

The Gift of HOPE

Annual Report 2016

30 years of supporting sick
and injured children

Zachary 

Zachary, 6 years old,
Intensive Care patient



☆ Contents *~*

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Zachary spent 104 days in our Intensive Care Unit fighting for his life after being diagnosed with swine flu. After making an amazing recovery, Zachary finally got to go home – four months after being admitted. He still visits the Hospital for check-ups, but he is doing really well.

➤ A message from our Patron *🍃*

Emeritus Professor Les White AM



“As a member of the medical team at Sydney Children’s Hospital, Randwick over the past four decades, I have been privileged to see the impact of the Foundation’s supporters.

Your generous donations have touched every part of our Hospital, ensuring we can deliver world-class care and invest in innovative research that has changed the future of paediatric medicine.

It has been an honour to serve on the Foundation’s Board and it is an exceptional honour to be appointed as Patron.

Through the Foundation, we will work to innovate, to build, to grow and to engage the community around the issues of paediatric healthcare, so that we can always put children first and foremost.”

A handwritten signature in black ink that reads "Les White". The signature is written in a cursive, flowing style.

Emeritus Professor Les White AM
Patron, Sydney Children’s Hospital Foundation

Our Purpose

Why we exist

To inspire the community to support sick kids
so they can live their healthiest lives

Our Goals

What we will focus on



Research for tomorrow.



Clinical care for today.



Foundation development.



People who make it happen.

Our Values

The way we do things

Honesty

Our behaviour demonstrates that
our integrity is beyond question.

Excellence

We seek to deliver above expectations,
consistently raising the benchmark.

Accountability

We take responsibility for our actions
and embrace feedback.

Respect

We show compassion and act in ways that
demonstrate understanding and empathy.

Trust

We are reliable and inspire confidence.

2016 Snapshot

During the 2016 Financial Year, the Foundation made contributions totalling **\$12.3** million to Sydney Children's Hospital, Randwick, invested across four key pillars:

PILLAR 1

People

\$3.3m

Includes Fellowships, clinical positions, education and training, support for patients and families

PILLAR 2

Equipment & Technology

\$1.7m

146 pieces of clinical equipment provided

PILLAR 3

Research

\$3.2m

Includes research positions, research project costs and research equipment

PILLAR 4

Capital works

\$4.1m

Includes new buildings, refurbishments and improving the physical environment

This was only possible thanks to the generosity of our community of supporters.

2016 Snapshot

From cake stalls to corporate partnerships, from fun runs to mountain climbing and everything in between... there are so many ways that you help to make a difference. Thank you!

We received:

40,779 donations from individuals

3,614 donations from companies

2,498 donations through workplace giving

560 donations in celebration of a special event

455 donations to remember a loved one

52 donations through grants

We were helped by:

255 community fundraisers

We have:

28,232 Facebook fans

5,086 Twitter followers

4,156 Instagram followers

1,307 LinkedIn followers

Visit www.schf.org.au to stay up to date with all our news and to learn more about the impact of your support.

A message from Duncan Makeig

Chairman, Sydney Children's Hospital Foundation



Thirty years ago, a group of visionary philanthropists took an important step to improve children's health, forming the organisation we now know as Sydney Children's Hospital Foundation. Since then, the Foundation has gone from strength to strength, contributing more than \$100 million to Sydney Children's Hospital, Randwick.

It has been a privilege to be Chairman during our 30th anniversary year and we certainly have cause to celebrate. But we know there is still more work to be done. We are ready for the challenges of raising even more funds for our Hospital in an increasingly competitive environment and we believe the Foundation is well positioned to embrace the opportunities that lie ahead.

We will soon be publishing our Strategic Direction for 2017 to 2022 and we are looking forward to a new period of growth over the coming years. We also recently appointed Emeritus Professor Les White AM as our first Patron. Les has a stellar track record as an advocate for children and families and he will help us to champion the need for continued investment in world-class research and clinical care.

Community support has always been the driving force behind the Foundation's continued success, and it remains so today. We are fortunate to have many donors, volunteers, event committees, Hospital staff and families who work tirelessly to raise funds on our behalf. Thanks to their generosity, we have been able to contribute \$12.3m to Sydney Children's Hospital, Randwick over the past 12 months.

A strong Board is made stronger when we can partner with a strong Chief Executive Officer and I would like to acknowledge the positive role Nicola Stokes has played during her first year leading the Foundation's talented and dedicated team. Nicola joined us in April 2016 and her leadership is taking the Foundation in an exciting direction.

We also welcomed three new Board directors in 2016: Glenn Barnes, James Brindley and Peter Wiggs, and bid farewell to our Deputy Chair Jane Freudenstein. We are incredibly grateful for Jane's significant contribution over the past five years. Her passion, drive and commitment are unparalleled and we are delighted that she will remain connected with the Foundation in her role as a Gold Dinner Ambassador.

On behalf of the Board, I thank all our supporters for the role you play in helping to ensure the children we care for can live their healthiest lives.

A handwritten signature in black ink, appearing to read 'Duncan Makeig'. The signature is fluid and cursive, written over a light grey circular background.

Duncan Makeig
Chairman
Sydney Children's Hospital Foundation

A message from Nicola Stokes

Chief Executive Officer, Sydney Children's Hospital Foundation



As I reflect on my first year as CEO, I feel privileged to have joined the Foundation at such an important time. It has been a year of renewal and growth. We have a strong Board, a passionate team of professional and experienced staff and I am full of optimism for the future of our Foundation and our wonderful Hospital.

We began 2016 with celebration of our 30th anniversary, and we paid tribute to the vision and commitment of those who have helped to create and nurture the Foundation over the past three decades.

There have been many other highlights over the past 12 months, but I have particularly enjoyed meeting so many of our generous supporters and hearing about their motivations for giving. They trust the Foundation to use their money wisely, to direct their donations where the need is greatest, and to be transparent about the impact of their support. The future of our children's health depends on their continued support, and we will never take their trust for granted.

I have also been moved and inspired by the young patients I meet every day in the Hospital, the expert staff who care for them and the researchers who are looking for answers – a new diagnosis, better treatment or even a cure.

It makes me so proud to know that our Hospital looks beyond providing excellent clinical care and has a strong commitment to research and exploring new ways to tackle our most complex medical challenges.

Thank you for being part of our last 30 years. I look forward to working with you into the future to ensure the very best medical care is always available for all children.

A handwritten signature in black ink that reads "Nicola Stokes". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Nicola Stokes
Chief Executive Officer

Strategic Direction 2017-2022

Renewing our purpose and vision

Every year, more than 60,000 seriously ill and injured children from around NSW are cared for by Sydney Children's Hospital, Randwick. We want to inspire the community to provide even more funding and resources to ensure those children can live their healthiest lives.

During 2016, we developed a new 2017-2022 Strategic Direction, which outlines the goals and objectives that will guide us over the next five years.

Delivering world-class paediatric care is expensive and there will always be a gap between the need for investment and the resources governments can make available. Philanthropy is the key to ensuring that every child who needs our Hospital receives the best possible care. That is why the Foundation continues to play such a vital role.

Over the next five years we will continue to fund clinical care, vital new equipment and technology, and advanced training that gives our health professionals the leading edge. We will also improve physical spaces within the Hospital by funding refurbishments to create a positive healing environment and increase the Hospital's capacity.

Every new research facility and ward brings an opportunity to innovate. By discovering better ways to diagnose, treat or prevent childhood disease, we will be able to help generations of children to come, and we will invest in research to change and save more lives.

We will always depend on the goodwill of the community to achieve our purpose, and we will never take that generosity and trust for granted. We will maintain our commitment to excellence and accountability and we will continue to nurture strong relationships at all levels, underpinned by good governance and open communications. We will also seek new opportunities to recognise donors and thank them for the difference they make each and every day.

As the funding balance between public and private sectors continues to evolve, our Hospital – with the vital support of the community – will continue to deliver care for current and future generations of children throughout New South Wales and beyond.

Carter

2 years old,
respiratory patient



Board of Directors



Duncan Makeig
Chairman
(appointed October 2007)

Duncan is Chief Executive Officer of China Road Pty Limited and Chairman of Heineken Lion Australia. Mr Makeig was previously Managing Director of Lion Pty Limited's Asia Dairy business, General Counsel of Kirin's International Advisory Board, Lion's Group General Counsel and Sustainability Director, General Counsel for Pepsi Co Australasia / Africa and Senior Vice President and General Counsel for Tricon Restaurants International based in Dallas, Texas with responsibility for all of Tricon's legal and governance obligations across its operations in 160 countries.



Simon Hickey
Treasurer
(appointed October 2009)

Simon is Group CEO and Managing Director of Campus Living Villages (CLV), the largest global provider of accommodation for tertiary students. CLV develops, builds, owns and operates student accommodation facilities on and off campus in Australia, New Zealand, the United States of America, and the United Kingdom. Prior to joining CLV Mr Hickey was CEO of Qantas International & Freight, responsible for turning around the international business. Mr Hickey joined Qantas in September 2004 as Group General Manager Strategy and Fleet and between 2007 and 2012 he was appointed CEO of Qantas Frequent Flyer, responsible for establishing the Loyalty business. Mr Hickey began his career with Arthur Andersen as a business consultant working in Sydney, Melbourne and London. Between 2001 and 2004, he was CFO for Bovis Lend Lease Americas. Prior to this, he held various roles with Lend Lease including Bovis Lend Lease CFO Asia Pacific.



Glenn Barnes*
(appointed April 2016)

Glenn has more than 20 years of governance experience in banking and financial services, business information, healthcare and consumer goods. He has been involved in the packaged goods, banking and financial services sectors for more than 30 years in Australia, New Zealand, the United Kingdom, United States of America, Republic of Ireland, Japan and China. He is currently Chairman and Non-Executive Director of Ansell Limited and Chairman of Stronghold Pty Ltd. He has served on and chaired audit, finance, risk, leadership, nomination, remuneration, strategy, governance and investment committees and has significant experience in takeover defences, sales and purchases of businesses. His consultancy work includes economic forecasting, industry structure, business strategy and marketing strategy in the not-for profit, financial services, FMCG and advertising sectors.



James Brindley*
(appointed August 2016)

James joined Lion in 1994, spending eight years with Lion in China from 1997 and returning to Australia in 2005. James was appointed Managing Director of Lion Beer Australia in 2009 and is responsible for business strategy development, implementation and execution and financial, market share and stakeholder engagement outcomes. A degree in economics and an MBA, James has gained extensive experience in people and business leadership, working across Lion businesses in both China and Australia. He is Chair of Brewers Association of Australia and New Zealand, a Director of DrinkWise Australia and a member of Alcohol Beverages Australia.



Dr. Michael Brydon OAM
(appointed August 2015)

Michael is Chief Executive of the Sydney Children's Hospitals Network and has worked at Sydney Children's Hospital, Randwick, for 32 years after completing his undergraduate Medical Degree at UNSW and his Fellowship of Paediatrics in the Randwick Program. His other postgraduate qualifications include a Masters of Paediatrics and a Masters of Health Administration from UNSW. Over the past two decades, Michael has advocated for children, highlighting the differences in their needs and the importance of quality care in all that is delivered to these families.



Gina Cass-Gottlieb
(appointed August 2012)

Gina is a senior partner in Gilbert + Tobin's Competition and Regulation practice. She specialises in competition law and economic regulation advice working with corporate clients, industry associations and government agencies. She is a Board member of the Payment Systems Board of the Reserve Bank of Australia and a member of the Advisory Board Graduate Program in Competition Law, Melbourne Law School.



Ron Malek
(appointed August 2012)

Ron has extensive investment banking experience having advised local and international companies on mergers and acquisitions and capital markets strategy for over 25 years. Ron is a Co-Founder and Executive Co-Chairman of Luminis Partners, a leading independent corporate advisory firm. Ron was previously a Co-Founder of the firm Caliburn in 1999, which merged with New York Stock Exchange listed Greenhill and was previously Co-Chief Executive of Caliburn and Greenhill Caliburn. Ron is currently a director of National Institute of Dramatic Art, a member of the Australian Takeovers Panel and a member of the UNSW Council's Investment Committee.



Jane Freudenstein**
(appointed February 2012,
retired February 2016)

Jane is a graduate of the Australian Institute of Company Directors and has more than 15 years' experience in strategic brand development, working at DMB&B, J Walter Thompson, Young and Rubicon and as Director of Client Services at Whybin Lawrence TBWA. She was Marketing Director of Nickelodeon, and is passionate about kids' wellbeing. She is currently a director of Sydney Dance Company. She was previously a Director of Sydney Children's Choir, Gondwana Voices and the Wenona Foundation.



Dr. Matthew O'Meara
(appointed November 2010)

Matt is a paediatric emergency physician and has been a staff specialist in Emergency for over 20 years and has been Head of the Emergency Department and Director of Clinical Care. He is currently acting in the role of NSW Chief Paediatrician. Through roles in the Hospital, in NSW and nationally, he has been an advocate for improving the acute care of children.



Barbara Ward
(appointed November 2012)

Barbara is a non-executive director of Qantas Airways Limited, Caltex Australia Limited and various Brookfield Multiplex Group Companies. She is an experienced company director, having served on the boards of a number of public companies including the Commonwealth Bank of Australia, Lion Nathan Limited, Multiplex Limited and Data Advantage Limited. She has also been a director of a range of public sector entities including as Chairman of Country Energy.



Prof. Les White AM
(appointed August 1995)

Emeritus Professor Les White served as the inaugural NSW Chief Paediatrician from 2010 to 2016. He was Executive Director of Sydney Children's Hospital from 1995 to 2010, following a clinical and academic career with emphasis on childhood cancer. Other positions have included President of Children's Hospitals Australasia (1999-2004) and the John Beveridge Professor of Paediatrics (2005-2010). He has more than 130 publications, abstracts, awards, grants and invited presentations in his CV. Les serves on eight not-for-profit boards relating to children's health or medical research. He was awarded a Doctorate of Science for research contributions related to childhood cancer and holds a Master of Health Administration. In 2007 he received an Order of Australia award for service to medicine, medical administration and the community in the field of paediatrics. In December 2016, Les was appointed as the inaugural Patron of Sydney Children's Hospital Foundation. He will retire as a Director in 2017.



Peter Wiggs*
(appointed May 2016)

Peter was a founding Partner of Archer at its establishment in 1997. He is Chairman of their Investment Committee and oversees the fundraising program. He is also Chairman of Aerocare, V8 Supercars and Brownes Dairy and Director of Allity Aged Care. Prior to Archer, Peter was a member of the private equity team at Rothschild Australia. Peter's achievements in private equity were recognised at the Asian Private Equity and Venture Capital Awards when he was selected as Private Equity professional of the Year. Before Rothschild he spent five years at Booz Allen specialising in strategic and operational assignments for Australian and New Zealand companies in the healthcare, banking, insurance and FMCG industries. Peter holds a Master of Business Administration from Harvard Business School and a Bachelor of Economics (Hons) from the University of Sydney.

*Joined the Board in 2016

**Retired from the Board in 2016

Executive Team



Nicola Stokes Chief Executive Officer (since April 2016)

In a career spanning more than 20 years Nicola has held national and international leadership positions in the corporate and not-for-profit sectors as CEO, senior executive and director. While working for ANZ Bank, Nicola was awarded the International Quality and Productivity Council (IQPC) Shared Services Thought Leader of the Year and was a member of the United Nations Environment Program - Finance Initiative (UNEP-FI) Steering Committee. Nicola has also been a member of the NSW Premier's Council for Active Living and the Expert Advisory Panel of the NSW Office of Preventative Health.



Jonathan Melrose-Rae
Fundraising Director
(since April 2016)

Jonathan has more than 10 years' experience in fundraising in the not-for-profit sector, in both Australia and the UK. He has held senior positions with The Royal Flying Doctor Service, The Heart Foundation, Heart Research Australia and Guide Dogs NSW/ACT. He has held senior positions in the marketing and advertising industry working across Asia, Europe, and the Middle East.



Vieko Polic
Head of Finance
(since July 2014)

Vieko is a member of Chartered Accountants Australia and New Zealand and has 15 years' experience in the not-for-profit sector. Vieko was previously Head of Finance at Australian Diabetes Council and also worked as an accountant with the Rural Fire Service NSW. Vieko is also a qualified Company Secretary.



Jo Price
Head of IT and Business Systems
(since October 2014)

Jo has worked in the not-for-profit space for more than 10 years in a variety of operational positions managing database and IT projects and systems and process improvement. She was previously IT Manager at Cure Cancer Australia, Operations Manager at the Public Relations Institute of Australia and National Office Manager at Special Olympics Australia.



Tanya Sarina
Head of Hospital Liaison
(since November 2014)

Tanya has more than 20 years' experience in healthcare, working on publishing, PR, marketing, public health campaigns and genetic research. She has held roles at The Heart Foundation and the Centenary Institute and has a Masters in Communications Management from the University of Technology Sydney. Tanya is currently completing a Masters of Public Health at the University of Sydney.



Wendy Sherrick
Head of Human Resources
(since September 2015)

Wendy has more than 10 years' experience in Human Resources. She has worked as HR Business Partner, Regional HR Advisor and HR Manager for various multinationals and as Organisational Effectiveness and Development Manager at Ingram Micro Australia. She holds an Honors Degree from the University of Western Ontario (Canada) and is a Professional Member of the Australian Human Resources Institute.



Yvonne Stewart
Head of Marketing and Communications
(since January 2015)

Yvonne has 20 years' experience in marketing, communications and fundraising. She was Brand and Communications Manager for The Benevolent Society and 200th Anniversary Campaign Director. She also worked for the YWCA's Big Brothers Big Sisters Program and managed the Children's Promise campaign for the Foundation for Young Australians. Yvonne has also held senior product development roles for Thomson Reuters in London and Sydney.



Patricia 
one day old, Intensive Care patient

Sydney Children's Hospital Foundation

30th Anniversary



In 2016 we celebrated a special milestone – our 30th anniversary.

We took the opportunity to reflect on the significant contribution we have made to children's health and wellbeing over that time, thanks to the generosity of our donors and supporters.

We rely on the good will of the community to help us ensure our Hospital leads the field in research and clinical care.

Established on 25 March 1986, the Foundation was the brainchild of Libby and John Beveridge. They and their co-founders realised

that setting up an independent charitable foundation would be the most sustainable way to meet the increasing cost of the advanced medical care being provided at Sydney Children's Hospital, Randwick.

In our early days we were known as the Prince of Wales Children's Hospital Foundation or POWCH Foundation, until 1998 when the current Hospital was officially opened and we changed our name.

The original Prince of Wales Hospital began as The Asylum for Homeless and Destitute Children in 1868, and in 1870 The Catherine Hayes Hospital

was built on this site to accommodate children from the Asylum when they became ill. That first Hospital – the predecessor of the current one – was funded from the proceeds of a concert given by the opera singer Catherine Hayes at the Prince of Wales Theatre. So our very beginnings are intimately connected with philanthropy.

We are proud of the impact the Foundation has had, and continues to have today, and we give our heartfelt thanks to everyone who has been part of our amazing journey.



Nine-year-old Emily Watson helps our CEO Nicola Stokes to cut the Foundation's 30th birthday cake at a celebratory morning tea in the Hospital.



Emeritus Professor Les White AM with Dr Michael Brydon OAM (Chief Executive, Sydney Children's Hospitals Network) at the announcement of Professor White's appointment as the Foundation's Patron.



♪ 2016 Review of Goals

Goal 1

Partner with the community to invest in significant capital works projects.

For some time, the Hospital has been working at, or close to, capacity, making it harder to meet demand and deliver the highest standards of care.

Sydney Children's Hospital, Randwick at The Bright Alliance is an exciting and ambitious response to this challenge.

The Foundation is the single biggest donor to this ambitious project, contributing \$20 million to fund

three floors of new and enhanced patient services, clinical care and research hubs.

For the first time we have a dedicated area for all our adolescent services, a collaborative research centre and more space for our clinical geneticists to continue their pioneering work.

The spaces are designed for collaboration across disciplines, encouraging bold new thinking,

creating the potential to change the face of paediatric health.

This is so much more than just a building – it represents the future and transforms our ability to care for seriously ill children and young people.



♪ 2016 Review of Goals

How your support of The Bright Alliance has helped Charlie

“The facilities within The Bright Alliance will be critical for Charlie,” says Rosie. “He will get a better understanding of how to manage his condition so that it doesn’t impact his later life.”



At just four months old, Charlie started suffering unusual spasms.

“His whole body would turn rigid, his arms would go up and his eyes would water uncontrollably,” says his mum Rosie.

Following an MRI, Charlie was diagnosed with Tuberous Sclerosis Complex (TSC) – a rare genetic disease that causes benign tumours to grow on vital organs such as the brain, heart and kidneys. TSC affects everyone differently.

Since the day Charlie was diagnosed, he has been continually afflicted by debilitating seizures. *“When he was a baby he could have 10 seizures in a row and then he would just be inconsolable until he fell back asleep. It was agonising to see,”* Rosie remembers. *“In primary school, his anti-epileptic drugs would make him really drowsy. He’d often fall asleep at his desk and end up missing out on activities because he was too exhausted.”*

Charlie, now 17, has received outstanding care at our Hospital throughout his childhood, but he is approaching an even more challenging time in his life.

“Now that Charlie’s a teenager the seizures have started to be triggered by things like exercise or late nights,” explains Rosie. *“He wants to do normal things for people his age like learn to drive, surf at the beach and go to the gym, but the TSC often prevents him.”*

As Charlie transitions to the adult healthcare system, he’ll require specialised support to ensure he feels empowered to take control of his own condition. The Bright Alliance has the world-class services he needs.

Thanks to your generous donations to secure the future of The Bright Alliance, patients like Charlie will receive the care they need to live their healthiest lives.

Visit www.schf.org.au to watch Charlie’s story on video



♪ 2016 Review of Goals

Goal 2

Develop the Gold Telethon to be the best of its kind

We are grateful to our media partners for their incredible support across the whole campaign and for the donations and in-kind gifts they provide.



The Daily Telegraph
The Sunday Telegraph

ADSHEL



Gold Appeal (including Gold Telethon) is the Foundation's signature annual fundraising campaign and has now raised more than \$24 million since it was launched in 1999.

In 2016 we again exceeded our Telethon target, raising a record \$5.5 million overall. We received donations from families, schools, Hospital staff, event committees, community supporters and corporate partners – everyone gets involved and the effort is NSW-wide and multi-dimensional.

During the live broadcast Channel 9 renovated the Foundation's Star Cafe and we changed the name to Sunny's Cafe, to pay tribute to our much-loved mascot Sunny!

Our advertising campaign ran across retail stores, railway and bus shelter panels, radio, TV and newspapers. 100 street flags were also donated by Randwick Council as part of a five-year partnership.

Mastercard generously donated their call centre services and Mastercard staff volunteered their time to take the calls instead of spending the public holiday with their families.

WSFM also made a surprise donation of \$10,000 to our Art Program and the Gold Telethon edition of Millionaire Hot Seat led to a \$20,000 donation.

As well as raising vital funds, Gold Telethon is an important opportunity for the Foundation to attract new donors, with 3,488 new supporters coming on board during the 2016 campaign.

Our post-campaign research revealed that radio and print ads played a stronger role in supporting awareness of Gold Telethon in 2016. A higher proportion of the general public also indicated they were influenced by the campaign and were more likely to watch the Gold Telethon and donate in future years. Viewer ratings for the broadcast were also significantly higher: 63,000 more people watched in Sydney across the day, and 68,770 more people watched in regional NSW.

Funds from Gold Telethon are used to support the Hospital's most urgent needs, from the appointment of Fellows for our Neurology, Oncology and Emergency Departments, to Smart Operating Theatres and state-of-the-art equipment and technology.

♪ 2016 Review of Goals

How your support has helped Eve

“I don't think Eve understood what cancer was but she knew all these people were going to make her leg better, and that's what mattered to her most.”

– Eve's mum, Rebecca

Eve was only eight when her mother heard the devastating words every parent fears — “*your child has cancer*”.

That's when Eve first came to Sydney Children's Hospital, Randwick. From the moment she came through our doors she had an 'army of care' all around her: Eve's Army!

Eve's first 'recruit' was her cancer pharmacist who immediately started Eve on a four-month course of chemotherapy to shrink her tumour.

To help manage the pain following her surgery, Eve was given medication on a daily and sometimes hourly basis as she spent two weeks confined to her Hospital bed. That's when Eve recruited our Child Life Therapists to her 'army' too!

Drawing and playing music in her Hospital bed helped to distract her from pain, and kept her spirits high as she healed from surgery.

Next, Eve faced a further three months of chemotherapy to ensure there was no remnant of the tumour. Our physiotherapists worked with her five times a week to help her learn how to get around in a wheelchair and later crutches.

Complex surgery followed after the treatment and both the tumour and her entire shin bone were removed. Eve's surgeon, a registrar, an anaesthesiologist and a team of nurses worked together to replace this bone with an expandable metal bar. Eve was also given an entire new knee.

When Eve was finally well enough to leave the Hospital, she rang the Milestone Bell in the Oncology Ward to mark the end of her cancer treatment. With her entire 'army' gathered around, she sang the “End of Treatment Song”. It was an amazing way for Eve to celebrate with everyone who had become part of her journey of recovery.

Eve is still undergoing physiotherapy and has regular checks with her doctor, but she is feeling stronger again and has even gone back to school.

Thanks to your support we can invest in medical research and clinical trials at Sydney Children's Hospital, Randwick to look for a cure for every childhood cancer and help more children like Eve.

Visit www.schf.org.au to learn more about Eve.



Eve 
10 years old, cancer patient



our mascot sunny
with Fairy Sparkle OAM ↗

♪ 2016 Review of Goals

Goal 3

Building organisational capacity and strength

We have undertaken a number of initiatives to respond to staff feedback from the 2015 Engagement Survey which will set the Foundation on the path to becoming an employer of choice.

A new performance and development review process was introduced, linked to the Foundation's business plan. This gave staff a rating for achievement of KPIs and demonstration of the Foundation values for the first time.

Several new policies, including purchasing annual leave, mobile phone allowances and Time Off In Lieu, were reviewed and updated.

We began holding regular monthly meetings for all SCHF staff, including operational and fundraising teams. These meetings are an opportunity to share learnings and success stories and update staff about key initiatives. Experts from the Hospital are invited as key speakers to help us understand more about different clinical and research areas.

We engaged an external consultant to guide all staff through a comprehensive training program based on positive psychology, which included a number of workshops. The

program has been very favourably received by staff and we intend to continue to rollout the program during 2017.

We continued to invest in technology and business systems to support all areas of fundraising. Our most exciting project has been the development of a new Foundation website.

The website is fully integrated with our database, and includes new functionality such as online event ticket sales and community fundraiser profile pages. The website is mobile-optimised and linked with our social media profiles, which allows visitors to easily share our digital content across their own networks.

We continued the work we began at the end of 2015 to refresh our brand identity. New brand guidelines have been developed to further enhance the Foundation's profile in a crowded charity environment. We will also harness the work being done on our purpose, vision and values in the 2017-2022 Strategic Plan, to reinvigorate our brand tone of voice and messaging.

Visit www.schf.org.au to see our new website

Fay Bradshaw Staff Recognition Award

This peer nominated award recognises outstanding performance, initiative and team work.

The 2016 joint recipients are Timothy Talty, Art Program Coordinator and Mary Kizdo, Donations Assistant.

We congratulate them both on this significant achievement.

♪ 2016 Review of Goals

Goal 4

Strengthen the Foundation's partnership with the Hospital

Over the past 12 months we have continued to nurture a strong collaborative working relationship with the Hospital's Executive and staff, to understand their priorities and align our fundraising activities to maximum effect.

We have developed very productive partnerships across the Hospital, and we are encouraging our fundraising staff to connect with Hospital staff at every opportunity, to learn more about each Department so they can share with donors in more detail why we need their support, and the impact it delivers.

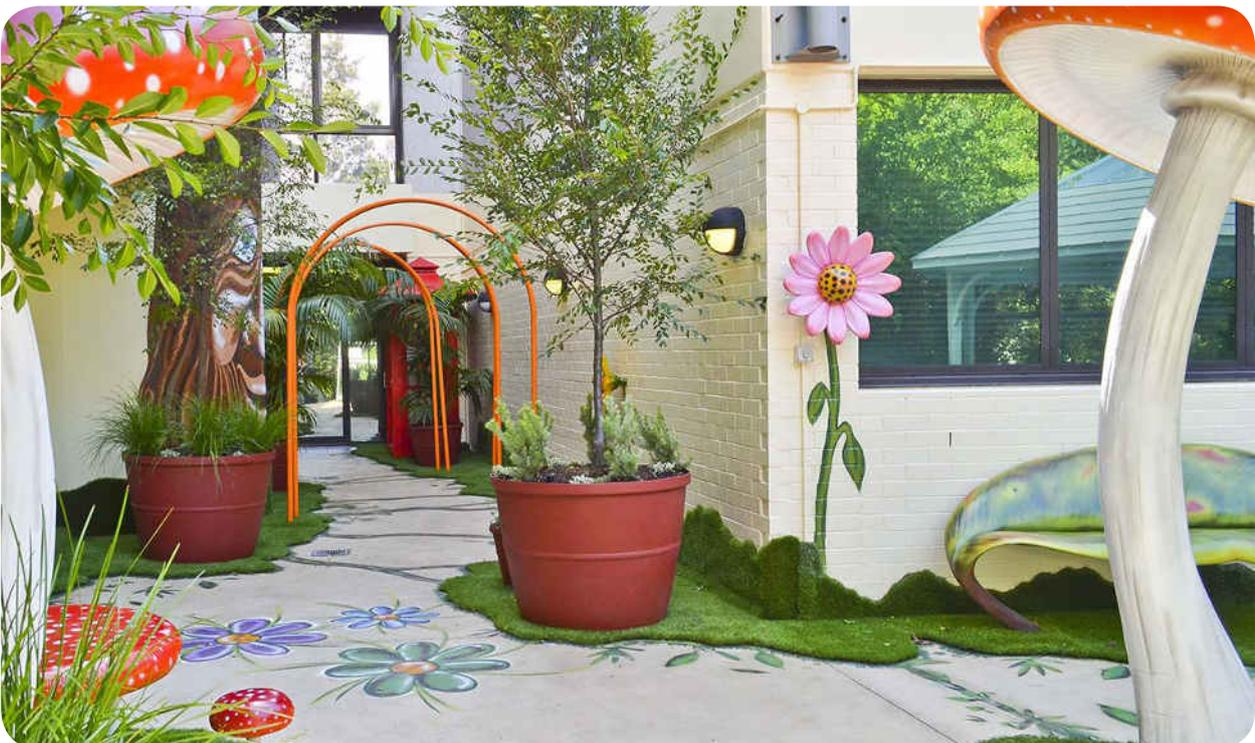
The Foundation is represented at all key Hospital meetings, including the Funding Priorities Committee, and our staff hold regular meetings with Heads of Department to discuss funding needs. We take part in monthly induction presentations for new Hospital staff and this year we also participated in a session with the Parent and Consumer Advisory Group to hear directly from families about their experiences.

As well as contributing financial support, we provide direct services to patients, families and staff through the Art Program, Sunny's Cafe and our gift shop. We also worked closely with Fairy Sparkle

and the Hospital to create magical outdoor spaces such as the award-winning Happy Garden, which was officially launched in 2016.

We source pro bono support for special events within the Hospital and provide support to the Hospital's PR team including managing the Hospital's social media communications.

As part of our new Strategic Direction we are developing a 'relationship model' approach, which will be piloted during 2017, to help us build even closer ties to our Hospital colleagues.



The Happy Garden won the 2016 Kidsafe National Playspace Design Awards and Leycester Meares Bequest Award for Innovative Design. Steve Warner, Director of OUTHOUSE design, also received three gold awards at the 2016 Australian Institute of Landscape Design and Managers Awards for his contribution.



Alexander ↗
2 years old, Emergency Department patient

👉 How your support helps - events 🌸

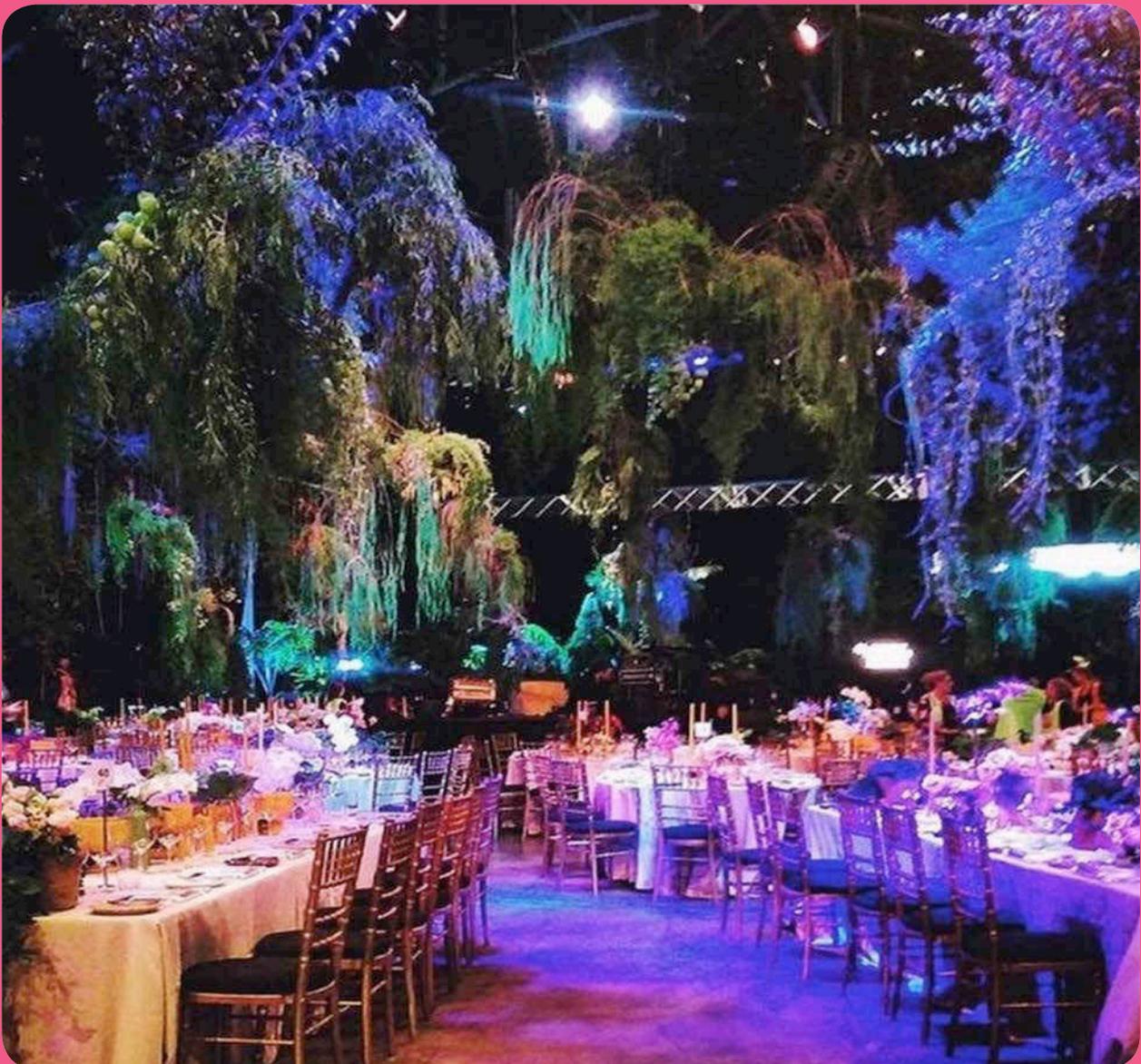
Every year, the Foundation's special events collectively raise millions of dollars, thanks to the hard work, talents and dedication of our amazing volunteer Event Committees.

Gold Dinner

**\$1,713,395 raised to find a home
for TRAPEZE within the Bright Alliance**

Committee Members

Chrissy Comino (Co-chair)	Roslyn Hakim
Nikki McCullagh (Co-chair)	Sara Lane
Alina Barlow	Edwina McCann
Wallis Graham	Athena Wagner
Skye Leckie OAM (Gold Dinner Ambassador)	Jane Freudenstein (Gold Dinner Ambassador)



The Diamond Event

\$535,562 raised to fund the Excellence in Emergency Program, Phase 2

Committee Members

Mandy Steinberg (Chair)	Vanessa Douglas
Alison Beveridge	Georgina Fergusson
Deborah Coakley	Samantha Luciano
Jennifer Cordingley	Kristen Rooney
Sally Donnelley	Nikki Warburton



sunSCHine

\$744,797 raised to fund an Echocardiogram and vital equipment for Cardiology

Committee Members

Nikki Dunlop (Chair)	Vanessa Fennell
Alice Clegg (Co-chair)	Sarah Hogan
Tory Archbold	Nicky Love Joye
Shelley Barrett	Anna Pope
Bahar Etminan	



Otto Gold Lunch

\$191,480 raised to fund the Australasian Centre for Personalised Cystic Fibrosis Medicine

Committee Members

Simone Ley	Bree Parker
Alicia Parker	Lorraine Parker



Silver Party

\$1,000,000 raised to refurbish the Neurology, Orthopaedics and Rehabilitation ward

Committee Members

Maree Andrews (Chair)	Kirsty Dahdah
Karin Upton Baker (Deputy Chair)	Kate Joseph
Marly Boyd	Naomi Parry
Sarah Carroll	Deborah Symond



Gold Kids Disco

\$137,380 raised for our Child Life Therapy team

Committee Members

Meg Tudehope (Chair)
Alethea Flynn



Bathers' Gold Lunch

\$45,455 raised to fund Cough Assist Machines for our Physiotherapy team

Committee Members

Marianne Lewis (Chair)



Amber Affair

\$49,261 raised to fund priority needs at the Hospital

Committee Members

Luke Hepworth (Chair)	Andrew Frost
Martin Haddad (Co-chair)	Jarrod Saffy
Joe Cook	

↳ Unveiling the Gold Dinner Stairway to the Future

Gold Dinner 2015 donors and their families attended a special event at the Hospital for the official unveiling of the new Stairway.

Funds from last year's Dinner have allowed us to fund four Fellowships for two years for the Emergency, Oncology, General Surgery, and Endocrinology & Diabetes Departments. This will provide a crucial stepping stone to the future for our best clinicians and the Stairway is

a symbol of the very real and lasting impact of the generosity of everyone involved with Gold Dinner 2015.

We think it is wonderful that every day our staff, patients, families and visitors will be able to see all the different names on the steps as they walk up and know how deeply the Foundation's donors care about the wellbeing of our kids and the future of our Hospital.



Nicola Stokes, the Foundation's CEO with Gold Dinner Co-chair Chrissie Comino and Dr Michael Brydon, Chief Executive, Sydney Children's Hospitals Network cutting the ribbon to unveil the Stairway.



Thank you to all our Champions for Children

We celebrate all of our Champions for Children and acknowledge your incredible generosity as major donors and supporters.



Adam Trippe-Smith
 Adrian Mastronardo
 Andrew G Oatley
 Anthony Dunlop
 Arc UNSW Student Life
 Australian Children's Music
 Foundation
 Australian Graduate School
 of Management
 Bakers Delight Holdings Ltd
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 Bond Street Jewellers
 Bradley James Dale
 CF Gym
 Chafing the Dream City2Surf
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 Metier Recruitment
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 Nicholas Harding
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 Nine Links Foundation
 Nine Network Australia Ltd
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 and Cabinet
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Paul Duchon
 Perpetual Investments Ltd
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 Richard Wagner
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 Robby & Sarah Ingham
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 Sutherland Volkswagen
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 The Income Tax Professionals
 Tim Odillo-Maher
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 Tracey Bartholomew
 VGI Partners Pty Ltd
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 & New Zealand
 Toys 'R' Us Australia Pty Ltd



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 Paul & Marie Duchon Family
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 Protrust Pty Ltd
 Sydney Kids Committee
 The Lewis Foundation Pty Ltd
 The Manildra Foundation
 The Patter Foundation Company Ltd



GOLD
PARTNER

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 Patricia McAlary
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 Skamvougeras Family
 Terrace Tower Group
 The Country Trader
 Thyne Reid Foundation
 Tour De Cure Limited



PLATINUM
PARTNER

Highland Property Agents
 The Ernest Heine Family Foundation



SUNSHINE
GUARDIANS

We are extremely fortunate to have a number of supporters who have generously decided to leave a gift in their Will. We call them our Sunshine Guardians, and we thank them with all our heart.

CONGRATULATIONS



Reaching \$1 million of giving is a significant achievement, and we are delighted to welcome Adshel and Australian Radio Network as our 2016 Hall of Champions inductees. Both organisations are part of media company Here, There and Everywhere, and they offer the Foundation generous radio, outdoor and digital advertising exposure that is vital for our fundraising campaigns and events. We are also grateful for the personal support of WSFM's celebrity talent Jonesy and Amanda and KIIS FM's Kyle and Jackie O.

A special thank you



Our Hall of Champions partners have each contributed more than \$1 million to the Foundation – an extraordinary achievement.



LEN
AINSWORTH

Allens > Linklaters

ADSHEL



coles



DAVID &
MICHELLE
COE



MACQUARIE
PUBLICATIONS
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THE
SAUNDERS
FAMILY

THE
TURNBULL
FAMILY



SCENTRE GROUP

Owner and Operator of **Westfield** in Australia and New Zealand

Thank you to Team Kids

“We wanted to honour our little boy Yianni, and give back to those who have helped us so much in our lives. Our hope is to give another parent or child access to the same amazing medical care that Yianni received,” says community fundraiser Gina Sideris.

One of the most popular ways people choose to support the Foundation is by joining Team Kids and participating in a personal challenge such as a running race or a cycle event.

Many of our Team Kids members have a personal connection with our Hospital as a parent of a child who was a patient, like the inspirational Gina Sideris, whose son, Yianni, was treated at our Hospital for an undiagnosed condition combined with epilepsy.

Sadly Yianni lost his fight for life at only two years of age and Gina wanted to raise funds to support the Hospital in his memory by running in the 2016 City2Surf. Gina’s hope was to raise \$20,000 but ‘Team Yianni’ absolutely smashed their target and raised more than \$31,000! This meant we

could purchase vital equipment that Gina had seen used during her son’s many stays at the Hospital, including an EEG machine for the Neurology ward that measures electrical activity in the brain in a non-invasive way, to diagnose conditions such as epilepsy.

This year we were thrilled to see a team from the Rehab2Kids department in our Pedal4kids cycle race. The team raised an amazing \$16,530, helping us to hit a target of more than \$100,000 overall for the event.

“It was one of the most challenging things I’ve done,” says physiotherapist Sky. *“But when we crossed the finish line all the sweat and hard yards seemed worthwhile. One of our patients even rode with us and led the way on the home stretch. It was*

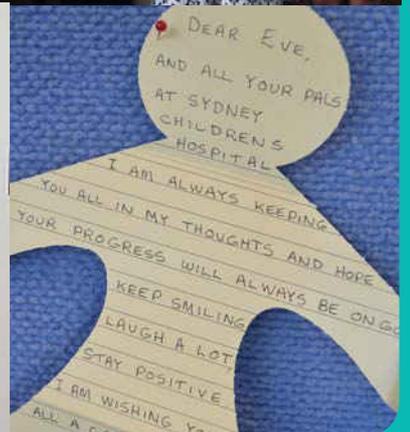
amazing to see her back in the saddle after everything she’s been through.”

Staff from our General Medical Isolation Ward (C3 West) also took on a fitness challenge, teaming up for the 2016 Blackmores Sydney Running Festival. After weeks of training and hard work gathering support they raised more than \$10,000 to refurbish the C3 West balcony space for families.

A huge thank you to all our incredible Team Kids fundraisers and the their families, friends and colleagues who cheered them on and contributed donations.

Help sick kids while you get fit and have fun! Find out more at teamkids.org.au





OUR FINANCES

Financial Overview

This section contains extracts from the Financial Statements for the year ended 31 December 2016. The full Financial Statements, Trustee's Report, Auditor's Independence Declaration, Auditor's Report and Fundraising Act (NSW) Certification are available on our website at www.schf.org.au.

Formation of the Foundation

Sydney Children's Hospital Foundation was formed on 25 March 1986 and is governed by rules and regulations as found in the Trust Deed.

The Trustee

The Trustee of the Foundation is Sydney Children's Hospital Foundation Limited (ABN 72 003 073 185).

Review of results and operations

In 2016, the Foundation celebrated a significant milestone: our 30th anniversary. Over those 30 years, the Foundation has contributed more than \$100 million to ensure that all children who visit Sydney Children's Hospital, Randwick have access to world-class medical care.

To mark this special occasion, we invited all our past Board directors and their partners to a special event hosted by our current Chairman. It was wonderful to see their continued passion and commitment to the Hospital and Foundation and was an opportunity to acknowledge and celebrate their generous contribution over so many years. The event reconnected everyone with the Foundation and each other and provided an opportunity to look back and reflect on the success of the past, while looking to the future with enormous optimism.

At that event, we announced Emeritus Professor Les White AM as the Foundation's first Patron. Les, who was a member of our Board from 1995 and retired on 7 February 2017, has a stellar track record as an advocate for children and families. Les was Executive Director of the Hospital for 15 years and was the inaugural NSW Chief Paediatrician. We are delighted that he

will be working with us to champion the Foundation's role in helping to deliver world-class paediatric healthcare.

During 2016, the Foundation contributed a total of \$12.3m to Sydney Children's Hospital, Randwick compared to \$9.9m on an annualised basis for calendar year 2015. Contributions made during 2016 helped support four priority areas of the Hospital: People \$3.3m, Research \$3.2m, Equipment & Technology \$1.7m and, Capital Works \$4.1m.

Our strong community ties helped produce a fantastic fundraising result for 2016, with gross fundraising income of \$19.0m, which is up 21% compared to the 2015 annualised equivalent of \$15.7m. Net fundraising income for 2016 of \$15.8m grew by 18% compared to the 2015 annualised comparison of \$13.4m.

Operating expenses for 2016 were \$3.1m compared to \$2.6m for 2015 on an annualised basis. During 2016 the Foundation undertook a number of important development initiatives including enhancement of our CRM system WISH, further development of our website and establishment of a new digital marketing capability for the future.

Our investment portfolio which is marked to market provided a net return of \$1.9m for 2016 compared to \$1.6m on an annualised basis for 2015. Our portfolio is reviewed regularly by the Finance and Audit committee to mitigate risk and optimise returns. During 2016, the Board decided to review the Foundation's Investment Management arrangements. As a result, the Foundation initiated a tender process with the aim of consolidating our funds under management which we believe will result in better outcomes for the Foundation. Due to their strong investment management processes and their proven capability in the NFP sector, JB Were has been selected as the Foundation's new Investment Manager. A transition of all investments to JB Were is expected to be finalised during 2017.

Our balance sheet has been strengthened by an additional allocation of \$2.9m to reserves in 2016. The total reserves as at 31 December 2016 is \$48.1m (2015: \$45.2m) which consists of \$19.3m in specified reserves, which are restricted funds for a purpose specified by the donor or the Foundation, \$0.8m in revaluation reserves and \$28.0m in unspecified reserves. Our unspecified reserves provide a buffer against economic shocks, enabling the Foundation to sustain contributions to the Hospital during short-term economic downturns; as well as providing a platform for continued support of the Hospital in the longer term.

To ensure we are well positioned to continue to deliver in an increasingly digital world, we have continued to harness our investment in technology and systems, rolling out new features within our client relationship management system to improve donor care and data management. We also

commenced the build of a mobile-optimised website which is an important step towards creating an enhanced digital presence for the Foundation.

We also embarked on a pilot project to test a Relationship Model approach to the way we engage with donors and the Hospital, which will continue during 2017 to give us important insights to assist in the development of the Foundation engagement model.

This period has been an exciting year of renewal and regeneration which has positioned the Foundation well to meet the challenges that lie ahead and more importantly, to embrace the opportunities.

We ended the year firmly focused on the future. We completed a strategic review which involved the Board, staff and stakeholders which informed the development of a new five-year roadmap, setting out our Strategic Direction from 2017 to 2022.

Likely developments

There are no likely developments in the operations of the Foundation that may significantly affect the operations of the Foundation, the results of those operations or the state of affairs of the company in financial year subsequent to 31 December 2016.

Insurance and indemnification of officers and auditor

No insurance premiums are paid out of the assets of the Foundation in regards to auditor of the Foundation. The Foundation has included the Trustee as an additional insured party under its insurance policies and pays for the cost of the insurance. Provided the directors and officers of the Trustee act in accordance with the Trust Deed and applicable laws, they will be fully indemnified out of the assets of the Foundation against any losses incurred whilst acting on behalf of the Foundation.

Events after the reporting period

Other than as noted below, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation in future financial years.

Subsequent to 31 December 2016, the Foundation engaged in discussions with a third party regarding the potential sale of three properties owned by the Foundation. The properties are expected to be sold within 12 months from balance date for a value greater than the asset carrying value recorded in Property, plant and equipment and Investment property on the Statement of Financial Position.

Statement of Surplus and Deficit and Other Comprehensive Income

For the 12 Months ended 31 December 2016

	Note	1 January 2016 – 31 December 2016 (12 months)	1 July 2014 – 31 December 2015 as restated (18 months)
		\$	\$
Revenue			
Bequests		2,649,775	1,908,995
Donations and fundraising		15,169,292	19,913,159
Capital appeals		1,222,257	1,666,667
Net investment revenue	2(b)	1,879,500	2,408,287
Cafe and gift shop operations		1,851,941	2,727,062
Gain on disposal of motor vehicle		3,050	-
Rental income		52,885	76,960
Administration fee		105,000	-
Total revenue		22,933,700	28,701,130
Expenses			
Fundraising expenses		3,198,652	3,421,383
Cafe and gift shop operations		1,446,995	2,159,864
Operational expenses		3,073,976	3,879,093
Total expenses		7,719,623	9,460,340
Surplus for the year		15,214,077	19,240,790
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Revaluation changes for property, plant and equipment		4,829	-
Other comprehensive income for the period		4,829	-
Total comprehensive income for the period		15,218,906	19,240,790
Less: Contributions distributed		(12,331,567)	(14,779,349)
Trfrd to specified and unspecified funds reserves		2,887,339	4,461,441
Add: Total equity brought forward		45,230,105	40,768,664
Total Equity Carried Forward		48,117,444	45,230,105

Statement of Financial Position

As At 31 December 2016

		31 December 2016	31 December 2015
ASSETS	Note	\$	\$
Current assets			
Cash and cash equivalents	4	11,905,669	8,231,633
Trade and other receivables	5	472,000	805,987
Inventories		90,023	79,992
Financial assets	6	5,020,417	7,000,000
Total current assets		17,488,109	16,117,612
Non-current assets			
Financial assets	6	27,012,796	25,660,583
Property, plant and equipment	7	2,931,972	2,909,932
Investment property	8	1,127,568	1,165,672
Computer software	7	196,092	133,763
Total non-current assets		31,268,428	29,869,950
Total assets		48,756,537	45,987,562
LIABILITIES			
Current liabilities			
Trade and other payables	10	410,613	544,529
Employee benefits		188,151	185,089
Total current liabilities		598,764	729,618
Non-current liabilities			
Employee benefits		40,329	27,839
Total non-current liabilities		40,329	27,839
Total liabilities		639,093	757,457
Net assets		48,117,444	45,230,105
EQUITY			
Settlement capital		100	100
Asset realisation reserves		824,469	819,640
Specified funds reserves		19,302,566	20,627,032
Unspecified funds reserves		27,990,309	23,783,333
Total equity		48,117,444	45,230,105

Statement of Changes in Equity

For the 12 months ended 31 December 2016

1 January 2016 – 31 December 2016

	Specified Funds Reserves	Unspecified Funds Reserves	Asset Realisation Reserves	Settlement Capital	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2016	20,627,032	23,783,333	819,640	100	45,230,105
Surplus attributable to the entity	9,192,692	6,021,385	-	-	15,214,077
Revaluation of art works	-	-	4,829	-	4,829
Contributions	(9,826,714)	(2,504,853)	-	-	(12,331,567)
Re-allocation of administration fee on specified donations	(690,444)	690,444	-	-	-
Balance at 31 December 2016	19,302,566	27,990,309	824,469	100	48,117,444

1 July 2014 – 31 December 2015

as restated

	Specified Funds Reserves	Unspecified Funds Reserves	Asset Realisation Reserves	Settlement Capital	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2014	21,412,373	18,536,551	819,640	100	40,768,664
Surplus attributable to the entity	11,332,079	7,908,711	-	-	19,240,790
Contributions	(11,184,516)	(3,594,833)	-	-	-
Re-allocation of administration fee on specified donations	(933,094)	933,094	-	-	-
Balance at 31 December 2015	20,627,032	23,783,333	819,640	100	45,230,105

Statement of Cash Flows

For the 12 months ended 31 December 2016

	1 January 2016 – 31 December 2016 (12 months)	1 July 2014 – 31 December 2015 as restated (18 months)
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Bequests, donations, appeals and other receipts	19,149,021	22,615,077
Receipts from cafe and gift shop customers	1,851,941	2,717,314
Payments to suppliers and employees	(7,213,931)	(8,201,451)
Interest received	285,555	508,192
Contributions made	(12,331,567)	(14,779,349)
Net cash provided by operating activities	1,741,019	2,859,783
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	3,050	-
Purchase of property, plant and equipment	(70,697)	(203,290)
Inflow from term deposits and managed investments	2,000,664	247,019
Net cash used by investing activities	1,933,017	43,729
Net increase in cash and cash equivalents held	3,674,036	2,903,512
Cash and cash equivalents at beginning of year	8,231,633	5,328,121
Cash and cash equivalents at end of financial year	11,905,669	8,231,633

Notes to the Financial Statements

For the 12 months ended 31 December 2016

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

Sydney Children's Hospital Foundation applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB). The Foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and financial liabilities. The amounts presented in the financial statements are presented in Australian Dollars have been rounded to the nearest dollar.

In the prior period the Foundation changed its reporting date from 30 June to 31 December. As a result of this change the comparative period presented is 18 months from 1 July 2014 to 31 December 2015.

(b) Income Tax

The Foundation 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 Foundation holds deductible gift recipient status.

(c) Inventories

Inventories are measured at the lower of cost and net realizable value.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Land and buildings are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognized either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

Artworks are measured at their fair value based on valuations by an independent valuer. Increases in the carrying amount arising on revaluation of artworks are recognized in other comprehensive income and

accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets are recognized in other comprehensive income under the heading of revaluation surplus. All other decreases are recognized in profit or loss.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognized at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land and artworks, is depreciated on a straight-line method from the date that management determine that the asset is available for use.

The depreciation rates used for each class of depreciable asset are shown below:

Buildings	2.0%
Motor Vehicles	20%
Office Equipment	20%
Computer Equipment	33%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognized in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(e) Computer Software

Computer software development is stated at cost less accumulated amortisation and is amortised on a straight line basis over its anticipated useful life. The useful life of software is 3 years.

Notes to the Financial Statements

For the 12 months ended 31 December 2016

(f) Investment property

Investment property is held at cost which includes expenditure that is directly attributable to the acquisition of the investment property. The investment property is depreciated on a straight line basis over 40 years.

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Foundation commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortized cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortization of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The classification of financial instruments depends on the purpose for which the investments were acquired.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Foundation's intention to hold these investments to Maturity. They are subsequently measured at amortized cost.

(iv) Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortized cost.

(h) Impairment of non-financial assets

At the end of each reporting period, the Foundation reviews the carrying amounts of assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognized in profit or loss.

(h) Impairment of non-financial assets continued

Where an impairment loss on a revalued asset is identified, this is recognized against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(i) Trade and other payables

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

(j) Employee Benefits

Provision is made for the Foundation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognized in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Foundation does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

Notes to the Financial Statements

For the 12 months ended 31 December 2016

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand deposits held at call with banks, 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 statement of financial position.

(l) Revenue

Donations, pledges and bequests are only recognized upon receipt and no provision is made to record income, as income, from funds that have been pledged or promised.

Revenue from the sale of goods is recognized at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognized using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Investment property revenue is recognized on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

(l) Revenue (continued)

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

No amounts are included in the financial statements for services donated by volunteers. All revenue is stated net of the amount of goods and services tax (GST).

Amounts received in relation to ticket sales are deferred on balance sheet until the event occurs.

(m) Fundraising expenses

Fundraising expenses consist of direct expenditure incurred in relation to fundraising appeals

(n) Goods and services tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognized as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(o) Equity

The equity of the Foundation includes funds available for contribution under the Foundation's Trust Deed. The Foundation allocates all funds as Specified or Unspecified Funds. Specified Funds represent funds whose use is restricted to a particular purpose or project within the Hospital as designated by the donor or Foundation. Unspecified Funds represent funds received which can be used for any charitable purpose of the Foundation. In previous periods these funds have been presented as a single caption within equity. In the current period, to provide further transparency, the Specified Funds and Unspecified Funds have been represented separately. To provide comparable information the comparative period funds balances have also been reclassified into Specified Funds and Unspecified Funds. Administration fees included in specified donations collected have been recorded as a transfer from Specified Funds to Unspecified Funds within equity to reflect the recovery of costs associated with specified donations.

(p) Reclassification of comparative period information

In the comparative period, administration fees in respect of the recovery of costs associated with specified donations were presented as additional revenue and contributions of funds. These amounts did not represent additional revenue and therefore in the current period this presentation of administration fee revenue has ceased. To provide comparable information the comparative period administration fee revenue and contributions out of equity have been reduced by \$933,094. The reclassification did not affect net assets, total equity or the funds available to be contributed.

Notes to the Financial Statements

For the 12 months ended 31 December 2016

1 January 2016 –
31 December 2016
\$

1 July 2014 –
31 December 2015
\$

2. Surplus from ordinary activities has been determined after:

(a). Expenses

Depreciation and amortisation		
- property, plant and equipment	69,651	100,252
- investment property	38,104	23,599
- computer software	43,019	25,336
Total depreciation and amortisation	150,774	149,187

(b). Net investment revenue

Interest	317,997	565,146
Investment income	1,768,216	2,151,016
Management and brokerage fees	(206,713)	(307,875)
Net investment revenue	1,879,500	2,408,287

3. Auditor's remuneration

KPMG		
- Auditing the financial statements	-	-

4. Cash and Cash Equivalents

Cash on hand	5,000	5,000
Cash at bank	7,887,705	4,026,633
Term deposits	4,012,964	4,200,000
	11,905,669	8,231,633

Notes to the Financial Statements

For the 12 months ended 31 December 2016

	31 December 2016	31 December 2015
	\$	\$
5. Trade and Other Receivables		
CURRENT		
Trade debtors	8,880	27,531
Prepayments	52,205	44,630
Other receivables	90,411	275,696
Accrued income receivable	320,504	365,043
Receivables - CHFA	-	93,087
	472,000	805,987
6. Financial Assets		
CURRENT		
Held-to-maturity financial assets:		
-term deposits	5,020,417	7,000,000
	5,020,417	7,000,000
NON-CURRENT		
Financial assets at fair value through profit or loss:		
- funds in managed investments	27,012,796	25,660,583
	27,012,796	25,660,583

Notes to the Financial Statements

For the 12 months ended 31 December 2016

	31 December 2016	31 December 2015
	\$	\$
7. Property Plant and Equipment		
LAND AND BUILDINGS		
Freehold land		
At cost	866,000	866,000
Total freehold land	866,000	866,000
Buildings		
At cost	1,308,909	1,308,909
Less accumulated depreciation	(346,897)	(320,719)
Total buildings	962,012	988,190
Total land and buildings	1,828,012	1,854,190
PLANT AND EQUIPMENT		
Furniture, fixture and fittings		
At cost	143,237	138,013
Less accumulated depreciation	(124,925)	(106,531)
Total furniture, fixture and fittings	18,312	31,482
MOTOR VEHICLES		
At cost	36,455	77,053
Less accumulated depreciation	(36,455)	(70,811)
Total motor vehicles	-	6,242
OFFICE EQUIPMENT		
At cost	391,395	359,945
Less accumulated depreciation	(349,292)	(330,455)
Total office equipment	42,103	29,490
ARTWORKS		
At independent valuation	1,043,545	988,528
Total artworks	1,043,545	988,528
Total property, plant and equipment	2,931,972	2,909,932
COMPUTER SOFTWARE		
At cost	193,123	159,099
Less accumulated amortisation	(68,355)	(25,336)
Work in progress - website	71,324	-
Total computer software	196,092	133,763

Notes to the Financial Statements

For the 12 months ended 31 December 2016

31 December 2016

31 December 2015

\$

\$

8. Investment Property

At cost	1,245,629	1,245,629
Less accumulated depreciation	(118,061)	(79,957)
Total investment property	1,127,568	1,165,672

The investment property at 15 Eurimbla Avenue, Randwick was acquired on 1 December 2010. The investment property yielded rental income of \$52,885 (2015 18 months: \$76,960).

9. Specified / Unspecified Funds

Specified funds are funds received or reserves held that must be spent on the purpose for which they were received or are held. They comprise of donations and bequests where the donor indicates a preference for the use to which the funds are to be used and donations received in response to specific purpose appeals. The carrying amount of the restricted funds at 31 December 2016 is \$19,302,566.

All other funds are unspecified in that Directors have discretion to spend them on purposes for which the Foundation is established.

10. Trade and Other Payables

CURRENT		
Trade creditors	101,366	229,092
Sundry payables and accrued expenses	309,247	315,437
	410,613	544,529

11. Commitments

Operational expenditure commitments	-	-
Capital expenditure commitments	-	-
	-	-

Sydney Children's Hospital, Randwick



Sydney Children's Hospital, Randwick cares for more than 61,500 children each year

Children are treated for a range of conditions including cancer, trauma, HIV/AIDS, congenital abnormalities, disabilities, heart disease and respiratory disorders.

50% of children treated at the Hospital are from rural and regional areas

More than 150 children with Cystic Fibrosis are cared for at our Cystic Fibrosis clinic each year

On average, 104 children a day will come through the Emergency Department

Approximately 1,415 physiotherapy treatments are provided each month

At any one time there are 400 patients receiving cancer treatment in the Hospital

Our Child Life Therapists use about five kilograms of play dough every month

Sydney Children's Hospital, Randwick is a very special place.
Every day around the clock, our brilliant and dedicated staff save lives, deliver expert medical care and help children and families on their recovery journey, while our brightest medical researchers look for answers and make new discoveries.

Thank you for your support.



Sydney Children's Hospital Foundation
is registered as an Item 1
Deductible Gift Recipient (DGR)
by the Australian Tax Office

ABN 72 003 073 185
CFN: 13211

SYDNEY CHILDREN'S HOSPITAL FOUNDATION
Locked Bag 2005,
Randwick NSW 2031
02 9382 1188
info@schf.org.au
www.schf.org.au

Photography generously donated by Jimmy Pozarik