our job to make space for the unexpected, to make room for emergent patterns. Our work is responsive and you can't tell in advance what these patterns are and so they will rarely appear in a preconceived plan. Maintaining a tension between the expected and the unexpected is critical and it's hard work. It requires creativity, practice, tenacity, flexibility, trust and a good degree of lateral thinking. Our priority is always to maintain a healthy balance between the unknown and the known quantifiable aspects of our work. After all, it is in the unexpected side-tracks and what can appear like chaos that real and lasting change hides.

Kim McConville

Executive Director

Relieble



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Funded by Australian Hotels Association; Better Futures NSW Communities; Coca-Cola Australia Foundation; Stephen Fitzgerald; New England Credit Union; and the NSW Department of Premier and Cabinet.

In 2010 Beyond Empathy launched the Just One Less project. The project was initially designed to unpack the issues of young people and binge drinking and to understand the landscape of alcohol use in the Armidale community. Film was the central story telling tool in this project, and stories from the community were gathered in many different ways. The project evolved over the year and, as Armidale began to talk about the issue. BE needed to remain flexible as to the best way to create a cohesive artwork that reflected both the light hearted and deeply personal stories that people shared. With this in mind, BE engaged internationally renowned projection artist Craig Walsh, in partnership with Digital Odyssey, a Museum of Contemporary Art touring project, to draw the varied film material into an honest, sensitive large scale projection that reflected the stories back to the community via the back wall of the local pool grandstand over two evenings in the first days of July.

The project began in August 2010 with five local filmmakers working in schools to create short films

groups and the community. The production of the film material gave the young people the opportunity to learn about filmmaking, while drilling down into the issues around alcohol and associated risk taking behaviours. A premiere screening and launch of the seven films was held at The Armidale School on 15 June 2011. The screening provided an opportunity for Armidale's young people to share their views on the challenging and personal issue of alcohol consumption. It was also an opportunity to celebrate the creation of the artistic material and create a community of young people that extends across the different school environments. The films were sometimes funny, a little confronting, slightly uncomfortable but all inspiring. Young people really do know the things that lead them forward and the behaviours that hold them back. In this way the young people and their ways of thinking continue to inspire.

that explored the culture of alcohol in their peer

During the University of New England Orientation week in February 2011 we officially launched the 'Just One Less' campaign. Bar staff in all local Armidale hotels and pubs wore 'Just One Less' tee shirts designed by über cool fashion label and custom motorcycle company *Deus ex Machina*. The tee shirt was designed to promote a community conversation around the use of alcohol.



BE established a very sound working relationship with the local hoteliers who became partners in the project. The Armidale Dumaresq Council made flags with the tee shirt design and these were flown around town through the life of the project.

As a way of gathering interviews en-masse, a

tell-all 'confessional' was created by converting a

horse float into a hi-tech mobile video booth. In the privacy of the booth members of the public were asked to 'Tell us about the role of alcohol in your life and for your family and friends'. The responses were remarkably candid. The booth was moved around Armidale giving a broad range of people an opportunity to contribute their story and experience around alcohol. More than 300 personal stories were gathered from the community. These robust and sometimes confronting stories provided an insight into the context of alcohol usage within families in the Armidale community. The community was talking: having an open, honest and cathartic conversation. An upbeat 4-minute trailer was created from the booth interviews under the expert eye of the Artistic Director, Anna Cater (Mitra Films). It screened on youtube, the BE website, at the school film premiere night and in the local cinema during June.

Photographic journalist and artist Angus Mordant took black and white portraits of ten members of

the general public, who had shared their stories in the mobile video booth. Giant copies of these portraits were blown up and pasted on walls around the community. The portraits included direct quotes from their booth interviews and built on the emerging community dialogue around alcohol and also helped to create interest in the upcoming projection event. Using local people meant that most people in the community connected to at least one, if not many, of the stories on the portraits. BE artist Polly Armstrong continued the community portrait project during June, photographing young people for giant black and white posters that were positioned in the centre of town. One of our community partners, The NSW Parks and Wildlife Service, came on board to print the portraits.

Local members of the *Just One Less* Community Reference Group initiated a youth forum as an important way to offer young people a chance to express their opinions about alcohol in an open and non-judgmental environment. The forum was held in June 2011 and brought together students from across the Armidale school community and across age groups (Years 10-12) to reflect on their own behaviour around alcohol. Approximately 120 young people attended the forum, which highlighted the commonality of drinking that occurs among school students, the majority of whom are



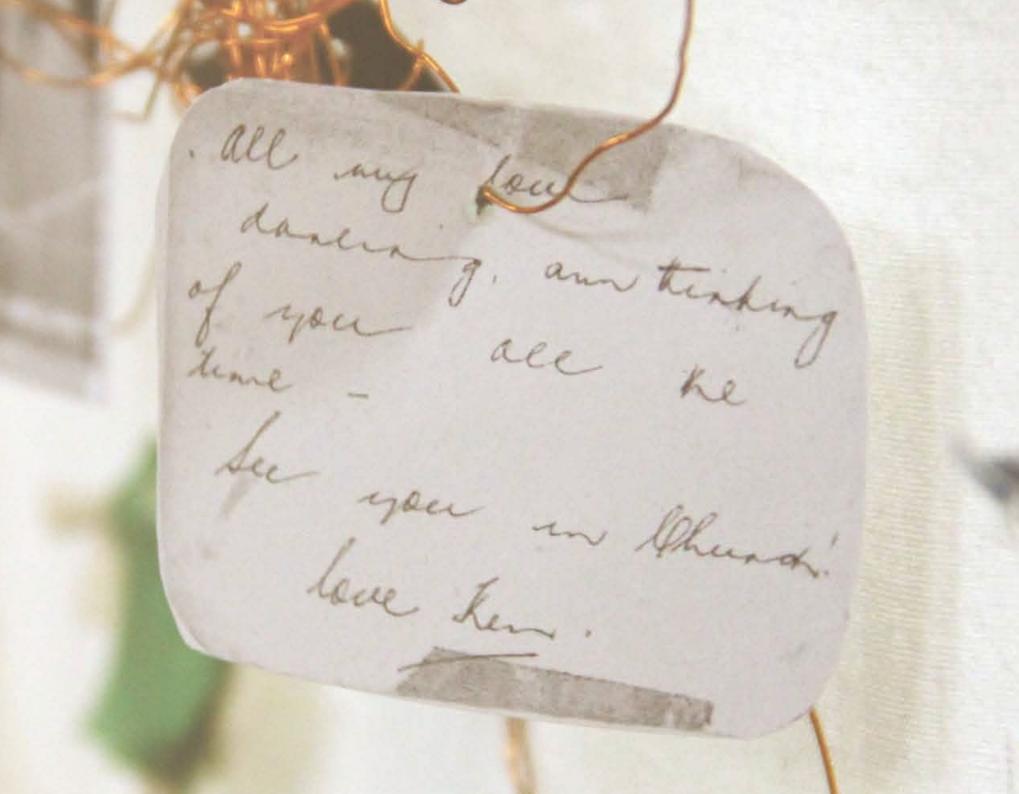


underage. BE felt that encouraging discussion of this issue could be the first step in coming to an understanding of the underlying reasons for drinking, without which it is difficult to present alternatives that may have relevance.

Evaluations results of the Just One Less Youth Forum (23 June 2011)

Over 50% of respondents to each question were impacted either 'moderately' or 'a lot'. 76% of respondents considered that the forum was well put together and 69% liked the way the topic was presented. Over half the respondents thought the forum provided new insights and helped them reflect on how they think about things or made them think differently about the issue.

Guestion	total no.of responses	4 =	a lot	3 = m	oderately	2 =	a little	1 = r	not at all
		no.	%	no.	%	no.	%	no.	%
Personal Impact: Did you connect with the topic?	65	24	37%	17	26%	22	34%	2	3%
Presentation: Did you like the way the topic was presented?	67	25	37%	21	31%	17	25%	4	6%
Delivery: Do you think it was put together well?	67	23	34%	28	42%	15	22%	1	1%
Experience: Did it expose you to a new group of people, places or life experiences	65	18	28%	19	29%	26	40%	2	3%
Insight: Did it give you insight into issues, views or ways of thinking that you have not considered before?	67	13	19%	26	39%	23	34%	5	7%
Reflection: Did it lead you to reflect on how you think about things or make you think about things differently?	e 66	11	17%	25	38%	24	36%	6	9%



To add dimension to the project, conceptual and installation artist Hiromi Tango was engaged to work with the Armidale community to reflect upon a possible antidote to alcohol and risk taking behaviour - the concept of home. Workshops were held in a pop-up shop in the town centre and were open to the entire community. Hiromi worked with community members to create a vertical artwork or screen: an assemblage of items based on what home means to them. This then became the background for images of the participants to be projected over. The artwork is evidence of participants' willingness to contribute a part of themselves to the project. Very intimate and personal expressions around the concept of home were literally pinned to the wall in a public space. This collaboration between Hiromi and the community was a very positive stream of the project and provided a connectedness to counteract the vulnerabilities expressed by so many people in the mobile video booth. The projected portraits were visible through the shopfront windows during the evenings in June 2011.

The project culminated in Craig Walsh's remixing of the film material into a twenty minute video loop that was projected onto the back of the swimming pool grandstand on July 1st and 2nd. The pool grandstand depicts a mural by Indigenous artist Dennis Pitt



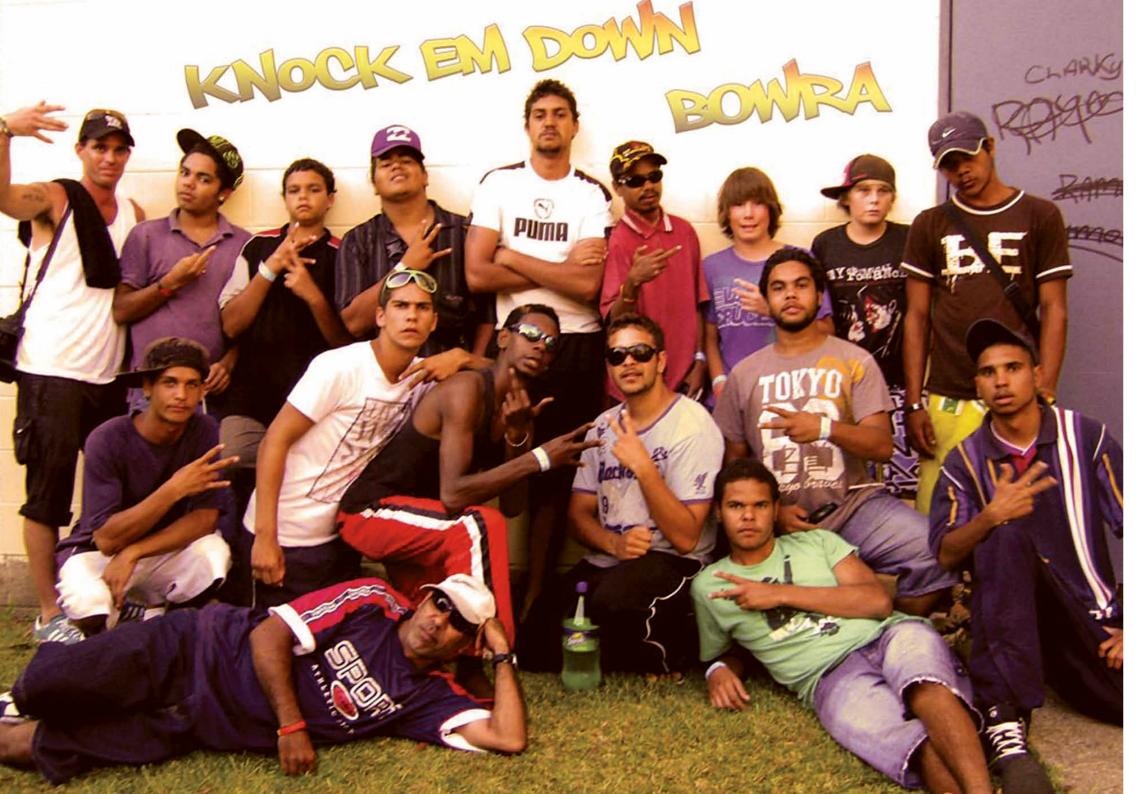
across six panels. Walsh's work interacted with the existing landscape and he designed the projections to fill the six panels. The film excerpts were given anonymity as the voices initially spoke over one another, with a single voice then pulled up for selected interviews so the audience could hear clear stories in addition to a multitude of voices. The work reflected back to the community something of itself, providing a powerful meditation on the varied experiences that people share around the topic of alcohol. To combat the winter weather, fires burned in 44 gallon drums and hay bales were placed as seats. The mobile booth was parked to one side and the audience could go inside and watch the student films on a big screen. Soup and bread was provided for the audience. Guests could also stay in their car and listen to the audio on a live feed via the local university radio station.

The community interaction with the projections grew over the week. A number of on-site rehearsals were held and the well-positioned location drew quite a lot of interest from passing pedestrians and car traffic. The project gained significant media attention with 18 stories published in 2010/11 and three radio interviews. The result was a very aware and informed local population. Walsh's projections were mesmerising. Attendance figures of over 200 people reflect the interest of the broader community

in the project. The second night of screening followed a performance by local bands and musicians at the skate-park next to the pool. This event encouraged the younger participants to stay and view the projections and the make up of the audience reflected this. The Saturday music event involved twenty four young people in leadership capacity performing to a community audience of 200 people. The focus was to mix young people who are disadvantaged up with young people who are well supported. Research suggests that mixing young people up in events can be a powerful influence for change for all young people. 'Koorified' (our local indigenous leadership crew) launched their EP at the music event.

BE wanted to bring the experience of viewing large outdoor projections to Armidale's Indigenous community: to those who may not have had the opportunity to travel to the *Just One Less* projections in the centre of town. BE invited Craig Walsh to project some of his works onto the landscape. An eerie and intriguing human face projected onto a tree at the Mission on the Sunday night captured the audience and terrified some of the children, who thought it was the 'Warky' spirit. In addition, BE utilised the blank white side of a removalist's truck as a screen to show the material made through the Breaking Barriers leadership program.





Funded by Arts NSW; Australia Council for the Arts – Creative Communities; Caledonia Foundation, Coca-Cola Australia Foundation; Department of Education, Employment and Workplace Relations; and Vincent Fairfax Family Foundation.

The *Better Factory Enterprises* Strategy, which involved establishing an arts led social enterprise hub in Bowraville NSW, focused on engaging participants through arts led community cultural development workshops. The strategy provided an option for a continuous pathway through learning and production spaces, formal training and social enterprise activity and development. Young people participated in the arts led workshops and, as they deepened their engagement, participated in learning pathways through formal TAFE courses, traineeships and industry mentoring through the development of microenterprises.

The Digi Hub, a film and media space, was open five days a week with two days of formal training workshops with TAFE and three days of informal training delivered through hands-on activities and working with industry professionals and mentors in local and regional film projects. A sound recording room was set up and several music artists (Soraya Touma and Joshua Trindall) ran four short intensive workshops in weeklong blocks. Young people

were involved in song writing and recording their own music. Access to computers and the internet provided a gateway for many young people, who did not have access to these resources in their home environment. Coupled with their involvement in practical projects, such as filming the local football games, they learnt many new skills - both technical and personal, such as teamwork and communication.

In the Art Studio the team worked in three areas:

felting, jewellery and flag making. The silver jewellery was prepared for casting and then assembled by the production team. Melbourne based jewellery maker Peter Eccles came to Bowraville for a week of workshops with the participants and mentored the lead artists in the casting process. Flags were made to a set of designs with some extra one offs being designed by one of the participants. Felted art products were made by the Elders group and young people. Other felted products, such as slippers and bangles, were made by a smaller production team. Collaboration and teamwork were essential ingredients in the creation of these art products and brought together participants from across the community and age groups, building connectedness and empathy.

The Memorial Park regeneration project engaged a dedicated group of men and young men in



hands on refurbishment of Bowraville's Memorial Park, TAFE training in Metals and Construction supported the work in the park with the demolition of an old barbeque shelter, the laying of a new concrete slab, the installation of two electric barbeques and the construction of the roof. The park was re-landscaped with garden beds and lawn and the children's playground refurbished with new play equipment. This was completed by members of the community in conjunction with TAFE Outreach. This project gave pride and a sense of ownership to the community and appreciation from the broader community for the work undertaken and achieved. The first stage of the project (the barbeque shelter) was completed in late 2010 and celebrated at the Launch of the Better Factory Enterprises Strategy with a barbeque and performances on a stage in the park by participants from the Digi Hub and the local schools. Over 200 people attended the day.

the community to participate in training and the

The combination of young people working with adults on the Bowraville projects provided a level of mentoring and social connection for participants. The Better Factory Enterprises Strategy has provided the context for the young people to be involved in the intensive skills development program with a focus on economic/

business planning and the development of a micro-enterprise. Five young people were involved in traineeships in Metalwork, Horticulture, Visual Arts, Creative Industries and Business Services. Young people involved in the Digi Hub learnt the skills of film making and have had the opportunity to translate their skills into an industry environment through working on the film jobs contracted for external organisations through the enterprise activities of the Digi Hub coordinator. Three young people from the Digi Hub have been further supported with opportunities to perform on stage at festivals and to record their own music. This builds confidence and self esteem in the young people and changes the perception of the community towards the younger generation through acknowledgement and pride in their achievements.

Nine young people from Bowraville and the Far North Coast went to Sydney for the Intensive Skills Development camp in dance and performed in *Here I Am*, a dance performance at the Sydney Theatre Company's Open Day. One mother's feedback was that the experience has changed her son's life: he now knows what he wants to do and that's dance. Lloyd Quinlin, who has been involved with BE since he was 14, was a standout performer in *Here I Am*. He is continuing to work

with dancer / choreographer Travers Ross on a regular basis to further his dance skills.

From February to March 2011 felts made by Elders as part of the Textiles business enterprise were exhibited at The Koorie Heritage Trust, Melbourne, in an exhibition entitled From the Rainforest to the Sea: an exhibition of works by Gumbaynggirr artists from the Nambucca Valley, Mid North Coast NSW. This exhibition was a successful endeavor, which highlighted the artistic quality of the felt wall hangings created and was well received.

Emerging artist, workshop co-facilitator, young leader and former participant, Valerie Quinlin, assisted with this exhibition. Valerie also assisted with the exhibition, *The Freedom of Life*, at the Dorrigo Rainforest Centre in April and May. These experiences have resulted in Valerie being asked to curate an exhibition at the Dorrigo Rainforest Centre in July 2011.







Funded by Australia Council for the Arts
- Key Producers; Anna Buduls; Caledonia
Foundation; Coca-Cola Australia Foundation;
and Perpetual Trustees.

The Illawarra film project has young people working on all aspects of filmmaking on the feature film Rites of Passage and on individual short films. Weekly workshops with the young people give them the chance to build up various technical, personal and work ready skills over time, giving them a solid skills base for further development. The participants use the medium of film to tell their own stories and explore experiences about growing up in a sometimes unsettling world. In collaboration with the young people, these stories are being developed into a film anthology (feature film) due for completion in 2012. Phillip Crawford and Gemma Parsons, who both have extensive experience in community development and youth work, and a trainee, Jess Rees, lead the Illawarra team. The trainee began as a participant in 2006 and has moved through the leadership program, from which she has now graduated, to working as an assistant on this project. Phillip has been making films with community for well over 15 years and his unique talent and style is set to make this arthouse film a work that will not only

hold significant outcomes for the CACD sector as a whole, but also for the Australian film scene.

The Illawarra project is focused on an extremely hands on, one by one, one on one strategy. Participation is made easy through the use of a project mini bus (as always transport remains a central issue for these young people limiting their access to new opportunities). Workshops are delivered at the local Berkeley neighbourhood centre or out on location. The young people take up all roles in the filming: acting, camera work, scripting, props, etc. Through this practical learning-on-the-job approach, the young people are developing skills that can be translated into the film industry or other media platforms. Via the Intensive Skills Development Program ten highly engaged young people have had their skills assessed and recorded on a skills register developed in line with TAFE KPI's to allow for recognised prior learning (RPL) into other courses.

The short film 2506 made by the young people who participate in the Illawarra project has been shown to a local audience of 300 people in Berkeley at the Gala cinema. In November 2010, 2506 was accepted into the Show Me Shorts Festival in Auckland, New Zealand. The two stars (lead actors) and the director, Gemma Parsons, travelled to Auckland for the opening night and the



film festival. The film was also accepted into the Margaret River Short Film Festival in WA, where it won the Audience Award in March 2011. In May 2506 was screened in Ireland at the Fastnet Film Festival. 2506 is being used as part of the curriculum at Wollongong University. It is also being used by police when working with their young offenders in programs associated with the PCYC. 2506 also screened in the Armidale Mission on 3 July 2011 as part of the Just One Less project.

Participants had the opportunity to practise their skills outside of the workshops through being involved in several film/enterprise activities. These included a tender for the making of an anti-smoking TV advertisement for Illawarra Area Health Service and a project at the Illawarra Senior Campus called 10 Up - Year 10 Reflections. These small enterprising activities have increased young people's opportunities to translate their newly learnt skills into industry experience and broadened the capacity of the project.

Several young people were invited to participate in the Coca Cola Happiness Ambassadors' visit in July 2010. A team of young people attended the Sydney event from the Illawarra and created an echidna out of Coca Cola bottles. They also painted several bottles, two of which were selected

Participants have been encouraged to connect with a network of support services that enable them to begin the journey of creating change, particularly in relation to their risk behaviours (drug and alcohol, etc.). We call this 'reaching out'. Workers have been encouraged to join in film workshops as a means of building relationships with young people in a non-threatening way. We call this 'reaching in'. The point of connection between those reaching out and those reaching in is where sustainable change beyond the project begins to happen. The project team also advocates on participants' behalf when extra support or health interventions are required. Through sustained participation in the program, all the young people have identified a stronger sense of self and an increase and improvement in technical and life skills.







Funded by the Australia Council for the Arts -Key Producers; the Australian Pipeline Trust and the Coca-Cola Foundation.

The program in Tennant Creek is delivered in block residencies during the school holidays. In 2010-2011 BE ran three intensive blocks: the first two provided skills development workshops in a variety of art forms and the last one provided an intensive focus on honing skills for performance and performance preparation for the local Desert Harmony Festival, in which the young people showcased their acquired skills for a public audience. Workshops covered diverse art forms, including dance, song writing, puppetry, film, and music, including the laying down of beats for hip hop. BE believes it is critical to connect young people with the same artists each residency in order to build and maintain relationships over time. The more engaged participants have maintained contact with some of the artists in between the visits via a variety of social media platforms.

BE part-funds a fulltime arts and community development worker in Tennant Creek in partnership with the Youth Development Unit and Barkly Regional Arts. BE organised for fourteen artists over the three residencies to work in the community and build on the foundations BE had laid over the previous 4 years. As the funding for this

project is coming to an end in 2012, consultations with our partners led us to initiate a handover strategy, whereby two of the regular artists would undertake three visits in 2011-2012. Their focus is to build leadership capacity and work closely with partners to hand the project over to the community. The leadership development continues with young people and Barkly Arts are currently searching for funding to continue the artists' visits to Tennant Creek.

One young person from Tennant Creek is an emerging songwriter and performer and she has been professionally linked with musician John Butler, who played her song at a concert in Darwin in September 2010. BE assisted her in writing, performing and recording a song, which was a winner in ABC radio Triple J's Heywire competition. Her learning pathway has included attending two music festivals and mentoring by a team of music and performance artists brought into Tennant Creek as part of the BE strategy. Currently her priority is to finish school.

Two other young aspiring songwriters/performers worked with a BE musician creating tracks for their own CD produced in the community. As a result of the work with the BE team, one of these young people is now undertaking a music traineeship with

the Winanjjikari Music Centre at Barkly Regional Arts.

Five young people from Tennant Creek have built upon and extended the dance skills learnt in community workshops through their participation in two dance events: four young people went to Sydney for the Intensive Skills Development program in dance and a performance at the Sydney Theatre Company in December 2010; and two young people attended the Utopian Dream Dance Festival in Coffs Harbour, NSW, in January 2011. The Utopian Dream Dance Festival involves performers and dance professionals from all over the world and provides young people with the opportunity to work with these professionals to build skills and experience, trial new techniques and perform in front of large audiences.



Funded by the Australia Council for the Arts - Key Producers; Coca-Cola Australia Foundation and the Goldman Sachs Foundation.

The Young Mothers program is a way to connect

disengaged young parents to their community, increase awareness of the support structures that are offered, and help community members to work more effectively and holistically together. By working with support workers in an informal, collaborative workshop environment, participants are able to get to know and develop relationships with those workers. Through the relationships fostered, participants get to know the different support services that are available to them and can start to feel more comfortable using them and/ or get support to use them. Workers have come from a range of different disciplines, including child and maternal health, sexual health, drug and alcohol management, legal services, transport, community services and welfare services. In some cases, service providers attending the workshops provide services on site (including advice on healthy living and basic health checks such as periand ante-natal checks, informal counselling and relationship management) or make arrangements for participants to attend services off site or set up home visits. During 2010-2011 the Young Mothers program operated in Bowraville as Ngwarra, Moree

as *Mubali*, and was trialed in Armidale, NSW, and a number of communities across Western Australia.

Ngwarra in Bowraville

Since setting up at the Resource Centre on the Mission in Bowraville, the Ngarrwa program has focused on engaging young mothers or carers in workshops with support workers and on helping them build relationships with one another in order to promote improved maternal, child and family health and wellbeing outcomes. As those relationships are consolidated, the focus of the program has been expanded to focus more directly on also developing parenting skills, supporting early childhood development and transitions into pre-school and primary school.

Ngwarra continued to operate at the Resource Centre during first quarter of the year. Weekly workshops incorporating arts based activities were run with young mothers and carers. During the second quarter, the workshops moved into town and a new art form was introduced: the making of puppets and backdrops with a local Bowraville artist to developing a puppet show. The puppet story revolves around "brown jacks", which are very small hair-covered humanoid creatures of Aboriginal tradition. They generally have supernatural powers, guard certain places, and







punish wrong-doers. Aboriginal Elder Uncle Tom (87) shared a Brown Jack story his grandfather had told him. Other Elders have been invited to share their Brown Jack stories. The puppet show aligns with Ngarrwa's ongoing strategy for early childhood education by utilising the performance to incorporate aspects of child protection, as well as practical skills such as counting and colours. It will be performed at the local preschools and will be quite interactive and invite audience participation in making the sounds and songs. Elders and parents are invited to bring their Bitaarr/brown jack stories along, so a repertoire of stories can be built up for the puppets to play out around the neighbourhood. Some drama/life learning skills and training for the parents will also be included, as well as some Gumbayngirr language. This work will segue into BE's new work around the area of child protection.

Mubali in Moree

The Young Mother's program in Moree is in the handover phase. The BE artists made a photo story of the plaster casting process, "Belly Business", as a tool for the workers in Family Support and Community Health to use in their own workshops. There have been two trips to Moree since Jan 2011. Each trip involves making belly, hand and feet casts and painting them or other pre-existing casts with participants and Elders. An important

aspect of each visit is liaising with the midwives and other health/social workers that are involved with Mubali and troubleshooting any problems they might have. 90% of the young Mums involved in Moree are less than 17 years of age.

Armidale

BE has also conducted preliminary belly casting workshops and community development activities in Armidale with a view to testing whether or not there is interest in continuing a parenting and early childhood development program. The youngest Mum involved is 14. Despite a slow start to this program, BE is committed to continuing to work with young mothers and the health services in Armidale.

The Kimberley

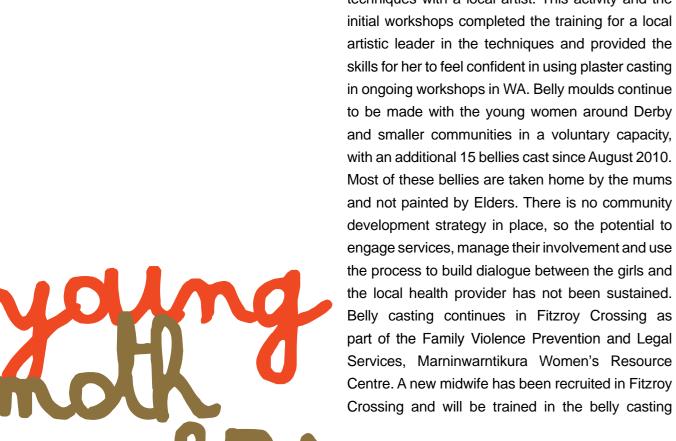
BE initiated a Young Mothers program in WA. We focused on developing the model as a community owned and driven strategy, ensuring local ownership and 'buy in' from the community. As a kick-start to the program, BE ran two workshops in the last week of July, which were well received in community. BE has continued to forge relationships in WA and the program has taken on a life of it's own. It is successfully operating in Fitzroy Crossing with some irregular workshops in Derby and Halls Creek. BE also explored the delivery of the Derby program



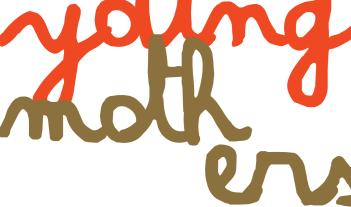
in the surrounding remote communities of Looma, Jarlmadangah, Pandanus and Mowenjum, since these communities feed into Derby for services, in particular the hospital and local health services. Six belly casting/skill development workshops were undertaken during the initial four month timeframe; involving 66 participants, creating 42 casts of bellies, hands and feet. Four dads were also involved.

In preparation for the workshops BE's lead artist shared her expertise in plaster moulds and casting techniques with a local artist. This activity and the initial workshops completed the training for a local artistic leader in the techniques and provided the skills for her to feel confident in using plaster casting in ongoing workshops in WA. Belly moulds continue to be made with the young women around Derby and smaller communities in a voluntary capacity, with an additional 15 bellies cast since August 2010. Most of these bellies are taken home by the mums and not painted by Elders. There is no community development strategy in place, so the potential to engage services, manage their involvement and use the process to build dialogue between the girls and the local health provider has not been sustained. Belly casting continues in Fitzroy Crossing as part of the Family Violence Prevention and Legal Services, Marninwarntikura Women's Resource Centre. A new midwife has been recruited in Fitzroy model. Sporadic belly casting continues in Halls Creek, Kununurra and Broome on a needs basis and when girls request or are offered it. It is not a catalyst for the midwifery or CACD practice in these communities.

Each person we met with identified that there are existing programs in place that address a variety of issues for young people. However each person identified that, despite programs being in place, there were still young people who are not engaged by these programs and are falling through the gaps. Each person confirmed that a community driven bridging program or connector program is needed and critical.









Funded by the Australia Council for the Arts - Key Producers; Coca-Cola Australia Foundation and Morgan & Banks.

Breaking Barriers is a long term, innovative strategy that uses personal and leadership development, social media, various art genres and community development to connect with young people who are considered at risk because they engage in more than one of the interconnected adolescent risk-taking behaviours. These behaviours include smoking, risky sexual behaviour, drug use, risky driving behaviour, delinquent behaviour, alcohol consumption, and drink driving ¹

The young people involved in *Breaking Barriers* have not been reached by any conventional support strategies or services in community. And, despite attempts to keep young people in school and engaged, they continue to fall through the community safety net. Breaking Barriers provides a road map for participants to navigate their way through the conceptualisation, creation and promotion of arts products that explore issues relevant to all young people. The purpose of this strategy is to extend the reach of the project and its outcomes so as to help others move through

1 Greene, K, Krsmar, M, Walters, L, Rubin, D & Hale, J 2000, 'Targeting adolescent risk-taking behaviors: the contributions of egocentrism and sensation-seeking', Journal of Adolescence, vol. 23, pp. 448-9

challenging circumstances or resist the pull to engage in risk-taking behaviours.

Young people who are highly engaged and demonstrate artistic and personal leadership potential were extended through BE's Intensive Skill Development strategy. In 2010-2011 BE focused on specific skills development in dance and music. The Dance intensive involved bringing 15 young people, who had shown a passion for dance in their local community projects, together for an exhilarating and exhausting week. The culmination of this work, *Here I Am*, was performed at Pier 2/3 as part of the Sydney Theatre Company Open Day in December 2010 and celebrated and showcased the young people's work and talent.

In a week leading up to the performance, young people worked with four professional dance tutors, an Artistic Director, a dramaturge, a sound and lighting professional and a filmmaker to create the performance piece. Young people were involved in the conception of the piece, the evolving story and contributed to all aspects of the performance. At night the tutors shared their personal stories and professional journeys with the young people, illustrating that despite adversity, change is possible and that dance and other forms of creative expression are a pathway to lead to personal



Of the 65% of leadership

participants who have

commencement with

sought work since

Of the 63% of leadership

participants who were

not attending school at

commencement with BE.

change. 85% of participants indicated this was the most valuable aspect of the weeklong workshops. It gave them hope.

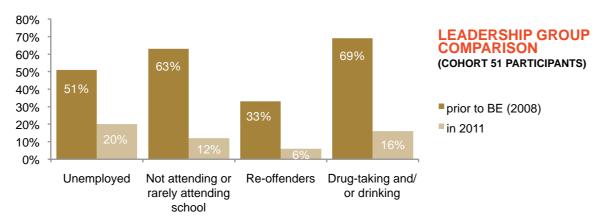
In 2010-2011 BE supported 51 young people in receiving additional, one on one investment in the development of their artistic and creative skills. They were connected to the arts sector by having professional artists as mentors, and supported to extend the skills they had learnt into performances, festivals and opportunities outside their community. Throughout the year they also received personal development support for some of their risk taking behaviours, support for formal education and career pathways. BE mentors and support workers provided this support and also worked with local support agencies to ensure the young people received the support needed to continue their leadership journey. During the year, BE worked with local schools and year advisors, case managers, and drug and alcohol workers to

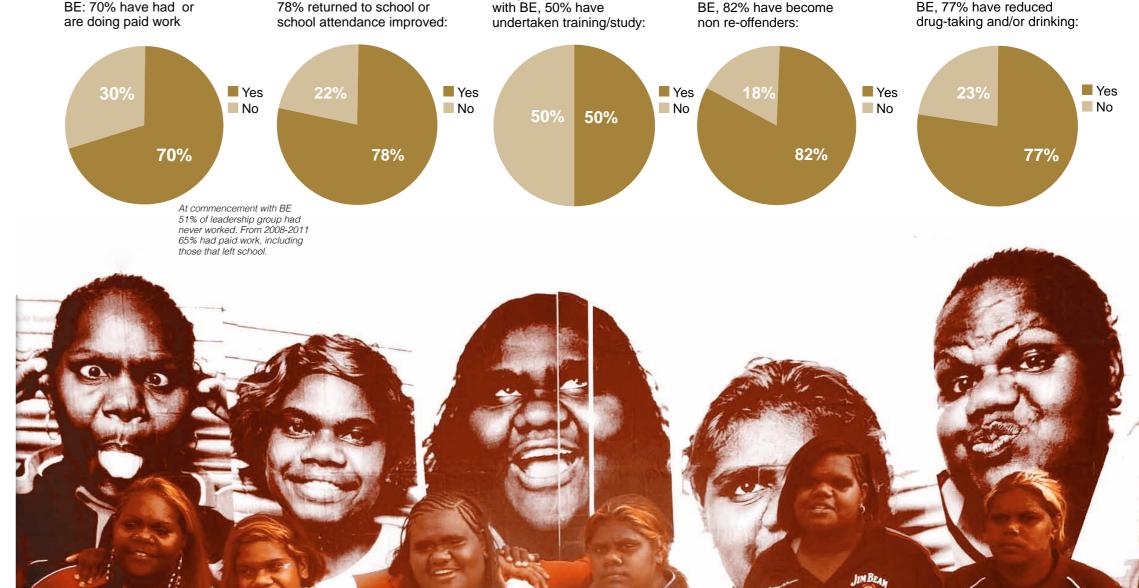
ensure our work complimented the intervention work they were engaged in. If this did not exist, BE facilitated this support on an individual level.

Involvement in the Breaking Barriers leadership program has produced some significant results for young people. These changes relate specifically to the increase in more resilient and protective behaviours. Protective behaviours include self-esteem and moral identity, skills, connectedness and levels of engagement and self-control.

Breaking Barriers has been central to building pathway to employment, returning to school or some other formal study, assisting young people to exit the justice system and stay on track and reducing drug use and alcohol consumption.

A comparison of behaviours before involvement with BE:





Of the 100% of leadership

participants who had not

study at commencement

undertaken training or

Of the 33% of leadership

participants who

were re-offenders at

commencement with

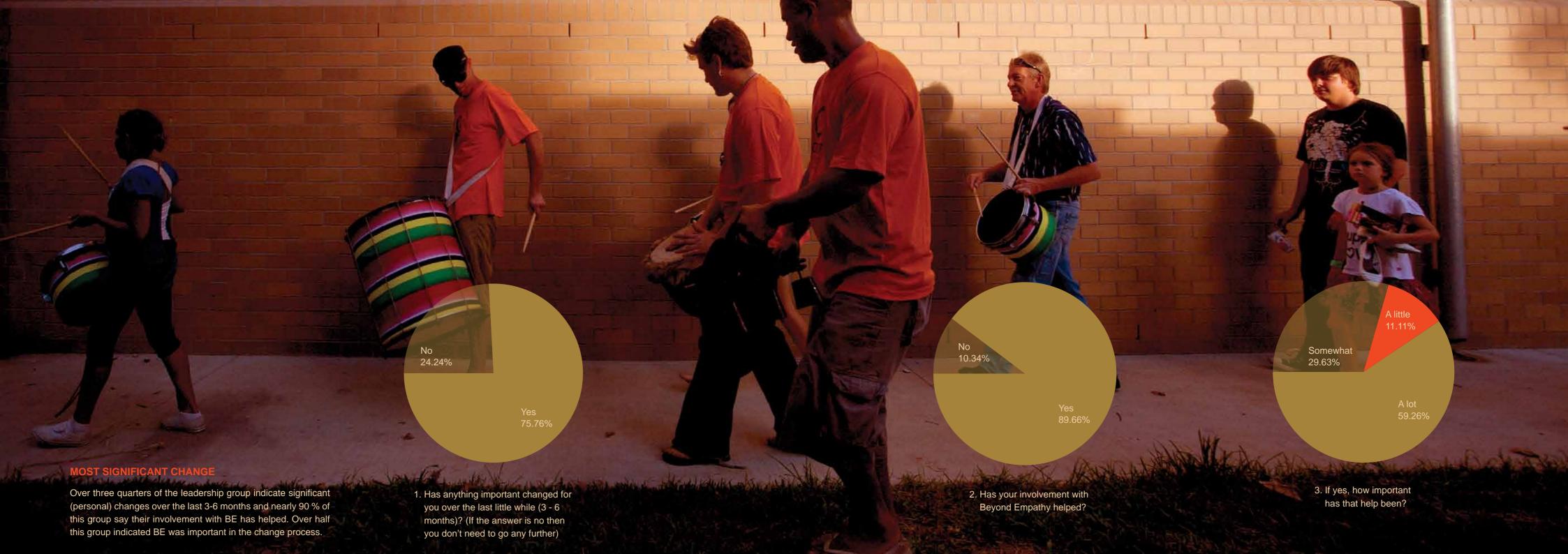
Of the 69% of leadership

drug-taking and/or drinking

participants who were

at commencement with





Attribute	Questions	Results
Positive sense of self	How do you feel about the art works you have created?	100% proud
	Proud / shameful / happy / frustrated? How do your art works reflect	100% reflect culture so therefore affirms identity.
	you as a person?	100% renect culture so therefore animis identity.
	How do your art works reflect your place in the community?	60% indicated that process provided recognition by other community members so gave a sense of place in community
	What have other people said to you about your art works?	100% indicated family was proud of their work.60% indicated works provided recognition from non-Aboriginal community.
Self control	How much control do you feel you have over the process of creating your art works? Making decisions about the creative content?	100% a lot of control and all indicate the support from BE is important as helps individual to stay in control. 80% indicate increase in confidence and capability 60% indicate working with BE helps to have confidence to take more risks and try new things.
What did you learn through the process of creating an art work from start to finish? Commitment / discipline / perseverance / tenacity?		40% indicated the process translated into having more control in life.
	How has this affected other areas of your life?	30% indicated the process of leadership support has created more stability in other parts of their lives. 100% indicated being involved has expanded their circle of influence – or people they met and interacted with.

In creating works for the public, how do you decide what to present? Content / story lines / imagery	100% indicated it was about sharing their story, which is their culture and this determined what they presented. Family was also critical in the story telling process.
Do you think about how your art works might be perceived by others? How do you want the public to view your art works? What do you want them to think about you?	100% indicated people who saw their work liked it. 80% indicated it was a good role model opportunity because the young people in community wanted to be like them or copy their work (music and dance). "Years ago the role models used to be the rugby team but now its art – music in our community. It shows other young people that it can be done and that you can do it yourself. As leaders that's our role." 100% indicated they would like the public to enjoy their work, like it and want more. The leaders want other people to hear their story and when people hear their story they want people to be happy – they want to create joy.
How much control do you think you have over how people perceive your art works?	100% thought they had no control over what people thought but the work should speak for itself. 33% indicated that BE's backing gave credibility to their work because as an Aboriginal male it was hard to be seen in a good light.
Do your artworks reflect your own story? How? Do your art works reflect other people's stories? How?	100% indicated that their artworks reflected theirs or their family's story. 80% also added that the works were about the 'Aboriginal struggle'.
How does working with your own story affect you? Insight / understanding / empathy / consequences of actions / attitudes	100% indicated that the leadership program "helps to understand what is going on in your life and deal with it better". Through the medium of art they could express emotion that can't be articulated. "It's like huge weights are taken off your shoulders and its released so it's a tool. It allows reflection – sort of without pain".
How does working with other people's stories affect you? Insight / understanding / empathy / consequences of actions / attitudes	25% indicated working with others stories provided a "reality check and some were a bit tricky to deal with because the stories were so close to home". Respondents did not relate this to insight. These attributes were not really an outcome of other people's stories and we wonder if it's because these young people are so used to bad stuff happening it is expected.
	you decide what to present? Content / story lines / imagery Do you think about how your art works might be perceived by others? How do you want the public to view your art works? What do you want them to think about you? How much control do you think you have over how people perceive your art works? Do your artworks reflect your own story? How? Do your art works reflect other people's stories? How? How does working with your own story affect you? Insight / understanding / empathy / consequences of actions / attitudes How does working with other people's stories affect you? Insight / understanding / empathy /

Social Connectedness

How do you work with other people in creating collaborative art works?

Team work

This response was mixed. The girls seem to be more naturally collaborative and are happy to share the evolution of work. The boys (particularly) have a very definite sense of ownership and control over their work and are less willing to co-create with people not close, unless it's part of their mentoring role and then they are strong co-creators and generous with their ideas.

80% want other people to follow – "just come and make beats with them and follow". 100% of respondents are happy and keen to work with other young people and co create work.

How do you see the art works affecting the community?

Community strategy / networks

80% of leaders can articulate that the work creates connection in community and sense of belonging: "If the community sees the art works, it provides inspiration which helps make change". All agreed it created a sense of pride and people acknowledge the sense of achievement. They could articulate that if people 'know the artist' it also connects them into the positive story and a sense of ownership in the story, even though that person did not create the work. This mirrors collective ownership in indigenous communities.

A lot of the Aboriginal boys don't have Dads. "So through the art and connection it allows these boys to have that role model, that Dad figure and through this and the art they can be taught the stories important to growing up in healthy ways. The art can create health messages and the young boys will listen".

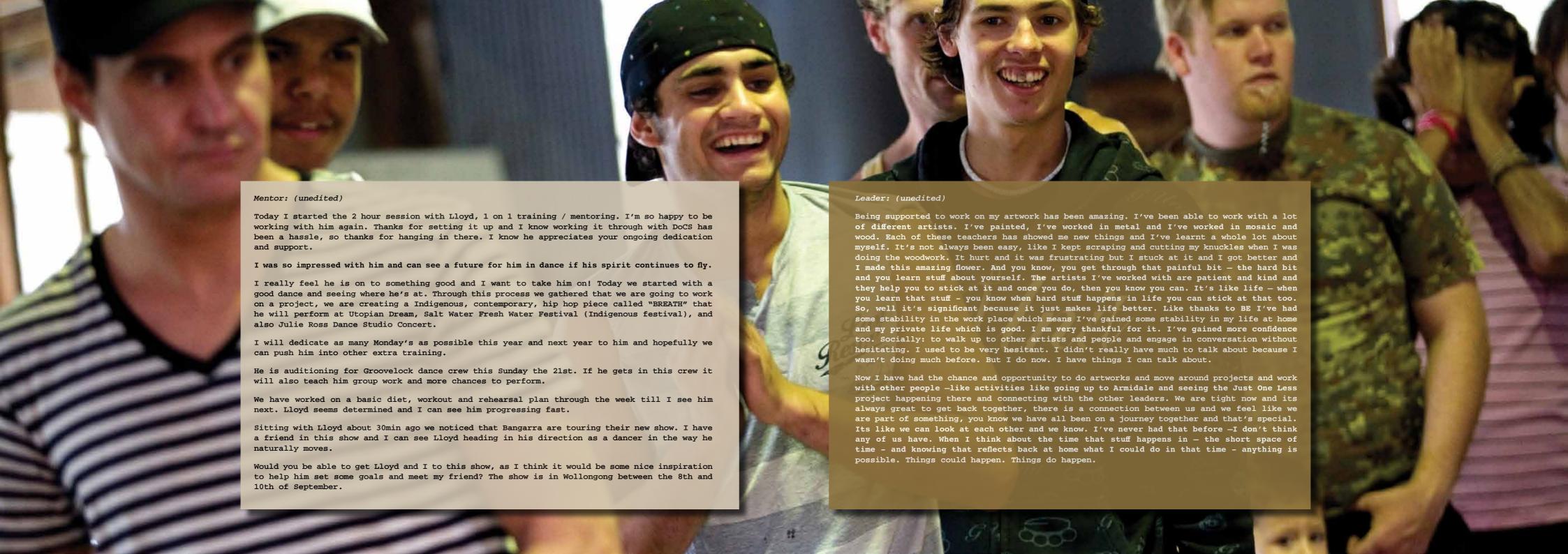
How has creating art works affected you socially?

Place in community / family / society
Interaction in community / family / society

100% indicate that their social circles have expanded considerably because of working with BE more than the creation of work itself. 100% indicate their work gave them something to talk about, gave purpose and meant they had something to offer. And by feeling that way they were more easily able to engage. 100% indicated that through engaging new people they have been able to learn more.

Importantly, all the leaders saw their most important role as communicating with and leading the younger people in their community and showing change was possible. Through showing another way they believe they can break the cycles of disadvantage.







BEYOND EMPATHY LIMITED

ABN 22 114 367 814

(A company limited by guarantee)

DIRECTORS' REPORT

The directors of Beyond Empathy Limited (BE) present this report for the year ended 30 June 2011.

DIRECTORS

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

		Α	В	
Buduls	Chairperson	5	5	
) Thompson	Director	5	5	
McConville	Director	5	5	
/ Skinner	Director	4	5	
Green	Director	5	5	
P Heath	Director	4	5	

- A Number of meetings attended
- **B** Number of meetings held during the time the director held office during the year

Mr J Wearne retired from office as a director during the year, he did not attend any meetings

COMPANY SECRETARY

Mr David Thompson held the position of Company Secretary at the end of the financial year.

PRINCIPAL ACTIVITIES

The principal activities of BE throughout the year focused on raising the status of disadvantaged people by using artist and community cultural practices to foster respect and recognition for individuals within their families and communities. These programs achieved efficacious outcomes for both individuals and the community.

SHORT TERM OBJECTIVES

BE's short term objectives are to:

 Work in collaboration with participants, support agency staff, professional and emerging artists, leadership graduates from its programs and the local communities in which it operates to influence change at a community

LONG TERM OBJECTIVES

BE's long term objectives are to:

- Continue to use arts genres such as film, digital and mixed media, theatre, music, dance and visual arts to build relationships between intergenerationally disadvantaged young people, local support agency staff and the local community.
- To be sustainable and strive for continuous improvement so as to offer the best possible outcomes for the youth requiring our assistance.

STRATEGIES

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

- BE strives to attract and retain quality staff.
- BE strives to work in partnership with a range of community stakeholders as is evidenced by ongoing support of its projects and initiatives.
- BE is committed to providing the best outcomes for the youth requiring assistance.
- BE strives to meet consistent standards of best practice. Executive member of the Australian Council of Social Service and the Intercontinental Network for the Promotion of the Social Solidarity Economy.

INFORMATION ON DIRECTORS:

ANNA BUDULS: CHAIRPERSON

Anna has extensive experience in the corporate sector. Since 1995, she has had non-executive director roles on the boards of a variety of public private and government companies. She is currently on the boards of Centro Property Croup, SAI Global and the Foreign Investment Review Board, Anna also owns a travel software business. In 2008 Anna was appointed by the Federal Government to a three person Steering Group to work on the White Paper on homelessness and in 2010 she was asked to be a member of a three person Review Panel which looked at the operation of the Federal Government's Jobseeker Penalty Compliance regime. She has also been closely involved with the not for profit sector over the last decade, both as a director and through her philanthropy. Apart from Beyond Empathy Anna is also very involved with programs aimed at alleviating homelessness.

KIM MCCONVILLE: EXECUTIVE DIRECTOR

Kim McConville is the co-founder and Executive

Director of Beyond Empathy and has been working in Aboriginal communities for 23 years. Kim has used arts, culture and community development practices to influence change, increase health, wellbeing, education and learning outcomes for young people and their families experiencing recurring hardship. Kim has been successful in facilitating collaborative practices across Government, Corporate, Philanthropic and Community sectors. In 2006 Kim was awarded Social Entrepreneur of the year for her work with Beyond Empathy, Kim is a director of Play Writing Australia.

DAVID THOMPSON AM

David Thompson is CEO of Jobs Australia Limited. a national peak organisation for more than 250 non-profit providers of employment and related services for unemployed people. David is also Chair of the National Roundtable of Non-profit Organisations Limited and Deputy President and Executive member of the Australian Council of Social Service and the Intercontinental Network for the Promotion of the Social Solidarity Economy.

VIVIENNE SKINNER

Vivienne Skinner has had a long career in arts and politics and is currently adviser to the Federal Minister for Infrastructure and Transport, Anthony Albonese. She was the arts adviser to the former Premier Nathan Rees and, for the 10 years up to 2005, she was arts adviser to former Premier Bob Carr. From 2006 until 2008 Vivienne was the communications manager for Regional Arts Australia. Vivienne is the Deputy Chair of the Adelaide Film Festival and is a director of the physical theatre company Legs on the Wall and a member of the Sydney Committee for The Big Issue.

TONY GREEN

Tony Green is the Managing Director of several family companies that have developed and operated some of Sydney's leading pubs. For the last 12 years he has also been Managing Director of Andreasens Green Wholesale Nurseries, one of the largest wholesale nurseries in Australia.

PAUL HEATH

Paul is the CEO of JBWere, a leading provider of Private Wealth Management services across Australia and New Zealand. Paul has over 20 years financial markets experience having held prior roles with Goldman Sachs JB Were. Bankers Trust and CSR Limited

MEMBERS' GUARANTEE

The company is limited by guarantee. In the event of the company being wound up, the constitution states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations of the company. At 30 June 2011 the collective liability of members was \$10 (2010 - \$10).

AUDITOR'S INDEPENDENCE

The auditor's declaration of independence forms part of the Directors' Report for the year ended 30 June

Signed in accordance with a resolution of the directors made pursuant to s 298(2) of the Corporations Act 2001.

ON BEHALF OF THE DIRECTORS:

Svdnev, NSW, 25 October 2011



Auditor's independence declaration

I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the Corporations Act 2001 in relation to the audit
- (ii) Any applicable code of professional conduct in relation to the audit.

Armidale, 25 October 2011

Other income Total revenue Expenditure Administration expenses Employment expenses Project expenditure Depreciation Amortisation Other expenditure Total expenditure Operating surplus / (deficit) Other comprehensive income



STATEMENT OF COMPREHENSIVE INCOME

				•
	Note	2011	2010	
		\$	\$	
Revenue				Polo
Government grant funding	3	1,397,946	449,587	Bala
Other tied project funding	3	934,334	999,686	Defici
Consultancy fees	3	4,750	28,219	Total
Untied donations	3	262,216	273,865	incom
Interest	3	51,114	48,282	Balaı
Other income	3	19,087	24,916	Dalai
Total revenue		2,669,447	1,824,555	Surpl
Expenditure				Total
Administration expenses		216,287	163,050	incom
Employment expenses		1,095,862	589,389	Balaı
Project expenditure		1,287,358	1,137,070	
Depreciation	3 (b)	15,155	11,775	The stat
Amortisation	3 (b)	7,433	12,395	
Other expenditure		-	12,000	
Total expenditure		2,622,095	1,925,679	
Operating surplus / (deficit)		47,352	(101,124)	

Total comprehensive income / (deficit) 47,352 (101,124)

Factory Enterprises) in Bowraville NSW.

As a result of the strategy, BE's full time staff increased from six to nine employees and part-time/casual staff increased from two to 26 part-time/casual employees.

A \$506,476 (46%) increase in employment expenses in the 2010/2011 year is a direct result of the Department of Education, Employment, and Workplace Relations Jobs Fund contract which entailed Beyond Empathy undertaking a job creation strategy (Better

The strategy was completed in June 2011 and employment figures are estimated to drop back significantly, incurring only a marginal increase on 2009/2010 figures.

The statement of comprehensive income is to be read in conjunction with the attached notes.

STATEMENT OF CHANGES IN EQUITY

	Members' funds
Balance at 1 July 2009	376,389
Deficit attributable to the entity	(101,124)
Total other comprehensive income for the year	-
Balance at 30 June 2010	275,265
Surplus attributable to the entity	47,352
Total other comprehensive income for the year	-
Balance at 30 June 2011	322,617

The statement of changes in equity is to be read in conjunction with the attached notes.

STATEMENT OF FINANCIAL POSITION

	Note	2011	2010 \$
Assets		Ψ	Ψ
Current assets			
Cash and cash equivalents	4	898,689	1,358,749
Trade and other receivables	5	66,266	29,815
Prepayments		5,447	10,221
Total current assets		970,402	1,398,785
Non-current assets			
Property, plant and equipment	6	64,333	56,370
Total non-current assets		64,333	56,370
Total assets		4 004 705	
Total assets		1,034,735	1,455,155
Liabilities			
Trade creditors and other payables	7	72,849	73,598
Unspent grant funds		114,119	528,494
Income received in advance		437,078	522,500
Provisions	9	38,046	35,245
Lease liabilities	8	4,627	6,252
Total current liabilities		666,719	1,166,089
Non-current liabilities			
Provisions	9	17,980	13,801
Lease liabilities	8	27,419	-
Total non-current liabilities		45,399	13,801
Total liabilities		712,118	1,179,890
Net assets		322,617	275,265
Funds			
General funds		322,617	275,265
Total funds	10	322,617	275,265

The statement of financial position is to be read in conjunction with the attached notes.

STATEMENT OF CASH FLOWS

	Note	2011	2010
		\$	\$
Cash flows from operating activities			
Grants received from Government		1,052,904	689,273
Tied project funding		779,578	832,300
Receipts from customers and donors		341,926	347,127
Interest received		51,144	48,282
Payments to suppliers, employees and project expenditure		(2,679,681)	(1,911,586)
Net cash provided by operating activities	11	(454,129)	5,396
Cash flows from investing activities			
Payments for property, plant & equipment		(36,225)	(42,347)
Proceeds from sale of property, plant and equipment		4,500	3,743
Net cash used in investing activities		(31,725)	(38,604)
Cash flows from financing activities			
Proceeds from hire purchase arrangement		37,249	-
Lease payments		(11,455)	(23,658)
Net cash used in financing activities		25,794	(23,658)
Net increase/(decrease) in cash and cash equivalents		(460,060)	(56,866)
Cash and cash equivalents at the beginning of the year		1,358,749	1,415,615
Cash and cash equivalents at the end of the financial year	4	898,689	1,358,749

The statement of cash flows to be read in conjunction with the attached notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The financial report of Beyond Empathy Limited (the company) for the year ended 30 June 2011 was authorised for issue in accordance with a resolution of the directors on 25 October 2011.

- (a) Beyond Empathy Limited is a company limited by guarantee, incorporated and domiciled in Australia.
- (b) The nature of the operations and principal activities of the company are described in the Directors' Report.

2. SUMMARY OF ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

The directors have elected under Section 334(5) of the Corporations Act 2001 to apply the following Accounting Standards in advance of their effective dates;

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

These Accounting Standards are not required to be applied until annual reporting periods beginning on or after 1 July 2013.

AASB 1053 establishes a differential financial reporting framework consisting of two tiers of reporting requirement for general purpose financial statements;

- > Tier 1 Australian Accounting Standards
- > Tier 2 Australian Accounting Standards Reduced Disclosure Requirements.

AASB 2010-2 makes amendments to each Standard and Interpretation indicating the disclosures not required to be made by Tier 2 entities or inserting RDR paragraphs requiring simplified disclosures for Tier 2 entities.

The company complies with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board.

The adoption of these Standards has resulted in significantly reduced disclosures in respect of related parties and financial instruments. There was no other impact on the current or prior year financial statements.

The financial report is presented in Australian dollars.

(b) Historical cost convention

The financial report has been prepared on the basis of historical cost.

(c) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and

assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

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

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of assets

The company assess the impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exits, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. In assessing recoverable amount the directors have applied the specific sections of the standards applicable to not-for-profit entities in Australia.

(d) Revenue recognition

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

Untied donations

Untied donations are recognised as revenue when received.

Government grant funding

Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability, and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants is recognised when received.

Tied project funding

Tied project funding received on the condition that specified milestones are delivered, or conditions are fulfilled, is considered reciprocal. Such funding is initially recognised as a liability, and revenue is recognised as services are performed or conditions fulfilled. Revenue from untied project funding is recognised when received.

Investment income

Investment income comprises interest. Interest income is recognised as it accrues.

(e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

(f) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprises cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

(g) Trade and other receivables

Trade receivables, which comprise amounts due from the provision of services provided to customers, are recognised and carried at original invoice amount less any allowance for any uncollectable amounts.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

(h) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Items of property, plant and equipment are depreciated over their useful lives to the company commencing from the time the asset is held ready for use. Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

Class of fixed asset	Depreciation Rate
eased Motor Vehicles	20-25%
Plant & Equipment	10-40%

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

(i) Leases

Finance leases, which transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at inception of the lease at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the income statement. The fair value of the leases is estimated as

the present value of future cash flows, discounted at market interest rates. The carrying value of the leases is considered a reasonable reflection of fair value.

Capitalised leased assets are depreciated over the useful life of the asset.

(j) Trade creditors and other payables

Trade payables and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The notional amount of the creditors and payables is deemed to reflect fair value.

(k) Unspent project funds

The liability for unspent project funds is the unutilised amounts of funding received on the condition that specific milestones are delivered or conditions are fulfilled. It is anticipated that the milestones will be met and the conditions fulfilled within twelve months of balance date, accordingly the amounts have not been discounted.

(I) Income received in advance

The liability for income received in advance relates specifically to tied project funding received in the current financial year which related to projects due to be commenced in the next financial year.

(m) Employee benefits

Employee benefits comprise wages and salaries, annual, non-accumulating sick and long service leave, and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months of balance date are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

A \$506,476 (46%) increase in employment expenses in the 2010/2011 year is a direct result of the Department of Education, Employment, and Workplace Relations Jobs Fund contract which entailed Beyond Empathy undertaking a job creation strategy (Better Factory Enterprises) in Bowraville NSW.

As a result of the strategy, BE's full time staff increased from six to nine employees and part-time/casual staff increased from two to 26 part-time/casual employees.

The strategy was completed in June 2011 and employment figures are estimated to drop back significantly, incurring only a marginal increase on 2009/2010 figures.

The liability for long service leave is recognised in the provision for employee benefits and is measured at nominal amount with the addition of a 16 per cent gross up for employee on-costs. This is the first year that the gross up has occurred.

The company pays contributions to certain defined contribution superannuation plans. Contributions are recognised in the income statement when they are due. The company has no obligation to pay further contributions to these plans if the plans do not hold sufficient assets to pay all employee benefits relating to employee service in current and prior periods.

(n) Income tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

3. REVENUE, OTHER INCOME AND EXPENSES

2011

(a) Revenue	\$	\$
Government grant funding	1,397,946	449,587
Other tied project funding	934,334	999,686
Consultancy fees	4,750	28,219
Untied donations	262,216	273,865
Interest	51,114	48,282
Other income	19,087	24,916
	2,669,447	1,824,555
(b) Expenses		
Depreciation on property, plant and equipment	15,155	11,775
Amortisation of leased motor vehicles	7,433	12,395
Remuneration of Auditor Audit of the financial report	8,950	5,000
	0,930	3,000

4. CASH AND CASH EQUIVALENTS

	898,689	1,358,749
Short term deposits	853,841	1,314,676
New England Mutual shares	10	10
Cash at bank and in hand	44,838	44,063
	\$	\$
	2011	2010

5. TRADE DEBTORS

	2011	2010
	\$	\$
Trade debtors	63,275	556
Other receivables	2,991	29,259
	66,266	29,815

(a) Aging and impairment losses

At 30 June no portion of the trade receivables at balance date was past due, nor considered impaired. No specific collection issues have been identified. The aging of receivables is as follows:

	2011	2010
	\$	\$
Not past due	60,175	-
Past due 31-60 days	-	556
Past due 61-90 days	3,100	
	63,275	556

(b) Other receivables

Staff advances	2,991 2,991	2,908 29,259
Credit cards receivable	-	2,239
ee for service accrual	-	12,000
nterest receivable	-	10,408
ATO Refund	-	1,704
	\$	\$
	2011	2010



6. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles	Plant & equipment	Total
Cost or fair value			
At 1 July 2010	88,767	36,832	125,596
Additions	32,062	4,163	36,225
Disposals	(28,253)	-	(28,253)
At 30 June 2011	92,576	40,995	133,571
Accumulated depreciation at 1 July 2010	(45,765)	(23,464)	(69,229)
Disposals	22,579	-	22,579
Charge for the year	(16,100)	(6,488)	(22,588)
At 30 June 2011	(39,286)	(29,952)	(69,233)
Net carrying amount at 30 June 2011	53,290	11,043	64,333
Net carrying amount at 30 June 2010	43,002	13,368	56,370

7. TRADE CREDITORS AND OTHER PAYABLES

	2011	2010
	\$	\$
Trade creditors	35,970	7,448
GST Payable	3,888	50,606
Payroll liabilities	26,105	15,543
Visa cards	5,213	-
Other liabilities	1,673	-
	72,849	73,597
	12,040	10,001

8. OBLIGATIONS UNDER FINANCE **LEASES - SECURED**

	2011	2010
	\$	\$
Current	4,627	6,252
Non-current	27,419	-
	32,046	6,252

The company leases motor vehicles under finance lease agreements. At the end of the leases the company can, at its option, purchase the equipment at a favourable price. At 30 June 2011 the net carrying amount of the leased motor vehicles was \$27,019 (2010; \$8,824). The leased vehicles secure the obligations under the lease.

Future minimum lease payments and the present value of the minimum lease payments are:

	2011	2010
	\$	\$
Due within one year	6,775	7,036
Due after one year but not more than five years	28,251	-
Less: Future finance charges	(2,980)	(784)
Present value of minimum payments	32,046	6,252

9. EMPLOYEE PROVISIONS

	2011	2010
Current	\$	\$
Annual leave	38,046	35,245
Non-current		
Long service leave	17,980	13,801
	56,026	49,046

10. TOTAL FUNDS

General

(a) Movement in funds – 2011

At 1 July 2010	Income	Expenditure	At 30 June 2011
\$	\$	\$	\$
275,265	2,669,447	(2,622,095)	322,617

Movement in funds – 2010

	At 1 July 2009	Income E	xpenditure	At 30 June 2010
	\$	\$	\$	\$
General reserve	376,389	1,824,555	(1,925,679)	275,265

General reserve

The general reserve represents the funds of the company that are not designated for particular purposes.

11. CASH FLOW INFORMATION

Reconciliation of net surplus for the year to net cash flows from operations:

	2011	2010
	\$	\$
Net surplus (Loss) for the year	47,352	(101,124)
Depreciation of property, plant and equipment	15,155	11,775
Amortisation of leased vehicles	7,433	12,395
Profit/(loss) on sale of assets	1,174	-
(Increase)/decrease in assets		
Trade and other receivables	(36,451)	(21,252)
Prepayments	4,774	326
Increase/(decrease) in liabilities		
Trade creditors and accruals	(749)	9,481
Income in advance/ unspent funds	(499,797)	72,300
Employee provisions	6,980	21,495
Net cash flow from operations	(454,129)	5,396

12. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

(a) Contingent liabilities

To the best of the directors' knowledge and belief there are no contingent liabilities at balance date.

(b) Capital commitments

There are no capital commitments at balance date.

13. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

(a) Directors

The only payments made to a related party other than the arms length reimbursement of out of pocket expenses and rent were made to Ms K McConville in her capacity as the Executive Director.

(b) Transactions with director-related entities

Other than the above directors compensation, no director of the company has, since the end of the previous financial year, received or become entitled to receive a benefit by reason of a contract made by the company or a related entity with the director or with a firm of which the member is a director, or with an entity in which the director has a substantial financial interest. There are no amounts payable to or receivable from directors or director-related entities at reporting date.

(c) Key management personnel compensation

Ms McConville was the only employee during the year ended 30 June 2011 having authority for planning, directing and controlling the company's activities.

14. ECONOMIC DEPENDENCY

The company is economically dependant upon ongoing funding from its Corporate Sponsors, Donors and

Government. Should this funding be withdrawn the company may not be in a position to continue all of the projects currently in operation.

15. ADDITIONAL COMPANY INFORMATION

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

Beyond Empathy Limited 24 Curtis Street Armidale NSW 2350

DIRECTORS' DECLARATION

The directors declare that in their opinion:

- a) The attached financial statements and notes thereto comply with Accounting standards;
- b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the company;
- c) The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 and the Corporations Regulations 2001; and
- d) There are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s. 295(5) of the Corporations Act 2001.

On behalf of the directors



or

Direc

Armidale, NSW, 25 October 2011

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of Beyond Empathy Limited (the company), which comprises the statement of financial position as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporation Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards.

These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and per form the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves per forming procedures to obtain

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporation Act 2001*.

We confirm that the independence declaration required by the *Corporation Act 2001*, provided to the directors of Beyond Empathy Limited on 25th October 2011, would be in the same terms if provided to the directors as at the date of this auditors report.

Auditor's Opinion

In our opinion the financial report of Beyond Empathy Limited is in accordance with the *Corporations Act* 2001, including:

i. giving a true and fair view of the company's financial position as at 30 June 2011 and of their performance for the year ended on that date; and

ii. complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Forsyths

Geoffrey W Allen

Partner

Registered Company Auditor 25th October 2011





















Abey Family Foundation

Australia Council for the Arts

- Creative Communities

Australia Council for the Arts – Key Producers

Australian Hotels Association

Anna Buduls

Chris Charles

Department of Education, Employment

& Workplace Relations

Stephen Fitzgerald

Glen Gooding

L & G Green Trust

Maurice & Christina Green

Tony and Sophie Green & Family

Paul Heath & Family

JBWere Staff Giving Program

Pia McBean

Barbara McConville

Kim McConville

Simon Mordant & Family

Morgan & Banks Investments Pty Ltd

New England Credit Union

NSW Department of Premier and Cabinet

NSW Government, Communities

Qantas Group Staff Giving Program

Evan Rees

Vivienne and Peter Skinner & Family

Susie Spencer

Wollongong City Council

PRO BONO AND OTHER SUPPORTERS

Bell Shakespeare

The Hughenden Hotel

Goldfish Bowl and Bakery, Armidale



