

A SOUND

FUTURE



2015  
ANNUAL  
REPORT



The Shepherd Centre

Giving deaf children a voice





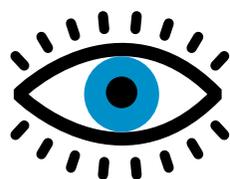


**Our goal for a  
Sound Future is to ensure  
that all children with  
hearing loss receive the  
support they require to  
complete school with  
the spoken language  
and social skills they  
need to achieve their  
potential in life.**



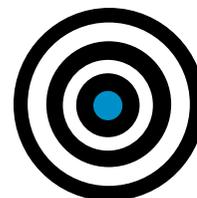
### **Our History**

The Shepherd Centre was founded in 1970 by Dr Bruce Shepherd AM and his late wife Annette. In 1970 there were just five families in the program. Today, The Shepherd Centre helps over 400 children each year at five centres in NSW and the ACT, as well as families in rural and remote areas of Australia.



### **Our Vision**

Every child with hearing loss achieves their full potential in the world through their listening, spoken language and social skills.

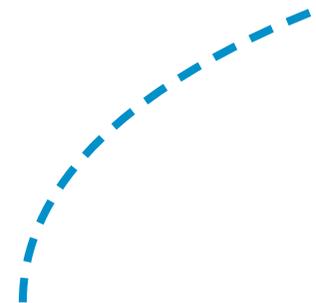


### **Our Focus**

The Shepherd Centre's programs teach listening and spoken language with a family-centred focus. Our transdisciplinary team equips and supports parents with the strategies and methods they need to seize every opportunity in day-to-day situations to teach their children to listen, to understand the meaning of sound and to speak.

### **Our Mission**

To work, along with partner organisations, towards ensuring that every child achieves the best listening and spoken language they are capable of; and the development of their skills is supported to maximise their social inclusion.





### **A Sound Future**

The Shepherd Centre has been incredibly successful over the past 40 years; growing to now support 25% of children under six with hearing loss, with most of our graduates achieving age-appropriate speech and language. However, it has become evident that only 50% of all children with hearing loss get the support they need.

Over the next five years we are embarking on an ambitious journey for a Sound Future to ensure that every child with hearing loss is receiving the right support to enable them to access the future they desire and deserve. This includes providing them with access to sound, early intervention support and the necessary social skills to give them the very best start in life. Read on to find out how you can help us change the lives of thousands of children.

For full details on our strategy read the details on page 80.





# Contents

<b>12</b>	<b>Chairman's Report</b>
<b>14</b>	<b>CEO's Report</b>
<b>16</b>	<b>Our Growth</b>
<b>20</b>	<b>Our Graduating Class</b>
<b>22</b>	<b>Our Directors</b>
<b>26</b>	<b>Our Executive</b>
<b>30</b>	<b>Income</b>
<b>32</b>	<b>Expenditure</b>
<b>36</b>	<b>Clinical Programs</b>
<b>54</b>	<b>Operations</b>
<b>66</b>	<b>Fundraising and Communications</b>
<b>80</b>	<b>A Sound Future</b>
<b>82</b>	<b>Concise Financial Report</b>
<b>91</b>	<b>How you can help</b>



## HEARING LOSS AND THE SHEPHERD CENTRE

90% of our graduates start school with speech and language skills equal to, and sometimes above, those of their hearing peers.



Our strong clinical research and outstanding outcomes continues to be internationally recognised. Our work is presented at numerous conferences around the world each year.

We have one of the largest groups of children with residual hearing loss and cochlear implants around the world.

Hearing loss can completely prevent the development of spoken language in children – early intervention is vital!



We are world leaders in what we do.

**50%**

of children under six with hearing loss who should be in an integrated early intervention program are not in one.

The incidence of hearing loss more than doubles in the first five years of life.

On average **one** Australian child is diagnosed with hearing loss each day.

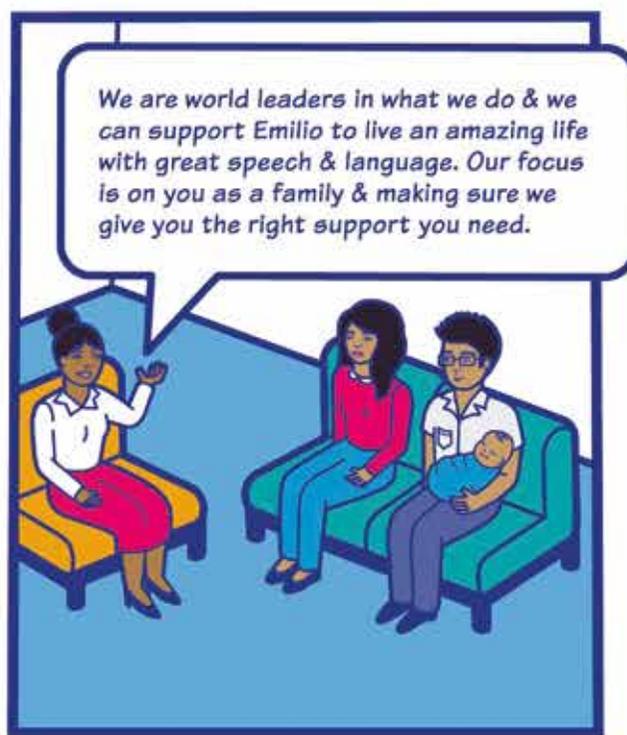
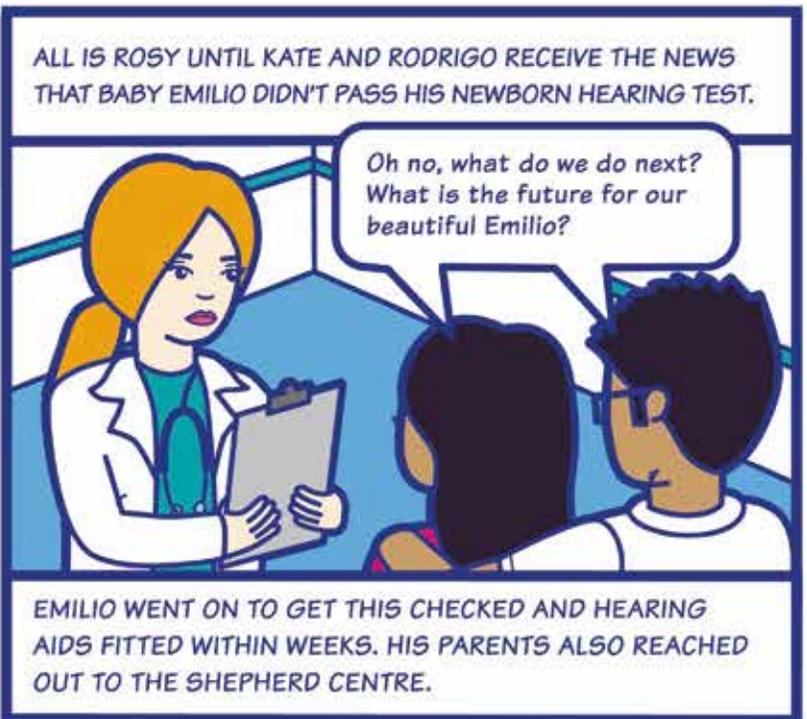
We are committed to linking research and clinical practice to provide the best possible outcomes for children with hearing loss and their families.



Children with hearing loss, regardless of their language ability, often have significant social skills deficits that impact on their life potential.



# Emilio's ADVENTURES WITH THE SHEPHERD CENTRE





AFTER JUST A FEW MONTHS, BABY EMILIO HAS BEEN RECOMMENDED FOR COCHLEAR IMPLANT SURGERY. IT GOES WELL AND THE SHEPHERD CENTRE IS THERE TO SUPPORT THE FAMILY THE WHOLE WAY.

EMILIO DOES REGULAR ONGOING SESSIONS WITH A LISTENING AND SPOKEN LANGUAGE THERAPIST THAT TEACHES HIS PARENTS HOW TO USE PLAY AND DAILY ROUTINES TO DEVELOP HIS LISTENING, SPEECH AND LANGUAGE AS MUCH AS POSSIBLE.



3 YEARS ON: EMILIO ATTENDS THE GROUND BREAKING CONFIDENT KIDS PROGRAM AT THE SHEPHERD CENTRE GETTING HIM GEARED UP WITH THE SOCIAL SKILLS TO PROGRESS TO BIG SCHOOL AND MAKE LOTS OF FRIENDS.

The Shepherd Centre has changed our lives!



KATE & RODRIGO ARE SO PLEASED THEY MADE THE DECISION TO COME TO THE SHEPHERD CENTRE. EMILIO IS SPEAKING AS WELL AS HIS HEARING PEERS AND HE INTERACTS WITH THE WORLD AROUND HIM CONFIDENTLY.

EMILIO IS NOW FIVE. HIS PARENTS WATCH WITH PRIDE AS HE 'GRADUATES' FROM EARLY INTERVENTION AT THE SHEPHERD CENTRE READY FOR BIG SCHOOL.



I can't wait to go to school!  
Bye mum. Bye dad.



EMILIO STARTS MAINSTREAM SCHOOL EQUIPPED WITH LISTENING, SPEECH AND LANGUAGE AS WELL AS SOCIAL SKILLS TO GIVE HIM THE BEST START IN LIFE.

## Chairman's Report

**An  
immense  
growth  
period is  
ahead of us**



It brings me great pleasure to report that The Shepherd Centre is in a wonderful and exciting position. We have led the way for many years, taking families and children on a life-changing journey and helping them achieve their goals.

Our graduates generally achieve listening and spoken language skills that are around 20% above the standard for children with hearing loss in Australia, however there is still much more that we can do. Our goal is to continue to be the best at what we do – not only for our families, but also to lead other industry players on their journey.

In the past 12 months we've seen some changes to our Board and various committees. In 2015 we farewelled our outgoing Chair, Mr Michael Shepherd AO, after almost 32 years' service. Michael is still regularly in touch with us and maintains a strong commitment to our work. We also farewelled The Hon. Robert Webster in 2015, after 10 years of dedicated service to The Shepherd Centre.

We have since welcomed new faces to the Board and look forward to the fresh ideas and opinions they will bring. We are pleased to announce the appointment of Ms Colleen Chapman and Mrs Susan

Turner-Kapsanis. You can read about their backgrounds on page 22.

We've recruited new members to our Marketing Advisory Committee who bring with them exceptional intellect and expertise that will add tremendous value.

With a period of immense growth ahead of us, the Board has agreed to spend additional funds on investments to ensure we can successfully achieve our vision. We've identified six locations where we could establish new centres and will be reviewing the highest priority sites over the next year.

Financially, we will be balancing our investments in new centres which will enable us to assist more children now, with investments into e-learning and associated technologies which will enable us to help more children in the future at a lower cost per child.

We have great strengths as an organisation that assist us with achieving our plans. We are proud of our talented and committed team and are financially stable with great premises and locations. Our research is at the forefront of paediatric hearing loss globally and we are recognised as world leaders in what we do. These combined

## **'Any time in life you can make someone's life better you should feel happy and The Shepherd Centre does that every day.'**

strengths are unique in this industry.

However, everything comes at a cost. If we had unlimited funds we would do everything, but we can't. Since I started on the Board, the number of children we assist has more than doubled from 170 to over 400; and this number will only continue to grow.

The Board is very mindful that we need to continue the great work that we do but also invest in the future. The government does not have unlimited funds under the National Disability Insurance Scheme (NDIS). We will continue to rely on the kind support of our donors, trusts and foundations to ensure that we're leading the way in our educational programs and research as well as lowering our cost to assist each child.

Sound Future is an important vision for us and one that we don't embark on lightly. We have established a set of progress goals that we will review every six months so we don't put either our families or The Shepherd Centre at risk.

The Board has the view that we're there to achieve long-term, sustainable improvements for our families. The Shepherd Centre is changing and Sound Future will change what we do, but from the Board's perspective it is critical that we continue to provide outstanding outcomes for the children of the future.

I genuinely love being involved with The Shepherd Centre. We achieve great outcomes with incredible people. Any time in life you can make someone's life better, you should – and The Shepherd Centre does that every day.

As an organisation we are incredibly proud of what we do and I'm pleased to be able to share our positive results and outcomes from 2015 along with our plans for a Sound Future.



**Peter Mattick, AM**  
Chairman

## CEO's Report



Our  
passion for  
a Sound  
Future

Our sector is undergoing a period of remarkable transformation. With the rollout of the National Disability Insurance Scheme (NDIS), we are able to provide more services to more children with hearing loss than ever before.

In 2015, we saw a dramatic increase of 50% in the number of children that graduated from our Early Intervention Program. We expect 2016 to be another record year.

However, 50% of children aged six and under with hearing loss are not receiving specialised early intervention at all – from us or any other service provider.

This is devastating news and is the focus of our Sound Future vision. Over the next five years we are dedicated to ensuring that every child with hearing loss has the opportunity to develop listening and spoken language to help support their development in life.

To do this we need to be working with a range of stakeholders including the government, Australian Hearing, donors and other service providers. We are asking our dedicated supporters to commit to embarking on this critical journey with us.

The rollout of the NDIS has also enabled us to expand our services to school age children which will result in improved

outcomes for children with hearing loss in Australia.

We know that we need to establish new centres that are convenient for families who find it difficult to access services and for our increasing numbers. This will be one of the key challenges ahead of us as the funding we receive through the NDIS is not enough to achieve this.

Already we've established our social skills program called 'FICAP Confident Kids' - one of our greatest accomplishments of 2015 - but there is always more that we can do. In addition to increasing our centres, we are also exploring new service delivery models such as e-learning, which would enable us to reach an increasing number of people in a more cost effective way. The use of e-learning to enable deaf children to speak is an incredibly exciting and unique development.

Over the past year, maintaining our incredible growth despite the ongoing adverse financial environment has been a challenge for us. Many charities are reporting real reductions in the support they receive. Conversely, we've been able to attract increased backing, and this will be just as critical as we move forward.

The Federal Government ceased funding for remote services in mid-

2015, however we've experienced a 23% growth in families accessing our popular Teleintervention Program. We've supported more children in areas where they aren't able to access a local service (such as Tasmania and regional NSW), however this is totally reliant on our generous supporters.

With the increased number of children turning to us, particularly in Western Sydney, our Liverpool centre is very much overutilised and we need to ascertain how we can provide support for these children.

In Canberra we have seen great success with the rollout of the NDIS. There, 78% of children are now successfully on an NDIA approved program, with the remainder likely to be approved soon. In some other NDIS trial sites the government has not funded individual children with the level of support that they need. We see our role as ensuring that this does not occur with the rollout of the NDIS in NSW and that the NDIS continues to provide the required level of support for children with hearing loss. We will always be advocates for these children and their families.

Our mission over the coming years is to ensure that ALL children with hearing loss receive the critical services they require and there is REAL choice for families

**'50% of children aged six and under with hearing loss are not receiving specialised early intervention.'**

enabling the best possible outcome for children with hearing loss.

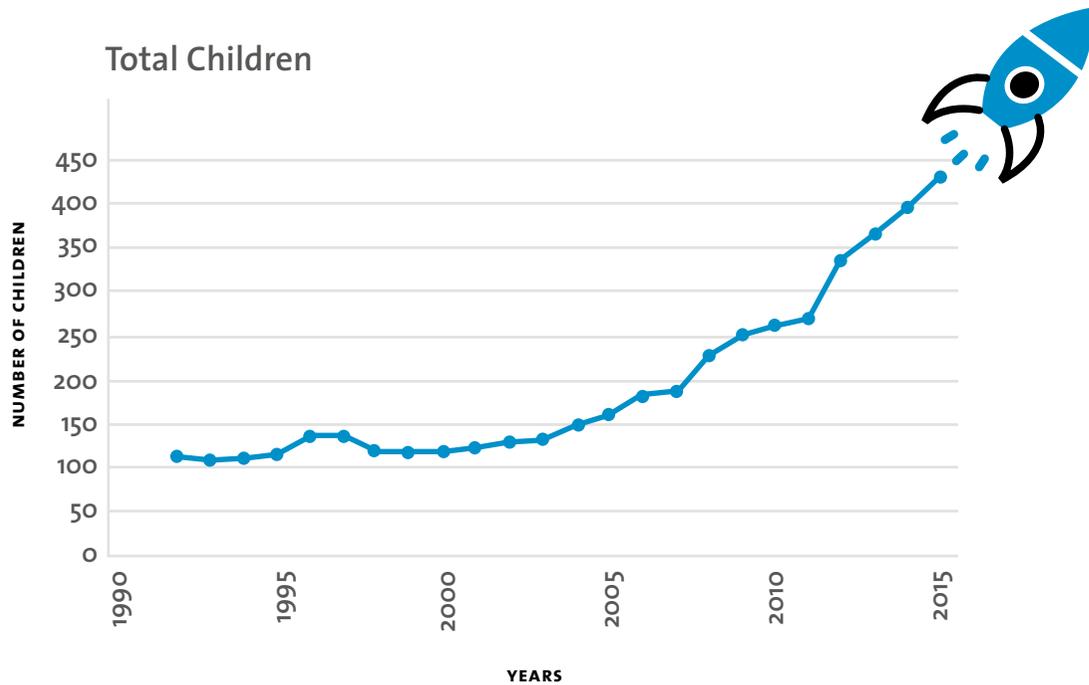
Our clinicians present at conferences around the world where we are heralded as thought-leaders in the industry. Because of the importance of our mission, we need to work hard to raise our public profile and ensure that the community knows about our outstanding outcomes.

I invite you to read about our highlights of 2015 and join us on the journey for a Sound Future. We can only be as successful as the support we receive from those that rally around us and join us in our cause.



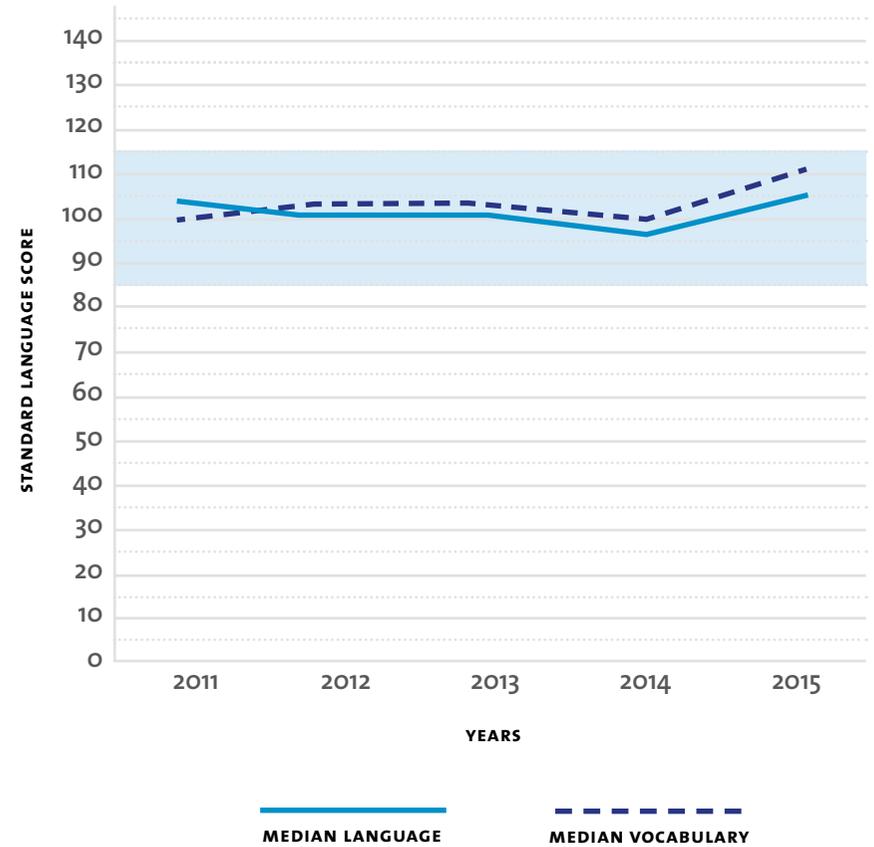
**Dr Jim Hungerford**  
Chief Executive Officer

# Our Growth



The number of children being supported by The Shepherd Centre has grown dramatically. In recent years this recent growth has accelerated as more and more families hear of the outstanding language outcomes being achieved by children in our programs.

## Standard Graduate Median Language and Vocabulary



Previously it was never thought possible that children with hearing loss could achieve spoken language as well as any other child their age. We are incredibly proud that children graduating from The Shepherd Centre have achieved age-appropriate language for many years, both for language (solid line) and vocabulary (dashed line). Please see page 49 for detailed outcomes of our children.

OUR YEAR AT A GLANCE

2039

interdisciplinary sessions

404

Speech and Language Assessments

33

research papers presented at 33 international and national conferences

275

children in Early intervention

46

children on our Confident Kids Program



3688

Auditory-Verbal Therapy sessions

467

children supported

196

people on First Sounds Implant Program

1170

individual or group Child and Family Counselling sessions



50

children graduated to big school

243

individual Family Service Plans



2033

audiology appointments

6774

hours of direct service to families

443

initial family meetings

48

cochlear implant surgeries

27

children supported via Teleintervention

30

children in the ACT on NDIS plans

## Raising Confident Kids

For Canberra parents, Jon and Edwina Wundersitz, life with a child with hearing loss has been a positive journey. Diagnosed at just six days old, their son Cooper was born profoundly deaf in one ear and was fitted with a hearing aid at four months of age.

Soon after the family was referred to The Shepherd Centre in Canberra.

‘Our experience has been amazing – we have gained so much confidence,’ says Edwina. ‘The therapists expertly guide us in helping Cooper in our everyday routine at home. They’ve equipped us with skills to be round the clock therapists with Cooper. The most unique thing about The Shepherd Centre is that they empower parents to get the most out of their child.’

‘Cooper just loves his therapists. In fact, last week when we arrived he looked shyly at Tess, his therapist, and then ran as fast

as he could into her arms for a big cuddle. To us, this was a clear indication that the staff work very hard at engaging with their students and this is critical for good results.’

Five year old Cooper recently took part in The Shepherd Centre’s FICAP Confident Kids Program. Whilst graduates from The Shepherd Centre generally achieve speech and language on par with their hearing counterparts, research showed that children with hearing loss need more help with social skills as they can often miss nuances in communication due to their hearing loss. Even naturally sociable children like Cooper can benefit enormously from learning these skills.

‘What we have learnt over the years is that early intervention for a child with a hearing impairment isn’t just about ensuring they are able to develop normal speech and language. For them it’s also extremely important to be able to



### DID YOU KNOW?

We are a one-stop-shop offering a full range of services to help children with hearing loss.

‘The Shepherd Centre’s FICAP Confident Kids Program has really helped Cooper further develop his social skills.’

participate in everyday conversations and situations where, for example, humour and sarcasm are commonplace and these subtleties are sometimes harder for people with a hearing impairment to pick up on.

‘After just two weeks on the program, Cooper walked straight up to a boy in the playground, looked him in the eye and said “Hello, what’s your name?”’

‘This was such a proud parenting moment for us!’ says Edwina. ‘We feel that The Shepherd Centre’s Confident Kids Program has really helped Cooper further develop his social skills and we’re now looking forward to seeing him use these at big school.’



**OUR  
STORIES**



## Our graduating class

**A**t the end of 2015, The Shepherd Centre celebrated the achievements of our 2015 graduating families at our Parent Graduation at the National Maritime Museum in Sydney. A record 50 children graduated from our Early Intervention Program ready to take on the excitement and challenges of big school.

Peter Mattick AM, our new Chairman, thanked families for sharing their remarkable journeys with The Shepherd Centre and acknowledged the dedication, determination and hard work of parents to ensure their child has a listening and spoken language future.

'I'd like to thank you all for allowing us to share your incredible journey with you and we wish you all the very best in kindergarten and the years ahead,' Mr Mattick said.

The 2015 Australian Father of the Year, Dr Jamal Rifi, presented the Graduation

Address during which he spoke about the hardest job in the world – being a parent – and how it takes a community to raise a child.

'Any parent knows that raising children is a difficult feat, no one challenges you like your own children,' said Dr Rifi.

We were also given the privilege of hearing from Sacha Debnam-Koning (parent of Junior Past Graduate of the Year, Jack) and some of our graduating parents about their personal journeys at The Shepherd Centre; of their search for meaning, support and community after they learned of their child's hearing loss and how they found these essential qualities when they first stepped into The Shepherd Centre.

We also celebrated the wonderful achievements of our past graduates, as Bella Rosati passed the prestigious Albert and Mary Shepherd Past Graduate of the

A record **50**  
children graduated from  
our Early Intervention  
Program ready to take  
on the excitement and  
challenges of big school.

Year award to our 2015 recipient Leah McConnell (read Leah's story on page 64).

Congratulations to our graduating Class of 2015. We wish you all the best as you start big school and look forward to hearing all about your new adventures!

## Our Directors



**MR PETER W MATTICK AM,  
CHAIRMAN**

**First appointed 2010**

**Qualifications:**

- › Bachelor of Commerce
- › Fellow of the Australian Society of Certified Practising Accountants
- › Fellow of the Australian Institute of Company Directors

Peter has a long history supporting charities both personally and professionally. He joined the Board after learning about the organisation's world-renowned programs through his friend Michael Shepherd. As a co-founder of leading marketing and communications company Salmat, Peter knows the importance of communication. The Shepherd Centre's vision to assist deaf children achieve spoken communication with their families resonated strongly with him.



**MRS COLLEEN L CHAPMAN,  
DIRECTOR**

**First appointed 2015**

**Qualifications:**

- › Bachelor of Commerce
- › Master of Business Technology
- › Graduate Member of the Australian Institute of Company Directors
- › Member of The Institute of Chartered Accountants in Australia

Colleen is an experienced finance professional with a proven track record in successful financial and change management in some of the largest insurance firms in Australia. Colleen first became involved with The Shepherd Centre when her son Regan was born with severe hearing loss in 2004 and has worked closely with the team throughout his ongoing journey.



**MS FIONA FAIRLIE,  
DIRECTOR**

**First appointed 2013**

**Qualifications:**

- › Parent representative to Board
- › Certificate IV in Learning Support

Past-parent Fiona has a background in marketing and advertising. She created and managed her own fundraising event for The Shepherd Centre called "The Walk-for-Talk Fun Run". Fiona won the inaugural City2Surf charity prize in 2007, raising over \$30,000 for The Shepherd Centre. Fiona has been involved with The Shepherd Centre for over 15 years, since her son was diagnosed with a profound hearing loss at eight months. Fiona now works with vision and hearing-impaired school students in mainstream schools in the Catholic Education Office's Sensory-Impairment Program.

We'd like to acknowledge the wonderful support of two outgoing Board members who resigned in May 2015:

**MR MICHAEL H SHEPHERD AO,  
OUTGOING  
CHAIRMAN**  
First appointed 1985

**HON ROBERT J WEBSTER,  
DIRECTOR**  
First appointed 2005



**MR CHRIS LADAS,  
DIRECTOR**  
First appointed 2008

**Qualifications:**

- >Parent representative to Board

In 2006, Chris experienced two significant life changes – in partnership with his family, he took over Melissa Confectionery; and in the same year, Chris and his wife welcomed their second child, Alexander, who was born with profound hearing loss. It was shortly after this that the Ladas family was introduced to The Shepherd Centre. Chris was appointed to the Board as a parent representative in 2008, and says his appointment has enabled him to “give back” to The Shepherd Centre in a significant and meaningful way.



**MR PHILIP ROSSI,  
DIRECTOR**  
First appointed 2008

**Qualifications:**

- >UTS High Certificate Engineering
- >Parent representative to Board

Philip’s first experience of The Shepherd Centre was during his school days, when he became great friends with Danny and Penny Shepherd. However, it wasn’t until his son Charlie was born and diagnosed with hearing loss in 2002 that The Shepherd Centre became a major part of Philip’s life. As the active owner of a large private company, Philip brings both commercial experience and strategic insight to the Board.



**DR HUGH W TORODE,  
DIRECTOR**  
First appointed 1994

**Qualifications:**

- >Bachelor of Medicine
- >Bachelor of Surgery
- >Fellow Royal Australian and NZ College of Obstetricians and Gynaecologists

Hugh gained Fellowship at the Royal Australian College of Obstetrics and Gynaecology in 1986 and began Consultant Practice at Royal North Shore Hospital in 1988. He also took on a Consultant post at the Mater Hospital when it opened in 1991 and North Shore Private in 1998. His son Will has hearing loss and is a former student of the centre. They share a love of sailing and, in 2013, sailed the Sydney to Hobart race to raise funds for The Shepherd Centre.



**MS SUSAN TURNER-KAPSANIS,  
DIRECTOR**  
First appointed 2015

**Qualifications:**

- >Bachelor of Arts (Hons)
- >Bachelor of Laws
- >Masters of Environmental Law
- >Admitted to the legal profession in the Supreme Court of NSW (1998)

Susan first become involved with The Shepherd Centre when her son, Alex, was diagnosed with hearing loss in 2001. Susan brings her legal, business, and personal experience of hearing loss to the Board. Susan is a lawyer as well as co-founder and director of health related businesses Vitalis Home Care and The Medical Concierge; previously she chaired The Kind Exchange in Singapore and was a Board member of The Northern Nursery School.

## Farewell Chairman Michael Shepherd AO

Michael Shepherd dedicated 30 years of service to The Shepherd Centre's Board where he has continually advocated for the rights of children with hearing loss. In May 2015, he retired from his position of Chairman and handed the reins to Peter Mattick.

'I was young and in my mid-teens when my niece and nephew (Penny and Daniel Shepherd) were born with hearing loss. My brother Bruce and his late wife Annette then established The Shepherd Centre (in 1970) to help their children learn to listen and speak. Back then it was called the Council for Integrated Deaf Education and that's still the essence of what we do. Rather than sending kids off to special schools, the whole idea was to integrate them in to the community.

'Our philosophy hasn't changed – it's about integration and the methodology of teaching the parents as much as we

teach the kids. The biggest change has been in the improvement in technology in both hearing aids and cochlear implants. If you listen to the speech of children in the earlier days compared to their speech now there is a huge improvement. Our kids are equivalent to their hearing peers when it comes to speech and vocabulary and that's an amazing achievement.

'One of the main highlights for me during my time on the Board has been the professionalisation of The Shepherd Centre as a charity - we run it as a very professional organisation.

'Another great achievement has been to conduct research that focuses on making sure your outcomes are what you want to achieve. We can show what we do is effective and that's a powerful tool. Our challenge is always around fundraising though. The demand always exceeds the supply. We've got more children needing

help than we can handle and that can be quite stressful because you want to help as many people as you can. I am so grateful to all the supporters who have dug deep over the years to support our program.

'One of the things I've been insistent on is that we should never sacrifice our clinical standards to fit more people in. We know that we have one of, if not the best, programs in the world and that is increasingly being recognised as our clinicians give papers at conferences across the globe. If you sacrifice your standards, your influence could easily decline. You can have an influence far beyond the children you're helping because of the standards and the research. People look at what we're doing and are influenced by it, which means other children around the world benefit from our work as well.'



**ABOVE:** Michael Shepherd with Daniel and Penny Shepherd.  
**RIGHT:** Michael at one of The Shepherd Centre's functions  
**FAR RIGHT:** Michael with the graduating class of 2013.



'You can have an influence far beyond the children you're helping because of the standards and the research. People look at what we're doing and are influenced by it, which means other children around the world benefit from our work as well.'





**DR JIM HUNGERFORD**  
**CEO**

Responsible for the overall management and operation of The Shepherd Centre, including creating, planning, implementing and integrating the strategic direction of The Shepherd Centre.



**ALEISHA DAVIS**  
**Director of Clinical Programs**

Responsible for the delivery and implementation of our clinical programs and services across all sites including the Early Intervention Program focusing on Listening and Spoken Language, First Sounds Cochlear Implant Program, Teleintervention and Residential Workshop program and school age programs across the centres. She also manages the transdisciplinary team of qualified specialists and administrative staff.



**SANDRA SLADE**  
**Director of Operations and Company Secretary**

Responsible for finance, human resources, information technology and systems management, facilities management, risk management and the direction of our Preschool Program.



**TATIANA ISAACS**  
**Director of Fundraising and Communications**

Responsible for fundraising, gifts in wills, events, government funding liaison and administration, communications, online and social media.



## Julie Nguyen Volunteer

With a passion for helping children and a desire to pursue a career as a paediatric speech pathologist, 21 year old university graduate Julie Nguyen is a regular face at The Shepherd Centre Liverpool.

Julie completed a Bachelor of Speech and Hearing Services at Macquarie University where she first came across The Shepherd Centre's Macquarie Centre at the Australian Hearing Hub.

'I am very keen on pursuing a career with speech therapy and wanted to gain first-hand experience and learn more about speech and hearing impairment,' said Julie. 'The Shepherd Centre felt like the perfect place to gain this experience.'

'I also love being able to play and do craft (my hobby!) with the children as I volunteer for their playgroup called "Kidscape" as well as in their "Off to School Program" which prepares the children for

big school once they graduate from The Shepherd Centre's world-leading Early Intervention Program.'

Julie also donates her time to community fundraising activities for The Shepherd Centre, such as gift wrapping at Westfield Shopping Centre.

Julie recognises that entry into speech pathology is very competitive and plans to do her Masters to advance her skills and knowledge.

'As a newborn I was diagnosed with a cleft lip and palate,' said Julie. 'At 12 years of age I was diagnosed with kidney failure. This life experience has led me to want to work with children and families.'

'The most rewarding experience during my time volunteering is to see how the children have progressed over time in their speech and social skills. To see their families benefit from engaging with each other at Kidscape is also rewarding. I loved



**DID YOU KNOW?**  
We help children with hearing loss learn to listen and speak, attend mainstream schools and participate fully in society.

**'My experience as a volunteer will certainly help with my career.'**

seeing the kids graduate at the end of 2015. Their parents were so overwhelmed with pride and joy.

'For the graduation ceremony I made small gift bags with crayons, pencils, chocolates and bubbles for the children to congratulate them on how far they've come. It wasn't much but to see the joy in their faces was heart-melting!

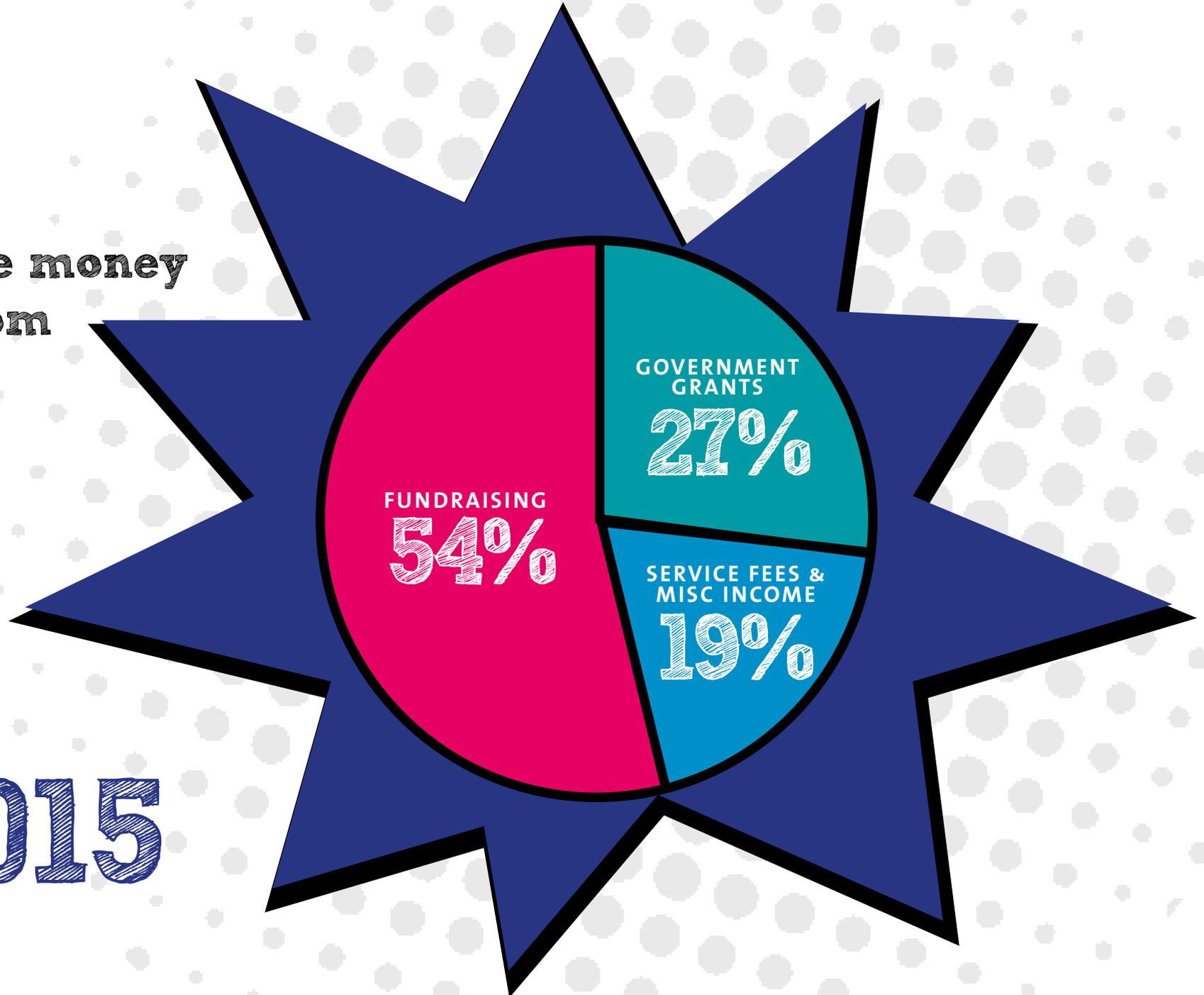
'My experience as a volunteer will certainly help with my career by showing that I'm able to communicate and connect with the children and their families however, more importantly, I hope to give back by volunteering as much as I can.'



**OUR  
STORIES**

# Income

Where the money comes from



2015

# The Shepherd Centre Income 2011-2015

\$5,000,000

\$4,000,000

\$3,000,000

\$2,000,000

\$1,000,000



2011

2012

2013

2014

2015

**GOVERNMENT GRANTS**

2011

2012

2013

2014

2015

**SERVICE FEES & MISC INCOME**

2011

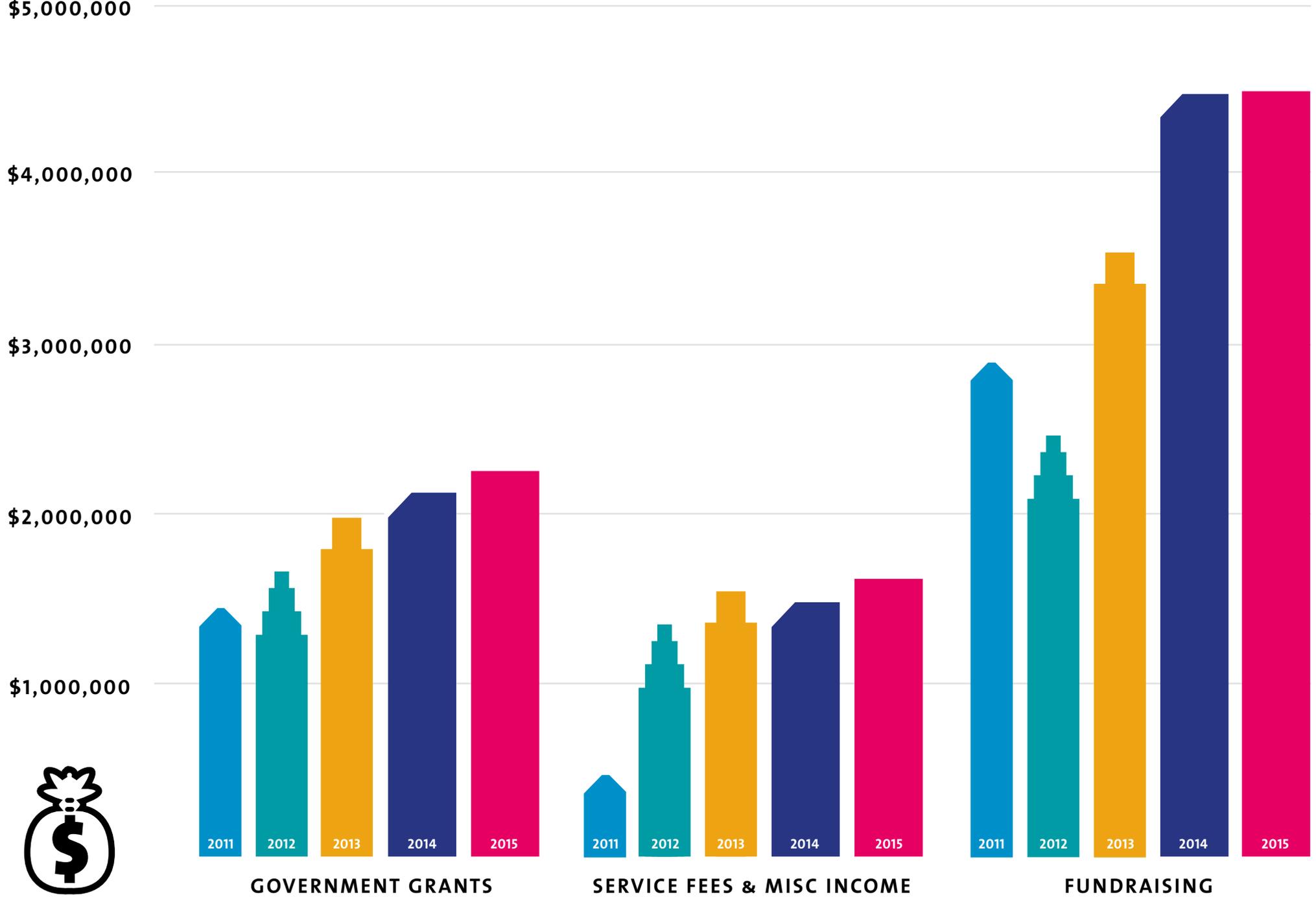
2012

2013

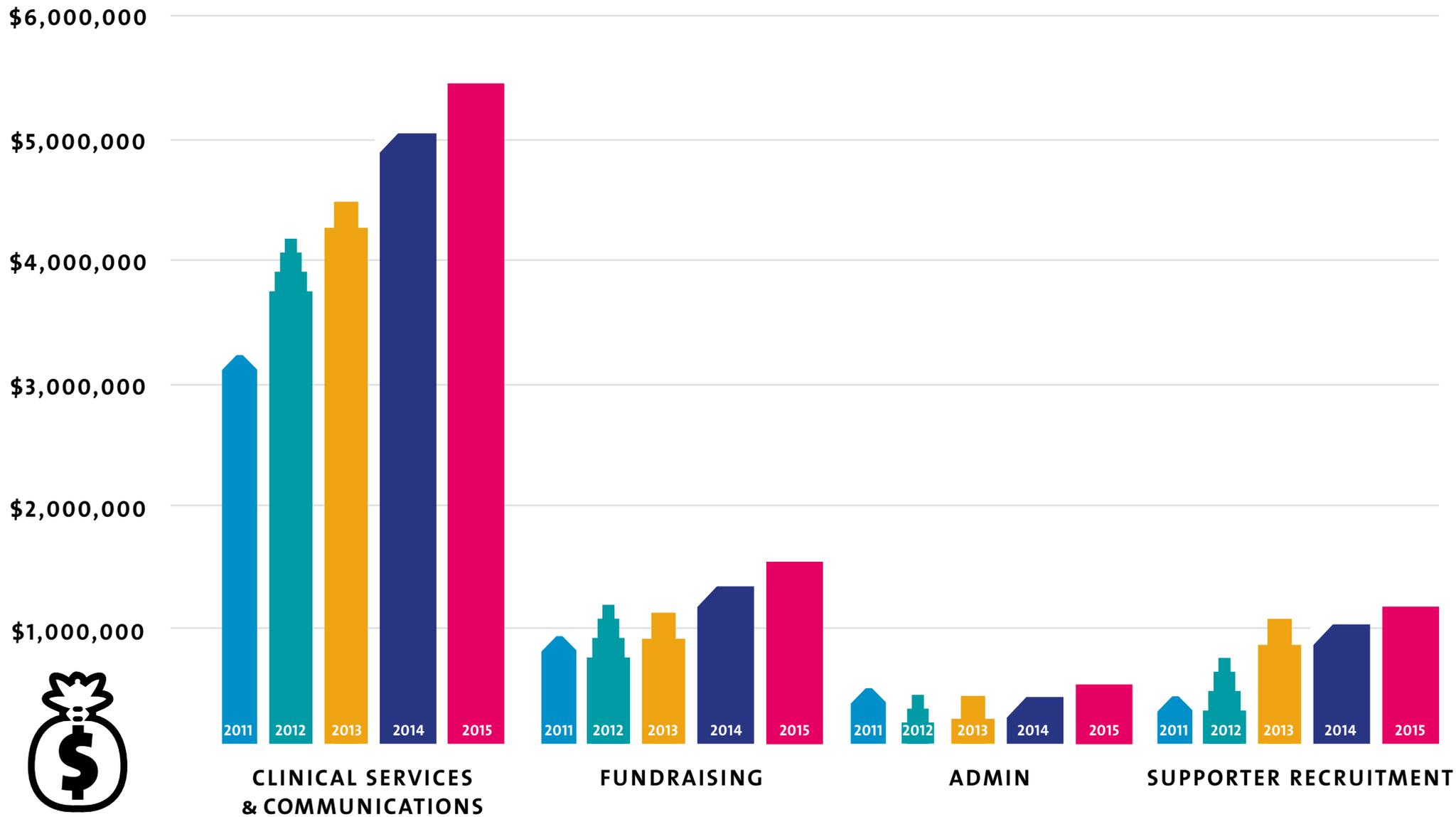
2014

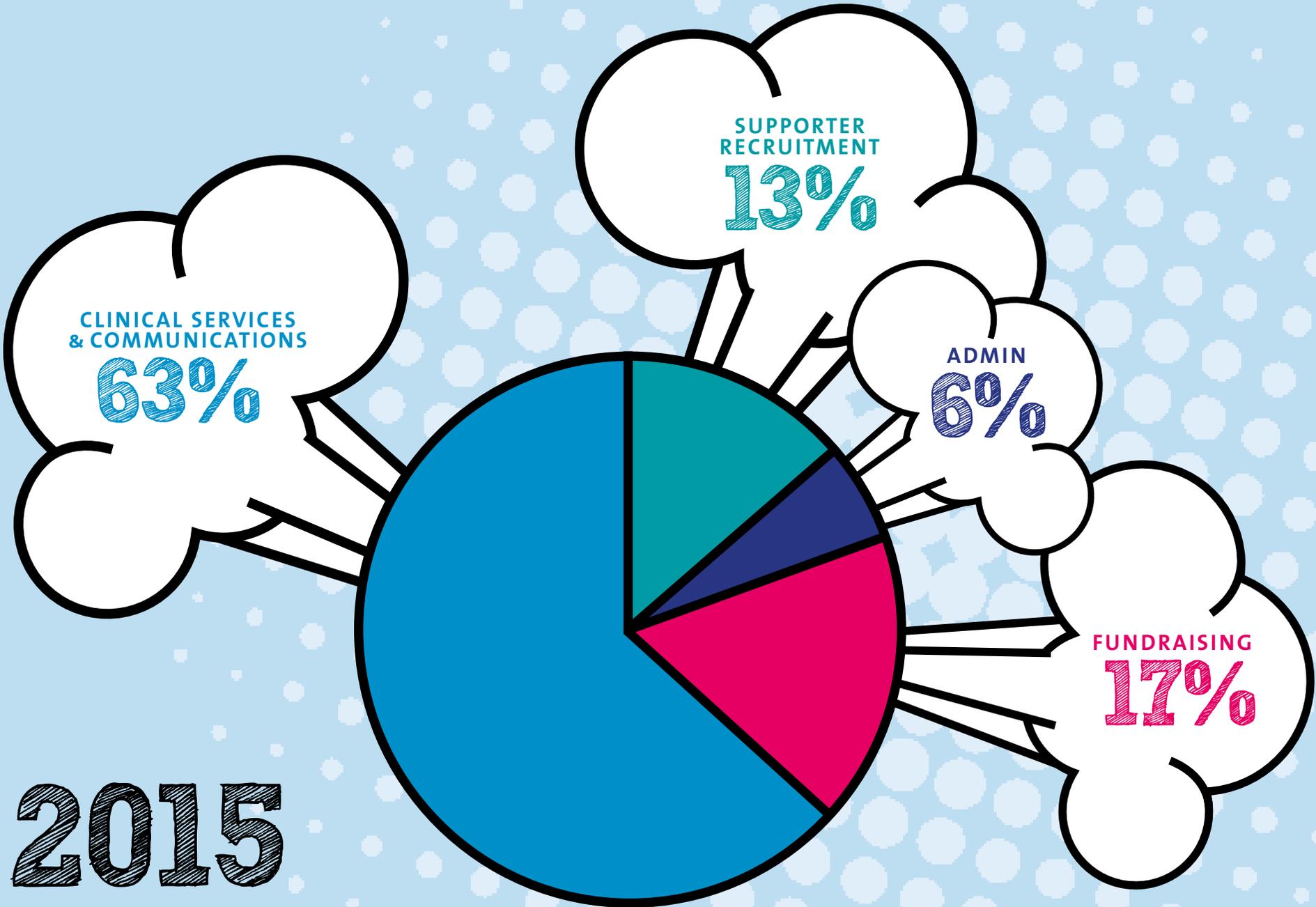
2015

**FUNDRAISING**



# Expenditure Where the money goes





2015

## Our staff

### DR ANNE FULCHER, PRINCIPAL LISTENING AND SPOKEN LANGUAGE SPECIALIST

Anne commenced work with  
The Shepherd Centre in 1976.

**‘These children  
leave us and  
become fully  
participating  
members of  
society.’**

I met Dr Shepherd when I was studying at Macquarie University. A tutor asked me if I would be interested in tutoring Dr Shepherd’s children. I’d never met a person with hearing loss – that was in 1973. I thought that deaf people couldn’t speak but was surprised when I went to the Shepherd household and beautiful little six year old Penny opened the door. She sat on her dad’s lap and they communicated to each other beautifully. I was pretty sold from then.

‘My first impressions of Dr Shepherd was like he was a big bear – lovely, lots of laughing, a very positive person with a “can-do” attitude.

‘I started working with Penny as her tutor. Six weeks later her mother very sadly had her first stroke. I was asked not to come to the house as it was a difficult period for them. Three weeks later I was asked to return. It was a pivotal moment in my life – Mrs Shepherd was lying on a bed on the playroom floor and Penny, her profoundly

deaf daughter was trying to help her mother to learn to speak.

‘I was successful at attaining a Postgraduate Rotary Fellowship in the United States and spent 18 months living just outside of Boston at the Smith College. It was the only oral school for the deaf that had a training course. I returned to work for the Department of Education setting up their first Itinerant School for the Deaf program and then went to work for The Shepherd Centre.

‘It took Dr Shepherd a long time to get the centre up and going. He went to Sydney University to set up a childcare centre so the kids could be integrated. I really admire Dr Shepherd’s tenacity – pushing to make it better for all kids.

‘The most amazing change to the sector has been the invention of cochlear implants - to see what an amazing miracle it can be and what an amazing place The Shepherd Centre is. It’s continually evolving and striving for improvement – that’s why I’m still here, 40 years later!

‘Over that time there are so many wonderful new programs we’ve rolled out such as FICAP Confident Kids and Teleintervention. My next project is rolling out services for professional training around Australia and internationally.

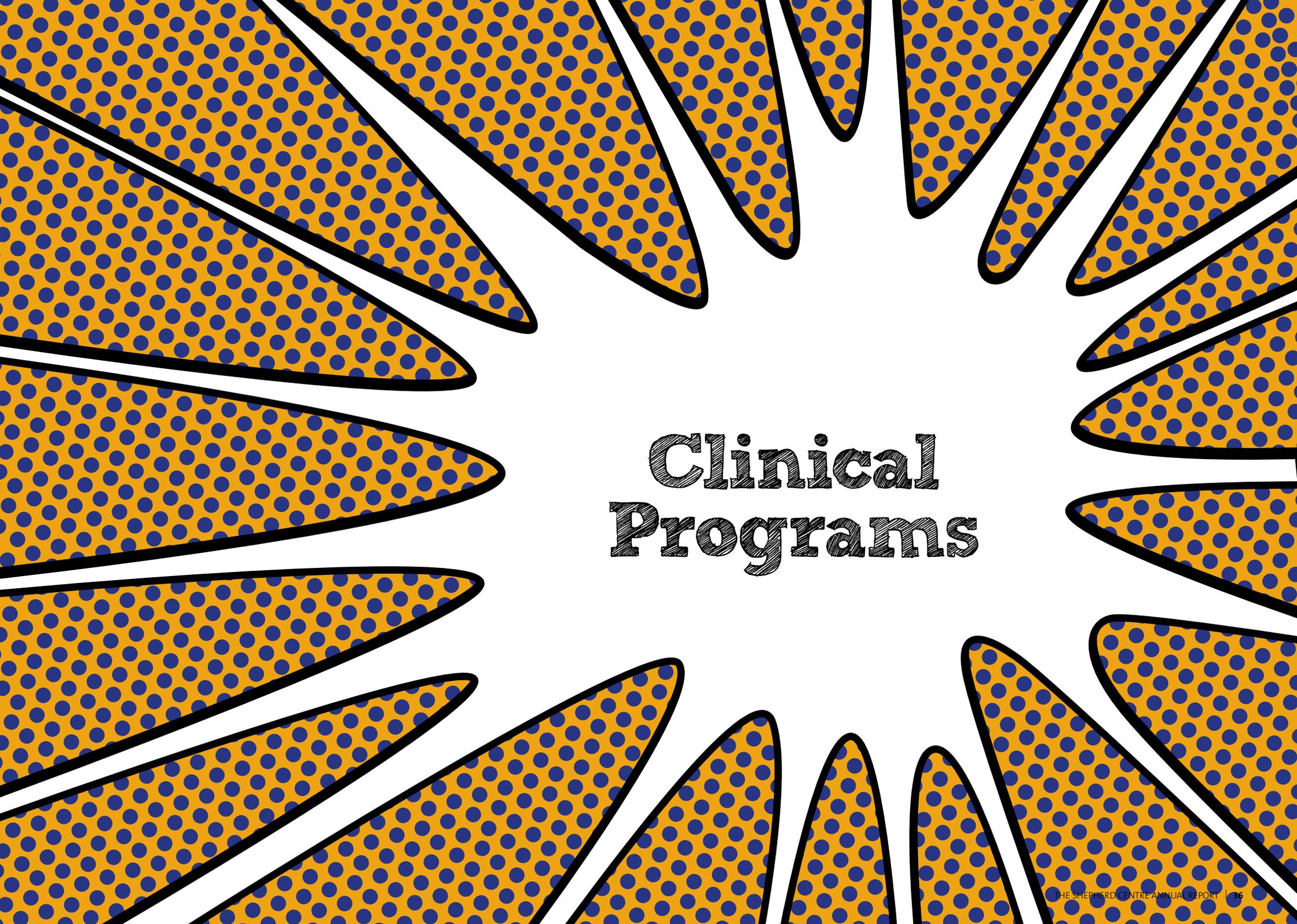
‘I feel so proud that The Shepherd Centre is such an innovative organisation.

‘Australia and The Shepherd Centre are both amazing places where families can access so much help for their children. The majority of the children that come to us are able to track along with their hearing peers. By the time they leave us they’re the best that they can be.

‘From a government perspective, we’re going to save them millions of dollars. These children leave us and become fully participating members of society. If we can help children when their brains have the ultimate plasticity, they will develop quickly and easily. Early intervention is the key and is a major investment you can make in a child’s future and our country’s future.’

**OUR  
STORIES**





# Clinical Programs

- 38 **OUR SERVICES**
- 40 **LISTENING AND SPOKEN LANGUAGE THERAPY**
- 40 **SPEECH AND LANGUAGE ASSESSMENTS**
- 40 **AUDIOLOGY**
- 40 **CHILD AND FAMILY COUNSELLING**
- 41 **FIRST SOUNDS IMPLANT PROGRAM**
- 42 **GROUP LEARNING PROGRAMS**
- 43 **SOCIAL SKILLS BUILDING**
- 44 **TELEINTERVENTION**
- 44 **CONSULTATIVE SERVICES**
- 46 **RESIDENTIAL WORKSHOP**
- 47 **NATIONAL DISABILITY INSURANCE SCHEME (NDIS)**
- 48 **OUR OUTCOMES**
- 49 **RESEARCH PROGRAM**
- 51 **FIRST VOICE**
- 52 **OUR STORIES - OUR ENT NETWORK**



## OUR SERVICES

In 2015, 467 children were supported by The Shepherd Centre, including 275 children enrolled in our Early Intervention Program.

Services included a combination of early intervention, school age, group programs and our First Sounds Implant Program which provides ongoing audiological management for our implant recipients. In total, we provided 6,774 hours' direct service to families in 2015. A range of new programs and initiatives were developed in 2015.

A five day workshop in Canberra for rural and regional families and those accessing our Teleintervention Program.



Registration as a Training Organisation with the Department of Education. We now offer courses to professionals and teachers.

Tuning into Kids Program for parents within our Kidscape Group

### Confident Kids in the Classroom

School holiday programs for school aged children in Canberra who would benefit from further skill development and strategies in communicating at school.

Pilot Teleintervention Groups for Confident Kids, Off to School and Tuning into Kids.

Empower Me workshop for extended families and carers in Canberra aimed at extending the knowledge of a wider network of family in supporting a child with a hearing loss.

Rollout of the FICAP Confident Kids Program in every centre.



## LISTENING AND SPOKEN LANGUAGE THERAPY

The core of the program for families at The Shepherd Centre is regular sessions with a Listening and Spoken Language Specialist. The sessions are structured, play-based, goal-directed sessions which focus on teaching parents the skills to teach their children in the areas of listening, speech, language and cognition.

**A total of 3,688 Listening and Spoken Language Therapy/Auditory-Verbal Therapy sessions were provided in 2015.**

## SPEECH AND LANGUAGE ASSESSMENTS

The Shepherd Centre carried out assessments during 2015 to see how each child's speech and language development was progressing according to their age.

**In 2015, the assessment team conducted 404 assessments, a significant increase on 220 in 2014. The team also received training from a leading expert in the administration of a more comprehensive speech assessment.**

## AUDIOLOGY

Our team of highly specialised paediatric audiologists ensure that children in the program have optimal access to sound at all times. We know that children need a clean, clear, consistent auditory signal from an early age in order to have the best possible chance of developing typical listening, speech, language and social skills. In 2015 the audiology team continued to play a vital role in working with families across all centres to do this, troubleshooting devices, liaising with Australian Hearing, Cochlear Ltd, GPs and ENT specialists.

**• 2,033 audiology appointments**



## CHILD AND FAMILY COUNSELLING

Our counsellors have a wealth of experience in working with children and families and are committed to supporting families to reach their goals, working individually with them through reflective and strengths-based parenting programs.

In 2015, our child and family counselling team provided:

- **243 Individual Family Service Plans**
- **443 Initial family meetings**
- **2,039 Interdisciplinary sessions**
- **1,170 individual or group Child and Family Counselling sessions**

## FIRST SOUNDS IMPLANT PROGRAM

The Shepherd Centre's First Sounds Implant Program has provided over 400 cochlear implants and Baha devices for children over the past 15 years. Each year has shown ongoing growth in this area, and 2015 was no different. A variety of professionals and organisations have sought information and professional development from our team as we continue to work at the forefront of the paediatric cochlear implant field both nationally and internationally.

Our implant program works to ensure children can hear as well as possible in real world environments and this emphasis has led to innovative approaches to determine who might benefit from a cochlear implant, including very young infants, children with much more hearing than a traditional implant candidate, and children with profound hearing loss in only one ear. The Shepherd Centre currently supports one of the largest groups of children in the world who have received a cochlear implant for unilateral (one-sided) hearing loss and this area continues to grow.





## GROUP LEARNING PROGRAMS

The real magic for our children is having the skills to use their speech and language out in the real world. Group programs support this magic to happen.

We offer a growing landscape of group learning programs designed to develop children's listening, speech, language and social skills. Our group programs mirror noisy, real world environments, preparing children for the challenges ahead.

Parent education sessions are an integral part of group programs. They offer families invaluable opportunities to learn from our transdisciplinary team and from other parents and carers with similar experiences.

In 2015, families participated in our weekly Kidscape playgroups, Talk Together parent education groups for new families to the service, Sing and Grow music therapy programs, Off to School – School Readiness Programs and our newly developed FICAP Confident Kids social skills groups.

We also successfully piloted a Confident Kids in the Classroom Program and an Empower Me workshop group. Both groups will roll out to centres during 2016.

## SOCIAL SKILLS BUILDING

Early identification of hearing loss, and when indicated, early provision of optimal amplification devices, is key to achieving age-appropriate speech, language and vocabulary skills from birth. However, despite the attainment of speech and language skills on par with their typically hearing peers, a large number of these children have atypical social communication skills that set them apart from their hearing peers.

Often for parents the most important thing for them is that their children can make friends and be successful in their social exchanges. An important component of social communication is the development of a child's 'Theory of Mind' skills (the ability to understand another person's thoughts and emotions). Our social skills program 'FICAP Confident Kids' was thus developed with the aim of helping children achieve not just linguistic but also social communication competency.

In 2015 we rolled out our eight week FICAP Confident Kids Program to all children aged three to five years. Activities encouraged children to listen to their peers, to understand that their friends may have different thoughts

'The Confident Kids Program is very important in preparing the children for school. You can really see the difference from that first lesson when they are all sitting there quietly and the last session where everyone is loud and having a great time.'

**– Jennifer, mum  
to Amelia**

and feelings, to problem solve, to make predictions, and to learn the social language of what to say and how to say it. Each child had their Theory of Mind skills assessed before and after the group so we were able to evaluate their progress. Parents were very much a part of the program in a variety of contexts including a structured weekly parent group and guided observations, with opportunities to observe the group via video conferencing whilst a therapist discussed the group goals and activities.

After a successful roll out of the 2015 group and many confident kids graduating to school, our program will continue to support our families in 2016. The program is constantly evolving as we integrate feedback from parents and staff. We will also be creating a second version of FICAP Confident Kids for children who repeat the group so that there is double the opportunity for children to continue reaching their whole potential and communicate with confidence in the hearing world.



## TELEINTERVENTION

The Shepherd Centre's Teleintervention Program offers early intervention to children with hearing loss via online video-conferencing sessions. This program is available to all families, but



**'Thank you for extending these [group] programs to families in regional areas.'**  
**- parent feedback**

is particularly important for families in rural and remote regions of Australia who are unable to access our five centres in person.

Families can access the services using a range of technology best suited to their needs, including laptops, tablets and smartphones. Experienced clinicians from The Shepherd Centre also collaborate with local educational support workers and allied health professionals using a consultative model to help families achieve the best possible outcomes for their child.

In 2015, we had 27 families on our Teleintervention Program and introduced Tele Group programs as part of the holistic early intervention service for families. Children and parents participated in Tele-Confident Kids, Tele-Off to School and Tele-Tuning into Kids which were delivered via video-conferencing for families with great participation and success with families.

We shared our first Tele-Graduation with five graduating children, and had a very fun Christmas party with families linking in via video-conferencing from their homes to celebrate a great year.



**DID YOU KNOW?**  
**Our Teleintervention Program is available to all families - not just those in regional and remote areas.**

## CONSULTATIVE SERVICES

In 2015, The Shepherd Centre extended its reach into schools through two private and separate arrangements in two different locations. Firstly, Nuwarra Hearing Support Unit has engaged The Shepherd Centre in providing a consultative service to their school. Listening and Spoken Language Therapy Group sessions were conducted by one of our therapists at Nuwarra Hearing Support Unit. This was also followed by individual sessions with a number of clients.

Additionally, The Shepherd Centre was also approached by Catholic Education in the ACT around providing consultative services to a variety of schools. Both of these services are continuing and we look forward to working more closely with schools in 2016.



## RESIDENTIAL WORKSHOP

In 2015 we concentrated our efforts on one workshop, held in Canberra, for rural families. Once again a number of our rural families receiving Teleintervention services from The Shepherd Centre attended the workshop along with new rural and remote families. This is an ideal opportunity for these families to have face-to-face sessions and to meet other rural families from as far afield as Tasmania.

The workshop, named “Bringing It Home”, was limited to 14 families (21 adults and 23 children) which enabled us to provide tailored programs for each family and informative inclusive group programs.



**‘The most positive experience at workshop was the face-to-face interactions with The Shepherd Centre staff and other families. Teleintervention works so much better when the connections are established. It’s been great to catch up with many (familiar faces) and meeting a few new faces.’**  
– parent feedback



## **NATIONAL DISABILITY INSURANCE SCHEME (NDIS)**

The National Disability Insurance Scheme (NDIS) has been in a trial phase for the last couple of years, but is now close to full scheme roll out. This will occur for half of NSW from July 2016 and The Shepherd Centre welcomes the concepts of choice and control for families.

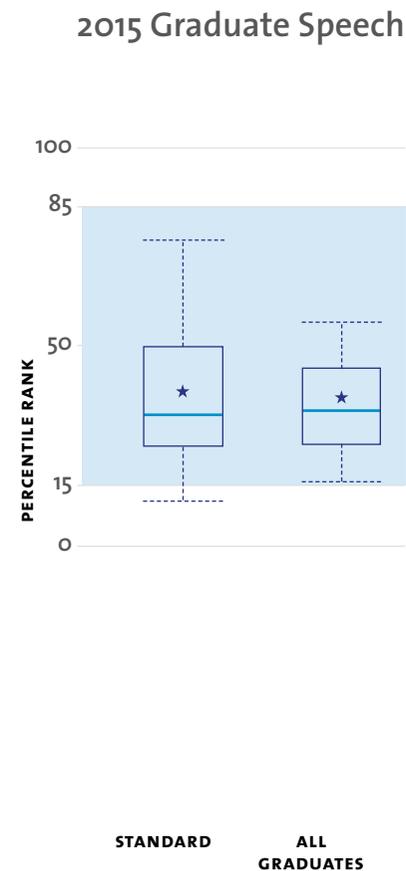
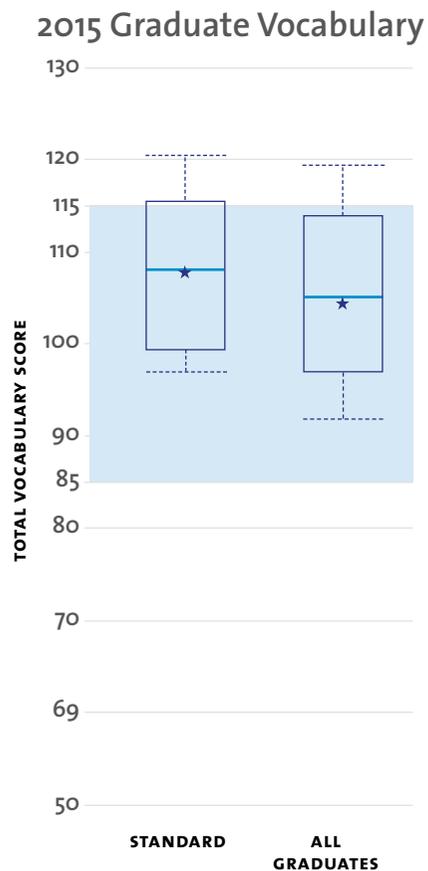
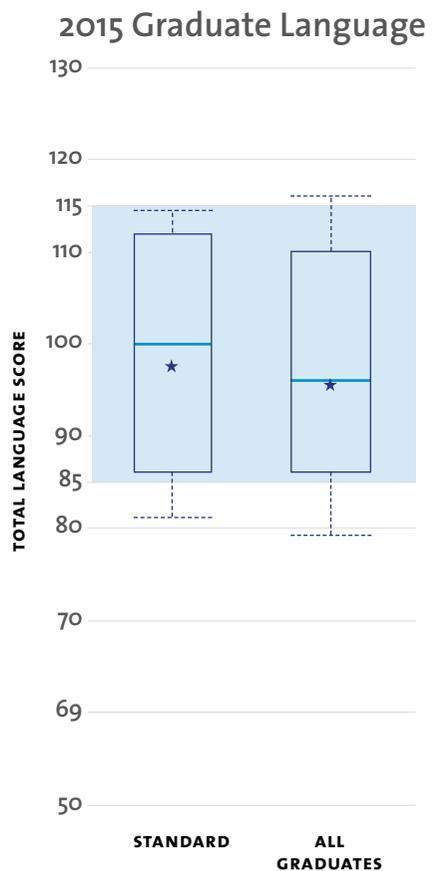
In 2015, the NDIS continued to roll out to children of all ages in the ACT trial site. We are very excited to report that all children attending our centre were made eligible for the scheme and we have had over 30 children with approved NDIS plans. The future development of our Canberra centre is now assured through the individual packages funded through the NDIS and the generosity of our donors.

As in 2014, our service has been provided without interruption during the transition process. Due to the NDIS, we are able to extend our services into the school age space. In 2015, the Canberra Centre ran Confident Kids in the Classroom and Empower Me for the first time. These programs have not been previously offered due to restrictions on available funding.

We continue to focus on a world-leading early intervention program that dovetails to a transition program to school in recognition of this key life transition. We are now offering school age programs for those who require some ongoing assistance.

The introduction of the NDIS affects how core services are funded and allows us to deliver new opportunities for families that previously may have been limited due to the funding, however we still rely on the generous donations from our supporters to cover the ongoing development of our facilities and services.

## OUR OUTCOMES



In each graph the blue area is the “normal” range for children, with approximately one in six children expected to fall above the blue area and one in six below. The range of outcomes for our graduates is shown by the “box and whiskers” plot, with the whiskers directly comparable to the normal range; the box showing where 50% of graduates lie; and the line and the star showing median and average respectively. Standard graduates are those children who joined our program within six months of diagnosis and do not have additional needs or mainly listen to languages other than English.

## 2015 SPOKEN LANGUAGE OUTCOMES

The Shepherd Centre prides itself on a focus on outcomes. Nothing is more important to us than the children in our program achieving spoken language and speech alongside their peers. We use a number of measures across various domains to track each child's progress during the year. This tracking is done within sessions throughout the year and via formal and standardised assessments. The results of formal standard language, vocabulary and speech for children about to enter school (our graduates) are displayed in the previous graph. As important as standard assessments, we also keep a track of a child's functional listening and communication. That is, we are tracking how they are going in real life activities and situations: in practical tasks, in group settings and in noisy places.

The assessments we use are those for any child with or without a hearing loss. The first group or column in each graph (standard graduates) indicates those children who started our program early in life or soon after diagnosis, who speak predominantly English and have

no additional disabilities. The second group or column in each graph refers to all graduates; no matter when they started the program, languages used or additional needs. The area shaded in blue indicates results within the normal range.

As you can see, children with no impacting factors leave The Shepherd Centre's Early Intervention Program to go to school with language, vocabulary and speech at the same level as their hearing peers. Their speech and language skills are on par with those in the rest of their class. Even those with impacting factors (language, additional disabilities) are largely within the typical range. This is a start to schooling life that previously people have only dreamed of.

The Shepherd Centre is the only centre worldwide that has published data (median language score) for our children for the past nine years. We are also working on measures to track Functional Listening and Theory of Mind (in social communication). The assessments used and the data collected also form part of a wider database around informing and improving the interventions that produce the best outcomes.

## RESEARCH PROGRAM

This year saw research become a key element of all facets of clinical practice and program development. Our ongoing focus and commitment to translational research and evidence-based practice continues to increase our external collaborations and the presentation and reception of our clinical work internationally. Internal research extended our ongoing measurement and validation of our clinical practice, expanding our understanding of listening, language and cognition in children with hearing loss and optimising children's outcomes across all of these domains.

As well as the measurement of graduating children's outcomes, research has focused on children with unilateral hearing loss, innovation in cochlear implant management and reviewing the connections with listening, language and children's psychosocial development. Exploration of cognition and social development has led to the implementation of explicit social skill development programs as well as highlighted the importance of explicit awareness of this development across intervention for both clinicians and families.

This year has also seen the collation of normative data samples that are geographically co-located to our services providing a unique and comparable data set to benchmark our children's development across a number of domains. This continuous expansion of our research domains links directly to improving both our clinical practice as well as using our evidence base to optimise opportunities that will enable our children to maintain their potential as individuals.

## Research Advisory Committee

Our focus for both internal and external collaborative research at The Shepherd Centre is directed by our Research Advisory Committee with specialist researchers in associated fields, academics and key staff members; created to assist The Shepherd Centre's direction and involvement in research, data analysis and outcomes. The Committee takes a proactive, high level role in project selection, evaluation, resource allocation and type of outcomes to be achieved. Our alliance with First Voice continues to generate extensive outcomes-based research with the completion and distribution of our social inclusion work.



### PROFESSOR JENNIE BRAND-MILLER

#### Committee Chair

Professor Jennie Brand-Miller is an academic and researcher with 30 years' experience in research techniques including dietary intervention studies in pregnancy and animal models. Her popular books have translated research to practice and made the Glycemic Index a household word.



### PROFESSOR BOB COWAN

Professor Bob Cowan is CEO of the HEARing Cooperative Research Centre and HEARworks. He is committed to the world-wide prevention of hearing loss and improvements in audiology clinical practice and has received awards from Audiology Australia and the Deafness Forum for his work in professional audiology.



### PROFESSOR JIM PATRICK AO

Professor Jim Patrick is Chief Scientist and Senior Vice President at Cochlear Limited and recognised as a world authority on cochlear implants. He joined Professor Graeme Clark's research team at Melbourne University in 1975. Currently, Jim has oversight of Cochlear's global research program.



### DR ALISON PURCELL

Dr Alison Purcell is Senior Lecturer and Course Director for the Masters of Speech Language Pathology at the University of Sydney. Alison has been recruited as an associate investigator and chief investigator to the largest study ever conducted of urban Aboriginal children's speech, language and hearing development: SEARCH.



### DR CORAL KEMP

Coral has been involved in the education of children in a variety of settings as a teacher, early interventionist, deputy principal, acting principal and program director. She is an honorary fellow at Macquarie University, an independent special education consultant and a committee member of the International Society on Early Intervention.

## FIRST VOICE

The Shepherd Centre is a proud member of First Voice, a national alliance of member organisations whose primary focus is the provision of listening and spoken language for children who are deaf or hearing impaired.

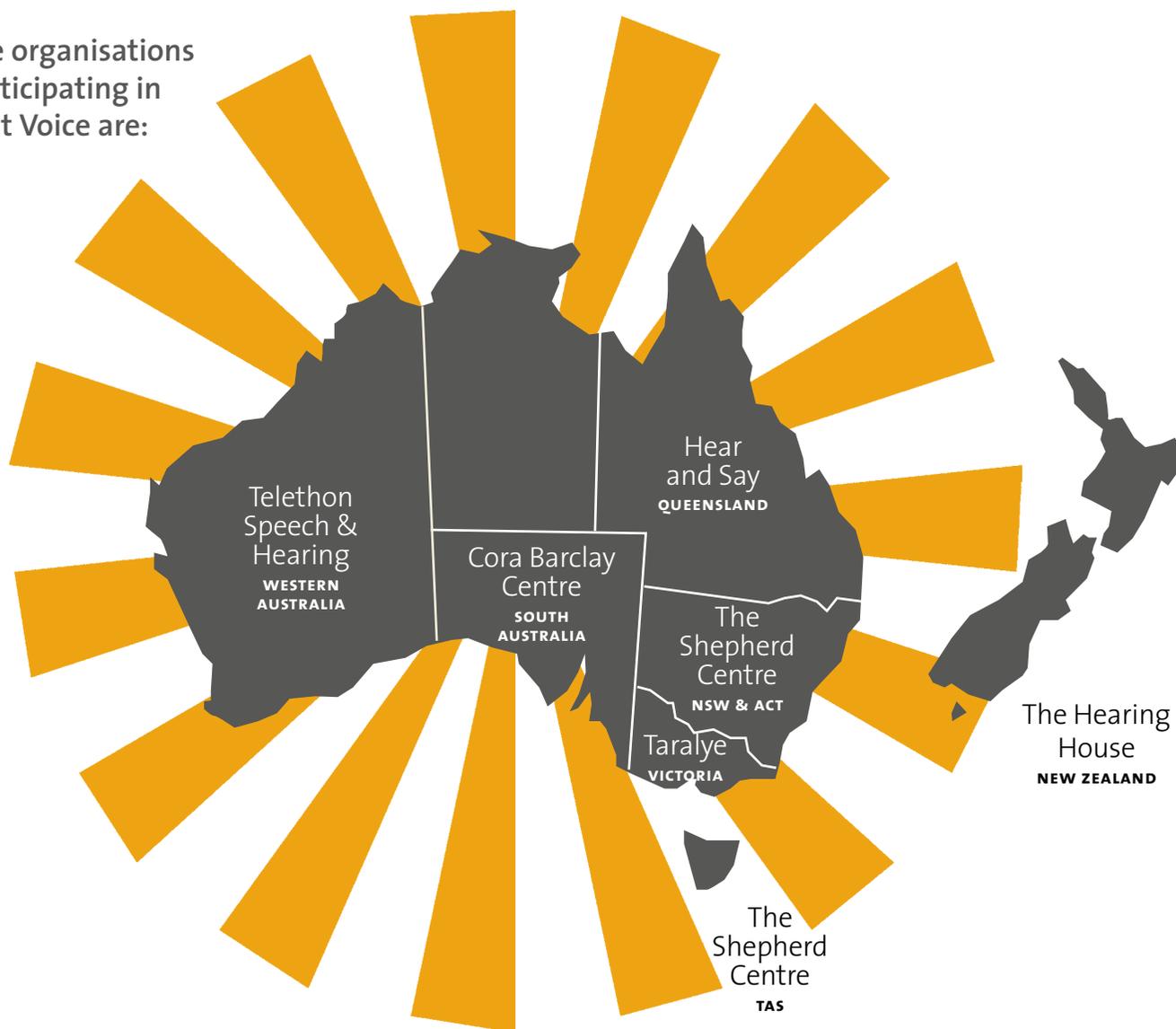
Established in 2010, First Voice plays a leadership role in shaping public policy and funding decision-making relating to hearing impaired children. First Voice evolved from the former Alliance for Deaf Children, which was established in 2003.

First Voice has emerged as a strong, active and influential organisation within the early intervention sector. Its lobbying efforts were instrumental in securing recurrent federal government funding for early intervention services for not only hearing impaired children, but also across a range of other disability areas.

First Voice represents one of the largest cohorts of children with hearing loss in the world, supporting more than 1,000 children in early intervention, 40% of which have a cochlear implant, and provides a range of services to thousands more.

[www.firstvoice.org.au](http://www.firstvoice.org.au)

The organisations participating in First Voice are:



## Our ENT network

We work closely with some of the top ENT surgeons in Australia. Dr Phillip Chang and Dr Thomas Kertesz perform cochlear and other implant surgeries within our First Sounds Implant Program, from a range of public and private hospitals across Sydney. Dr Simon Greenberg provides specialist ENT support for our families living in Western Sydney.

### DR PHILLIP CHANG MBBS FRACS

#### Medical Director of The Shepherd Centre's First Sounds Implant Program

Every family has a fear of surgery, be it spoken or otherwise, and it's the responsibility of every member of The Shepherd Centre team, including the surgeon, to unveil those concerns and to appease them as best we can.

The Child and Family Counselling program at The Shepherd Centre is an important aspect in assisting with that, however every person at The Shepherd Centre shares a common ethos that the families and their concerns come first.

The greatest fear for parents is that nothing can be done for their child's hearing loss. It might be with a hearing aid, grommets or a hearing implant but in almost all cases hearing loss is treatable and any detriment to language and speech is preventable.

I think the surgeon has a role in monitoring the pulse of the emotional journey of the family. I enjoy the surgery

but also enjoy sailing through whatever emotional weather may accompany this journey and eventually delivering the family to more tranquil waters.

There are three parts to any operation. There is the part that you do with your hands. With time that becomes increasingly straightforward but no case is ever routine. There is a part that you do with your head and with a great team like The Shepherd Centre that also becomes easier. The third part is done with your heart - to understand and empathise what the families go through in entrusting their child under your care, with your judgement and in your hands for the surgery. I thought that would get easier with time but it doesn't.

The Shepherd Centre is leading the world particularly in the cochlear implant arena. For a long time, we have based our cochlear implant practice on evidence-

**'In almost all cases hearing loss is treatable and any detriment to language and speech is preventable.'**

based medicine. As we push the frontiers however, our practice becomes the new evidence base for other cochlear implant programs around the world.

We're pushing two frontiers currently – the first for implantation for children under 12 months of age and the second is offering cochlear implants to selected children with unilateral hearing loss. Whilst these areas are still regarded as controversial by some, I'm sure that one day in the very near future it will become mainstreamed and the gold standard.'



**OUR  
STORIES**

One of Australia's most experienced cochlear implant surgeons, Dr Phillip Chang in theatre.



**Operations**

**56 OUR PRESCHOOLS**

**58 OUR PEOPLE**

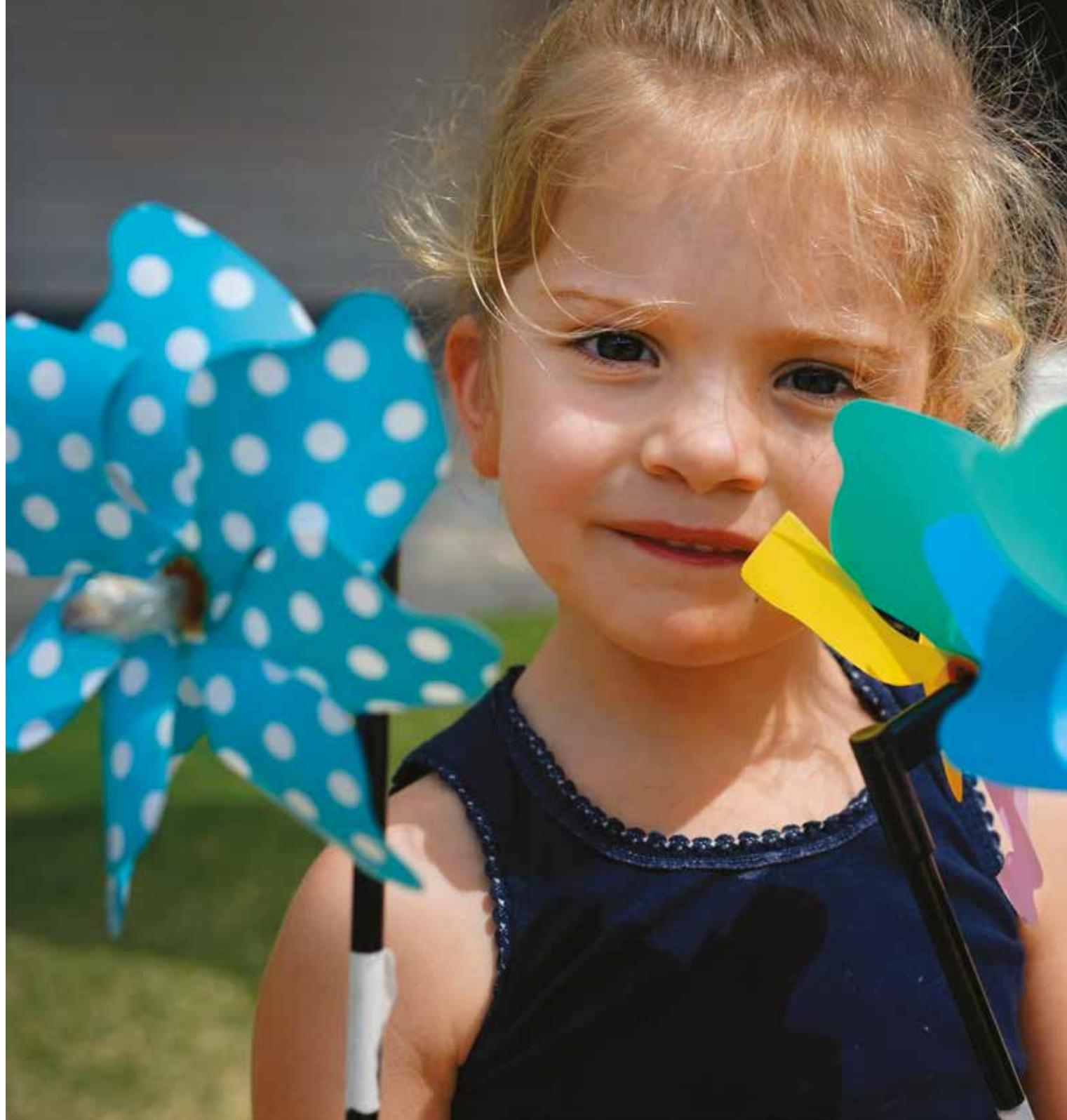
**59 GOVERNANCE**

**60 OPERATIONS TEAM**

**60 WORKPLACE HEALTH AND SAFETY**

**62 SIGNIFICANT INVESTMENTS**

**64 OUR STORIES - PAST GRADUATE**



## OUR PRESCHOOLS

The Shepherd Centre's preschools are open to all children with or without hearing loss.

Cultural diversity is also embraced and our highly qualified educators encourage respect for others as well as a healthy self-image.

Both of our preschools have been rated as "Exceeding the National Quality Standard" in all seven areas assessed under the National Quality Framework.

We pride ourselves on providing high quality early childhood learning experience in a safe and caring environment.

The preschools cater to the individual needs of each child while encouraging children both with and without hearing loss to socialise and learn together – just as they would when they go to "big school".

## Liverpool

We had an exciting and busy year at Liverpool. A big highlight for the children was the making of our beautiful playground mural. Over a six week period our children helped make the mosaics in the mural. The mosaics themselves are from pictures drawn by the children so they would feel connected to the work in the garden.

We also had visits from the police to talk about stranger danger, visits from Surf Lifesaving NSW to talk about water safety and visits with Healthy Harold who talked to the children about healthy eating habits and exercise. We learnt about Chinese New Year from one of our families and enjoyed Multicultural Dancers who came and taught several dances from around the world.

We celebrated 11 children graduating and marked the occasion with a magician and a Mad Hatters Tea Party.





### Wollongong

It was a year of reflection and steady improvements for the Wollongong preschool. With the wonderful changes to our outdoor learning area all but complete, it was a matter of maintaining and learning how to make good use of our new outdoor space. The children enjoyed watering the gardens and our edible fruits, veggies and herbs have made it to our preschool kitchen for the children to eat on a regular basis.

The preschool was fitted out with solar panels and a water tank. This will make a very positive impact on our centre's

carbon footprint and is also a good model for our children as we strive to be more environmentally responsible.

Our Graduation saw us farewell another 12 children and their families in a wonderful family evening.

One of the highlights of the year was our firefighter visit to the preschool. The firefighters talked about staying safe in the case of a fire. One of the officers dressed up in his full firefighting uniform for the children to see, then the children got to sit up in the fire truck before having a turn to hold the big hose to water the park next door – such fun!

## OUR PEOPLE

The Shepherd Centre is incredibly proud of its staff and their successes. Our results are a testament to their dedication, excellence and hard work. We aim to attract the best people in their fields and then retain and look after our staff by helping them to achieve a positive work-life balance.

## BUSINESS EXCELLENCE AWARD

In July we were pleased to announce that we took out three of the top Business Excellence Awards at the Sydney City Business Award ceremony. We were awarded the Excellence in Business, Employer of Choice and the prestigious Sydney City Business of the Year award.

The awards, judged and run by the NSW Business Chamber, recognise business excellence across areas including innovation, sustainability, export and ethics. Thirty-four businesses across the City's local government area were short-listed in 12 categories.



## GOVERNANCE

The Shepherd Centre is a charity registered with the ACNC. It is also a public company limited by guarantee and is governed by a Board of Directors. Our Board members bring a wealth of qualifications and experience, however for many of them the journey leading to The Shepherd Centre has been a personal one, with the majority being parents of children with hearing loss.

This mix of professionalism and personal experience ensures that The Shepherd Centre is managed to the highest corporate standards while retaining a deep connection to our core mission and focus.

In selecting new Directors the Board ensures members provide an appropriate mix of skills and experience to meet responsibilities placed on the Board, to provide an appropriate diversity in backgrounds and to have an appropriate renewal of members so as to maintain their currency and level of commitment.

### **The principal roles of the Board are to:**

- Guide excellence in the operations of The Shepherd Centre in working towards its mission
- Ensure that appropriate compliance mechanisms are in place to meet legal and other requirements.

### **The Board guides operational excellence by:**

- Reviewing, revising and approving the articulation of the Vision and Mission
- Reviewing, revising and approving plans proposed by management, including strategic, budget, staff and resourcing plans
- Requiring management to produce reports for the Board to appropriately monitor the operations of The Shepherd Centre against approved plans
- Managing and advising the CEO

### **The Board ensures compliance by:**

- Reviewing activities of the Board and The Shepherd Centre and ensure that they are in compliance with the Memorandum of Association and the Articles of Association of The Shepherd Centre.

**For many Board members, the journey leading to The Shepherd Centre has been a personal one with the majority being parents of children with hearing loss.**

- Requiring management to produce reports for the Board to appropriately monitor the compliance of The Shepherd Centre against legal or other obligations as set by the Board.
- Reviewing, revising and approving procedures and policies proposed by management for the control of financial, personnel and other risks.
- Reviewing, revising and approving the procedures and policies proposed by management for The Shepherd Centre's compliance with its legal requirements.
- Establishing procedures to ensure that Directors are in compliance with their legal requirements and acting in accordance with the policies of The Shepherd Centre as appropriate.

## BOARD COMMITTEES

The Board is assisted in carrying out its responsibilities by the Finance and Audit Committee, the Marketing Advisory Committee and the Research Advisory Committee. These standing Committees were established by the Board to allow detailed consideration of complex issues.

The Marketing Advisory Committee is responsible for reviewing and monitoring the overall marketing strategy for The Shepherd Centre.

The Finance and Audit Committee has the specific delegated responsibility for oversight of risk management across all areas of our operations. The Finance and Audit Committee has particular focus on financial risk, insurable risks, Workplace Health and Safety risks, other legal compliance risks and key worker risks.

## OPERATIONS TEAM

The Operations Team is responsible for:

- Finance and Human Resources
- Risk Management
- Facilities Management
- Information Technology and Communications
- Workplace Health and Safety
- Company Secretarial
- Service delivery of the Preschool Programs



## WORKPLACE HEALTH AND SAFETY

The Shepherd Centre is committed to providing a safe workplace for its staff and volunteers. The Shepherd Centre maintains comprehensive workplace safety policies and systems which are overseen by the Director of Operations and the Workplace Health and Safety Committee.

Staff are familiarised with our WHS policies and systems at induction and through regular staff training. Staff are also required to do an annual quiz to ensure that their familiarity with WHS requirements remains current.

The Shepherd Centre actively encourages

the reporting by staff of all incidents and hazards. These are maintained in a register and acted upon as quickly as possible as well as being reported to the Board of Directors at each Board meeting.

The WHS Committee is composed of representative members of staff and meets at least every three months, or on the request of the Committee members. The WHS Committee ensures that safety responsibilities are clearly defined and understood, that regular hazard and risk assessments are undertaken at all of our centres and that all reported hazards and incidents are addressed.





#### **DID YOU KNOW?**

Sessions at our centres or via teleintervention can be recorded for families and staff to watch back later.

## **SIGNIFICANT INVESTMENTS**

### **Staff**

Our staff have, and always will be, our biggest investment. In 2015 we increased our staff numbers by 15%. The biggest increase was in our Clinical team which reflected the growing demand for our services. We were able to fund the staff increases thanks to the additional grant from NSW Government and with the fantastic generosity of our supporters.

### **Technology and equipment**

Over the last few years technology has started to play a key role in allowing us to reach more families and provide services to more children, especially in remote and rural areas. In 2015 we continued to invest in technology and equipment to enable us to improve and expand our services while keeping operating costs down.

We have upgraded our network server which allowed us to increase the

performance of our systems; refreshed our audio booths and invested in new computer and videoconferencing equipment to allow staff to deliver our Teleintervention Program to even more families and trial the first ever group programs via video conference.

We are incredibly thankful to the generosity of our supporters like the Purves Foundation, Perpetual, The Snow Foundation, Goodman, Sargents Pies, the Honda Foundation and My State Foundation for making these improvements happen.

With help from Newman's Own Foundation, we started developing a new family-friendly website that will provide a secure e-learning portal for our families. This portal will contain additional resources and will allow for self-paced learning to further enhance our services.

### **Facilities**

We were so excited to put the finishing touches on our outdoor play areas at Wollongong and Casula in the beginning of 2015, much to the delight of the children who attend those centres.

Our Wollongong centre also received solar panels thanks to a grant from the Community Building Partnership Program. This will help keep costs down - as well as our carbon footprint! We are planning for some of our other centres to follow suit in 2016.



## Past Graduate

### CONGRATULATIONS TO OUR 2015 PAST GRADUATE OF THE YEAR - LEAH MCCONNELL

Leah was diagnosed with severe-profound hearing loss and came to The Shepherd Centre in 1992 where she spent four years with Dr Anne Fulcher developing her speech and language skills. Leah received her cochlear implant at the age of four and hasn't looked back!

'Leah was very determined as a little girl,' says Dr Fulcher. 'She was always incredibly cheeky and lots of fun and I'm so proud to see her acknowledged with this important award. Leah is a great role model to other families to showcase how our children go on to achieve such great things after they graduate from The Shepherd Centre.'

Leah's best memories of The Shepherd Centre are attending the popular Christmas parties, one-to-one speech lessons with Anne and interacting with all the other children at the centre during play time.

Leah leads a very full and rewarding life -

she loves going to the beach, hanging out with friends and family, playing tennis and skiing. Another of Leah's hobbies is travel – she has travelled extensively including to England, Ireland, France, Spain, Switzerland, Italy, Singapore, Bali, Fiji, New Zealand and Hawaii!

Now 25, Leah is in her third year at Macquarie University where she is undertaking a Bachelor of Early Childhood Education and is thrilled about being recognised as The Shepherd Centre's Graduate of the Year.

'This opportunity will give me a chance to acknowledge the excellent service and support that The Shepherd Centre provided to our whole family leading up to my school years which made the whole transition into kindergarten a lot easier,' said Leah.

'My parents felt that if I hadn't attended The Shepherd Centre in the early years of

**'Leah is a great role model to other families to showcase how our children go on to achieve such great things after they graduate from The Shepherd Centre.'**

my childhood, I would not have the clear speech I have today. It was the dedication and positive direction given by the teachers, including the lovely Anne Fulcher and all the staff at The Shepherd Centre that helped shape who I am today!

Leah is looking forward to finishing university and starting her career as a primary school teacher.



**OUR  
STORIES**



**Fundraising and  
Communications**

68	<b>OVERVIEW</b>
70	<b>OUR MAJOR GIVING PROGRAM</b>
70	<b>TRUSTS AND FOUNDATIONS</b>
71	<b>GIFTS IN WILLS</b>
71	<b>CHILD SCHOLARSHIP PROGRAM</b>
72	<b>CORPORATE PARTNERSHIPS</b>
74	<b>EVENTS AND COMMUNITY FUNDRAISING</b>
76	<b>INDIVIDUAL GIVING</b>
77	<b>AUSTRALIAN FATHER OF THE YEAR</b>
77	<b>GOVERNMENT SUPPORT</b>
78	<b>OUR STORIES - OUR DONORS</b>



## OVERVIEW

It was another amazing year for The Shepherd Centre building on the success of previous years, expanding our fundraising programs and attracting new supporters passionate about helping children with hearing loss. Our fundraising income (excluding our Gifts in Wills program) has increased by 20% from \$2.5m in 2014 to \$3.2m in 2015. Trusts and Foundations, Corporate Supporters and Major Gift programs continued to expand, accounting for the highest areas of growth.

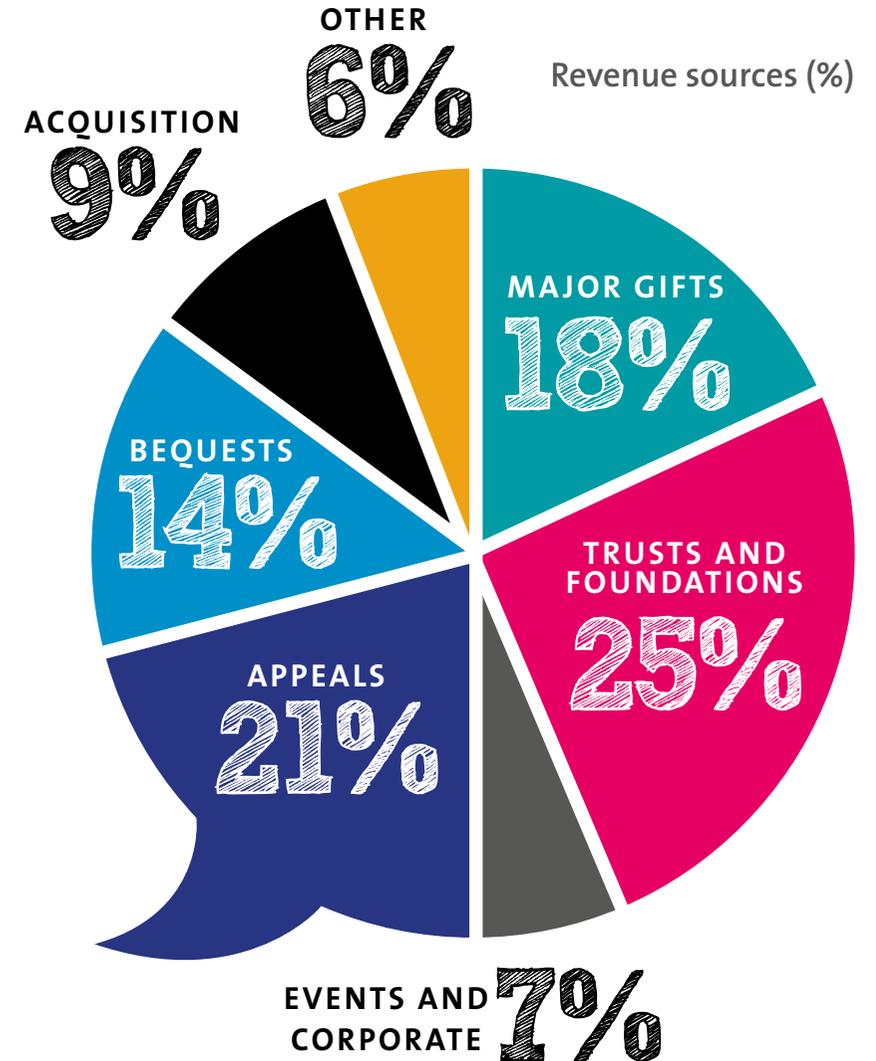
In the past 12 months our focus was on growth and building a solid foundation to roll out our five year strategic plan “Sound Future”, in which our supporters will play the most important role. We have a big challenge ahead of us in the next five years - to raise more money than we have ever done before, so we can reach out to every child with hearing loss that is currently not getting the early intervention support that they need.

The roll out of the National Disability Insurance Scheme (NDIS) from 2016

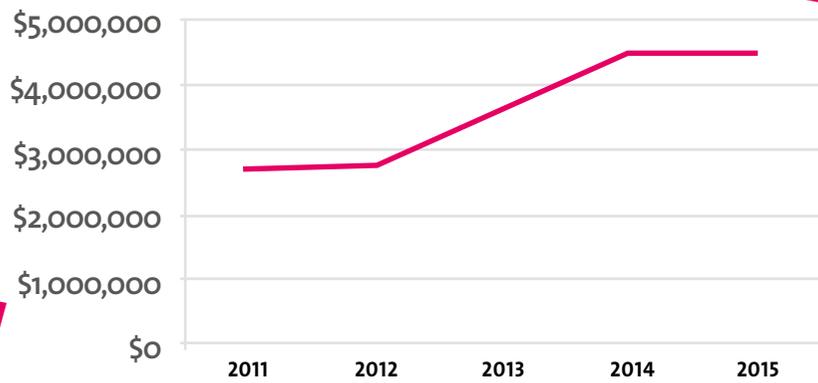
onwards will put The Shepherd Centre in a much better position financially, however the NDIS will not cover all of the costs that we need to improve our services to children and continue to deliver outstanding outcomes for our families. This is why fundraising support will become even more crucial for us in the future.

It is heartbreaking to know that 50% of children with hearing loss are not getting the support they need. We are embarking on this ambitious plan to raise \$34m over the next five years to ensure that every child with hearing loss can reach their full potential.

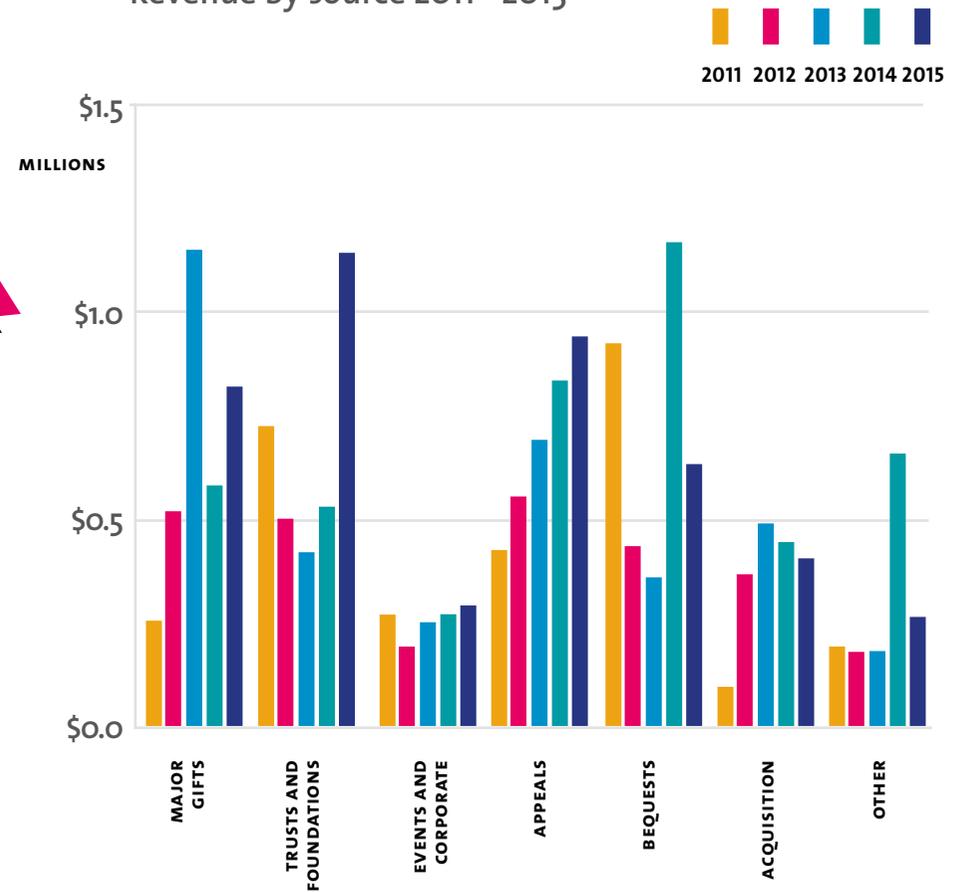
Our supporters are already starting to get involved in many of our Sound Future projects including in our research program, social skills programs, new school age support program and opening new centres in areas of most need. We can't express our gratitude enough for their dedication, passion and help. Read more about how you can support Sound Future at [www.shepherdcentre.org.au](http://www.shepherdcentre.org.au).



Total fundraising income 2011 - 2015



Revenue by source 2011 - 2015



**‘The Shepherd Centre’s  
Early Intervention Program works  
with hundreds of children every year.  
Most of these children now attend  
mainstream schools and have the same  
opportunities as their hearing peers.  
We are proud to be able to support  
this important work.’**

**– Winnie Cheng, Head of Community,  
Westfield Community Program**

### **OUR MAJOR GIVING PROGRAM**

Over the last few years the demand for our services has nearly doubled and with our unrelenting focus on supporting every child that needs our help, our individual major donors have never been more important. In 2015 these donors have supported children at The Shepherd Centre with over \$630,000 providing funding for various programs, research and individual scholarships.

### **TRUSTS AND FOUNDATIONS**

In 2015 The Shepherd Centre nearly doubled Trusts and Foundations income, exceeding the \$1.1m mark and securing a number of large and multi-year grants from various Trusts and Foundations across NSW, ACT and, for the first time, Tasmania. New income streams from various Councils and community clubs who supported local families attending The Shepherd Centre also contributed to this success.

In November we held a consultation forum for our key Trusts and Foundations partners, with Perpetual and Cochlear, where we shared and discussed our Sound Future plans.

A big thank you to all our supporters, in particular Westfield, Sargents Pies, Vincent Fairfax Family Foundation, Perpetual, Cochlear and Newman’s Own Foundation.



## GIFTS IN WILLS

Leaving a gift to The Shepherd Centre in your Will not only helps change a child's life, but also benefits the future of our nation. Thanks to our dedicated supporters so many of our graduates have achieved wonderful things in their chosen careers after gaining a solid foundation at The Shepherd Centre.

We are truly thankful for each and every legacy, no matter how large or small, left behind by our wonderful donors. In 2015, with over \$600,000 in legacies, our amazing students could continue to fulfil their potential. We honoured this support by sharing the successes of our graduates and thanking our donors' families for their involvement and help in the process. Leaving our children a gift in your Will and letting us know about it enables us to plan for the future and ensures the long term success of our organisation.

## CHILD SCHOLARSHIP PROGRAM

The Child Scholarship Program is a wonderful way to give the gift of speech and sound to children at The Shepherd Centre and be a part of their journey to big school.

In 2015 an additional six children received scholarships from our generous supporters to ensure they continue the early intervention therapy they need to learn to listen and speak just like any other child.

For our donors that choose a Child Scholarship to support the children at The Shepherd Centre, it is a way to feel connected and involved in that child's story and journey. They receive regular updates on the child's progress from the time the child hears their first sound and says their first word through to graduation to big school.



**Olivia, who has profound bilateral hearing loss is one of the children getting a scholarship from 2015 onwards thanks to the generosity of our donors.**

## CORPORATE PARTNERSHIPS

Our corporate supporters have again demonstrated what corporate social responsibility truly means. Financial industry supporters rocked the night at the FICAP Rockstar event in March, Pioneer Credit provided scholarships for our amazing children and Westfield continued to grow our partnership through their community program.

As well as providing financial support, a number of companies also donated valuable resources and time to support our programs. Businesses such as Morgan Stanley regularly sent volunteers to our centres to support our daily group sessions and activities as well as our administrative functions.

## FICAP Rockstar

In 2015 we were incredibly fortunate to secure a three year partnership with The Financial Industry Community Aid Program (FICAP) for their Rockstar event. FICAP have provided amazing support throughout the year and in March held a huge Rockstar fundraiser at The Ivy Hotel in Sydney benefiting three charities including The Shepherd Centre. FICAP raised over \$58,000 in one fun night to establish our FICAP Confident Kids Program.



**LEFT:** Isaac, graduating to go to mainstream school thanks to the support of Pioneer Credit.

**RIGHT:** Ethan painting the eyes of a lion for good luck at Westfield Chatswood launch.

## Pioneer Credit support

The Shepherd Centre and Pioneer Credit have a long standing partnership through the Financial Hardship Program. In 2015 Pioneer Credit provided support to families of children with hearing loss through an annual scholarship that allowed them to receive life changing therapy and treatment, giving each family and child an opportunity to learn how to hear and speak. Students such as Isaac (pictured left), are now graduating to mainstream school with the same speech and language as their hearing peers, all thanks to the support of Pioneer Credit.





**As well as providing financial support, a number of companies also donated valuable resources and time to support our programs.**

### **Westfield**

We are so proud to be the charity partner of Westfield Liverpool and Westfield Chatswood. From gift-wrapping initiatives through to organising BBQ fundraisers, Westfield was there to support us. The highlight of the year was the involvement of one of our students, Ethan, (pictured above) in the Westfield Chatswood official launch ceremony in December 2015 in front of such a big audience including our CEO, Dr Jim Hungerford and Westfield CEO, Mr Peter Allen.

In addition, thanks to Westfield Corporate support, we were extremely grateful to launch “Surround Sound” - an innovative program based on a technology called LENA which allows our clinicians to collect and analyse natural language environment data for children with hearing impairment.



### **RMB Lawyers**

We are pleased to announce that in 2015 we formed a partnership with RMB Lawyers in Wollongong. We are looking forward to working with them and our families raising awareness of our life changing services in 2016 and beyond.

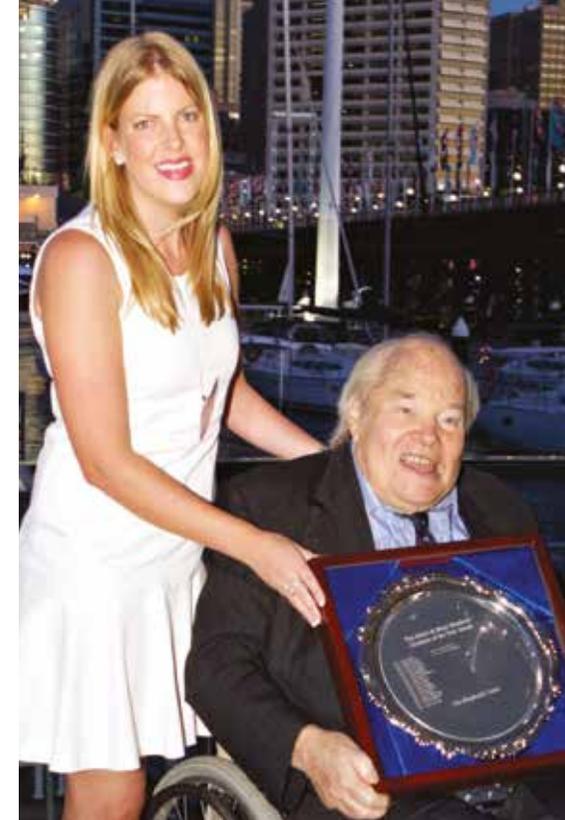


## EVENTS AND COMMUNITY FUNDRAISING

It was a busy and exciting year for Events and Community Fundraising at The Shepherd Centre. The highlights for the year were our flagship events like Power of Speech in August, Graduation in November and Loud Shirt Day in October. This combined effort raised an amazing \$250,000.

### Graduation

In November we had a record 50 children graduate from our Early Intervention Program to head off to big school. Graduation celebrations were held for our children at their local centres with the special celebration to mark the achievements of the parents held at the Maritime Museum in Sydney's Darling Harbour. That evening was particularly special because of the attendance by much loved and respected Dr Bruce Shepherd AM, the founder of The Shepherd Centre.



### Community fundraising

We have been overwhelmed with the incredible support received by our families and supporters alike. This year our supporters raised over \$84,000 by holding baking sales, running the City2Surf, half marathons, a 100km Ultra Marathon and even travelling across the country in a double decker bus. We would like to extend a huge thanks to all those who have participated or donated to the community events in support of The Shepherd Centre.

**ABOVE:** 2015 Past Graduate of the Year, Leah McConnell with Dr Bruce Shepherd AM, founder of The Shepherd Centre.  
**LEFT:** The Graham family raised over \$20,000 with their "Cheers Big Ears" bus tour.

### Loud Shirt Day

On Friday 16th October our families and supporters got loud in all kinds of wonderful and colourful ways raising an incredible \$82,000 across NSW, ACT and Tasmania. Particularly amazing fundraisers included our inaugural 'Paint Newtown Loud' initiative where all small business across Newtown came together to support kids with hearing loss as well as a family fun day held by our supporters at the Cambridge Airport in Tasmania.



**LEFT:** The Potaka family getting loud with their son Tyler for our Loud Shirt Day.

### Power of Speech

In August we held the third Cochlear sponsored Power of Speech event at Parliament House in Canberra. This public speaking event celebrates the extraordinary achievements made possible by cochlear implant technology and challenges conventional opinion on what children with hearing loss can achieve. Twelve amazing young children aged between 6 and 12 years from First Voice Centres around Australia and New Zealand bravely took to the stage to deliver fantastic speeches on a topic of their choice. Six year old Lachlan Davies from Tasmania and 10 year old Max Harpham from Sydney represented The Shepherd Centre in this wonderful event.



**RIGHT:** The youngest ever participant in the Power of Speech competition, six year old Lachlan Davies from Tasmania.

## INDIVIDUAL GIVING

Our generous donors contributed to the income of more than \$800,000 which allowed us to continue providing life changing services to children who so desperately need them. We have also welcomed over 12,000 new donors to The Shepherd Centre family.

Starting the year off, we launched our Back to School campaign which, for the first time, was conducted via mail and phone. We told the story of Antonio from our Liverpool Centre and his family's journey with The Shepherd Centre since he was five months old. Antonio is now five years old and loves going to school.

In April, our supporters got to meet little Annabel. Annabel and her family started their journey with The Shepherd Centre when she was just nine weeks old. She is now three years old and speaks beautifully.

The final appeal of the year featured gorgeous Angus. Born in December 2014 his family faced an anxious Christmas waiting for his hearing loss to be diagnosed. Angus is now one year old and has two cochlear implants; this year his family enjoyed another Christmas knowing he could hear all the joy and excitement of the festive season.

It has been a record year for our individual giving program with 28,000 donations from our wonderful supporters. We contacted our supporters through numerous methods like phone, direct mail and email.



**LEFT:** Angus was the star of our Christmas Appeal that raised nearly \$180,000.

**ABOVE:** Our Back to School campaign featured Antonio from our Liverpool centre.



## AUSTRALIAN FATHER OF THE YEAR

The Shepherd Centre is the proud host of the Australian Father of the Year Award. In time for Fathers' Day, Sydney based GP and community leader, Dr Jamal Rifi was selected as the 2015 Australian Father of the Year. A father to five children, Dr Rifi was awarded 2015 Australian Father of the Year because of his generous spirit and tireless efforts in the areas of youth, family and community development and in particular his determination to bridge gaps between Muslim and non-Muslim communities.

**BOTTOM LEFT:** Dr Jim Hungerford, CEO of The Shepherd Centre with Dr Jamal Rifi.

**BOTTOM RIGHT:** The Hon. John Ajaka, MLC and Ms Melanie Gibbons, MP for Holsworthy meeting one of the families at our Liverpool Centre.

## GOVERNMENT SUPPORT

Whilst the roll out of the NDIS was a great support to our Canberra families, the NSW and ACT governments continued to partially support us.

Additionally, in March the Hon. John Ajaka MLC, Minister for Disability Services announced the NSW Coalition Government would fund a \$250,000 shortfall in our early intervention services for children with hearing loss.



# Our Donors

## TESS PAGE

**Mother, bequestor and donor, former Board member of The Shepherd Centre**

In 1969 I received a letter from The Shepherd Centre about them starting up services in Sydney. Three of my six children were born with hearing loss. The Shepherd Centre was inviting families of children with hearing loss who were three years of age to join. David, my second child with hearing loss, was the right age and so we decided to give it a go. He was one of the very first children to start at The Shepherd Centre in January 1970.

For me, The Shepherd Centre was a lifesaver. I just felt I wasn't alone anymore and trying to feel my way as a mother of children with hearing loss. They just helped so much.

Initially the program was set up with a teacher from the John Tracy Clinic in the United States who came out and trained three teachers here in Australia.

We didn't have a place to go then so

the first few months we went to the childcare centre at the children's hospital in Camperdown. The children went five days a week; most mothers didn't go out to paid work at that time so we each had a day to go with the child and spent time in the childcare centre and also with a Teacher of the Deaf. We then moved and became part of the childcare facility of Sydney University and children with hearing loss were integrated with hearing children.

The Shepherd Centre has progressed a lot. The therapists there have always been excellent and that has never changed. Integration was the thing that Bruce Shepherd liked so the children were never ever isolated and they joined in with hearing children at the preschool.

I've been to every single graduation ceremony except one. I love meeting everybody there and talking with the teachers and other parents too.

The Shepherd Centre is just like a family. I worried when I was finished at The Shepherd Centre what would happen but you could keep in touch any time you liked.

There is one group of parents that still meet about three times a year. Our children were there in the 1970s. It was great over the years having that support through the other families as well - we laughed with each other and we cried with each other and you never felt too much alone.

The Shepherd Centre doesn't get a lot of government support and always needs more financial help. I've had so much support from them over the years that I feel it's important to give back.

I like to give something each year and have also left a gift to The Shepherd Centre in my Will. I'm pleased that I could leave a lasting legacy to continue to help children with hearing loss.



**DID YOU KNOW?**  
The NDIS allows us to offer more services to more families but does not fully cover our costs. We rely on the generous support of our donors.

**RIGHT:** Tess with son David, one of the very first children at The Shepherd Centre.



**OUR  
STORIES**



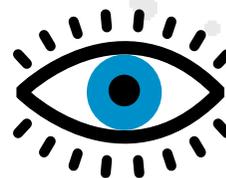
## A Sound Future

**OUR VISION TO CHANGE THE WORLD FOR CHILDREN WITH HEARING LOSS.**

### **A socially and emotionally-connected future for young adults with hearing loss.**

Every child with hearing loss deserves an opportunity to develop spoken language to help support their development in life. There are 50% of children in NSW today that are missing out on the right support – and we are the best organisation to deliver this support for these children and their families, so they can have the same chance for a positive future as the children we help right now. In addition to this, we know that there is a need from our existing clients to extend our services to support their children with social skills programs and at school.

We will utilise funding from both the National Disability Insurance Scheme and expanded fundraising to grow so that by 2020 we can support 600 children in Early Intervention Service (0-5 year olds) and 1,000 children in school to achieve their full potential.



### **Our Vision**

Every child with hearing loss achieves their full potential in the world through their listening, spoken language and social skills.

### **Our Goal**

To ensure that all children with hearing loss are receiving the support they need to complete school with the spoken language and social skills required for them to achieve their potential in life.

## Our Strategy

We will do this by focusing on:

- Applied clinical research to understand barriers of entry for children who are not in any early intervention services
- Research to expand social skills programs
- School aged support programs for all our children that need them
- Development of e-learning systems
- Greater support of families in rural and remote communities
- Support of low socio-economic, marginalised and culturally diverse communities
- Fundraising growth

### **Commitment to service delivery**

We are committed to continuing to deliver the best possible results for the children that we serve. This will always be our primary focus and will continue to be throughout the implementation of Sound Future.

## Our Mission

To work, along with partner organisations, towards ensuring that every child we assist achieves the best listening and spoken language they are capable of; and to support their development of the social skills needed to maximise their social inclusion.

## JOIN US ON OUR EXCITING JOURNEY FOR A SOUND FUTURE

Together with our supporters we envisage a future in which every child with hearing loss is given the chance to listen and speak as well as the opportunity to reach their full potential. We are determined to ensure that children born deaf develop into confident young adults who are able to connect socially and emotionally with the world around them in the same way as their hearing peers.

As we stand on the cusp of great change, we hope that you will join us in reimagining the future – and bringing to life a bright new world for every deaf child here in NSW, the ACT and Tasmania thus helping transform clinical practices everywhere across the globe.



**Concise  
Financial  
Report**

<b>85</b>	<b>DIRECTORS' REPORT</b>
<b>85</b>	<b>AUDITOR'S INDEPENDENCE DECLARATION</b>
<b>86</b>	<b>DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS</b>
<b>86</b>	<b>CONCISE FINANCIAL STATEMENTS</b>
<b>86</b>	<b>STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME</b>
<b>87</b>	<b>STATEMENT OF FINANCIAL POSITION</b>
<b>87</b>	<b>STATEMENT OF CHANGES IN EQUITY</b>
<b>88</b>	<b>STATEMENT OF CASH FLOWS</b>
<b>88</b>	<b>NOTES TO THE CONCISE FINANCIAL STATEMENTS</b>
<b>89</b>	<b>RESPONSIBLE ENTITIES' DECLARATION</b>
<b>90</b>	<b>INDEPENDENT AUDITOR'S REPORT</b>



# The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

## Concise Financial Report

For the Year Ended 31 December 2015

# The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

## Concise Financial Report

For the Year Ended 31 December 2015

### Contents

Directors' report

Auditor's independence declaration

Discussion and analysis of the financial statements

Concise financial statements:

Statement of profit or loss and comprehensive income

Statement of financial position

Statement of changes in equity

Statement of cash flows

Notes to the concise financial statements

Responsible Entities' Declaration

Independent auditor's report

### Relationship of the concise financial report to the full financial report

The concise financial report is an extract from the full financial report for the year ended 31 December 2015. The financial statements, specific disclosures and other information included in the concise financial report are derived from, and consistent with, the corresponding full financial report of The Shepherd Centre - For Deaf Children.

The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of The Shepherd Centre - For Deaf Children as the full financial report.

A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request; by contacting the registered office of The Shepherd Centre - For Deaf Children on 02 9370 4401.

The full version of the annual financial report has also been lodged with the Australian Charities and Not-for-profits Commission and can be accessed via their website.

## The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

### Director's Report

Your directors present their report on the company for the financial year ended 31 December 2015.

The names of the directors in office and meetings attended at any time during the year were:

		Directors' Meetings	
		Number eligible	Number
		to attend	attended
Mr Michael H Shepherd AO	until 26/5/15	3	2
Dr Hugh W Torode		6	6
Hon. Robert J Webster	until 26/5/15	3	1
Mr Philip Rossi		6	5
Mr Chris Ladas		6	5
Mr Peter W Mattick AM		6	6
Mrs Fiona Fairlie		6	5
Mrs Susan Turner-Kapsanis	from 2/12/15	1	1
Mrs Colleen Chapman	from 2/12/15	1	1

The Director's have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Company Secretary

The position of company secretary was held by Sandra Slade at the end of the financial year.

### Dividends Paid or Recommended

Under the company's constitution, The Shepherd Centre - For Deaf Children is prohibited from paying dividends.

### Directors benefits

No director has received or become entitled to receive a salary or any benefits for their work as a director of The Shepherd Centre - For Deaf Children.

### Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 31 December 2015, the total amount that members of the company are liable to contribute if the company is wound up is \$360 (2014: \$360).

### Principal Activity

The principal activity of The Shepherd Centre - For Deaf Children is to help deaf and hearing impaired children in NSW/ACT and Tasmania reach their language, listening and speech potential and integrate into their local community, school and the hearing world. No significant change in the nature of this activity 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 future periods.

### Auditors Independence Declaration

The lead auditor's independence declaration for the year ended 31 December 2015 has been received and can be found on page 4 with their report on this Concise Financial Report available on page 15.

### Sign off details

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

Director: 

Mr Peter W Mattick AM, Chairman

Dated this 27th day of April 2016



1000 ERMINGHAM  
15 Metro Plaza  
Sydney NSW 1585  
Australia

11000 BROADWAY  
2000 Bayswater  
Sydney NSW 2002  
Australia

Tel: +61 2 9222 2299 www.pitcher.com.au  
Fax: +61 2 9222 1122 info@pitcher.com.au

Pitcher Partners is an authorised member firm  
of the Institute of Chartered Accountants in Australia (ICAA)

## AUDITOR'S INDEPENDENCE DECLARATION TO THE RESPONSIBLE PERSONS OF THE SHEPHERD CENTRE - FOR DEAF CHILDREN

In relation to the independent audit for the year ended 31 December 2015, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct.



Melissa Alexander  
Partner

PITCHER PARTNERS  
Sydney

Date: 27<sup>th</sup> April 2016

## The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

### Discussion and analysis of the financial statements

#### Information on The Shepherd Centre's Concise Financial Report

This analysis is provided to assist members in understanding the concise financial report. The analysis is based on The Shepherd Centre - For Deaf Children's financial statements and the information contained in the concise financial report has been derived from the full 2015 financial report of The Shepherd Centre - For Deaf Children.

The financial result for 2015 was a deficit of \$243k compared to a profit of \$354K in 2014. In addition, land and buildings were revalued in 2015 resulting in a net gain of \$174k being applied to other comprehensive income. Accordingly, total other comprehensive income for 2015 was a deficit of \$69k compared to a surplus in 2014 of \$354k.

The main factors contributing to the final results were:

1. In 2015 our staff numbers grew from 53.3 to 61.3. By far the biggest increase was to our Clinical Team which needed to grow to meet the increasing demand for our services, to ensure we are prepared for the rollout of NDIS in NSW in 2016 and to ensure that ongoing research is supported so that we know that the services we provide are producing the best results possible. Our ability to grow our clinical staff numbers was greatly assisted by a special grant from the NSW Government however fundraising remains our main source of income so in 2015 we also invested in our Fundraising Team to ensure that we can continue to grow and help more families in future years.
2. Fundraising Costs increased in 2015 due to extra campaigns being conducted in order to grow future supporter income in response to increased service demands.
3. Our Land & Buildings assets were revalued in 2015 by Herrod Todd White to *fair value* (previously valued in 2012). Our Wollongong property was valued at \$875k (up 11%) and our Casula property was value at \$900k (up 20%).

## The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

### Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2015

	Note	2015 \$	2014 \$
<b>REVENUE</b>			
<b>Operating activities</b>			
Sale of goods		11,837	415
Donations	5(b)(i)	4,463,613	4,462,885
Government subsidies		2,255,231	2,126,054
Clinical practice		1,014,378	1,027,073
Interest received		142,222	143,648
Member subscriptions		315	327
Rental income		9,455	8,793
Sundry revenue		516,890	364,711
<b>Total operating activities revenue</b>		<b>8,413,941</b>	<b>8,133,906</b>
<b>Other income</b>			
Gain on sale of property, plant and equipment		8,086	-
<b>Total income</b>		<b>8,422,027</b>	<b>8,133,906</b>
<b>EXPENDITURE</b>			
Audit, legal and consulting expenses		221,302	166,686
Depreciation and amortisation		295,915	283,393
Employee benefits expense		5,582,617	5,056,605
Facilities rent & maintenance expense		375,915	356,539
Fundraising campaigns and event expenses	5(b)(iii)	1,553,658	1,266,300
Other expenses		635,546	650,116
<b>Total Operating Expenditure</b>		<b>8,664,953</b>	<b>7,779,639</b>
<b>(Loss)/Profit before income tax</b>		<b>(242,926)</b>	<b>354,267</b>
Income tax expense		-	-
<b>(Loss)/Profit for the year after income tax</b>		<b>(242,926)</b>	<b>354,267</b>
<b>Other comprehensive income:</b>			
Net gain on revaluation of land and buildings		173,554	-
<b>Total comprehensive income for the year</b>		<b>(69,372)</b>	<b>354,267</b>

## The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

### Statement of Financial Position

As At 31 December 2015

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	1,028,507	291,340
Other financial assets	3	3,900,000	4,400,000
Trade and other receivables		480,131	393,977
Inventories		145	-
Other assets		228,940	246,611
<b>TOTAL CURRENT ASSETS</b>		<b>5,637,723</b>	<b>5,331,928</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		2,685,001	2,625,198
Intangible assets		161,999	117,370
Other assets		-	48,750
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,847,000</b>	<b>2,791,318</b>
<b>TOTAL ASSETS</b>		<b>8,484,723</b>	<b>8,123,246</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		868,588	775,794
Short-term provisions		521,994	397,078
Other liabilities		428,103	142,782
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,818,685</b>	<b>1,315,654</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions		171,421	131,628
Other liabilities		675,556	787,531
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>846,977</b>	<b>919,159</b>
<b>TOTAL LIABILITIES</b>		<b>2,665,661</b>	<b>2,234,813</b>
<b>NET ASSETS</b>		<b>5,819,061</b>	<b>5,888,433</b>
<b>EQUITY</b>			
Retained earnings		5,001,130	4,665,821
Reserves		817,931	1,222,612
<b>TOTAL EQUITY</b>		<b>5,819,061</b>	<b>5,888,433</b>

## The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

### Statement of Changes in Equity

For the Year Ended 31 December 2015

	Note	Retained Surplus \$	Asset Revaluation Surplus \$	Asset Realisation Reserve \$	Total \$
2015					
<b>Balance at 1 January 2015</b>		<b>4,665,821</b>	<b>602,448</b>	<b>620,164</b>	<b>5,888,433</b>
Transfer of unrealised gain previously reported in retained surplus		(41,929)	41,929	-	-
Transfer from asset realisation reserve for gains realised on historical property sales		620,164	-	(620,164)	-
Deficit attributable to members of the entity		(242,926)	-	-	(242,926)
Other comprehensive income - property assets revalued		-	173,554	-	173,554
<b>Balance at 31 December 2015</b>		<b>5,001,130</b>	<b>817,931</b>	<b>-</b>	<b>5,819,061</b>
2014					
<b>Balance at 1 January 2014</b>		<b>4,098,623</b>	<b>602,448</b>	<b>620,164</b>	<b>5,321,235</b>
Adjustment to opening balance from recognition of the Annette Shepherd Travelling Scholarship fund	4	212,931	-	-	212,931
<b>Restated balance as at 1 January 2014</b>		<b>4,311,554</b>	<b>602,448</b>	<b>620,164</b>	<b>5,534,166</b>
Surplus attributable to members of the entity		373,062	-	-	373,062
Adjustment to surplus for the year from recognition of the Annette Shepherd Travelling Scholarship fund		(18,795)	-	-	(18,795)
<b>Balance at 31 December 2014</b>		<b>4,665,821</b>	<b>602,448</b>	<b>620,164</b>	<b>5,888,433</b>

The accompanying notes form part of these financial statements

## The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

### Statement of Cash Flows

For the Year Ended 31 December 2015

	2015	2014
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Other income	672,322	245,049
Receipts from Clinical Practice	994,306	949,371
Operating grant receipts	2,565,108	2,286,026
Payments to suppliers and employees	(8,335,912)	(7,320,954)
Interest received	138,731	118,509
Gifts and donations received	4,423,113	4,462,885
<b>Net cash provided by operating activities</b>	<b>457,668</b>	<b>740,986</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant and equipment	8,086	-
Payment for intangible asset	(74,559)	(13,450)
Purchase of property, plant and equipment	(154,028)	(201,876)
Net investments in term deposits with maturity dates of 3-12 months	500,000	(1,100,000)
<b>Net cash provided by (used by) investing activities</b>	<b>279,499</b>	<b>(1,315,326)</b>
Net increase/(decrease) in cash and cash equivalents held	737,167	(574,340)
Cash and cash equivalents at the beginning of the financial year	291,340	865,680
<b>Cash and cash equivalents at the end of the financial year</b>	<b>1,028,507</b>	<b>291,340</b>

The accompanying notes form part of these concise financial statements.

## The Shepherd Centre - For Deaf Children

ABN 61 000 699 927

### Notes to the Concise Financial Statements

For the Year Ended 31 December 2015

#### Note 1: Summary of Significant Accounting Policies

The financial statements cover The Shepherd Centre - For Deaf Children as an individual entity, incorporated and domiciled in Australia. The Shepherd Centre - For Deaf Children is a company limited by guarantee. The company is recognised as a Public Benevolent Institution and Deductible Gift Recipient by the Australian Taxation Office.

#### Note 2: Basis of Preparation of the Concise Financial Report

The concise financial report is an extract of the full financial report for the year ended 31 December 2015. The concise financial report has been prepared in accordance with Accounting Standard 1039: Concise Financial Reports and the *Australian Charities and Not-for-Profits Act 2012*.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of The Shepherd Centre - For Deaf Children. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of The Shepherd Centre - For Deaf Children as the full financial report.

The financial report of The Shepherd Centre - For Deaf Children has been prepared in accordance with Australian Accounting Standards (AASBs) including Australian Accounting Interpretations. A statement of compliance with International Financial Reporting Standards cannot be made due to the organisation applying the not-for-profit sector specific requirements contained in the Australian Accounting Standards. The presentation currency used in this concise financial report is Australian dollars.

The accounting policies adopted are in accordance with the Charitable Fundraising Act 1991 (NSW) and the Charitable Collections Act 2003 (ACT).

#### Note 3: Restatement of Comparative

##### Correction of misstatement

A misstatement was discovered in the entity's 2014 financial report whereby a bank account holding \$213k for the Annette Shepherd Travelling Scholarship was held under a trust deed to provide funding to support clinical travel to conferences for training and professional development. This bank account had been excluded from the entities books in the past, with only the income booked as revenue as and when qualifying expenditure had been incurred.

The error resulted in an understatement of assets and equity, and an overstatement of revenue. Extracts (being those line items affected) are disclosed below:

	1-Jan-14		1-Jan-14
	\$	\$	\$
<b>Extracts</b>			
<b>Assets</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Restated</b>
Current Assets			
Cash and cash equivalents	97,203	212,931	310,134
<b>Total current assets</b>	<b>5,137,791</b>	<b>212,931</b>	<b>5,350,722</b>
<b>Equity</b>			
Retained surplus	5,321,235	212,931	5,534,166
<b>Total Equity</b>	<b>5,321,235</b>	<b>212,931</b>	<b>5,534,166</b>

#### Note 4: Information and Declarations to be Furnished under the Charitable Fundraising Act 1991 (NSW) and the Charitable Collections Act 2003 (ACT)

##### (a) Fundraising appeals conducted during the financial year

Shepherd Voice newsletters, Back to School, Christmas, donor care, regular giving, supporter survey and tax appeals. The bequest program is expanding and the child sponsorship and scholarship opportunities were pursued. In addition, the Shepherd Centre pursues new donor recruitment through its acquisition program and for 2015 this included the ongoing implementation of telemarketing.

**Notes to the Concise Financial Statements** (continued)

For the Year Ended 31 December 2015

**Note 4: Information and Declarations to be Furnished under the Charitable Fundraising Act 1991 (NSW) and the Charitable Collections Act 2003 (ACT)** (continued)

	2015	2014
	\$	\$
<b>(b) Details of aggregate gross income and total expenses of fundraising appeals</b>		
<b>INCOME</b>		
Major gifts	1,940,112	1,095,982
Events	296,471	270,170
Appeals	930,014	833,702
Bequests	623,894	1,158,059
Acquisition	409,603	446,321
Other	263,519	658,650
<b>(i) Total Fundraising Revenue</b>	<b>4,463,613</b>	<b>4,462,884</b>

<b>EXPENDITURE</b>		
Events	95,907	125,328
Appeals	380,244	287,013
Bequests	9,075	16,111
Acquisition	1,052,908	830,870
Other	15,525	6,978
<b>(ii) Total Fundraising Expenses</b>	<b>1,553,659</b>	<b>1,266,300</b>

<b>Net Surplus obtained from fundraising appeals</b>	<b>2,909,954</b>	<b>3,196,584</b>
--	------------------	------------------

**(c) Statement showing how funds were applied for charitable purposes**

Net surplus obtained from fundraising appeals	2,909,954	3,196,584
---	-----------	-----------

**Applied to charitable purposes in the following manner:**

Expenditure on direct services and administration	(5,754,052)	(5,297,566)
Expenditure on fundraising administration	(1,230,983)	(1,130,942)
Capital Expenditure	(228,291)	(199,725)
	<b>(4,303,372)</b>	<b>(3,431,649)</b>

**The shortfall was provided from the following sources:**

Government grants	2,255,231	2,126,054
Other income	1,628,995	1,478,931
<b>(Shortfall)/Surplus of current year funding</b>	<b>(419,146)</b>	<b>173,336</b>

	2015	2014
	Ratio / %	Ratio / %
<b>(d) Financial Ratios</b>		
Direct cost of fundraising/ Gross proceeds from fundraising appeals	35%	28%
Net surplus obtained from fundraising appeals/ Gross proceeds from fundraising appeals	65%	72%
Total cost of services/ Total expenditure	47%	48%
Total cost of services/ Total income received	48%	46%

**The Shepherd Centre - For Deaf Children**

ABN 61 000 699 927

**Responsible Persons' Declaration**

The responsible persons' of the company declare that:

1. The concise financial report and notes, as set out on pages 6 to 12, are in accordance with the *Australian Charities and Not-for-profit Commission Act 2012* and:

- comply with Australian Accounting Standard AASB 1039: Concise Financial Reports; and
- is an extract from the full financial report for the year ended 31 December 2015 and it has been derived from, and is consistent with, the full financial report of The Shepherd Centre - For Deaf Children.

2. In the directors' opinion, there are reasonable grounds to believe that the entity 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.

Director: 

Mr Peter W Mattick AM, Chairman

Dated this 27th day of April 2016

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE SHEPHERD CENTRE - FOR DEAF CHILDREN**

**Report on the Concise Financial Report**

We have audited the accompanying concise financial report of The Shepherd Centre - For Deaf Children ("the Company"), which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the concise financial report in accordance with Australian Accounting Standard AASB 1039 *Concise Financial Reports* and the *Australian Charities and Not-For-Profits Commission Act 2012*; and for compliance with the *Charitable Fundraising (NSW) Act 1991* and the *Charitable Collections (ACT) Act 2003*. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the concise financial.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the concise financial report based on our procedures which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*. We have conducted our audit in accordance with Australian Auditing Standards, of the financial report for The Shepherd Centre-for Deaf Children for the year ended 31 December 2015. We expressed an unmodified audit opinion on that financial report in our report dated 27 April 2016. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of audit evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039 *Concise Financial Reports*.

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

*Independence*

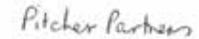
In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-For-Profits Commission Act 2012*.

*Opinion*

In our opinion, the concise financial report including the discussion and analysis of The Shepherd Centre - For Deaf Children for the year ended 31 December 2015 complies with Accounting Standard AASB 1039 *Concise Financial Reports*.



Melissa Alexander  
Partner



PITCHER PARTNERS  
Sydney

Date: 27<sup>th</sup> April 2016

## How you can help

### Gifts in Wills

Leave your legacy by making a gift in your Will to The Shepherd Centre. More information at [www.shepherdcentre.org.au](http://www.shepherdcentre.org.au) or call 1800 020 030.

### Volunteer

At any of our five centres. Opportunities in administration, grounds maintenance, events and more!

### Child Scholarship

Support a child's journey through The Shepherd Centre. **Contact us on 1800 020 030.**

### Donate online

[www.shepherdcentre.org.au](http://www.shepherdcentre.org.au)

### Become a monthly donor

Sign up online at [www.shepherdcentre.org.au/donate](http://www.shepherdcentre.org.au/donate)  
The most efficient way to make your donations, that provides long-term certainty to our children.

### Fundraising online

A fun and easy way to help. We work closely with Everyday Hero using their online fundraising portal. Whether you're running in a race, trekking, climbing a mountain or celebrating a birthday, wedding or other life event, it's easy to get started.

### Corporate Volunteer Day

Rally your staff together to come and help out at one of our centres. A fun and rewarding way for your team to help!



## Contact us

### The Shepherd Centre Central Office

The Roth-Winkler Campus  
146 Burren Street, Newtown NSW 2042  
T: (02) 9370 4400 F: (02) 9370 4499

### The Canberra Shepherd Centre

Nealie Place, Rivett ACT 2611  
T: (02) 6288 5920 F: (02) 6288 5940

### The Annette Shepherd Centre Liverpool

43 Graham Avenue, Casula NSW 2170  
T: (02) 9370 4404 F: (02) 9370 4499

### The Shepherd Centre at The Australian Hearing Hub

Ground Floor, 16 University Ave  
Macquarie University, NSW 2019  
T: (02) 8297 4700 F: (02) 9370 4499

### The Wollongong Shepherd Centre

48 Dempster Street, West Wollongong, NSW 2500  
T: (02) 9370 4403 F: (02) 9370 4499



T: 1800 020 030



W: [www.shepherdcentre.org.au](http://www.shepherdcentre.org.au)



E: [enquiries@shepherdcentre.org.au](mailto:enquiries@shepherdcentre.org.au)



Facebook: /ShepherdCentre



Twitter: @shepherdcentre



Instagram: @shepherdcentre