




Daystar CREATING FUTURES
Foundation THROUGH EDUCATION

Annual Report 2010-11

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Acknowledgements:

Pro Bono Design, Photography and Printing

Daystar Foundation gratefully acknowledges the pro bono services provided by O’Kelly & Associates for graphic design, Brian O’Kelly for photography and Focus Press for printing.

Copyright

All children photographed for this report are linked to Daystar Foundation’s programs. Daystar has permission from the schools and corporate organisations we work with to use these photographs.





About Daystar Foundation

Our Vision

Creating futures through education.



Our Mission

To work collaboratively with communities in order to create supportive environments that encourage children to engage in their education, thereby empowering them to make informed life choices.

Our BLAST Programs

Daystar Foundation's Before, Lunchtime and After School Transformation (BLAST) Programs are:

- Breakfast Club
- Literacy Buddies
- Garden Club
- Music Club
- Homework Club
- Basic Needs Drives



Our KPIs

We measure the success of our BLAST Programs by the impact they have on:

1. Reducing student truancy and absenteeism
2. Improving student learning
3. Positive behavioural changes in students
4. Healthier student food choices

Message from the Chair



At the end of this financial year, Daystar Foundation was delivering 40 BLAST Programs in 16 schools in South West Sydney with the equivalent of only two full-time employees. We

are able to do this due to the capacity we leverage from our not-for-profit partners, the schools we work with and our active Board of Directors.

As we enter another period of economic uncertainty, I am pleased to report that our donations for the last financial year were up slightly on the previous year and that we have also reduced our expenses.

We are appreciative of the support we receive from many corporate organisations and private funders year after year. For a small not-for-profit like Daystar having a regular income via ongoing support is more valuable than you might realise.

We welcomed new funders and supporters throughout the year, and look forward to many years of partnership ahead.

I would like to extend a special thanks to the O'Kelly & Associates team who have, for the third year in a row, produced what can only be described as a truly eye-catching Annual Report. This team of talented designers are also responsible for our photography and website which is as vibrant as the children we support each day. Your pro bono design work is very much appreciated.

And I must acknowledge the creative talents of the many students from Claymore Public School who did a terrific job in decorating the paddle pop sticks used throughout this report – I have no doubt there are some budding Creative Directors in our midst!

We added to our Board, continuing to build our skill sets. One new Director is a Principal of one of the schools Daystar has supported for a number of years, ensuring our understanding and commitment to the communities we serve never wanes.

The need for our services continues to grow. Many students are from single parent families with the Campbelltown/Minto area exhibiting high social dislocation, financial stress and chronic unemployment. We welcome the day when our services will no longer be needed – sadly, we do not envisage that day for many, many years to come.

Daystar is truly a team effort, so thank you once again to all those people and organisations who have helped us deliver our programs throughout the year.

A handwritten signature in black ink, appearing to read 'Lisa Grinham'.

Lisa Grinham
Chairperson



Breakfast

Club!

Darystar

Pear Flakes



gardening





Message from the Founder & CEO



2011 is a milestone year for Daystar Foundation as we celebrate our tenth year working in disadvantaged communities. What a privilege it has been to be of service to the different communities that have taken Daystar to heart.

I take this opportunity to acknowledge the brilliant support we have had over this time from a whole range of organisations. Many of you will know who you are. Without your generosity, whether through donations, volunteer or in-kind support it simply would not have been possible for Daystar to continue our work over the last decade.

I clearly remember Daystar as a fledgling organisation in 2001 beginning our journey with a singular vision to help children fulfil their potential through education. Looking back over the last ten years I can say with some pride that Daystar has gone a long way to achieving our goal because we got the start right and have been able since to build on a very clear platform.

One of the things we determined from the beginning was to ensure that any BLAST Program Daystar introduced had to meet a clear criteria which was to fit either the school culture or the school curriculum. An example of this is our Literacy Buddies program which is incorporated by teachers into the normal

literacy curriculum and is therefore run during normal class time. Another is our Music Club which again is clearly aimed at literacy and numeracy using musical notation. Children are encouraged to brainstorm ideas and then link those ideas to a tune and a beat until they produce a song. Imagine what this level of creativity does to promote learning in the classroom. A teacher recently said, *"My kids return to class full of enthusiasm and ideas from what they learn in Music Club."*

While Daystar Foundation might be operating at the coalface of education in conjunction with many dedicated principals, teachers and children, none of this is possible without your continued support. I understand that we are all facing uncertain economic times but it is critical that we ensure our children continue to be given the best opportunities available to them to fulfil their potential. I therefore encourage those organisations that have an interest in children and education to give consideration to supporting Daystar Foundation programs to ensure we continue to make a difference over the next ten years.

A handwritten signature in black ink, appearing to read 'Kingi Williams'.

Kingi Williams
Founder & CEO

BREAKFAST CLUB

The demand to run Breakfast Club programs in South West Sydney continues to grow. This year Daystar delivered a healthy start to the day for around 3500 children a week each school day in 13 schools in South West Sydney in an attempt to combat the real issues of hunger and poor nutrition which are huge problems in the area.

In the beginning Breakfast Club was established after realising that many children in our constituency were missing out on the most critical meal of the day.

As well as delivering the most important meal of the day to many children, Breakfast Club helps to provide a healthy forum for the community to come together where positive volunteer role models, including parents and teachers, can engage in a natural mentoring process for the students.

Anybody in the school community is welcome and, because we operate inside the school, young people accept us and relate to us more readily. It is critical to the success of the program that students do not feel like they are getting a hand out. They know Daystar and do not see us as a charity so they are therefore happy to engage with us.

Research indicates that children from disadvantaged backgrounds are more likely to have lower levels of literacy, numeracy and comprehension and higher levels of problematic behaviour including truancy, absenteeism and poor attention spans. There is also a direct correlation between truancy, absenteeism and petty crime. Breakfast Club continues to have a positive effect in all of these areas.

“Breakfast for our kids is so needed and appreciated”

School and Community Liaison Officer,
Ambarvale Public School





Literacy Buddies

Around 500 corporate volunteers and students participate in Daystar Foundation's Literacy Buddies program, involving the exchange of letters between students, aged 9-13 years, and corporate volunteers – aka "Big Buddies". The goal of the program is to encourage students to read and write and to provide interaction with positive adult role models. From time to time students write about serious issues they are dealing with in their home. As all letters are read by Daystar, any concerning content is raised with the school and intervention carried out if need be.

This program is in its eight year and currently operates in five schools in the Campbelltown/ Minto area. Some of the schools we work in have students from 10 to 20 different nationalities, and for whom English is their

second language. One student, who at the beginning of 2011 could not understand English at all, has come such a long way with his English comprehension, which his teacher attributes a significant part of his learning to his involvement with Literacy Buddies.

As well as the exchange of letters, students and corporate buddies meet once a year, either at the workplace of the corporate volunteers or at the school.

Our corporate volunteers love being a Big Buddy as it only takes 15 minutes a month to write a letter, and yet this is enough to make an impact on a young person's life. All the Buddies get such a buzz out of the program – it really is a very special program that allows relationships to be developed over a 1-2 year period.

"Literacy Buddies has had such an impact on literacy in Year 7, so much so that we would love to expand the program to Year 8."

Teacher, Sarah Redfern High School



"Daystar is a fabulous organisation. They provide opportunities to our children they would otherwise miss out on."

Teacher, Ingleburn Public School



Sarah!



Dear Sarah I love your note especially the two pictures, thank you so much. I went to the North side of New Zealand it was really fun. When is your birthday? I never asked you that question before. Well my birthday is on July 7th I was born in 2000. I didn't really watch the Royal Wedding only when William put the ring on Kate it was really romantic. I would of got a headache too, it would of been a pain to be there. Chris Brown is better than Justin Bieber but any day if I saw them walking around I would panic heaps of times I would probably collapse. It would be a dream come true. I have heard of Beyonce and she is really cool but I like Rihana I love her music. Did you know that Ebris Brown and Rihana were going out? I love reading books by the way I read big books and now I'm reading "I HATE FRIDAYS" I'm getting in to it I love it. From Blake





Garden Club

Daystar Foundation's Organic Produce Gardens are all about teaching children to plant fresh produce gardens so they learn to eat healthy food. We run our Garden Club in nine schools and the interest and excitement shown from students and teachers alike continues to grow year on year. For many students, it's the first time they've eaten fresh food picked from a garden. 100 percent of the food grown is eaten as it is either taken home by the students, or given or sold to the school canteen.

With our collaborative partners, Botanic Gardens Trust Sydney and Macarthur Centre For Sustainable Living, young people are being taught the necessary skills and techniques to grow their own organic garden from start to finish. Additionally, for the high school students Garden Club enables disadvantaged youth to learn new skills in landscaping, horticulture and project management leading to job opportunities.

"I'm so proud of our garden and all the kids just love it. It's great because we are able to teach kids about healthy eating from planting through to the kitchen where we teach them to cook their own produce. Thank you Daystar. We also get lots of comments from the locals about our beautiful gardens."

Teacher, Passfield Park
Public School for Disabilities

A number of students have even taught their parents how to plant a produce garden at home, which is not only great for the family by improving their healthy food choices but also gives students confidence in sharing their knowledge.

An outcome we had not anticipated was how beneficial the Garden Club is for students determined to have a Mild Intellectual Disability, Moderate Intellectual Disability or who are Emotionally Disturbed (students exhibiting anti-social behaviours).

Students who would normally not concentrate for more than 30 minutes in a classroom will participate in garden activities for up to 90 minutes, with teachers noticing significant improvements in student co-operation.



Music Club



Daystar Foundation's Music Club involves three elements:

1. Providing music therapy to assist intellectually disabled and emotionally disturbed students improve their communication and cognitive skills;
2. Funding a music teacher for musically gifted students where the school is unable to support its own teacher; and
3. Funding a music teacher for primary-aged Indigenous children to engage them through musical notation to express themselves creatively through "Koori Music Club".

"I'm ringing to complain mate, you didn't warn me I had to deal with a bunch of overachievers at Koori Music Club. They wear me out. I've never seen anything like it in 30 odd years of teaching. The kids are just great - tossing their ideas for new material at me before we get into the class room."

Alan Caswell, Music Teacher, Claymore Public School, Sarah Redfern High School and James Meehan High School

Working with our collaborative partner, Nordoff-Robbins Music Therapy Australia, the music therapy program continues to deliver reductions in truancy and absenteeism as well as improving student behaviour. We have seen significant changes in how students form relationships between student and therapist, student and teacher and between themselves. There has been a building or strengthening in each student's experience of self-regulation, listening and concentration, expressing their emotions and feelings as well as self-esteem and self-confidence. An increase in the students' social skills in the areas of tolerance and co-operation has also been evident.

This project demonstrates that music therapy can offer adolescents a means of non-verbal communication and expression, opening up ways for achieving greater educational and social functioning.

Together with the Australian Children's Music Foundation, Daystar has funded a music teacher at Sarah Redfern High School and James Meehan High School. To date they have written, composed and performed some wonderful songs they have developed as a team.



Koori Music Club

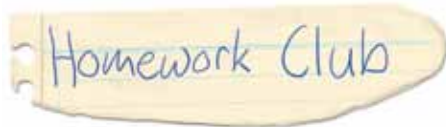
The Federal Government is running a health campaign over the next three years aimed at combating chronic illness amongst Indigenous people. Daystar is doing what it can to help our young Indigenous children deal with this serious issue within the school environment and hence the implementation of the Koori Music Club at Claymore Public School earlier this year.

Students are taught how to write their own ideas, stories and aspirations and put them to music. The power of musical notation to change negative cognitive thinking to positive has been well-researched and well-proven. The aim of the Koori Music Club therefore is to stimulate the creative spirit in a child to tell his or her own history, creating their history in a way that has meaning for them so that negative forces which might impact physiologically, mentally and spiritually are diminished. A teacher looked in on the class one day and was amazed at what she saw saying, "Learning is taking place today." While Koori Music Club is aimed at Indigenous children, it is open to all ethnic groups within the school which is so very important across all Daystar programs; encouraging social inclusion builds greater understanding and acceptance of all our heritages.



Daystar Foundation is aware that for many children attending school, basic needs are not met. During the last 12 months we have seen a much greater need with unemployment on the rise. To address this need, we provide essential items such as food, clothing, toiletries, blankets and stationery for school to families and children in need.

In some cases Daystar buys these basic needs, in other cases businesses donate back-to-school packs full of stationery supplies, warm clothing, food and the like.



Students receive extra tuition from teachers and mentors at no cost to them. With around 20 students from five schools now receiving extra tutoring 1 day a week, teachers are reporting improved performance especially in spelling. Our volunteers are involved in literacy and numeracy programs as well as tutoring and mentoring initiatives.

"We can really help students when we can get one-on-one time with them. Another great aspect of Homework Club is getting the older children helping the younger kids with their homework."

Teacher, Sarah Redfern Public School

Our Supporters

Corporate & Philanthropic Supporters



CLAYTON UTZ



Partner Community Organisations



Church on the Edge, Next Generation Church.

Schools We Work With

- Ambarvale Public School
- Blairmount Public School
- Campbellfield Public School
- Canley Vale Public School
- Claymore Public School
- Guise Public School
- Ingleburn Public School
- James Meehan High School
- John Warby Public School
- Lomandra School
- Minto Primary School
- Passfield Park School
- Riverwood Primary School
- Sarah Redfern High School
- Sarah Redfern Public School
- The Grange Primary School



Organisation Structure

Daystar Foundation is managed by its Founder & CEO and the Board of Directors. It is supported by a committed team of paid staff and volunteers.

Leadership Team



William King ('Kingi') Williams
Founder, Chief Executive Officer and Company Secretary

Kingi is the vision behind Daystar. He is responsible for the day to day co-ordination of key stakeholder's involvement and support in the school community. Kingi has a Bachelor of Arts degree in Theology. He established, and now pastors a non-denominational Christian organisation known as Church on the Edge. Kingi is also a board member of the Regional Development Council of the University of Western Sydney.



Lisa Grinham
Chairperson

Lisa has worked as a marketing professional for over 20 years. She held corporate marketing roles with 3M, Optus and Aussie Home Loans. From 2002-10, Lisa ran her own marketing consultancy, Sense Marketing. In 2010, Lisa joined Charities Aid Foundation (CAF) Australia as Chief Operating Officer. Lisa helps steer Daystar's transparency and good governance practices and to ensure strong corporate partnerships are developed. Lisa also manages all Daystar's marketing needs.



Ron Adams
Non-executive Director

Ron has been with the Department of Education and Training for over 30 years and in educational leadership since 1999. He is currently the Principal of Claymore Public School. Ron brings with him broad experience in community liaison and strategic planning. Ron holds a Diploma in Teaching, Graduate Diploma in Remedial Education and Graduate Diploma in Educational Studies.





Tracey Driver
Non-executive Director

Tracey has 15 years experience as a Chartered Accountant, is a registered company auditor and a partner of KPMG. Tracey has worked in Australia, UK and New York and has experience dealing with a wide range of different businesses globally. Tracey brings a strong understanding of financial management, accounting and the associated regulatory requirements to the Board of Daystar. Tracey has a young son and so is strongly motivated to ensure that children are able to get access to the education that they deserve to increase their life opportunities.



Richard Batty
Non-executive Director

Richard has been with the Department of Education and Training for 16 years and has been in educational leadership since 2000. He is currently the Principal of John Warby Public School in Airds, Campbelltown where all Daystar's BLAST programs are operating. He brings with him broad experience in community liaison, strategic planning, working in low socio economic status communities and is committed to social justice. Richard holds a Bachelor of Teaching and a Bachelor of Education.

Note: Richard Batty joined the Board August 2010.

Volunteers

It would be impossible for Daystar to achieve so much without the commitment of around 350 corporate and community volunteers. Our volunteers are a vital asset and therefore Daystar is committed to ensuring training and resources are provided to help them achieve our shared vision and goals. Volunteers attend Daystar's comprehensive training program aimed at preparing them for participation across our range of programs. Volunteers also have access to our online training program which assists in familiarising them with key issues around working with children.



Financial Statements

For the year ended 30 June 2011

Daystar Foundation

A company limited by guarantee.

Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2011.

Directors

The names of the directors in office at any time during or since the end of the year are:

- Lisa Grinham (Chairperson)
- Ron Adams
- Richard Batty (appointed at August 2010)
- Tracey Driver

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

Operating Result

The loss of the company for the financial year after providing for income tax amounted to:

- Year ended 30 June 2011: (\$15,988)
- Year ended 30 June 2010: (\$54,147)

Principal Activities

The principal activities of the company during the course of the year were conducting community outreach programs to mentor and support school children.

No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.





Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

Share Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

Signed in accordance with a resolution of the Board of Directors:

Lisa Grinham (Chairperson)
Director

Tracey Driver
Director

Dated 25th day of October 2011




Auditor's Independence Declaration

under section 307C of the Corporations Act 2001

To THE DIRECTORS OF: Daystar Foundation

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the Audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit



Andre Christian,
Registered Company Auditor 04421

Christian Fox Accountants

Level 57, MLC Centre
19-29 Martin Place
Sydney NSW 2000

Dated 25th day of October 2011

Detailed Profit and Loss Statement

For the year ended 30 June 2011

	2011	2010
	\$	\$
Income		
Donations Received - Corporate	191,511	102,727
Donations Received - Private	4,562	89,412
Interest received	4,852	4,797
Total income	<u>200,926</u>	<u>196,936</u>
Expenses		
Advertising and promotion	4,382	7,057
Administration Expenses	11,956	12,517
Bookkeeping, Accounting & Audit Fees	8,505	8,083
Bank Fees and Interest	561	243
Consultants fees	4,616	3,950
Sub-contractor Payments	-	91
Depreciation - other	4,736	6,240
Donations & Gifts	883	1,747
Employee Expenses	97,150	112,281
Insurance	7,124	4,979
M/V Expenses	9,897	6,281
BLAST Program Supplies and Services	65,182	86,086
Subscriptions	1,922	1,528
Total Expenses	<u>216,914</u>	<u>251,083</u>
Profit (Loss) from Ordinary Activities before income tax	<u>(15,988)</u>	<u>(54,147)</u>
Income tax (credit) attributable to operating profit (loss)	-	-
Operating profit (deficit) after income tax	<u>(15,988)</u>	<u>(54,147)</u>
Total Comprehensive Income/(Loss)	<u>(15,988)</u>	<u>(54,147)</u>
Total Equity at beginning of the financial year	<u>152,957</u>	<u>207,103</u>
Changes in Reserves	-	-
Changes in Retained Surplus	-	-
Operating profit (loss)	<u>(15,988)</u>	<u>(54,147)</u>
Total equity at the end of the financial year	<u>136,968</u>	<u>152,957</u>

Balance Sheet

as at 30 June 2011

	Note	2011 \$	2010 \$
Current Assets			
Cash assets	4	114,714	132,522
Current tax assets	5	10,190	11,698
Other	6	1,176	1,924
Total Current Assets		<u>126,080</u>	<u>146,144</u>
Non-Current Assets			
Property, plant and equipment	7	11,053	15,789
Total Non-Current Assets		<u>11,053</u>	<u>15,789</u>
Total Assets		<u>137,134</u>	<u>161,933</u>
Current Liabilities			
Current tax liabilities	8	165	8,976
Total Current Liabilities		<u>165</u>	<u>8,976</u>
Total Liabilities		<u>165</u>	<u>8,976</u>
Net Assets		<u>136,968</u>	<u>152,957</u>
Equity			
Retained profits		136,968	152,957
Total Equity		<u>136,968</u>	<u>152,957</u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2011

	2011	2010
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	196,074	192,140
Payments to suppliers and employees	(219,177)	(242,207)
Interest received	4,852	4,797
Income tax paid	443	(786)
Net cash provided by (used in) operating activities (note B)	<u>(17,808)</u>	<u>(46,057)</u>
Cash Flow From Investing Activities		
Payment for:		
Payments for property, plant and equipment	—	(2,455)
Net cash provided by (used in) investing activities	<u>—</u>	<u>(2,455)</u>
Cash Flow From Financing Activities		
Repayment of borrowings	—	(3,680)
Net cash provided by (used in) financing activities	<u>—</u>	<u>(3,680)</u>
Net increase (decrease) in cash held	(17,808)	(52,191)
Cash at the beginning of the year	<u>132,522</u>	<u>184,714</u>
Cash at the end of the year (note A)	<u>114,714</u>	<u>132,522</u>

Note A: Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank - Westpac Cheque Account	2,738	4,784
Westpac I-Max Saver	<u>111,975</u>	<u>127,738</u>
	<u>114,714</u>	<u>132,522</u>

Note B: Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit After Income Tax

Operating profit after income tax	(15,988)	(54,147)
Depreciation	4,736	6,240
Increase/(decrease) in provision for income tax	443	(786)

Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:

(Increase) decrease in prepayments	748	(792)
Increase (decrease) in sundry provisions	<u>(7,747)</u>	<u>3,428</u>
Net cash provided by operating activities	<u>(17,808)</u>	<u>(46,057)</u>



Notes to the Financial Statements

For the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the Corporations Act 2001. The directors have determined that the company is not a reporting entity.

Daystar Foundation is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The report has been prepared in accordance with the requirements of the Corporations Act 2001 and the following applicable Accounting Standards:

- AASB 101: Presentation of Financial Statements
- AASB 107: Cash Flow Statements
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110: Events after the Balance Sheet Date
- AASB 117: Leases
- AASB 1031: Materiality
- AASB 1048: Interpretation and Application Standards

No other Australian Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historic costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the company in the presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated. Refer to Note: 'changes in accounting policies' for comparison to the previous financial year:

Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(b) Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on the cost basis.

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

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

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses. Overheads are applied on the basis of normal operating capacity. Costs are assigned on a first-in first-out basis.

(d) Financial Assets

Recognition

Financial assets are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Receivables

The collectability of receivables is assessed at the year end and specific provision is made for any doubtful amounts. Receivables are stated at their cost less impairment losses.

(e) Intangibles

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(f) Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled, plus related on-costs. Employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

(g) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefit will result and that the outflow can be measured reliably.



Notes to the Financial Statements

For the year ended 30 June 2011

(h) Cash and Cash Equivalents

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

(i) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

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

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

(j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(k) Goods and Service 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 these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Comparative Figures

Comparative figures have been adjusted to conform with changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

(m) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Notes to the Financial Statements

For the year ended 30 June 2011

	2011	2010
	\$	\$

Note 2: Revenue

Operating Activities:

Interest revenue	4,852	4,797
Donations Received - Corporate	191,511	102,727
Donation Received - Private	4,562	89,412
	<u>200,926</u>	<u>196,936</u>

Note 3: Profit from Ordinary Activities

Profit (loss) from ordinary activities before income tax has been determined after:

Charging as Expense:

Depreciation of non-current assets:	4,736	6,240
	<u>4,736</u>	<u>6,240</u>

Note 4: Cash Assets

Bank accounts:

Cash At Bank - Westpac Cheque Account	2,738	4,784
Westpac I-Max Saver	111,975	127,738
	<u>114,714</u>	<u>132,522</u>

Note 5: Tax Assets

Current

ATO Integrated Account	10,190	11,698
	<u>10,190</u>	<u>11,698</u>

Note 6: Other Assets

Current

Prepayments	1,176	1,924
	<u>1,176</u>	<u>1,924</u>

2011	2010
\$	\$

Note 7: Property, Plant and Equipment

Plant and equipment:

- At cost	22,874	22,874
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Motor vehicles:

- At cost	15,455	15,455
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- Less: Accumulated depreciation	<u>(27,275)</u>	<u>(22,539)</u>
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	<u>11,053</u>	<u>15,789</u>
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Note 8: Tax Liabilities

Current

Provision For Superannuation	548	105
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Amounts withheld from salary and wages	<u>(383)</u>	<u>8,871</u>
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	<u>165</u>	<u>8,976</u>
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Note 9: Auditors' Remuneration

Remuneration of the auditor of the company for:

Auditing or reviewing the financial report	1,200	992
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Other services: Preparation Statutory Accounts	<u>2,000</u>	<u>2,000</u>
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	<u>3,200</u>	<u>2,992</u>
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Notes to the Financial Statements

For the year ended 30 June 2011

	2011	2010
	\$	\$

Note 10: Fundraising Appeals Conducted During The Financial Period

Fundraising appeals conducted during the financial period included appeals for BLAST Program and various other sundry fundraising projects and general receiving of indirectly solicited donations and bequests.

Results Of Fundraising Appeals

(1) Gross proceeds from corporate fundraising appeals	191,511	102,727
Gross proceeds from private fundraising appeals	<u>4,562</u>	<u>89,412</u>
Total Gross proceeds	<u>196,073</u>	<u>192,139</u>
Less: Direct costs of fundraising appeals	<u>-16,619</u>	<u>-12,944</u>
Net surplus obtained from fundraising appeals	<u>179,454</u>	<u>179,195</u>

(2) Application of net surplus obtained from fundraising appeals

Distributions (cost of operating BLAST programs)	149,968	180,624
Administration expenses	<u>50,327</u>	<u>57,515</u>
	<u>200,295</u>	<u>238,139</u>

The cost of the BLAST programs includes supplies, services and employee's wages for time directly spent working on the programs.

(3) The shortfall of \$20,841 between the \$179,454 surplus available from fundraising appeals conducted and total expenditure of \$200,295 was provided from the following sources:

Interest received	4,852	4,797
Previous retained profit	<u>15,989</u>	<u>54,147</u>
	<u>20,841</u>	<u>58,944</u>

(4) Comparisons of certain monetary figures and percentages

Total cost of fundraising /	<u>16,619</u>	= 8%	<u>12,944</u>	= 7%
Gross income from fundraising	196,073		192,139	
Net surplus from fundraising /	<u>179,454</u>	= 92%	<u>179,195</u>	= 93%
Gross income from fundraising	196,073		192,139	
Total cost of operating BLAST programs /	<u>149,968</u>	= 69%	<u>180,624</u>	= 72%
Total expenditure	216,914		251,083	
Total cost of operating BLAST programs /	<u>149,968</u>	= 75%	<u>180,624</u>	= 92%
Total income received	200,926		196,936	

Note 11: Entity Details

The registered office of the entity is:

1 Conjola Crescent
Leumeah NSW 2560

The Principal place of business is:

1 Conjola Crescent
Leumeah NSW 2560

Note 12: Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states the each member is required to contribute a maximum of \$2 each towards meeting any out standings and obligations of the entity. At 30 June 2011 the number of members was 4.



Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards described in Note 1 to the financial statements and the Corporations Regulations; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Lisa Grinham (Chairperson)
Director



Tracey Driver
Director

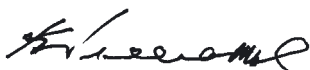
Dated 25th day of October 2011

Chief Executive Officer's Under the Charitable Fundraising Act

Declaration to be furnished under the Charitable Fundraising Act 1991. This declaration is made in accordance with Authority Conditions 7(4) and 7(5) issued by the Minister under Section 19 of the Fundraising Act 1991.

I, William King Williams, Chief Executive Officer of Daystar Foundation declare that in my opinion:

- (a) The financial report gives a true and fair view of all income and expenditure of Daystar Foundation with respect to Fundraising appeals;
- (b) The statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals;
- (c) The provisions of the Charitable Fundraising Act 1991, the regulations under the Act and the conditions attached to the Authority have been complied with; and
- (d) The internal controls exercised by Daystar Foundation are appropriate and effective in accounting for all income received and applied by Daystar Foundation from any of its fundraising appeals.



William King Williams
Chief Executive Officer

Dated 25th day of October 2011

Independent Auditor Report

Scope

We have audited the attached financial report, being a special purpose financial report comprising the Directors' Declaration, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, and Notes to the Financial Statements, for the year ended 30 June 2011 of Daystar Foundation. The company's directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements to the extent described in Note 1.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration has not changed as at the date of providing our audit opinion.

Independent Auditor Report

Auditor's Opinion

In our opinion, the financial report of Daystar Foundation is in accordance with:

1. the Corporations Act 2001, including:
 - (a) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - (b) complying with Accounting Standards, and Other Amendments and other Accounting Standards to the extent described in Note 1 and the Corporations Regulations; and
2. Other mandatory professional requirements to the extent described in Note 1.



Andre Christian,
Registered Company Auditor 04421

Christian Fox Accountants

Level 57, MLC Centre
19-29 Martin Place
Sydney NSW 2000

Dated 25th day of October 2011



