

look what they did...look what they did
They made a movie

The other young
people that
will see this film
will think

I'M NOT ALONE

we cried and
we laughed

GAVE US ALL DIFFERENT
IDEAS, YOU KNOW, FOR A
BRIGHTER LIFE

WE
DONT
HAVE
EASY
LIVES

ANNUAL REPORT
2012/13





**BEYOND EMPATHY (BE)
IS AN AUSTRALIAN
COMMUNITY, ARTS AND
CULTURAL DEVELOPMENT
ORGANISATION THAT
CREATES ART PROJECTS
WITH PEOPLE LIVING
ON THE MARGINS OF
THEIR COMMUNITIES
TO TELL THEIR STORIES
AND ENGAGE WITH
NEW FUTURES.**

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FROM THE CHAIR

Anna Buduls

It has been another year of very hard work, and of great achievements at Beyond Empathy. Two particular highlights include Phillip Crawford bringing to fruition and to the big screen, the wonderful, and already internationally acclaimed, film, *Rites of Passage*, and the joyous celebratory *Silver City Song Lines* performance event in Armidale. Both artistic outcomes paid tribute to the dedication and creative capacities of the young people with whom Beyond Empathy works, and both made audience members glow with pride and joy on behalf of the performers.

Almost 10 years old now, Beyond Empathy, continues to hone its practice and craft, striving simultaneously for both the best outcomes for the young people with whom we work and the best artistic outcomes. Our executive director, Kim McConville, passionately constantly pushes the organisation forward. At BE we never assume that how we did things yesterday or last month can't be improved on.

And we watch over more and more of our BE leadership program "graduates" take on actual leadership roles within and outside BE.

OUR MANTRA "ONE ON ONE, ONE BY ONE AND FOR THE LONG HAUL" IS PAYING REAL DIVIDENDS.

As with all not for profits, fundraising for our work is a never ending and time consuming task. We are grateful for all those organisations and individuals who see fit to stick with us or to join us on our journey.

And finally, I want to acknowledge the contribution of my fellow board members, who all generously donate both their time and their funds. During the year one of our founding directors, David Thompson, retired from the board and we wish to thank him for his years of contributed wisdom. Julien Playoust was a new board recruit, with us for most of the past year, and we are also delighted to announce that Sam Meers is joining our board commencing on October 2014. With these board changes we will see an injection of new ideas and insights into board deliberations, which in turn will be of benefit to the larger Beyond Empathy team for its next decade of activity.

FROM THE ~~EXECUTIVE~~ DIRECTOR

Kim McConville

The end of another year always brings with it a sense of achievement because every year it feels like we are managing things just that little bit better. It might not be obvious to the external eye. But when I look at the spectacular team of people I work with, seeing their thoroughness and unfaltering commitment to our participants, I know I am deeply fortunate to be in their company.





The creativity and lateral thinking, humility and tirelessness of Phillip Crawford, Gemma Parsons, Narelle Jarry, Matty Priestley, Jo Davidson and Kai Tipping truly define who we are.

THIS YEAR MARKED THE COMPLETION OF OUR FEATURE FILM RITES OF PASSAGE, A MAJOR MILESTONE FOR BE. WE BEGAN BEYOND EMPATHY IN 2004 KNOWING WE WANTED TO MAKE A FEATURE FILM SO COMPLETING IT WAS SOMETHING OF A COMING-OF-AGE FOR US.

Rites of Passage epitomises everything BE is. It is a seriously wonderful example of what can be achieved when the community and individual processes are kept in tension and balance. The film has now received one national and five international awards, a profound credit to both director Phillip Crawford and the 120 young people who made this film. It is a giant accomplishment for them. With no training as actors or filmmakers, these young people have created something that they can be proud of for all of their lives. It is also proof that keeping the needs of individuals at the heart of every decision need not compromise artistic quality. *Rites of Passage* is a grand and powerful film, drawn from the souls of those who made it. Mary Callaghan, a film director from the Illawarra, volunteered throughout the making of the entire film and we will always be grateful for her generosity, her kindness and creativity. Mary battled breast cancer while working on *Rites of Passage* and constantly reminded us of the power of the human spirit.

The past year has been one of finding new ways

to operate within a changing donor environment. To help build the evidence base for our work, we have stepped up our measurement processes. Measuring the work we do is never easy but it is important and something BE has always been prepared to meet head on. During the year we undertook a Social Return on Investment (SROI). It was funded by our long-term national partner, the Coca Cola Australia Foundation, and undertaken by the Netbalance Foundation. The SROI methodology was used to forecast the social impact of the *Rites of Passage* project. SROI is an internationally-recognised approach to financially value the impact of a program on the lives of the people it is set up to serve. You can read more about the SROI on page 31 in this report.

Another highlight of the year was definitely *Silver City Songlines* in Armidale NSW last October. Songlines involved over 150 people from the community ranging in ages from 5 – 85.

IT SHOWED THE POWER OF STORY AND SONG TO CONNECT A WHOLE COMMUNITY.

Over 320 people attended a performance to hear young people tell the stories of their elders through dance, performance digital media and song. There was standing room only and the sense of happiness and pride filling the room was overwhelming and infectious. We knew we had been part of a very special moment and all our lives were enriched by the experience.

Beyond Empathy's methodology creates robust links on multiple levels. Our artists work with some of the country's most disadvantaged



people and teach new skills that feed into both personal and artistic growth and expression.

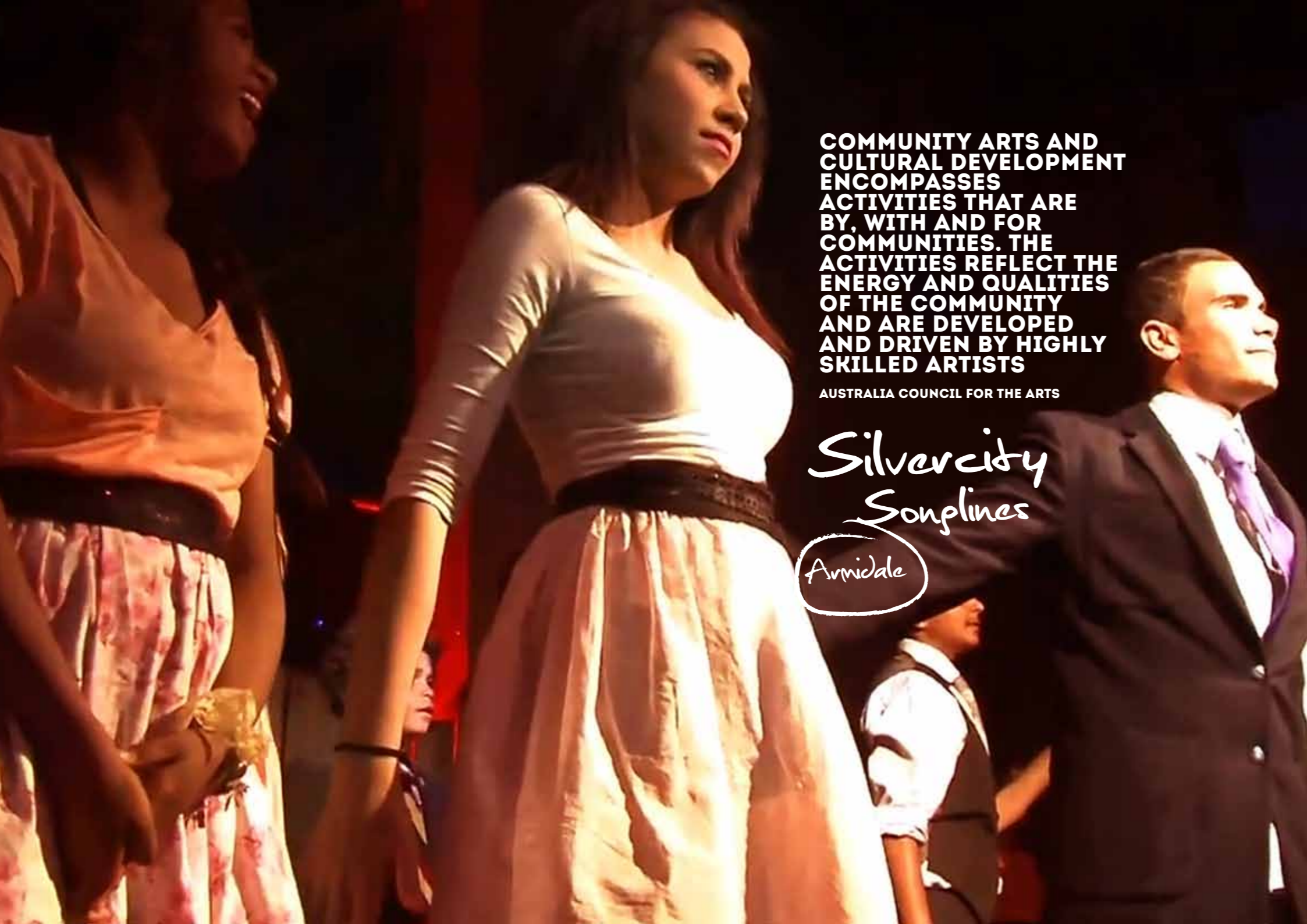
THE ARTS HAVE AN ENORMOUS CAPACITY TO BRING ABOUT POSITIVE CHANGE IN INDIVIDUAL LIVES AND COMMUNITIES, WHETHER IT'S THROUGH SOCIAL ENTERPRISES, HEALTH INTERVENTIONS, EDUCATION AND TRAINING OR IMPROVED WELLBEING AND SOCIAL COHESION.

In the process, we create nationally significant art and build opportunities for new and established artists.

Beyond Empathy harnesses the skills and

experience of our artists and finds imaginative ways of using art to achieve social change. We allow works of art to evolve within multi-layered community engagement. Our methods are flexible and adaptable, acknowledging the distinctiveness and differences of each community in which we work. No two places are the same and circumstances are always changing. Sometimes we work across the entire community and in others places, our work is one-on-one.

Of course none of this would be possible without the steadfast support of those who fuel the engine room. Nicola Speden, one of our original admin team members, left us for a career move



COMMUNITY ARTS AND CULTURAL DEVELOPMENT ENCOMPASSES ACTIVITIES THAT ARE BY, WITH AND FOR COMMUNITIES. THE ACTIVITIES REFLECT THE ENERGY AND QUALITIES OF THE COMMUNITY AND ARE DEVELOPED AND DRIVEN BY HIGHLY SKILLED ARTISTS

AUSTRALIA COUNCIL FOR THE ARTS

*Silvercity
Sonlines*

Annidale

to the University of New England after five years of dedicated commitment. Pia McBean also left us to take up a new secretarial position locally, allowing her more time to concentrate on the needs of her young family. The solid and generous commitment of Trish Shortis who manages our finances and other administration essentials cannot be overstated.

We were lucky this year to welcome Adam Williams to our office team. Adam is an original BE young person having participated in many of our programs and all of our leadership camps.

THIS MARKS A REAL MILESTONE FOR BE WITH ADAM TAKING UP A SIGNIFICANT ROLE IN OUR TEAM AS MY ASSISTANT. I AM CONTINUALLY ASTOUNDED AT HIS SPEEDY ABILITY TO LEARN NEW THINGS, HOW DEEPLY HE EXUDES THE CULTURE OF BE AND HIS ABILITY TO CARRY HIMSELF IN NEW AND CHALLENGING ENVIRONMENTS.

The judicious and skilled management by our Board of directors has maintained our solid reputation both inside and outside the arts sector. Our chair, the erudite Anna Buduls, is the most generous, authentic and understated art-philanthropist in Australia. Her mantra of 'first do no harm' is the governing principle that guides everything we do.

This year we said goodbye to one of our inaugural directors, David Thompson. His contribution over the past nine years has been significant. His deep experience in governance was critical to BE's solid foundations. We have welcomed a new director, Julien Playoust. Julien is a trustee of the Art Gallery NSW Foundation, a director of the National Gallery of Australia Foundation and on the advisory boards of the University of NSW College of Fine Arts Advisory

Council (COFA) and The Nature Conservancy. He has worked across a range of industry sectors including property, professional services, media, agriculture, retail/consumer goods, energy and financial services in both executive and non-executive roles. He is managing director of AEH Group and his professional career includes Andersen Consulting, Accenture and several private equity / venture capital companies. Julien's wide spectrum of skills and experience is a great addition to the entire BE team. We are lucky to have secured his commitment.

We also acknowledge our long-term supporters Stephen and Julie Fitzgerald, Goldman Sachs, The Coca Cola Foundation and our generous directors and their families, including Anna Buduls, Paul Heath and Family, Tony Green and Sophie McCarthy and Vivienne and Peter Skinner. We are grateful to those loyal supporters who give year in, year out including Chris Charles, Maurice and Ginny Green, Leslie Green and Arun Abbey and his family. We welcome the Nelson Meers Foundation, the Moore Family, the Duchon Family, Tom Skinner and Bill Webster as new supporters.

We farewell some very special donors too - Ian Darling and his incredible team at the Caledonia Foundation and Mick McCormack and his team at the Australian Pipeline Trust. These donors were critical to our success today and their contributions went well beyond any traditional three-year funding timeframe.

None of this would be possible without the generosity of the individuals that we exist to serve. They continually teach us what it is to be human and hold a mirror up to us teaching us about our own behaviours and organisational processes. I feel so fortunate to be part of such an evolutionary and dynamic learning culture.





Our Team

BE PEOPLE

BE BOARD-

Anna Buduls
Chair

Vivienne Skinner

Paul Heath

Tony Green

Julien Playoust

David Thompson

Kim McConville
Members

EXECUTIVE, ADMIN & SUPPORT TEAM

Kim McConville
Executive Director

Adam Williams
Assistant to the Executive Director

Trish Shortis
Finance Manager

Erin Elkin
Social Impact Auditor

Jonathon Larsen
Social Media and Other Platforms

PROJECTS

Polly Armstrong

Eric Avery

Emilie Zoey Baker

Mary Callighan

Anna Cater

Philip Crawford

Guy Crosley

Jo Davidson

Andrew Davis

TJ Eckleberg

Kutcha Edwards

Kween G

Myf Gullifer

Nicole 'Lamb' Iovine

Narelle Jarry

Shayne Johnson

Stephen Killick

Wendy Kimpton

Minna Lethbridge

Omar Musa

Gemma Parsons

Matthew Priestley

Valerie Quinlin

Jess Rees

Tess Schoefield

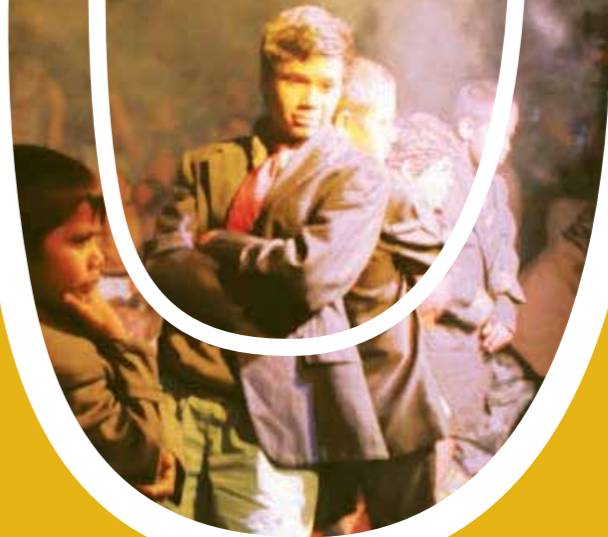
Naomi Steinborner

Tom Thum

Joel Wennetong

Aden Wessells

BE SOCIAL IMPACT



VISION, MISSION AND STRATEGY

Beyond Empathy's vision is for an inclusive and resilient society where creativity drives change. In order to achieve our vision we work day in, day out to honour our commitment to using the arts to influence change in the lives of individuals and communities experiencing recurrent hardship. If we do this and monitor ourselves as we go, then we believe we will achieve our vision.

WE FOCUS ON:

- i. investing in artistic leadership;
- ii. dynamic artistic programs that instil protective behaviours¹ in both communities and individuals;
- iii. applying the highest quality of community arts practice to improve opportunities for people whose lives have been disrupted by disadvantage and social isolation and
- iv. creating fantastic art.

We focus on today, tomorrow and far into the future. In this way, our work can build positive choices and opportunities into the lives of the young people and communities we serve.

SHORT TERM.

- a. The creation of high quality artworks and new narratives.

MID TERM.

- b. Disrupt old ways of thinking and re-engage vulnerable people with their communities.

LONG TERM.

- c. Unlock cycles of disadvantage.
- d. Innovative partnerships spanning government, business, philanthropy, and the arts.
- e. Rigorous cultural development through artistic programming.
- f. New audiences who engage with dynamic artistic product.
- g. Construct powerful community arts and cultural development models that can be shared and applied across other Australian communities.

Our intention is to make sure that over time, arts practice and CCD grant individuals greater influence over the things that happen in their lives, over the choices they make and ultimately how those choices and decisions influence their lives.

WE DO THIS ONE ON ONE, ONE BY ONE AND THEN IN PARTNERSHIP WITH OTHERS. IN THIS WAY, WE CAN CHANGE COMMUNITY DYNAMICS AND INCREASE THE OPTIONS FOR AND THE OPPORTUNITIES AVAILABLE TO INDIVIDUALS TO BRING ABOUT LONG-TERM BEHAVIOURAL CHANGE.

¹ Protective behaviours include: Build a positive sense of self - self-awareness and capacity for action. Develop self-control - including impulse control, self-regulation and delay of gratification. Foster decision-making skills - including social problem solving and resource utilisation. Establish moral belief systems including empathy and moral identity. Build social connectedness - including bonding to family, peers, partners, social institutions and the broader community.



unlock cycles
of disadvantage

PROBLEM & NEED

If you have spent your life living on the margins, often the only thing you have is your story. Working with this one personal asset, we give the most disadvantaged people the ability to create extraordinary community outcomes and we use the arts as a hook to do this. Through the process, Beyond Empathy helps people create the skills and tools they need (confidence, skills, reliance, self-worth, self-knowledge) to succeed beyond anyone's expectations. Where there was disengagement and disadvantage, new connections and new opportunities are created.

BEYOND EMPATHY GOES FURTHER THAN ANY OTHER ORGANISATION. WE GO TO PLACES NO-ONE ELSE GOES. WE DELVE INTO SITUATIONS NO ONE ELSE WILL TOUCH. WE REACH PEOPLE NO ONE ELSE CAN REACH. WE COLLABORATE WITH EVERYONE, REJECTING NO ONE. AND IN THE PROCESS WE HELP PEOPLE, AND COMMUNITIES, GO FURTHER IN LIFE THAN ANYONE THOUGHT THEY COULD.

In Beyond Empathy's experience, multiple interventions over many years are required to break cycles of disadvantage and embed new skills and attitudes among the individuals with whom we work. Using art forms that resonate with our participants,

we disrupt old ways of thinking and empower marginalised people to re-engage with their communities, creating new narratives and shifting perceptions. Disparate groups in our communities are drawn together by their exposure to and involvement in the inspiring projects, dissolving entrenched generational and demographic attitudes.

Alternative and innovative diversionary activities are needed to reach individuals who are marginalised. In the communities where we work, many people, mostly Aboriginal people, fall through the community safety net. They are often outside the conventional education system. They are often also beyond the health and welfare systems except in times of crisis or are caught up in the justice system. Not surprising, Aboriginal people in the communities where we work are massively overrepresented in the criminal justice system of Australia.

In 2008 Aboriginal people represented 2.3 per cent of the total population, yet made up 28 per cent of the prison population. There is a persistent belief among Aboriginal communities and legal experts that police treat Aboriginal people differently for trivial offences.

The fact is, every year it gets worse. According to the Australian Bureau of Statistics (ABS), between 2012 and 2012 imprisonment rates for Aboriginal people increased from 1262 to 1914 Aboriginal prisoners per 100,000 adult members of the Aboriginal population. In comparison, the rate for non-Aboriginal prisoners increased from 123 to 129 per 100,000.

Research shows that innovative early intervention can reduce crime, delinquency and antisocial behaviour in young people and into their adult lives. These intervention programs must be tailored for each community. They work by changing attitudes and antisocial behaviour of children and work best when adult members of the community are part of the delivery process. Using art and cultural activities have proved useful tools to reduce delinquency and criminal behaviour (Chambers, Abrami, Massue, & Morrison, 1998).

YOUTH DISCONNECTION IS LIKE A DISEASE THAT BECOMES MORE SERIOUS IF IGNORED OR UNTREATED.

A report to the North Carolina GlaxoSmithKline Foundation.

The social costs of persistent youth disconnection are hard to calculate and corrosive. Healthy communities thrive on social cohesion. Divided communities struggle to develop. Our CACD² practice has proven to be an effective and accessible way of building better personal health and wellbeing. In 2012/2013 a sample group of Beyond Empathy participants (57) indicated 77.8 per cent thought about other people more positively, 86.7 per cent thought about themselves more positively and what they could contribute to their communities and 60 per cent said they were better able to deal with difficult things that came their way.

Ultimately, these positive protective behaviours can contribute significantly to healthier and more cohesive communities. But, it takes time.

² Community Arts and Cultural Development (CACD)



OVERVIEW AND ACTIVITIES

IN 2012/2013 MUBALI ACHIEVED THE FOLLOWING OBJECTIVES :

1. successfully used art processes as a bridging tool to connect over 100 severely disadvantaged young Aboriginal women (14-24) to local Aboriginal midwifery services and generalist health services;
2. established informal Aboriginal mothers' 'local support groups' in each community to create better connections and health outcomes for young mothers, their unborn babies and the babies once born (birth to nine weeks old); and
3. trained 45 health professionals to deliver the program and supported them to deliver it independently between BE visits.

IN 2012/2013 BE:

1. delivered programs in seven communities (original KPI = 6);
2. initiated five new programs in new communities nationally (original KPI = 3) ;
3. delivered two Mubali training workshops for midwives in each of the nine communities and in some communities up to four training workshops;
4. delivered Yinar Yarnup, a two day training session and think-tank bringing together young Mums , health workers and midwives from all Mubali participating communities;
5. supported six communities to actively contribute to the Sea of Bellies website;
6. advocated for the role arts can play in improving the health of disadvantaged Aboriginal young Mums, across the community arts and cultural development sector.



BE PRO JECTS

ARMIDALE

a couple waltzes
in the middle
of the room

The Armidale Koori Girlz opened the "Arts in Concert" event, a regional showcase for performing arts in schools on 5 September 2012 at Lazenby Hall, UNE. They have done several community performances since then.

The feedback from both the school and the girls was extremely positive: 100 per cent said the project helped them get more involved in school and 89 per cent said they had a more positive attitude towards school. All the girls indicated that their involvement helped them to think about other people and themselves more positively. BE also worked with a group of 15-17 year old boys in contemporary dance and have now merged the girls and the boys group. We have also introduced a younger 'at risk' group of boys (10-13 years) in physical dance, parkour and gymnastics (for dance moves).

Parkour is the physical discipline of training to overcome any obstacle within one's path by adapting one's movements to the environment.

- Parkour requires... consistent, disciplined training with an emphasis on functional strength, physical conditioning, balance, creativity, fluidity, control, precision, spatial awareness, and looking beyond the traditional use of objects.
- Parkour movements typically include... running, jumping, vaulting, climbing, balancing, and quadrupedal movement. Movements from other physical disciplines are often incorporated, but acrobatics or tricking alone do not constitute parkour.
- Parkour training focuses on... safety,

longevity, personal responsibility, and self-improvement. It discourages reckless behaviour, showing off, and dangerous stunts.

- Parkour practitioners value... community, humility, positive collaboration, sharing of knowledge, and the importance of play in human life, while demonstrating respect for all people, places, and spaces.

THESE GROUPS RECENTLY PERFORMED TOGETHER IN SILVER CITY SONGLINES, A CULMINATION OF YEAR-LONG WORKSHOPS AND COMMUNITY RESEARCH WHERE ELDERS AND YOUNG PEOPLE, RE-IMAGINED STORIES FROM THE 1960S WHEN THEY LIVED IN TIN SHACKS AT SILVER CITY (THE MISSION). THE STORIES WERE ABOUT THE GOOD OLE' BAD DAYS WHEN LIVING CONDITIONS WERE TOUGH AND DISCIPLINE WAS STRICT.

The stories they created through dance and music were full of respect for the elders and when performed at the Trade Pavilion at the showground, 300 people cheered the house down. A total of 143 people were involved in *Silver City Songlines* workshops ranging in age from 4 to 85! Local businesses backed the project: the owner of Fabric Fair taught the Mums how to sew the girls' skirts for the performance. The Armidale police committed to drop-offs and pick-ups and the Theatre Department at UNE and Lifeline gave access to costumes and vintage clothing for the performance.

the past is alive
the stories are real
and it's your turn to
DANCE



December 2012 saw the project *No Shame Day* take place in the Armidale Mall with 175 people turning up to watch the dance and singing performances.

Our 2013 Armidale projects tap into the enthusiasm created through 2012's *Silver City Songlines*, extending skills and reaching further across the community. In addition to our 'intensives' with professional artists, we have a number of weekly workshops led by local emerging artists that expect commitment from young people to achieve their goals.

SINCE FEBRUARY WE HAVE BEEN RUNNING WEEKLY TUMBLING OR 'TRICKING' LESSONS FOR YOUNG BOYS WITH RAW TALENT – AND OFFERING A SAFE PLACE AND COACHING SO THAT THEY CAN INCORPORATE THEIR SKILLS INTO THIS YEAR'S PERFORMANCE WORKS.

In April we began to support our young girls to attend weekly 'aerial silk' or 'aerial tissu' classes. With a combination of dance and strength, the girls learn to climb, swing and pose artistically on a suspended length of fabric. These classes and the girls burgeoning skills extend the breadth of our artistic works and have opened up many opportunities for collaborative works this year.

Aerial silk or aerial tissue is a type of performance in which one or more artists perform aerial acrobatics while hanging from a special fabric. Performers climb the suspended fabric without the use of safety lines, and rely only on their training and skill to ensure safety. They use the fabric to wrap, suspend, fall, swing, and spiral their bodies into and out of various positions.



Aerial silks may be used to fly through the air, striking poses and figures while flying.

Weekly singing and songwriting sessions with local emerging artists began in May.

A collaborative event at the skate-park in April allowed the region to pool resources and create a work that would celebrate local talent. BE had been in discussion with Armidale Dumaresq Council's Youth Services Manager about working collaboratively on a Youth Forum. Artist Wendy Kimpton worked on-site to photograph the regular skate-park users, setting up a mini studio in the horse float 'booth' used in the *Just One Less* project. She transformed the photographs collected in the booth into silhouettes that were cut out as stencils by local artists Jonathon Larsen and Narelle Jarry. Participants then painted their own silhouette onto the mural within the grid background. The mural is a wonderful example of community art – professional artists guiding young people in the art-making process – creating not only an aesthetically dramatic work, but an experiential and inclusive event.

We also held a week of collaborative workshops with Jess Ribeiro (singer/songwriter) and Nicole 'Lamb' Iovine (dancer) to create works for *Rainbow Ridge Songlines*. In preparation, BE commissioned three original works from local hip hop artists so that our dance pieces were more connected to the local creation process. This initiative has engendered a real sense of pride both for dancers and musicians who have found that they are truly capable, responsible and talented enough to create something entirely for themselves. *Rainbow Ridge Songlines* takes different elements of Armidale society and finds points where they intersect.

ILLAWARRA

The *Rites of Passage* year really kicked off with a preliminary screening of the almost complete film at the Gala Cinema in Warrawong for 320 people. It set the agenda for the year and gave an indication of the total relevance and importance of the film for audiences. The screening was followed by several days of music workshops and a day of graffiti art workshops in Berkeley. There was also a preliminary screening of *Rites of Passage* at the Gala Cinema, attended by about 320 people. This was a great experience for the young people and their families. This was followed by an extremely successful crowd funding campaign through Pozible. It raised over \$39,000, some of which came independently of the Crowd funding campaign on Pozible. The effect on the young people was terrific. It generated stories on WIN News, on radio and in the local Wollongong media. The young people really rose to the occasion and demonstrated impressive leadership. We did a few other presentations of the film or excerpts of the film, including at

Wollongong local Theatre Company and at a the Illawarra Regional Youth Worker's Conference.

THE MAIN ACHIEVEMENT OF MARCH, APRIL AND MAY WAS COMPLETING RITES OF PASSAGE AT SOUNDFIRM IN FOX STUDIOS SYDNEY. BE COMPLETED 7 SCREENINGS, THE START OF THE RITES OF PASSAGE TOUR, WHICH INCLUDED A PRESENTATION AT A MEN'S HEALTH CONFERENCE (60 OR SO PEOPLE) TWO TAFE GROUPS (120 PEOPLE) A PRIVATE HOUSE (FILM CRITIC EVAN WILLIAMS) IN KILLARA (6 PEOPLE) A SCHOOL FOR STUDENTS OUTSIDE THE NORMAL EDUCATION SYSTEM RUN BY FATHER CHRIS O'RILEY'S YOUTH OFF THE STREETS (10 PEOPLE), A DRUG REHABILITATION SERVICE (TRIPLE CARE FARM), A HEADSPACE OFFICE (WOLLONGONG) AND A COMMUNITY CENTRE (THIRROUL).

The young people in the project introduced their films at all these screenings and answered questions. At this point almost all of our young people have done at least one of these presentations. One of the actors represented Beyond Empathy at Bay Street Film Festival in Thunder Bay Ontario and another is preparing to represent the company at the Warsaw Film Festival in Poland where the film has been selected for official competition. It is screening at several other film festivals around the world.

THE PROJECT THAT RAN FOR THREE YEARS AROUND THE MAKING OF THE FILM WAS INDEPENDENTLY EVALUATED USING AN SROI SOCIAL RETURN ON INVESTMENT MODEL AND THE STUDY CONCLUDED THAT FOR EVERY ONE DOLLAR SPENT ON THIS PROJECT, IT RETURNED \$3.10 WORTH OF SOCIAL VALUE.





20%
Improved outlook for the future

12%
Improved prospect of meaningful employment

5%
Increased social inclusion

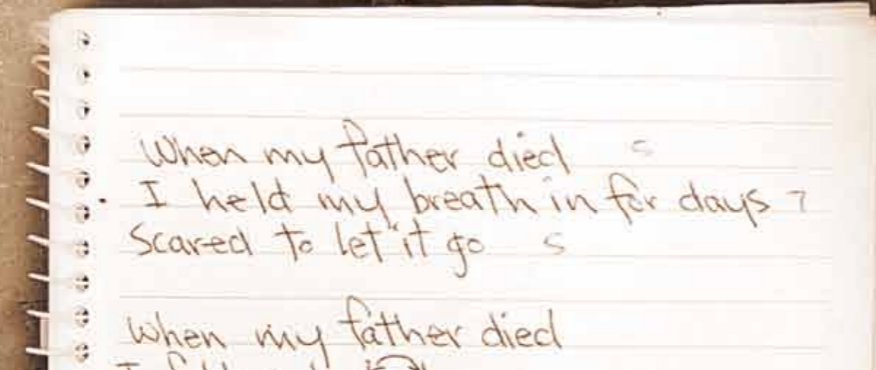


6%
Increased self-esteem (internal)

39%
Improved emotional well being (mental health)



18%
Improvement in personal relationships



SROI EXECUTIVE SUMMARY

The Social Return on Investment (SROI) evaluation undertaken on Beyond Empathy's (BE) Rites of Passage project (RoP) has been jointly funded by the Coca Cola Foundation (CCF) since the project's inception in July 2009 to June 2013.

As part of the project, RoP project workers conduct film workshops with participants at local locations or on site. The young people are able to take up a variety of roles such as filming, acting, camera work, scripting and props. Through having this practical on the job learning and training, the young people are predicted to improve their own sense of self and build technical media, personal and other skills over time, thereby laying pathways for further education or other employment in the future. The engagement with participants extends beyond artistic engagement, with the project workers providing 'reaching out' support to the young people to reduce their risky behaviours and to assist them with their journeys of creating change.

The Social Return on Investment (SROI) methodology was used to forecast the social impact of the RoP project. SROI is an internationally recognised approach for

understanding and measuring the impacts of a program or organisation from the perspective of material stakeholders. A monetary figure is then used as a proxy to represent the value of outcomes experienced by stakeholders.

From a total investment of \$632,8231 over three years (July 2009 - June 2013), the evaluation revealed that approximately \$1.94 million in social value was created for various material stakeholder groups identified. The SROI ratio has been presented both as a single figure and as a range to account for a varying degree of assumptions in modelling the social value. For every dollar that is invested in the RoP program, it is calculated that:

- **AS A SINGLE RATIO: \$3.10 IN SOCIAL VALUE IS CREATED, AND**
- **AS A RANGE: BETWEEN \$2.40 AND \$3.50 OF SOCIAL VALUE IS CREATED.**

Social value was distributed across six identified outcomes 2 and is illustrated in the figure to the left.

THE KEY FINDINGS AND HIGHLIGHTS OF THE REPORT ARE SUMMARISED BELOW.

- High risk participants experienced more than double the amount of positive change in emotional wellbeing than other stakeholder groups. Given that they potentially started off at the most vulnerable state emotionally, this is a strong indicator of the effectiveness of the RoP project.
- High risk participant groups strongly felt that they had an improved prospect of meaningful employment in the future. This

is a great outcome for the RoP project as it is likely that these participants had the lowest chance of securing jobs due to their personal backgrounds.

- Stakeholder groups that had the highest level of engagement demonstrated the strongest changes in social inclusion.
- Based on self-reported survey results, highly engaged participants had stated that they would not have achieved the outcomes formulated in this report without being involved in the RoP project. Similarly, these participants also self-reported the highest outcome attribution levels to RoP staff and activities demonstrating that the people involved in running the project had a very high level of influence in promoting positive change.
- The driving forces behind the success of the RoP project have been the:
 - role and experience of the lead project workers,
 - the length of the program, the opportunity given to participants to provide key input into mini projects, and
 - the production of tangible outputs throughout the course of the RoP project.
- Content of stakeholder feedback and results of surveys have indicated that it is important to be able to engage participants over longer periods of time and design programs that offer a wide range of programs suited to participants from various backgrounds in order to maintain and potentially increase the creation of social value across the six identified outcomes.

BOWRAVILLE

Beyond Empathy has been working in Bowraville in northern NSW for five years. We have worked closely with the educational and justice sectors, community groups and a large number of local individuals in the town, which has struggled on many social indicators over many years.

Among our current work is the *Ngambagga Bindaray Girwa / elder's art group* which comes together every second Thursday. Their main focus is creating a large series of mosaic bistro tables and a large mosaic mural to be installed on a brick wall at Stuart Island in the mouth of the Nambucca River. Bringing the elders together like this provides an opportunity for problems to be aired and resolved and an opportunity to be valued and honoured.

Also in Bowraville is *Stepping stones* for the Yarriabinni National Park. With broad community participation we have created a series of mosaic stepping stones that will be installed at the pines picnic area at the foot of Mount Yarriabinni. This project came about through an ongoing collaboration with national parks.

'The Business' – A 1 hr radio program that explores local emerging and professional artists from Bowraville and the music business generally. We play and hear from artists who have performed or run workshops in the area. We promote activities related to local music and showcase BE activities.

Music production - with Year 9 and 10 at Bowraville Central School. The kids produce pieces of work that utilise, comment on, and deepen their connection and understanding of Aboriginal artists, and their music and stories. Students create, learn, arrange and record music.

Bowraville Beats – We teach at Bowraville Central School on Friday afternoons and run the community drum and dance class in the Pioneer Centre. The class is popular and well-attended. The group has produced a number of performances, including VDay (an event encouraging awareness about domestic violence) and have performed at Peats Ridge Festival and at Bellingen Markets.

Uncle Martin Ballangarry has re-formed his dance group *Jumbaal Dreaming Dancers*. The group performed at the unveiling of Guy Crosley's mosaic and the opening of *'Gargaal Wangaan'* National Park on Stuarts Island.

BEYOND EMPATHY IS DEEPLY CONNECTED IN BOWRAVILLE. IT HAS PROVIDED US WITH A CONSTANT LEARNING CURVE HELPING US TO CONSTANTLY REFLECT ON THE PURPOSE OF OUR WORK – FOR COMMUNITY, WITH COMMUNITY. IT'S REMINDED US OF THE CRITICAL IMPORTANCE OF WORKING AT THE PACE OF COMMUNITY AND THAT SOMETIMES THE WORK IS AN INWARD MANIFESTATION. THE FRAGILE BALANCE BETWEEN PROCESS AND THE CREATION OF PRODUCT IS HIGHLIGHTED IN THIS COMMUNITY.

Our work here is not about solving problems, it's about creating the environment for the community to be in charge of its own change. The process in Bowraville is not about creating product for an audience – it's about creativity and the power of creativity in building skills, consciousness, personal responsibility and an appetite for change.



EURABA

Beyond Empathy was invited by the Australia Council for the Arts in 2010 to assist with the management of the Euraba Paper Company in Bogabilla. Over the past year Euraba has produced a number of projects including *Illuminate*, a community focused, installation-based project with Sydney based artist Jonathan Jones. The project engaged younger people in the arts and fostered stronger relationships with the elder artists.

Work has begun on a limited addition artist book, which will tie in with the story collection aspect of the *Illuminate* project. Elder artists are being selected for invitation and will be teamed with younger members of the community to tell stories which they will also illustrate.

Euraba have been re-accepted for the temporary use of a Sydney Harbour Foreshore Arts space in The Rocks in Sydney. New large scale embossed work both collaborative and individual will be created for the launch.

Aunties May, Joy and Leonie will again be

involved in an annual collective exhibition called *The Aboriginal Women's Show*. The show originated in the Chrissie Cotter Gallery and will again this year be exhibited at Boomalli Gallery in Leichhardt in Sydney.

Strong Women, Strong Will will be staged at New England Regional Art Museum in Armidale in 2014. Aunty May and Aunty Leonie will exhibit their new black and white works which are proving to be very popular and are selling well.

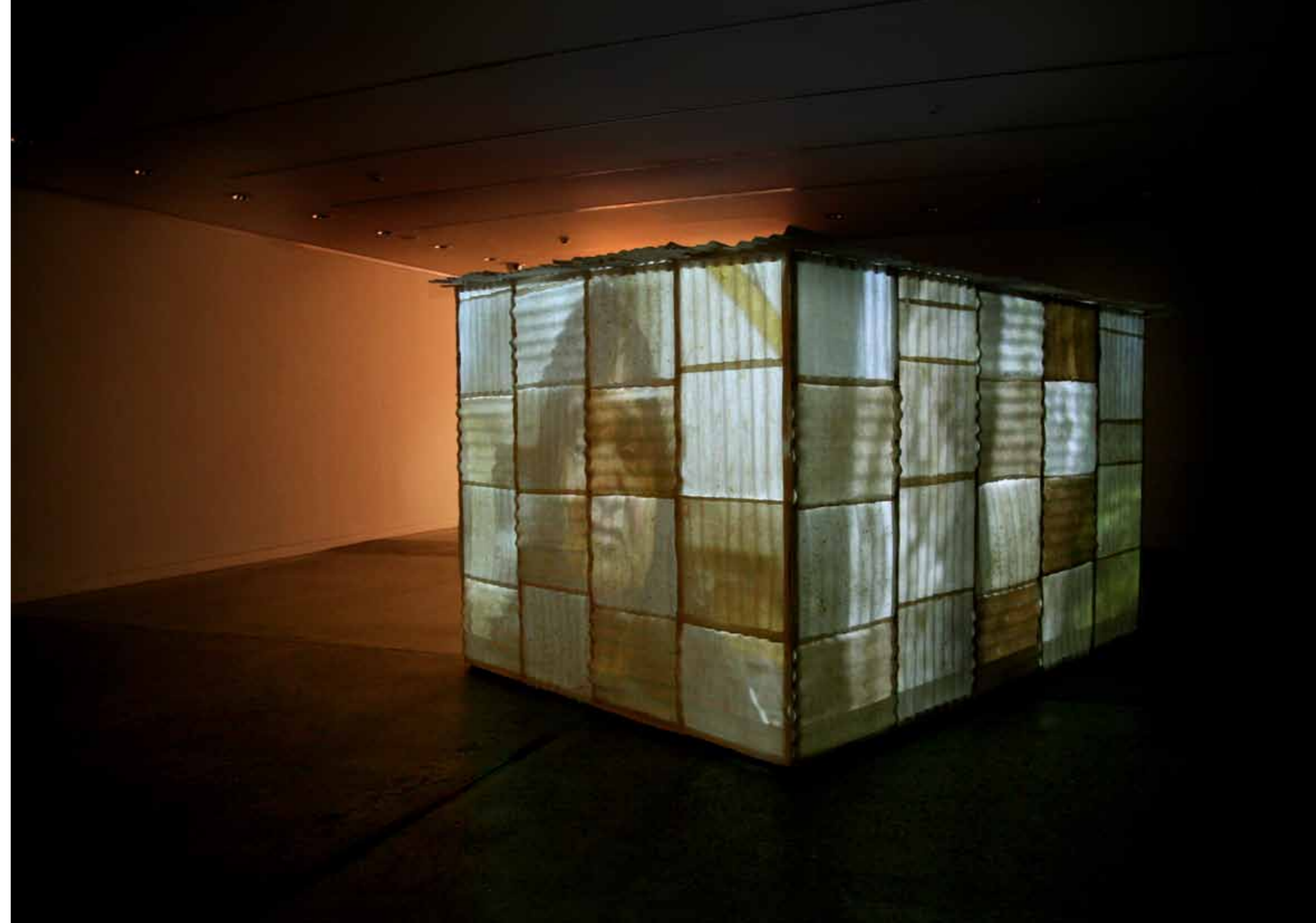
WORK BY EURABA AND OTHER LOCAL ARTISTS FROM THE MOREE SHIRE OPENED AT YAMMA GANU IN MOREE ON THE 6TH OF DECEMBER 2012 WITH TWO PIECES SELLING WITHIN THE FIRST HALF HOUR OF THE SHOW OPENING. FIVE PIECES IN TOTAL WERE SOLD FROM THE EXHIBITION BEFORE IT CLOSED, INCLUDING WORKS BY SOME OF THE NEW MEMBERS, A HUGE CONFIDENCE BOOST TO BE ACKNOWLEDGED IN THIS WAY.

In the paper production studio, considerable work has been undertaken to refine and improve the consistency of the artists' papers. A new range of cards using new designs from members is planned and production for the paper for these began in July 2012.

A range of small screen-printed artworks has been developed with Gillian Corban for Corban and Blair. Further product development is continuing.

The production side of Euraba is also used to engage volunteers and provide placement for probation and parole clients who have active work orders. This is a huge opportunity for Euraba to undertake its goals of providing a place where people can come to heal through involvement in the arts.

Euraba artists also presented their work at the Saltwater Freshwater Festival in Taree and the Peace Festival in Warwick.



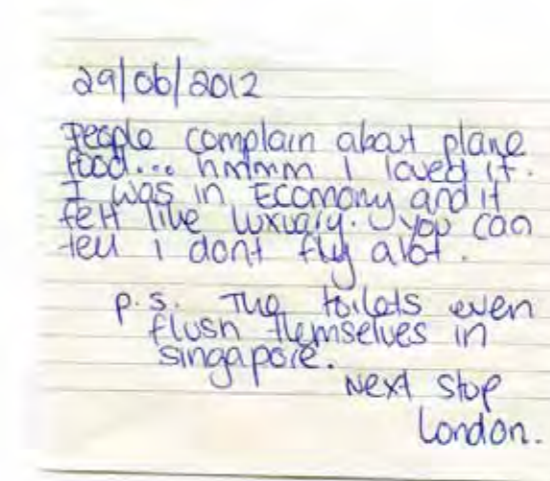
LEADERSHIP

Since the beginning an important part of the Beyond Empathy process has been developing and encouraging leadership talents within our participants.

ALMOST NEVER HAVE THESE YOUNG PEOPLE SEEN THEMSELVES AS LEADERS, BUT BEYOND EMPATHY PROVIDES THE OPPORTUNITY FOR THEM TO CELEBRATE POSITIVE QUALITIES WITHIN THEMSELVES AND GROW AS STRONGER, MORE RESILIENT INDIVIDUALS.

This year our leadership program has 55 members and a least one third of them have already grown into capable, responsible leaders. This kind of real change does not happen quickly. For some, it can take up to eight years to create such individual change. Change is also not linear and some young people revert to previous risk taking behaviours as part of the growth process. Generally, in this case their return to protective or resilient behaviours happens quickly.

During the 2012 *Breaking Barriers, Building Futures* program we experienced approximately a 10% increase in the number of young people



involved in our workshops. Whilst we delivered fewer workshops, more young people attended for sustained periods of time. This is good news for the change we want to activate in young people. This increase in involvement translated into our leadership program with a 15% positive growth in the number of young people who moved from our general arts program and into

the leadership journey. This is where impact awaits us as these young people start to take on leadership roles in their local community: 34% of our leadership cohort began working as emerging artists and trainee community workers locally and across BE projects more widely. In 2012 we also asked more from our leadership cohort, providing opportunities for professional development and stretching individuals outside their comfort zone. This required greater commitment, greater personal responsibility and greater overall responsibility for the outcomes of our projects.



BE LEADER, RAPHAELA ROSELLA MADE A PHOTO BLOG OF HER TRIP TO PARIS AND ARLES (FRANCE) AS PART OF HER PRIZE AS WINNER OF THE QANTAS SPIRIT OF YOUTH AWARDS SOYA 365 PHOTOGRAPHY CATEGORY

OUR PROCESS BUILDS SKILLS

- Learning the technical aspects of the camera
- With BE he has had the opportunity to explore his own view on film. It's a more accessible media
- Previously did lots of illegal and damaging graffiti. Got involved with other graffiti artists and is now more creative
- More chance for him to get a job in this industry – due to his experience
- Person in that film got some work with ABC. He is now a good actor and more confident, and ABC picked him up and gave him a job. This child, who had he never had the opportunity at BE, had a life changing experience. His families have been unemployed in the long term

COUNT AS DIVERSIONARY ACTIVITIES

- The carer story in the film – got closure from seeing this in the film (the carer story was her story in the film – she was 14 back then). She watched the film with her mum and they both got closure (mum was diagnosed with Parkinson's. She moved out of home when she was 17 as her mum was better then and wanted her role (carer and mother role) back)

KEY *Leadership* OUTCOMES

Quotes from participants of Rites of Passage

CONNECTS YOUNG PEOPLE TO THEIR COMMUNITY AND SUPPORT NETWORKS

- Get to meet new people as people walk up to you and ask were you in the film
- Being involved with BE – they were extremely supportive of her as an artist which conveniently was what the community needed too
- Introduced her to other artists at the camps. Exposed to Bill James – season exit – world renowned graffiti artist

ENHANCE BOTH SOCIAL AND COMMUNITY SKILLS

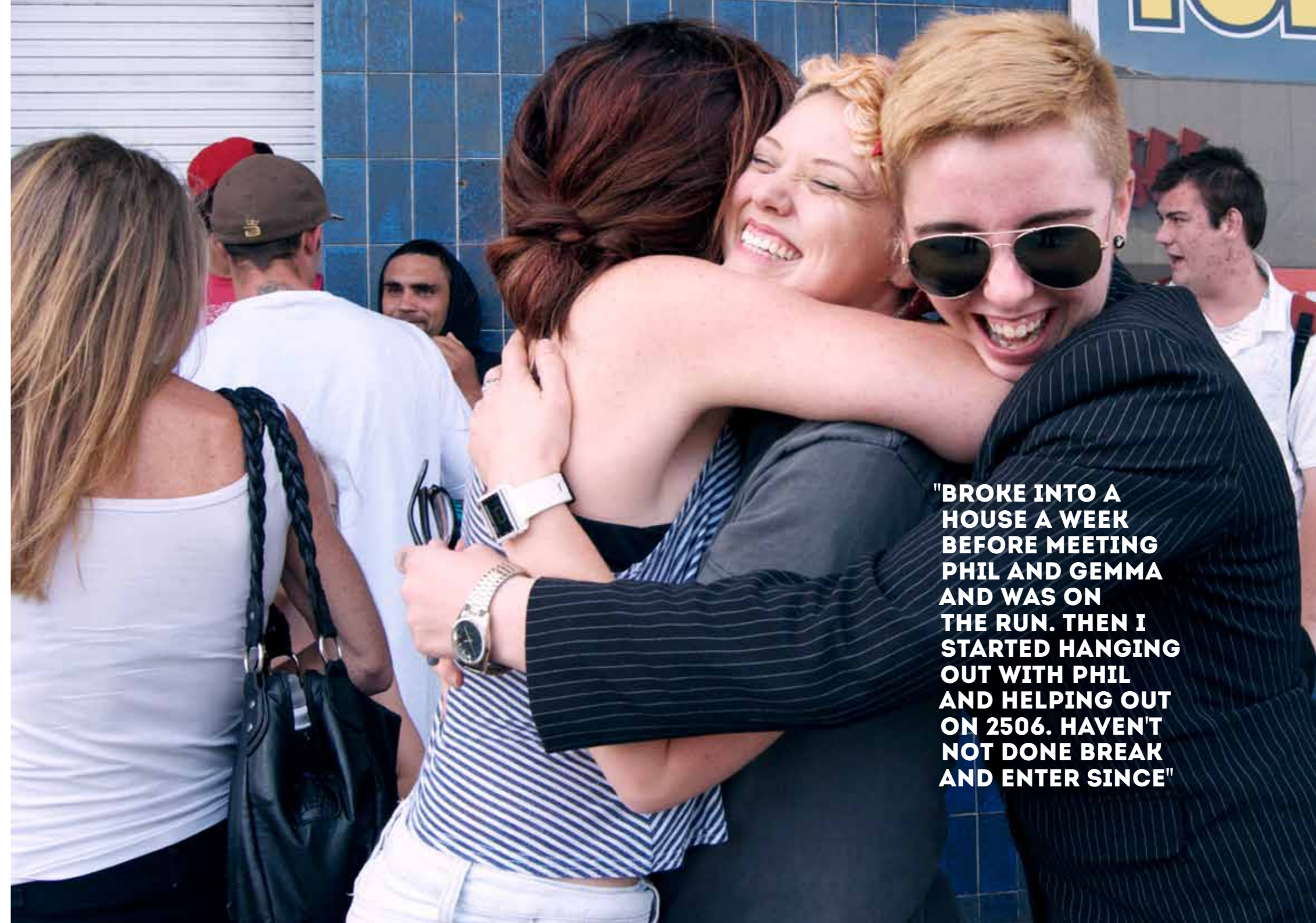
- Being more comfortable with other people
- Wants to be a youth worker – had wanted to be one anyway but after being involved with Gemma – definitely wants to be one now
- Allowed him to open up

YOUNG PEOPLE FEEL MORE ENGAGED

- Gets up and dressed, goes to work, more responsible
- Felt proud when he saw himself on the screen
- The stereotype of someone from a housing commission estate is all about drugs etc. but look at us – we've made a film

PROVIDES ACCESS TO POSITIVE OPPORTUNITIES INCLUDING MENTORS

- Gemma and Phil do lots for them – feels that she wishes that she could repay them
- If it wasn't for Phil I'd be on my way to the lock-up or I'd already be in the lock-up
- Be teaching is not like teachers...they allow the kids to learn it themselves. The kids aren't being talked at, Phil creates situations where the kids actually do the things so learn things for themselves – creates a better experience and sense of achievement



"BROKE INTO A HOUSE A WEEK BEFORE MEETING PHIL AND GEMMA AND WAS ON THE RUN. THEN I STARTED HANGING OUT WITH PHIL AND HELPING OUT ON 2506. HAVEN'T NOT DONE BREAK AND ENTER SINCE"

559
PARTICIPANTS

9
HIGH QUALITY
ARTWORKS
295
ART
PRODUCTS

774
WORKSHOPS

1875
AUDIENCE MEMBERS

52
PARTNERS

BE OUT PUTS

29
PUBLIC
OUTCOMES

1860
WEBSITE VIEWS
519
FACEBOOK
LIKES

270
PEOPLE
HIGHLY
ENGAGED

OUTCOMES

Beyond Empathy has an ongoing assessment program so that we can be assured that we are making progress and that our work is effective. In 2012, young people told us in terms of skills 95.7 per cent felt more confident, 74.5 per cent had better communication skills, 59.6 per cent had better self-management skills, 78.8 per cent developed new creative skills, 36.2 per cent developed technical skills and 27.2 per cent indicated they learnt skills that could help them get a job. A total of 61.5 per cent felt more connected to their community.

SIXTY PER CENT OF RESPONDENTS SAID THEY COPED BETTER WITH CHALLENGES THAT CAME THEIR WAY AND THEY WERE BETTER ABLE TO SURF THE HIGHS, THE LOWS AND REMAIN MORE CONSTANT IN THEIR COPING. A TOTAL OF 51.1 PER CENT SAID THEY THOUGHT MORE CAREFULLY ABOUT HOW THEY DEALT WITH THINGS (LESS REACTIONARY) AND 37.8 PER CENT SAID THEY DEALT WITH THINGS DIFFERENTLY THAN BEFORE AND IN A BETTER WAY

Overall involvement in the Beyond Empathy suite of programs built resilience. This was measured through Most Significant Change (MSC) which interviewed and assessed 35 participants from across our programs. MSC tracks how well an individual is travelling (every three months) even though life continues to go up and down and trauma occurs. A total of 83.3% of MSC respondents said things had changed for them in the last 3-6 months and 100 per cent said Beyond Empathy had played a role in the changes. 60 per cent said Beyond Empathy's help had been significant and important.

Importantly 75 per cent said that being involved helped them find out about services and people that could help them and 50 per cent of this group said they were able to get help when they needed it.

A total of 26.8 per cent said that for the first time, they volunteered for something in their community. Of those who were school age 53.7 per cent said they had a more positive attitude towards school. Less than half the group actually got more involved in school, although 22 per cent said being involved with Beyond Empathy helped them get into training (TAFE). Of this group, just over 25 per cent have

since dropped out of training, but still 'want to study'.

In 2012/2013 *Mubali* – Young Aboriginal Mums program, was as delivered across seven communities in NSW and QLD. This award-winning program began in 2005 and encourages young mums-to-be to connect to health stages well before the birth of their babies. The results of the program have been healthier mothers, higher birth-weight babies and much higher rates breast-feeding. An estimated 200+ Mums have been part of this program so far which is now the standard way that maternal health workers engage with young pregnant women in 11 communities.

During 2013, a workshop was held in Moree for all participating communities where health workers, elders and participants could learn new skills, discuss health indicators and new ways to tackle seemingly intractable social problems at a local level. It involved arts workshops so that Mums, health workers and Aboriginal women could take new skills back to their local communities.

MUBALI HAS PROVIDED A SUCCESSFUL AVENUE FOR THE PROVISION OF HEALTH INFORMATION AND SUSTAINED CONNECTION TO HEALTH SERVICES LEADING TO AN IMPROVEMENT IN HEALTH OUTCOMES FOR THE YOUNG ABORIGINAL MUM AND THEIR BABY.

Healthy pregnancies means babies are less likely to require neonatal care. In 2004 it was estimated that between 2 per cent and 3 per cent of all babies born need the specialised care of a neonatal intensive care unit. Neonatal intensive care for

each baby costs approximately \$1,200 per day³. *Mubali* costs approximately \$800 per participant per annum, which equates to approximately \$20.00 per workshop, if they attend once per week for 40 weeks each year. None of the babies in the *Mubali* program in 2012/2013 required neonatal care.

RESULTS FROM A SAMPLE GROUP SURVEYED ACROSS OUR COMMUNITIES IN 2012/2013 INDICATE:

- On average 67 per cent of participants showed marked improvements in birth weights of their babies - weights greater than the targeted 2500gram result
- In Moree 97 per cent of babies born to young Aboriginal mothers, involved in the strategy delivered by our partners weighed over 2500g
- Of the same group, 73 per cent breastfed for a minimum of six weeks.

PARTICIPANTS WERE SURVEYED ACROSS A NUMBER OF BEHAVIOURAL CHANGE INDICATORS. THEY WERE ASKED TO RATE ON A SCALE OF 1-5 (5 = DEFINITELY 3 = SOMEWHAT AND 1 = NOT AT ALL).

A TOTAL OF:

- 80 per cent understand how their health and wellbeing affects their ability to look after their children
- 69 per cent understand what they need to do to look after their health 61 per cent understand what to expect when giving birth
- 85 per cent understand what they need

to do to look after their child's health

- 66 per cent said they felt more confident to talk to health service providers, seek external help or support
- 84 per cent are getting health checks for themselves and their babies
- 64 per cent understand when their child should be able to do different things – they are aware of and can monitor early childhood milestones
- 74 per cent feel better about self and more confident (most young women said it gave them something to look forward to, talk to other Mums and not feel so isolated)

HEALTH WORKERS ACROSS ALL COMMUNITIES WERE SURVEYED AND INDICATED THAT THEY HAD OBSERVED THAT:

- young women's understanding of pre- and post-natal care had increased significantly; and
- young women were able to share important health messages with other pregnant women in the community.

OF THE HEALTH WORKERS SURVEYED:

- 88 per cent said the BE young mums' workshops provided access to young mothers they would not otherwise be able to reach
- 96 per cent indicated the BE program played a role in enabling contact
- 86 per cent said they feel more connected to young mothers through the BE program



³ Gadiel, Tanya, MP Parramatta, 2004, from NSW Hansard <http://www.parliament.nsw.gov.au/prod/parliament/hansart.nsf/V3Key/LA20040914022>



- 72 per cent indicated the program had increased their portfolio of skills to work with young mums
- 92 per cent said the young mums' program adds value to their program delivery.

IN BOWRAVILLE PARTICIPANTS (SAMPLE GROUP OF 37 HIGHLY ENGAGED PARTICIPANTS) WERE SURVEYED ACROSS FIVE KEY DOMAINS. THESE INCLUDE ASPIRATION, CAPACITY, CAPABILITY, OPPORTUNITY AND CONTEXT.

- 90 per cent of participants indicated an increase in positive sense of self.
- 73.3 per cent have ambitions (wanting more for self and family and believe it is possible).
- 83.3 per cent wish to invest in self and moving forward.
- 64 per cent said they thought about people more positively, and could work with people who they don't like or people with historical hostility.
- 52.8 per cent have greater awareness of the effect their behaviour has on self and aspirations.
- 85.7 indicated improved capacity to access health, housing and other local support networks.

OUR PARTNERS IN BOWRAVILLE INCLUDE BOWRAVILLE LOCAL ABORIGINAL LAND COUNCIL, THE LOCAL SCHOOLS, PHOENIX DISABILITY SERVICE AND NGAMBAGA BINDARRY GIRRWAA COMMUNITY SERVICES INC.

- 54 per cent of partners worked together to deliver collaborative strategies.

- 85.7 per cent non-arts partners are using arts as part of core delivery.
- 71.4 per cent partners identify a different understanding of needs affecting participants.
- 85.7 per cent believe the Beyond Empathy process helped build or strengthen participant/worker relationships.

BEYOND EMPATHY MEASURES AUDIENCE RESPONSE TO WORK VIA ARTISTIC VIBRANCY PARAMETERS. WE USE FIVE DOMAINS:

1. Personal Impact
2. Aesthetic merit
3. Delivery
4. Experience
5. Insight
6. Reflection

DURING THE YEAR WE CONDUCTED THREE MAJOR ARTISTIC OUTCOMES.

1. Rites of Passage community screening.
2. Silvercity Songlines (performance Armidale); and
3. Imaginarium (street performance and ephemeral installation, Bowraville).

A total of 1595 audience members attended these three events. Approximately one-third responded to artistic vibrancy surveys.

RESPONDENTS WERE ASKED TO RATE ACROSS A NUMERICAL SCALE OF 4 – 1. 4 BEING A LOT AND 1 BEING NOT AT ALL. WE TALLIED FIGURES WITHIN THE A LOT AND MODERATELY DOMAINS.

- 98 per cent (personal impact) audience members said the performance or art work moved them.
- 98 per cent (aesthetic) audience members said they liked the look and feel of the performance or art-work.
- 100 per cent (delivery) audience members said the work was well put together.
- 85 per cent (experience) audience members said the work introduced them to new people, places or life experiences.
- 85 per cent (insight) audience members said the work helped them to understand issues they hadn't thought about before.
- 85 per cent (reflection) audience members said the work made them think about things differently.

IMPACT

Beyond Empathy recognises that the relationship between cause and effect is non-linear, and that multiple factors effect behaviour and how individuals interact with each other and their community. Our operational strategy allows us to be responsive and sometimes opportunistic, expanding boundaries to help us achieve our mission. It is sometimes hard to track the direct outcome of complex activity. Changes are often subtle and difficult to measure but collectively allow us to achieve our mission. Sometimes remarkable changes occur from the unplanned, random activities or intuitive approaches to a challenge.

For example, we are formalising our partnership with the Bowraville Local Aboriginal Land Council. Applications submitted for the 2013/2014 year are lodged with the Bowraville Local Aboriginal Land Council as the applicant and Beyond Empathy as the administrator. This has called for a level of transparency in terms of project governance and financial accountability – often scarce traits in highly dysfunctional communities.

Historically, lack of trust, dishonest transactions and nepotism, low levels of accountability and gossip have bred marginalisation and have placed hurdles in the face of progress. The level of transparency required between our two organisations in formalising our partnership, has flowed on to affect the success of our overall strategy and the level of trust placed in Beyond Empathy. Because we will lead this process, people who have been part of the partnership from the outset and have seen it develop now trust the process and realise that this is how 'business' is

done. We will demonstrate transparency, trust, and rigorous accountability through our practice.

The Bowraville Local Aboriginal Land Council is now using the successful partnership and governance model, and the use of the arts as a community-building and leadership tool to present to Aboriginal Land Councils across the state. Here, the Bowraville Aboriginal Land Council is the leader, not Beyond Empathy.

As a 'secondary' impact, working in this way allows us to exercise more control over the logic of our work in Bowraville – that we are ultimately working towards a wide community systemic change.

If people can see from the outset the level of transparency, time and money invested in a strategy, and if they are part of the delivery process, then collectively we can achieve much more for the Mission community. It makes people feel more accountable for its care and success as they have personally invested in it from the outset.

WHEN PEOPLE REALISE THEY ARE PART OF THE ACCOUNTABILITY AND DECISION-MAKING PROCESS, THEY HAVE MORE CONTROL OVER DECISION-MAKING. THEN THEY ARE MORE LIKELY TO TRUST THEIR SYSTEM. IF PEOPLE ARE PREPARED TO WORK MORE WITH THE SYSTEM THEN WE WILL ACHIEVE SYSTEM CHANGE.

Another example of our complex operations strategy leading to social impact is *Mubali* – our Aboriginal young mums belly casting strategy. The aim of this project is to improve birth weights and breast-feeding among Aboriginal young Mums.



Through teaching the midwives how to use the creative strategies and relating the outcomes directly to health outcomes, the process of belly casting is now an integrated strategies in seven communities across NSW and QLD. The Logan Mums and Bubs Clinic applied for funding from Regional Arts QLD to develop and baby milestone book using the skills of one of our young leadership artists and a previous Beyond Empathy model. It's the first time a baby health clinic has applied for arts funding under Regional Arts QLD.

THEY ARE DOING BUSINESS DIFFERENTLY. LOCAL ABORIGINAL ARTISTS WHO CAME INTO THE PROGRAM AS PARTICIPANTS ARE NOW WORKING AS THE ARTISTS ON THE PROGRAM. NATIONALLY, MUBALI HAS CREATED SYSTEMIC IMPACT AND IS SUSTAINABLE LONG AFTER BEYOND EMPATHY'S DIRECT RELATIONSHIP HAS ENDED.

Rites of Passage, our feature film, has been assessed by the classification board with an M rating. This means we can show the film in schools. As part of our distribution strategy we are targeting young people and teachers to see how many young people we can get to see the film. We want to get young people talking. The development of teachers' notes by [Australian Teachers of Media] ATOM is underway.

In this way, we are directly attempting to align with the new national curriculum and the NSW Connected Communities Strategy. *Rites of Passage*, along with other Beyond Empathy art products, can be used by teachers in the

English and the HSIE curriculum. This allows us to reach many more people, and encourage them to talk about and act on the really important issues that affect the lives of young people, their families and their communities. The Beyond Empathy 'how to' process is vitally critical in these discussions. It shows people that there are different ways to address seemingly intractable social problems. This potentially then, can be a systemic change with substantial social impact.

SOCIAL IMPACT GENERALLY TAKES MANY YEARS TO EFFECTIVELY MEASURE. TIMEFRAMES ARE INDEED LONG. OUR WORK WITH MUBALI AND THE IMPACT EVIDENCED HAS EVOLVED OVER NINE YEARS. WE HAVE BEEN WORKING IN BOWRAVILLE FOR FIVE YEARS AND RITES OF PASSAGE WAS FOUR YEARS IN THE MAKING.

BE IMPACT



BE TAKES A CREATIVE IDEA INTO A COMMUNITY

THAT PROCESS INVOLVES PEOPLE CREATING AND TELLING THEIR OWN STORIES



AND THROUGH THAT PROCESS PEOPLE HAVE POSITIVE INCREASES IN WELLBEING, ARE CONFIDENT, ARE RECONNECTED TO THEIR COMMUNITY AND HAVE NEW SKILLS OTHERS CAN COPY. THEY CAN LEAD




THEN THESE NEW LEADERS TAKE OVER THE IDEA AND MAKE IT THEIR OWN, CREATING A SUSTAINING MOMENTUM THAT LASTS BEYOND BE'S ROLE



PERFORMANCE

Beyond Empathy's work extended across many target sectors. During the year we worked closely with education and of course health, through Mubali and other mental health partners, including Headspace in the Illawarra. This year we built stronger relationships with the juvenile justice sector. For example, young people were referred to our programs through Juvenile Justice in Armidale. We also began working with the Attorney Generals Circle Sentencing group in the Nambucca LGA on a new crime prevention strategy in 2013/14, in partnership with Bowraville Local Aboriginal Land Council. The court will refer offenders to our program in Bowraville.

OVERALL 85.7 PER CENT OF OUR ANNUAL PARTNERS INDICATED THE PARTNERSHIP WITH BEYOND EMPATHY EXTENDED THEIR CAPACITY AND REACH. THIS RESULT WAS 20 PER CENT BETTER THAN EXPECTED.

Our audiences rated the aesthetic of our public outcomes in the 90 percentile range. This was far higher than our annual target of 65 per cent. Audience insight also rated far higher than we had hoped for. Given we place equal importance on process and the art product this result is particularly pleasing. Our intention is always to build empathy and understanding in others about the challenges our participants face on a daily

basis. If we can increase understanding then we believe that tolerance and acceptance will follow.

A total of 78.7 per cent of our artists indicated working with BE over the year had increased their portfolio of skills. Forty-three per cent said the new skills they acquired linked to their own professional practice. This was double the benchmark we had set for ourselves.

We struggled this year with the challenge of taking our work to an international audience. It is wonderful that the film *Rites of Passage* has been accepted into 10 international film festivals. An international audience is always enticing for our artists and our art, because we are always trying to test ourselves against other cultures and methods of arts practice.

At a Board level it is critical we balance this aspiration for international exposure with our commitment to addressing need here at home, in the communities where we have made a long-term commitments. That is why our resources are directed into our existing relationships and strategies. We continue to encourage our artists to work internationally, build new relationships and new work and use this experience to inspire their work with our communities here at home.

We always struggle with marketing and communication. We have a very small team with a big reach. In light of this, we did not manage any

newsletters this year but began the BE blog and used social media in other smart ways to connect with our audience. We built new audience members through the crowd funding campaign, in November 2012. Through this we raised just over \$40,000 to complete our feature film *Rites of Passage*. Our communication and marketing strategy is certainly an area to build skill, capacity and reach.

In 2013/2013 our reserves grew by 5.71 per cent, below our target of 20 per cent. The challenge of introducing new donors to Beyond Empathy as some long terms supporters finish is a growing challenge. Fundraising is a priority agenda item at each Board meeting. Louise Walsh undertook some coaching with the BE Board during the year and we are keenly aware of developing strategies around fundraising. We developed a fundraising plan during the year. Julien Playoust joined our Board during the year and NSW Member of Parliament and Deputy Leader of the Opposition, Linda Burney, became our Ambassador. David Thompson resigned from the Board after nine years of service.

We have developed our next six-year strategic plan and through this, secured six years of funding (2014 - 2020) from the Australia Council for the Arts (Key Producers, Community Partnerships). A total of 25 organisations nationally were invited to apply and 14 organisations were successful. This is Beyond Empathy's second term as a Key Producer organisation, Australia Council for the Arts.



BE FINAN- CIALS



Beyond Empathy Limited
ABN 22 114 367 814(A company
limited by guarantee)

The directors of Beyond Empathy Limited (BE) present this report for the year ended 30 June 2013.

DIRECTORS REPORT

DIRECTORS

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

		A	B
A Buduls	Chairperson	5	5
D Thompson	Director	3	5
K McConville	Director	5	5
V Skinner	Director	5	5
A Green	Director	5	5
P Heath	Director	5	5
J Playoust	Director	2	2

A - Number of meetings attended

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

COMPANY SECRETARY

Mr Tony Green 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:

- The creation of high quality new artworks and creation of new narratives.

LONG TERM OBJECTIVES

BE's long term objectives are to:

- Unlock the cycles of disadvantage within our communities.
- Innovative partnerships spanning government, business, philanthropy, and the arts.
- Rigorous cultural development through artistic programming.
- New audiences who engage with dynamic artistic product.
- Construct more effective community arts and cultural development models for application across Australian communities.

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.

PERFORMANCE MEASURES

The company measures its performance through both regular comparison of actual data to predetermined budgets. Regular reviews of project milestones are also conducted against committed deliverables.

INFORMATION ON DIRECTORS:

Anna Buduls: Chairperson

Anna has extensive experience in journalism, investment banking, investor relations, the media and corporate advisory work. For the last 20 years she has been a professional non-executive director on a range of public, government and private company boards. She is currently serving as Non-Executive Director of Elders Group, SAI Global, the Foreign Investment Review Board, the Australian Social Inclusion Board and Beyond Empathy – Chairman (non-profit). Anna was appointed by the Minister for Human Services in

late 2012 to conduct an independent review of the Centrepay system. She was also a Steering Group Member on the Federal Government White Paper on Homelessness (2008) and was a Review panel member Federal Government Jobseeker Compliance Penalty Regime (2010). She is currently also one of three Australian APEC Business Advisory Council (ABAC) members, appointed by the Prime Minister. She also engages in voluntary work, which includes collaborating with Mission Australia guiding and funding outreach programs for homeless men.

Kim McConville: Executive Director

Kim McConville is the co-founder and Executive Director of Beyond Empathy and has been working in Aboriginal communities for over 25 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 extensive expertise in facilitating collaborative practices across divided and multiply disadvantaged communities, enabling divided groups and individuals to find new ways to work together. Her work is renowned for the 'long haul' staying with communities for ten years or longer. Kim has been awarded for her collaborative practices and forging new partnerships across Government, Corporate, Philanthropic and Community sectors.

David Thompson AM

David Thompson is CEO of Jobs Australia Limited, the national peak organisation for more than

270 non-profit providers of employment and related services for unemployed people. David has a keen interest in social justice and equity issues. David is also Director of the National Roundtable of Nonprofit Organisations Limited; Chair, Jobs Australia Foundation; Chair, COMMACT International and Director of its Australian Chapter; Chair of Community 21 Limited; Director of Community Sector Enterprises Pty Ltd and Director of Beyond Empathy Limited. David is also a member of the Board of the Intercontinental Network for the Promotion of the Social Solidarity Economy and a member of the federal government's National Place based Advisory Group and numerous other advisory bodies on employment services.

Vivienne Skinner

Vivienne Skinner has spent much of her career in arts and politics and is currently a speechwriter and senior adviser to the Deputy Prime Minister, Anthony Albanese. She was arts adviser to Premiers Nathan Rees and Bob Carr and from 2006 until 2008 was communications manager for Regional Arts Australia. Vivienne has always taken a special interest in how the arts can be used as a tool to improve the lives of marginalised young people. After growing up in the small NSW town of Cooma, Vivienne trained as a nurse before completing an arts degree at the Australian National University and beginning a career as a journalist. She worked as both a television and radio reporter with the ABC and was a newsreader with Channel 7 in Canberra. She has written for a variety of publications including the Sydney Morning Herald. Vivienne is a director of the South

Australian Film Corporation, the physical theatre company Legs on the Wall and is a member of the National Advisory 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: The Royal Hotel in Paddington, Greenwood Hotel in North Sydney, Clock Hotel in Surry Hills, Pontoon Bar at Darling Harbour and Merewether Surfhouse in Newcastle. For the last 15 years he has also been Managing Director of Andreasens Green Wholesale Nurseries, one of the largest wholesale nurseries in Australia, supplying native and exotic trees, shrubs and grasses to the building and landscaping industries generally and to projects such as The RAS Showground and Olympic Village at Newington, Fox Studios, The Conservatorium of Music and most of the major housing and commercial developments in and around Sydney. Tony has a Commerce/Law degree (majoring in Accounting) from the University of New South Wales and practised as a solicitor for Freehills in Sydney for nearly four years. He has worked with and supported many charitable organisations in recent years, but this is his first board appointment.

Paul Heath

Paul Heath is the former CEO of JBWere, a strategic private wealth alliance between National Australia Bank and Goldman Sachs. As CEO of JBWere, Paul served as a member of the MLC and NAB Wealth Executive Committee. Prior to JBWere, Paul was the Managing Director of Private

Wealth Management for Goldman Sachs JBWere and served on both the Board and Management Committee of Goldman Sachs JBWere. In addition to Beyond Empathy, Paul serves on the board of the Juvenile Diabetes Research Foundation as well as the Endowment Investment Advisory Committee for the Benevolent Society.

Julien Playoust

Julien is a Non-executive Director of Tatts Group Limited and Australian Renewable Fuels Limited, ASX listed companies. He is a Director of private equity company MGB Equity Growth Pty Limited. He is Trustee of the Art Gallery NSW Foundation, Director of the National Gallery of Australia Foundation and on the Advisory Boards of University of NSW College of Fine Arts Advisory Council (COFA), The Nature Conservancy and Beyond Empathy Limited. Julien has worked across a range of industry sectors including property, professional services, media, agriculture, retail/consumer goods, energy and financial services, in executive and non-executive roles. He is managing director of AEH Group and his professional career includes Andersen Consulting, Accenture and several private equity / venture capital companies. Julien is a Fellow of the Australian Institute of Company Directors and Member of Australian Institute of Management, Royal Australian Institute of Architects and The Executive Connection. Julien holds a Masters of Business Administration from AGSM, Bachelor of Architecture First Class Honours and Bachelor of Science from Sydney University, and Company Director Course Diploma from the AICD.

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 2013 the collective liability of members was \$10 (2012 – \$10).

AUDITOR'S INDEPENDENCE

The auditor's declaration of independence appears on page 7 and forms part of the Directors' Report for the year ended 30 June 2013.

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:



Sydney, NSW
Dated: 17 October 2013



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTE	2013 \$	2012 \$
REVENUE			
Government grant funding	3(a)	403,120	538,091
Other tied project funding	3(a)	500,228	538,440
Untied donations	3(a)	301,492	325,783
Consultancy fees	3(a)	6,667	13,780
Interest	3(a)	25,313	43,406
Other income	3(a)	25,063	4,764
TOTAL REVENUE		1,261,883	1,464,264
EXPENDITURE			
Administration expenses		216,213	178,542
Employment expenses		493,844	677,545
Project expenditure		606,949	557,012
Depreciation	3 (b)	7,490	13,285
Amortisation	3 (b)	6,412	6,410
Net loss on disposal of fixed assets		-	13,042
TOTAL EXPENDITURE		1,330,908	1,445,836
OPERATING SURPLUS / (DEFICIT)		(69,025)	18,428
OTHER COMPREHENSIVE INCOME			
		-	-
TOTAL COMPREHENSIVE INCOME / (DEFICIT)		(69,025)	18,428

STATEMENT OF CHANGES IN EQUITY

	NOTE	GENERAL FUNDS \$
BALANCE AT 1 JULY 2011		322,617
Surplus attributable to the entity		18,428
Total other comprehensive income for the year		-
BALANCE AT 30 JUNE 2012	12	341,045
Surplus attributable to the entity		(69,025)
Total other comprehensive income for the year		-
BALANCE AT 30 JUNE 2013	12	272,020

STATEMENT OF FINANCIAL POSITION

	NOTE	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	979,949	845,866
Cash held in trust	5	142,361	-
Trade and other receivables	6	12,946	1,980
Prepayments		6,020	5,929
TOTAL CURRENT ASSETS		1,141,276	853,775
NON-CURRENT ASSETS			
Property, plant and equipment	7	21,385	31,215
TOTAL NON-CURRENT ASSETS		21,385	31,215
TOTAL ASSETS		1,162,661	884,990
LIABILITIES			
Trade creditors and other payables	8	59,657	44,029
Unspent project funds	9	98,973	66,784
Income received in advance		506,317	346,255
Funds held in trust	5	142,361	-
Employee benefits	10	40,719	40,521
Lease liabilities	11	7,932	7,353
TOTAL CURRENT LIABILITIES		855,959	504,942
NON-CURRENT LIABILITIES			
Employee benefits	10	24,696	21,084
Lease liabilities	11	9,986	17,919
TOTAL NON-CURRENT LIABILITIES		34,682	39,003
TOTAL LIABILITIES		890,641	543,945
NET ASSETS FUNDS			
General funds	12	272,020	341,045
TOTAL FUNDS		272,020	341,045

STATEMENT OF CASH FLOWS

CASH FLOWS FROM OPERATING ACTIVITIES

Grants received from Government	
Tied project funding	
Untied donations and sundry income	
Interest received	
Payments to suppliers, employees and project expenditure	

NET CASH PROVIDED BY OPERATING ACTIVITIES

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for property, plant & equipment	
Proceeds from sale of property, plant and equipment	

NET CASH USED IN INVESTING ACTIVITIES

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from hire purchase arrangement	
Lease payments	

NET CASH USED IN FINANCING ACTIVITIES

Net increase/(decrease) in cash and cash equivalents	
Cash and cash equivalents at the beginning of the year	

CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR

NOTE	2013 \$	2012 \$
	484,299	589,578
	658,853	409,605
	302,614	402,361
	25,313	43,406
	(1,338,771)	(1,491,381)
13	132,310	(46,431)
	(4,072)	(2,418)
	13,200	2,800
	9,128	382
	-	-
	(7,355)	(6,774)
	(7,355)	(6,774)
	134,083	(52,823)
	845,866	898,689
4	979,949	845,866

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 2013 was authorised for issue in accordance with a resolution of the directors on 17 October 2013.

Beyond Empathy Limited is a company limited by guarantee, incorporated and domiciled in Australia. 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 2012-2 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 2012-2 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 exists, 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.

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.

Untied donations

Untied donations are recognised as revenue when received.

Interest

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
Leased motor vehicles	20%
Plant & equipment	15-40%

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.

(l) Income received in advance

The liability for income received in advance relates specifically to government grants and tied project funding received in the current financial year which relates to projects due to be commenced in the next financial year or milestones due

for completion in the next financial year.

(m) Employee benefits

Employee benefits comprise wages and salaries, annual leave, 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.

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

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 EXPENSE

	2013	2012
	\$	\$
(A) REVENUE AND OTHER INCOME		
GOVERNMENT GRANT FUNDING		
Prior year unspent funds carried forward	24,257	32,652
Add: Current year grants received		
Arts NSW	125,000	100,000
Australia Council for the Arts (OZCO)	170,935	344,696
Office of Communities	100,000	75,000
Regional Arts NSW	30,001	10,000
Less: Unspent grants at 30 June	(47,073)	(24,257)
Government grants recognised	403,120	538,091
TIED PROJECT FUNDING		
Prior year unspent funds carried forward	42,527	81,467
Add: Current year grants received	509,601	499,500
Less: Unspent funding at 30 June	(51,900)	(42,527)
Tied project funding recognised	500,228	538,440
Untied donations	301,492	325,783
Consultancy fees	6,667	13,780
Interest	25,313	43,406
TOTAL REVENUE	1,236,820	1,459,500
Other income		
Other income	8,363	4,764
Gain on disposal of assets	16,700	-
Total other income	25,063	4,764
TOTAL REVENUE AND OTHER INCOME	1,261,883	1,464,264
(B) EXPENSES		
Depreciation on property, plant and equipment	7,490	13,285
Amortisation of leased motor vehicles	6,412	6,410
Remuneration of auditor	10,000	5,850

4. CASH AND CASH EQUIVALENTS

	2013	2012
	\$	\$
Cash at bank	52,204	66,745
New England Mutual shares	10	10
Short term deposits	927,735	779,111
TOTAL CASH AND CASH EQUIVALENTS	979,949	845,866

At balance date the company has an unused bank overdraft of \$50,000.

5. FUNDS HELD IN TRUST

	2013	2012
	\$	\$
Creating Australia	142,361	-
TOTAL FUNDS HELD IN TRUST	142,361	-

Funds held in trust are comprised of cash at bank held by Beyond Empathy (BE) representing grant funding received by BE which is auspiced on behalf of Creating Australia until such time as Creative Australia has been incorporated in its own right. At this time the funding held by BE will be transferred to the newly incorporated entity. The incorporation and transfer are expected to be completed by 31 August 2013.

6. TRADE DEBTORS

	2013	2012
	\$	\$
Staff and contractor advances	6,279	1,980
Other receivables	6,667	-
TOTAL TRADE DEBTORS	12,946	1,980

7. PROPERTY, PLANT AND EQUIPMENT

	MOTOR VEHICLES	PLANT AND EQUIPMENT	TOTAL
COST OR FAIR VALUE			
At 1 July 2012	60,046	38,105	98,151
Additions	-	4,072	4,072
Disposals	(20,984)	(272)	(21,256)
AT 30 JUNE 2013	39,062	41,905	80,967
Accumulated depreciation at 1 July 2012	(36,205)	(30,731)	(66,936)
Disposals	20,984	272	21,256
Charge for the year	(7,812)	(6,090)	(13,902)
AT 30 JUNE 2013	(23,033)	(36,549)	(59,582)
NET CARRYING AMOUNT AT 30 JUNE 2013	16,029	5,356	21,385
NET CARRYING AMOUNT AT 30 JUNE 2012	23,841	7,373	31,215

8. TRADE CREDITORS AND OTHER PAYABLES

	2013	2012
	\$	\$
Trade creditors	11,824	13,534
Accrued expenses	897	19,487
GST payable	27,818	2,782
Payroll liabilities	19,118	8,199
Visa cards	-	27
TOTAL TRADE CREDITORS AND OTHER PAYABLES	59,657	44,029

9. UNSPENT PROJECT FUNDING

	2013	2012
	\$	\$
Unspent government grants	47,073	24,257
Unspent tied project funding	51,900	42,527
TOTAL UNSPENT PROJECT FUNDING	98,973	66,784

10. EMPLOYEE BENEFITS

	2013	2012
	\$	\$
CURRENT		
Annual leave	40,719	40,521
NON-CURRENT		
Long service leave	24,696	21,084
TOTAL EMPLOYEE BENEFITS	65,415	61,605

11. OBLIGATIONS UNDER FINANCE LEASES - SECURED

	2013	2012
	\$	\$
Current	7,932	7,353
Non-current	9,986	17,919
	17,918	25,272

The company leases a motor vehicle under a finance lease agreement. At the end of the lease the company can, at its option, purchase the equipment at a favourable price. At 30 June 2013 the net carrying amount of the leased motor vehicles was \$17,918 (2012: \$25,272). The leased vehicle is secured under the obligations of the lease.

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

	2013	2012
	\$	\$
Due within one year	7,932	7,353
Due after one year but not more than five years	11,397	20,899
Less: Future finance charges	(1,411)	(2,980)
Present value of minimum payments	17,918	25,272

12. GENERAL FUNDS

(a) MOVEMENT IN FUNDS – 2013

	AT 1 JULY 2012	INCOME	EXPENDITURE	AT 30 JUNE 2013
	\$	\$	\$	\$
General funds	341,045	1,261,883	(1,330,908)	272,020

(b) MOVEMENT IN FUNDS – 2012

	AT 1 JULY 2011	INCOME	EXPENDITURE	AT 30 JUNE 2012
	\$	\$	\$	\$
General funds	322,617	1,464,264	(1,445,836)	341,045

General funds

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

13. CASH FLOW INFORMATION

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

	2013	2012
	\$	\$
Net surplus (loss) for the year	(69,025)	18,428
Depreciation of property, plant and equipment	7,490	13,285
Amortisation of leased vehicles	6,412	6,410
Profit/(loss) on sale of assets	(16,700)	13,042
(INCREASE)/DECREASE IN ASSETS		
Trade and other receivables	(7,466)	64,285
Prepayments	(91)	(482)
INCREASE/(DECREASE) IN LIABILITIES		
Trade creditors and accruals	15,629	(28,820)
Income in advance/ unspent funds	192,251	(138,158)
Employee benefits	3,810	5,579
NET CASH FLOW FROM OPERATIONS	132,310	(46,431)

14. 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.

15. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

(a) Directors

Ms McConville, in her capacity as the Executive Director, received arms length reimbursement for office rental and out of pocket expenses.

(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.

Ms McConville was the only employee during the year ended 30 June 2013 having authority for planning, directing and controlling the company's activities.

Rent was reimbursed to Ms McConville of \$10,400 during the year (2012: \$10,400).

There was no rent payable at balance date.

16. 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.

17. 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

The directors declare that in their opinion:

a) The attached financial statements and notes thereto comply with Australian Accounting Standards – Reduced Disclosure Requirements

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

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,



Armidale, NSW

Dated: 17 October 2013



KEY SUPPORTERS

ABBEY FAMILY FOUNDATION

ABORIGINAL BENEFITS FUND

ARTS NSW

**AUSTRALIA COUNCIL
FOR THE ARTS CREATIVE
COMMUNITIES**

**AUSTRALIA COUNCIL FOR
THE ARTS - KEY PRODUCERS**

AUSTRALIAN PIPELINE TRUST

ANNA BUDULS

**THE CALEDONIA
FOUNDATION**

PAUL CARTER

CHRIS CHARLES

**COCA COLA
AUSTRALIA FOUNDATION**

K & E CRAWFORD

DUCHEN FAMILY

DUSSELDORP SKILLS FORUM

**STEPHEN & JULIE
FITZGERALD**

GLEN GOODING

**GOLDMAN SACHS
FOUNDATION**

L & G GREEN TRUST

**MAURICE & CHRISTINA
GREEN**

**TONY & SOPHIE
GREEN & FAMILY**

PAUL HEATH & FAMILY

STEPHEN HIGGS

ADRIAN HONDROS

W P HOPKINS

**JBWERE STAFF
GIVING PROGRAM**

PIA MCBEAN

BARBARA MCCONVILLE

KIM MCCONVILLE

BERNICE MURPHY

NELSON MEERS FOUNDATION

REBEL PENFOLD-RUSSELL

REGIONAL ARTS AUSTRALIA

VIVIENNE AND

PETER SKINNER

TOM SKINNER

PETER SNOWBALL

BILL WEBSTER

