Where we are...
Where we want to be.

versus

On the Line
Annual Report
2016-2017
Annual Report for the Year Ended 30 June 2017

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Where we are versus Where we want to be...

On the Line plays an important role in family, relationships, and the mental health sector across Australia. We support people in their relationships with themselves, with the people they love and the communities in which they live, to help them feel better.

The work that we do here at On the Line helps people to find meaning, to feel better, and to get on with their lives. This valuable and worthwhile work is not only important to our clients’ lives, but also to the survival and long-term success of our business.

The mental health sector is changing rapidly and dramatically. In November 2015, the Turnbull Government released a new blueprint for mental health services that represents a shift away from the current “one size fits all approach” to an individualised care response. Thirty-one primary health networks (PHNs) have now been tasked with commissioning suicide prevention activities within their geographic areas, resulting in location based funding rather than national funding.

We are very pleased that the Department of Health will continue to fund On the Line to deliver the Suicide Call Back Service (SCBS) for a further two years (from 1 July 2017 to 30 June 2019); and All Hours Support Service (AHSS) for a further one year (from 1 July 2017 to 30 June 2018).

Further Government change saw a new National Media and Communications strategy announced at the end of 2016. This strategy includes broadening the scope of programs such as LIFE to support anywhere and anytime. Thank you also to our Board of Directors, who volunteer their time and expertise to oversee the governance and our Board of Directors, who volunteer their time and expertise to oversee the governance and future direction of our business. And finally, to On the Line’s staff and counselling team. Thank you. Without your dedication, commitment and hard work, none of this would be possible.

It’s now more than a year since I walked in the door here at On the Line and in that short time the landscape of our business has changed dramatically. The past 12 months have been challenging and exciting, so I wanted to reflect and celebrate what we’ve achieved in a very short time.

In developing and implementing a new strategic plan as we transform On the Line, we’ve all had to change what we’ve become comfortable doing, and learn to work in different and more efficient ways to ensure we meet our funders’ needs and contractual requirements.

I’m delighted to report that our new strategic direction has already produced positive results. In financial year (FY) 2017, we generated $6.2m in new tenders, grants, and business opportunities, including nine new services:

- **Connections: Western Sydney HelpLine** (low intensity mental health service for WestWest PHN)
- **Support Now** (a telehealth and online psychological therapy service for people potentially affected by PFAS contamination funded by Department of Health)
- **NSW Core Line** (Australian Institute of Conveyancers NSW counseling line)
- **Step Together** (a community advice and support service to help prevent violent extremism)
- **Regional Access** (low intensity mental health services for Country SA PHN)
- **CARE Dining** (low intensity mental health telephone response for North Western Melbourne PHN)
- **ParraMatta Mission** (Uniting Recovery and Uniting Hope after hours and weekend support for Youth Mental Health and Specialist Homelessness services - telephone and online chat)

This resulted in a revenue increase of 16% on FY 2016; a reported surplus of $264,888 (FY 2016, $8.8k); and a move back to a positive working capital ratio of 1.34.

As a counselling service provider that helps people to manage their social and emotional health, we’re well aware of the mental health benefits of positive thoughts and emotions. Similarly, social isolation and loneliness – poor relationships with ourselves and others – is inextricably linked with depression, anxiety, and suicide; and are believed to exacerbate a wide range of physical illnesses.

We’ve identified that more than 72% of our end-user clients are men, who contact our counsellors to talk about their relationships; depression and social isolation; and mental health and substance use disorders. Our expertise in men’s social and mental health and relationships, including our experience supporting men through MensLine (since 2001), Changing for Good, Department of Defence, Veterans’ Affairs and existing corporate contracts with AMWU and Mates in Construction provides us with a unique opportunity to leverage our strengths and position ourselves as thought leaders in men’s mental health and wellbeing, and integrated social health. Winning new business such as Step Together is testament to the value of this approach.

These are exciting times for us at On the Line. Our transformation into a financially sustainable social health business with a focus on men’s issues is well underway and I’d like to thank each of you for your hard work and commitment to this process.

Results like those achieved this past year provide me and the Board with comfort and confidence that we’re on the right track. And that great things do, and will continue to, happen here at On the Line.

Kim O’Neill
CEO
Annual Report for the Year Ended 30 June 2017

Mission & Vision

Our mission

On the Line is a professional social health business providing counselling support, anywhere and anytime.

We listen and encourage people to feel better: building resilience, fostering healthy relationships, and connecting people with community support.

Our vision

Encouraging people to feel better and create a life worth living.

Our values

Courage
Curiosity
Connection

Strategic objectives

Sustainability & Growth
To compete we need to diversify our funding sources and develop a more client-centric model of marketing and service delivery to win in a more competitive, commercial environment.

Customers
Create a market-oriented business to meet the needs of our clients more efficiently than our competitors.

People
Positioning ourselves to be healthier and stronger for the sake of our clients and our people through high quality services.

Technology and operational effectiveness
Creating smarter, more adaptive and agile ways of engaging with our services.

What we do best

Deliver professional, quality telephone, online chat and video counselling services nationwide.

80,216 calls per year

100,000 hours of counselling

24 hrs Access to professional counselling
At the end of last year, On the Line released its first Social Health business model, which is anchored in supporting and counselling people in their relationships. Relationships with themselves, their relationships with the people they love, and their relationships with the communities in which they live, to help them feel better.

To continue to grow and transform, On the Line is focusing on earlier intervention, best-practice counselling support, and improved client outcomes for mental and social health issues across a client’s lifespan.

To be successful as a social health business, On the Line has already begun to make changes, including:

- Creating tailored and personalised models of integrated, self-managed client care
- Defining client groups along the mental health continuum: those who are high risk and have complex mental health needs, to the worried well.

In the future, On the Line will engage with end-user groups to create online communities targeted to the needs of individual groups, enable co-designed service delivery with end-users, and provide both information and opportunity for interactive peer-led forums tailored to specific end-user groups.
Highlights

$6.2m in new revenue

16% increase in new business

Nine new service lines

24/7 support services, anywhere anytime

Accredited government supplier

Men’s mental and social health and wellbeing

Caller profile

72% male callers

Top 5 reasons for calling

- 49% relationships
- 11% loneliness
- 9% loss and grief
- 7% mental illness
- 5% legal issues

76% of callers are aged 25 – 54
Men’s Social Health

Men’s social health is about supporting people in their relationships with themselves, the people they love, and the communities in which they live, to help them feel better.

Across all of On the Line’s services, 70% of our clients are men. Our counsellors have substantial expertise in men’s social health and relationships. Most of our male clients are seeking support for a relationship issue, whether that’s starting or ending a significant relationship, grief and loss, loneliness, or parenting related issues and concerns. Men want to get on top of their problems, and be a good partner, son, father, brother and friend.

MensLine Australia
MensLine Australia is the national telephone and online support, information and referral service for men with family and relationship concerns. The service is available from anywhere in Australia and is staffed by professional counsellors, experienced in men’s issues. By offering different modalities, MensLine provides a safe place to talk and clients have 24-hour support, anywhere anytime. On the Line has been delivering the service since 2001.

Changing for Good
Changing for Good is a targeted service that works with men who have completed a behaviour change program. Through our experience in counselling and supporting men through MensLine Australia, we recognised that there was a gap in ongoing support systems for those who had completed the program. Many of these men expressed concern about relapse and sought support. In response to this need, we launched the Changing for Good service. Unique in the Australian social health landscape, it is a voluntary service that offers extended counselling support to men and their partners for 12 months.

Over the first year of the program, we realised that one approach does not work for everyone. Some men wanted support immediately, whereas others declined initially but accepted counselling later on when their circumstances changed. By providing ongoing communication and specialist support, we have been able to help men make and sustain changes in violent or abusive behaviours and the belief systems behind them.

Annual Report for the Year Ended 30 June 2017

43,011 calls answered

Monday was the most popular day for calls

24% of callers are separated from their partner

16% calls about loneliness
Suicide continues to be a major public health concern. Over the last five years, the average number of deaths by suicide per year was 2,795. Across every state and territory, suicide is approximately three times higher in males.

On the Line offers crisis support for anyone at risk of suicide, worried about someone at risk, or bereaved by suicide. Professional counsellors, with specialist skills in working with suicide-related issues, help clients work through difficult emotions. Our counsellors assess suicide risk and assist clients with goal and safety planning.

The most common reasons people call are for issues with past and present relationships, loneliness, financial or job-related pressures, and mental health concerns. Across both of our suicide crisis support lines, 55% of callers have been diagnosed with a mental illness. One third has borderline personality disorder, depression or anxiety, and a quarter has been diagnosed with schizophrenia.

People with diagnosed mental health conditions have substantially increased risk of suicidality than the general public. This risk is further increased with comorbid conditions. Our counsellors work with these clients to give them effective tools so they can self-manage their illness to improve their quality of life and reduce the risk of suicide.

Suicide Call Back Service
Suicide Call Back Service is a nationwide service that offers telephone, video and web chat counselling. The service provides immediate telephone counselling and support in a crisis. Additionally, we provide up to six further telephone counselling sessions with the same counsellor scheduled at times best suited to the client’s needs.

SuicideLine Victoria
SuicideLine Victoria the only state-based telephone service in Australia dedicated to suicide prevention. Our counsellors answer thousands of calls from people in Victoria who are affected by suicide. We offer telephone, video and web chat counselling, providing vital support for Victorians each year.
The mental health sector is undergoing dramatic changes and reforms. We have seen a shift away from a ‘one size fits all’ national strategy to a localised approach with individual health care choices.
Our Service Lines and Funding Partners

Men’s Mental and Social Health
On the Line’s counsellors provide telephone and online support to men with family and relationship concerns.

Changing for Good
A 24/7 telephone counselling program supporting men and their partners to build on the work they have already started in a men’s behaviour change program, further educating and supporting them to maintain respectful and violence free relationships.

MensLine Australia
A 24/7 national telephone, video and online counselling, information and referral service for men with family and relationship concerns.

Suicide Prevention
On the Line offers professional support to people at risk of suicide, people concerned about someone else’s risk of suicide, and people bereaved by suicide.

All Hours Suicide Support Service
A specialised national telephone service to support clients of the Primary Health Networks when their allied health provider is not available. Our counsellors support people at risk of suicide and self-harm.

Suicide Call Back Service
A nationwide service that provides 24/7 telephone, video and online counselling to people who are affected by suicide. Our professional counsellors have specialist skills in working with suicide-related issues and can help clients to work through the pain and distress. The service can provide up to six counselling sessions with the same counsellor scheduled at times best suited to the client’s needs.

SuicideLine Victoria
A 24/7 telephone, video and online counselling service for those at risk and vulnerable in Victoria. Our professional counsellors provide support to anyone who is thinking about suicide, worried about someone else, or bereaved by suicide.

Government
On the Line provides customised counselling services that deliver counselling support for a range of government services.

Department of Defence
A national 24/7 confidential telephone service for Australian Defence Force members and their families, providing a mental health triage service and linking serving members to appropriate mental health services. Our counsellors have specific training on the issues faced by Australian Defence Force members and their families and can offer comprehensive, specialist advice on the services that are most appropriate to assist them.

Suicide Call Back Service
A 24/7 national telephone, video and online counselling service for people who have lived or worked in Oakley or Williamtown and have potentially been affected by per- and poly-fluoroalkyl substance (PFAS) exposure.

SuicideLine Victoria
A 24/7 telephone, video and online counselling service for people who have lived or worked in Oakley or Williamtown and have potentially been affected by per- and poly-fluoroalkyl substance (PFAS) exposure.

Veterans and Veterans Families Counselling After Hours Service
An after-hours support and counselling service for current and former Australian Defence Force members and their families. On the Line provides the after-hours service ensuring 24/7 counselling. Our counsellors are trained in issues specific to the veteran community.

Primary Health Networks
On the Line is working with Primary Health Networks to deliver low intensity counselling services.

Connections, Western Sydney Helpline (WentWest)
A 24/7 intake and assessment, low intensity counselling service for people who live and work in the Western Sydney region.

Commercial
On the Line provides tailored counselling services for corporate, member and community organisations.

Australian Institute of Conveyancers NSW AICNSW Care Line
A telephone counselling service for AICNSW members and their families. The service runs Monday to Friday from 9am to 9pm and offers up to four callback sessions with the same counsellor.

AMWU Care for Australian Manufacturing Workers’ Union
A 24/7 telephone and online counselling, supported referral and information service for AMWU members and their families with relationship and family issues and linking serving members to appropriate mental health services. Our counsellors have specific training on the issues faced by AMWU members and their families and can offer comprehensive, specialist advice on the services that are most appropriate to assist them.

Step Together
An initiative of the NSW Government, this is a community advice and early intervention support service to help prevent violent extremism. The service offers a helpline and online service to anyone who may be concerned that someone they care about may be trying to effect change through violence. Our Step Together teams are trained to provide support, information and referrals to services that can help.

Mates in Construction National Helpline
A national 24/7 telephone, video and online counselling service for building and construction workers in high distress.

ReachOut Australia Forum Moderation
Monitor ReachOut online peer support forums outside of business hours.

Travellers Aid EAP Service
A 24/7 professional counselling service for Travellers Aid employees and volunteers.

Regional Access (Country SA PHN)
A 24/7 intake and assessment, low intensity counselling service for people who live and work in regional South Australia.

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Annual Report for the Year Ended 30 June 2017

Our Partners

Corporate Supporters
- Austbrokers Countrywide
- National Australia Bank
- Roger Taylor and Juliette Ward
- Shipman King Pty Ltd
- Spring Fitness (Gretchen Masters)

Trust and Foundations
- Australian Unity Foundation
- Bell Charitable Fund
- Collier Charitable Fund
- Gandel Philanthropy
- Kilfera Foundation
- Lazarovits Family Trust
- Miller Foundation
- RE Ross Foundation
- River Capital Foundation
- Telematics Trust
- The Ian Potter Foundation
- The Jack Brockhoff Foundation
- The Rotary Club of Footscray

Community Partners
- Australasian Men’s Health Forum
- Australian Healthcare Associates (NSPP)
- Australian Institute for Suicide Research and Prevention (Griffith University)
- Australian Men’s Shed Association
- Australian National University
- Centrelink
- Child Support Program
- Dads in Distress
- Department of Human Services
- Family and Relationship Services Australia
- LeadWest
- Lifeline
- Men’s Health Information Resource Centre (University of Western Sydney)
- Mid West Area Mental Health Service (Sunshine Hospital)
- Queensland College of Art (Griffith University)
- Rape and Domestic Violence Services Australia (1800RESPECT)
- Relationships Australia
- Relationships Australia Queensland
- StandBy Response Service – United Synergies
- Suicide Prevention Australia
- The Black Dog Institute
- University of Melbourne
- University of Newcastle

Service Partners
- Amaze
- Australian Government Department of Defence
- Australian Government Department of Health
- Australian Government Department of Social Services
- Australian Government Department of Veterans’ Affairs
- Australian Institute of Conveyancers New South Wales Division
- Australian Manufacturing Workers’ Union
- Country South Australia Primary Health Network
- Mates in Construction
- NSW Government
- Reachout Australia
- Travellers Aid
- Victorian Government Department of Health and Human Services
- Western Sydney Primary Health Network
In FY 2017, we generated $6.2m in new tenders, grants and business opportunities, which was an increase of 16% on FY 2016.

This resulted in a reported surplus of $264,888 (FY 2016, $8.8k), and a move back to a positive working capital ratio of 1.14.
Financial Report for the Year Ended 30 June 2017

Directors’ Report

Your Board of Directors submit the financial report of On the Line Australia Limited for the financial year ended 30 June 2017.

Directors

The names and details of the Company’s Board of Directors are as follows:

• Jeanette Jifkins (Chair)
• Paul Gladman (appointed 27 October 2016)
• Lynette O’Laughlin
• Nicholas Voudouris
• Sally Hasler (appointed 27 October 2016)
• Maggie Jamieson (resigned 17 July 2017)
• Sarah Richardson (appointed 27 October 2016, resigned 15 June 2017)
• Michael Grigoletto (resigned 14 December 2016)

Directors’ Qualifications, Experience and Special Responsibilities

Jeanette Jifkins
Chair and Director | May 2013
LLB, LLM, GDipLP, GAICD

Jeanette was appointed Chair of the On the Line Board in December 2015. She is a dedicated and inspiring senior lawyer with more than 18 years of experience across a wide range of private practice and in-house environments, including Mills Oakley Lawyers, and five years as in-house legal counsel with the Australian Psychological Society. Jeanette is the founder and Principal of Onyx Online Law, a law firm that provides legal solutions for online businesses.

Known for her practical and strategic approach, Jeanette is an experienced Board member contributing balanced and effective business governance solutions. In addition to her role as Chair of On the Line, Jeanette is a Member of the Queensland Law Society, and a member of the Australian Health Practitioner Regulation Agency.

With a keen interest in psychological services, Jeanette has also written and published a wide range of articles on ethics and legal responsibilities in psychology.
Paul Gladman
Finance, Risk and Audit Committee
Chair and Director | October 2016
MBA, GAICD

Paul Gladman is an experienced senior executive with a rare combination of skills in strategy development and implementation, marketing, operations management, product management and IT within the Australian financial services industry. With particular expertise in general and private health insurance, he joined the On the Line Board as a Director in October 2016.

Paul is highly experienced developing effective communication between senior executive teams and their Boards. He is a future-oriented leader, adept at using risk management to facilitate better decision making across all functions and levels of an organisation.

Lynette O’Loughlin
Director | February 2005
BCom, CPA, MAICD

With over twenty-five years of experience as a senior executive, Lynette O’Loughlin has developed deep insight into the financial and governance requirements specific to the not-for-profit sector. Lynette’s roles have included Financial Controller for Berry Street, a leading child and family welfare organisation, and Business Manager for Greening Australia (Vic). Her current passion is optimising operational and financial efficiencies for small businesses.

Lynette has extensive knowledge of reporting, and innovative service delivery are the top three drivers of success in the not-for-profit sector.

Dr Nicholas Voudouris
Director | September 2007
PhD, CPsychol, MAICD

Dr Nicholas Voudouris is an experienced senior executive with deep knowledge of the health and education sectors. He originally trained as a clinical psychologist and worked for more than 20 years in public psychiatric services, community mental health, general hospital settings and private practice. He is currently Head of Health at Navitas.

Nicholas brings to the On the Line Board a strong understanding of, and commitment to, excellence in corporate governance and ethical practice.

Sally Hasler
Director | October 2016
BA(Hons), GCertAdHlth, MPP, GAICD

Sally Hasler has extensive experience working in government and not-for-profit organisations on complex and multifaceted projects. She is currently a Manager in the Victorian Government responsible for supporting Victoria’s international engagement in South and South East Asia.

A non-executive Director on the Board of St John Ambulance Australia for the past eight years, Sally has been an active volunteer with St John Ambulance since 1993. She has worked extensively with boards, committees and senior executive teams on strategy development, risk management and improved governance. Driven and passionate about improved education, health and gender outcomes in Australia and the Asia-Pacific region, Sally brings expertise in strategy, business development, public policy, fundraising, marketing and business-community partnerships to the On the Line Board.
Members’ Liability
If the company is wound up, the Constitution states that each Member is required to contribute a maximum of $1 towards meeting any outstanding obligations of the Company. As at 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is $6. (2016:$8).

Principal Activities
The principal activities of the Company during the financial year were to provide specialist telephone and online counselling services.

Short and Long Term Objectives
As outlined in the Company’s Constitution, the Objects, both short and long term, for which On the Line Australia Limited is established are to:
1. improve the lives of vulnerable and disadvantaged people through the provision of professional remote counselling and wellbeing services.
2. increase access to professional counselling and wellbeing services for people who are emotionally, socially, economically and/or geographically isolated throughout Australia.
3. promote health and wellbeing outcomes identified through service provision to influence policy and programs that will assist the vulnerable and disadvantaged to continue to access remote counselling and information services.
4. doing all other things which are necessary or expedient to further the Objects.

In pursuing these objectives, On the Line Australia Limited is focused on three key strategies:
1. Create and deliver innovative new services
2. Secure a professional and agile culture

Measurement of Performance
On the Line Australia Limited continues to employ both financial and not-financial indicators to measure performance to ensure that the company’s resources are being utilised in both an efficient and effective manner.

Financial:
1. General Financial Performance focusing on revenue growth and working capital ratio.
2. Service Efficiency including ratio of service expenses to both service funding and total expenditure.
3. Administrative Efficiency including ratio of administrative expenses to both revenue and total expenditure.

Non-Financial:
1. Input Focus including number of staff hours on each service and number of full time employees.
2. Output Focus including number of counselling sessions delivered.
3. Efficiency Focus including cost per counselling session delivered.
4. Effectiveness Focus including number of Australians who receive counselling services and employee satisfaction.

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

Operating Result
The surplus for the year amounted to $264,888 (2016: Surplus $8,850).

Auditor’s Independence Declaration
A copy of the Auditor’s Independence Declaration as required under s.60-40 of the Australian Charities and Not for Profits Commission Act 2012 is set out on page 29.

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

Jeanette Jifkins
Paul Gladman

Dated this 21 day of September 2017
## Statement of Profit or Loss and Other Comprehensive Income

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating grants</td>
<td>10,785,018</td>
<td>9,325,388</td>
</tr>
<tr>
<td>Donations</td>
<td>108,833</td>
<td>130,523</td>
</tr>
<tr>
<td>Interest</td>
<td>228,939</td>
<td>150,563</td>
</tr>
<tr>
<td>Trusts, foundations &amp; training</td>
<td>146,504</td>
<td>86,393</td>
</tr>
<tr>
<td>Other</td>
<td>118,572</td>
<td>111,246</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>11,387,866</td>
<td>9,804,113</td>
</tr>
<tr>
<td><strong>EXPENDITURE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>153,197</td>
<td>143,935</td>
</tr>
<tr>
<td>IT and communications</td>
<td>1,312,373</td>
<td>1,098,493</td>
</tr>
<tr>
<td>Property</td>
<td>453,294</td>
<td>450,949</td>
</tr>
<tr>
<td>Employee benefits and training</td>
<td>8,542,559</td>
<td>7,654,472</td>
</tr>
<tr>
<td>Consultants and contractors</td>
<td>433,343</td>
<td>229,658</td>
</tr>
<tr>
<td>Travel</td>
<td>44,543</td>
<td>40,426</td>
</tr>
<tr>
<td>Other</td>
<td>203,669</td>
<td>177,330</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>11,122,978</td>
<td>9,795,263</td>
</tr>
<tr>
<td><strong>Surplus before income tax</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td>264,888</td>
<td>8,850</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that will be reclassified subsequently to profit or loss when specific conditions are met:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value gain/(loss) on available-for-sale assets</td>
<td>101,621</td>
<td>(19,916)</td>
</tr>
<tr>
<td><strong>Total other comprehensive income/(loss) for the year</strong></td>
<td>101,621</td>
<td>(19,916)</td>
</tr>
<tr>
<td><strong>Total comprehensive income/(loss) for the year</strong></td>
<td>366,509</td>
<td>(11,066)</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.

## Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,449,465</td>
<td>1,587,172</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>248,095</td>
<td>137,187</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>2,697,560</td>
<td>1,724,359</td>
</tr>
<tr>
<td><strong>NON CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>125,318</td>
<td>125,318</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>513,510</td>
<td>607,994</td>
</tr>
<tr>
<td>Financial assets</td>
<td>2,525,940</td>
<td>2,487,263</td>
</tr>
<tr>
<td><strong>TOTAL NON CURRENT ASSETS</strong></td>
<td>3,164,768</td>
<td>3,220,575</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>5,862,328</td>
<td>4,944,934</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>1,054,970</td>
<td>515,582</td>
</tr>
<tr>
<td>Provisions</td>
<td>571,993</td>
<td>577,819</td>
</tr>
<tr>
<td>Grants received in advance</td>
<td>740,199</td>
<td>722,148</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>2,368,162</td>
<td>1,815,549</td>
</tr>
<tr>
<td><strong>NON CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>7,804</td>
<td>7,804</td>
</tr>
<tr>
<td>Provisions</td>
<td>178,594</td>
<td>180,322</td>
</tr>
<tr>
<td><strong>TOTAL NON CURRENT LIABILITIES</strong></td>
<td>186,398</td>
<td>188,126</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>2,554,560</td>
<td>2,003,675</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>3,307,768</td>
<td>2,941,259</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained profits</td>
<td>3,268,520</td>
<td>3,003,632</td>
</tr>
<tr>
<td>Financial asset reserve</td>
<td>39,248</td>
<td>(62,373)</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td>3,307,768</td>
<td>2,941,259</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
### Statement of Cash Flows

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from operating activities</td>
<td>11,172,192</td>
<td>10,397,946</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(10,537,858)</td>
<td>(9,505,850)</td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>226,100</td>
<td>140,515</td>
</tr>
<tr>
<td>Net cash flows from operating activities</td>
<td>860,434</td>
<td>1,032,611</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for plant and equipment</td>
<td>(59,028)</td>
<td>(60,800)</td>
</tr>
<tr>
<td>Proceeds from plant and equipment</td>
<td>-</td>
<td>1,872</td>
</tr>
<tr>
<td>Purchase/Proceeds of financial assets</td>
<td>60,887</td>
<td>(41,595)</td>
</tr>
<tr>
<td>Net cash flows from investing activities</td>
<td>1,859</td>
<td>100,523</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash held</td>
<td>862,293</td>
<td>932,088</td>
</tr>
<tr>
<td>Cash at the beginning of the year</td>
<td>1,587,172</td>
<td>655,084</td>
</tr>
<tr>
<td>Cash at the end of the year</td>
<td>2,449,465</td>
<td>1,587,172</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.

### Statement of Changes in Equity

| | Retained Profits | Financial Asset Reserve | Total |
| | $ | $ | $ |
| Balance at 01 July 2015 | 2,994,782 | (42,457) | 2,952,325 |
| Surplus for the year | 8,850 | - | 8,850 |
| Other comprehensive income/(loss) | - | (19,916) | (19,916) |
| Total comprehensive income | 8,850 | (19,916) | (11,066) |
| Transfer to financial asset reserve | - | - | - |
| Balance at 30 June 2016 | 3,003,632 | (62,373) | 2,941,259 |
| Surplus for the year | 264,888 | - | 264,888 |
| Other comprehensive income/(loss) | - | 101,621 | 101,621 |
| Total comprehensive income/(loss) | 264,888 | 101,621 | 366,509 |
| Transfer from financial asset reserve | - | - | - |
| Balance at 30 June 2017 | 3,268,520 | 39,248 | 3,307,768 |

*The accompanying notes form part of these financial statements.*
1.1 Basis of accounting
Limited is a company limited by guarantee, incorporated and domiciled in Australia. The financial report is for On the Line Australia and prepared in order to meet the requirements of the Australian Charities and Not for profit Commission Act 2012 (ACNC Act). These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not for profit Commission Act 2012 (ACNC Act). The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not for profit Commission Act 2012 (ACNC Act) and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise. This financial report has been prepared on an accruals basis. It is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

1.2 Income tax exemption
The Company is exempt from income tax under section 50-B of the Income Tax Assessment Act.

1.3 Plant and Equipment
Each class of plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Plant and Equipment
Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts. Plant and equipment that have been contributed at no cost or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Depreciation
The depreciable amount of all plant and equipment including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements and the requirements of the Australian Charities and Not for profit Commission Act and the Act. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not for profit Commission Act and the Act. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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Depreciation
The depreciable amount of all plant and equipment including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Asset classes carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained profits.

1.4 Financial Instruments
Initial recognition and measurement
Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

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

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

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

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. Fair value is determined based on current bid prices for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.
Financial Report for the Year Ended 30 June 2017

Notes to the Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

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

ii. Loans and receivables
   Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

iii. Held-to-maturity investments
   Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company’s intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

iv. Available-for-sale investments
   Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management.

1.5 Impairment
   At each reporting date, the company reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value-in-use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income. Where the future economic benefits of the asset are not primarily dependent upon the asset’s ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

1.6 Cash and Cash Equivalents
   Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of eight months or less, and bank overdrafts.

1.7 Leases
   Leases of property, plant and equipment where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the Company are classified as finance leases.

   Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased asset or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

   Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

   Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred, or on a straight line basis where the lease contract includes fixed rate increases at the anniversary date.

   Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

1.8 Computer software and information technology support
   Expenditure incurred on acquiring computer software and the utilisation of information technology support is expensed in the financial year.

1.9 Goods and Services Tax (GST)
   Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

1.10 Provision for Employee Benefits
   Provision is made for the entity’s liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value. Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

1.11 Revenue Recognition
   Grant revenue is recognised in the statement of profit or loss and other comprehensive income when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the statement of financial position as a liability until such conditions are met or services provided.

   Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as liabilities on the statement of financial position.
Notes to the Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Key Estimate – Impairment
Management assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined as described above in note 1.5 Management has determined that there is no impairment charge required for the financial year ended 30 June 2017.

1.12 Unexpended Grants
The entity receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the Company to treat grants monies as unexpended grants in the statement of financial position where the Company is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

1.13 Comparative Figures
Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current year.

1.14 Economic Dependence
On the Line Australia Limited is dependent on the Department of Social Services for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the Department will not continue its current relationship with the Company.

NOTE 2 - CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in hand and at bank</td>
<td>922,957</td>
<td>1,058,828</td>
</tr>
<tr>
<td>Term deposit</td>
<td>1,526,507</td>
<td>528,344</td>
</tr>
<tr>
<td>Total</td>
<td>2,449,465</td>
<td>1,587,172</td>
</tr>
</tbody>
</table>

NOTE 3: TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
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<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>30,043</td>
<td>21,883</td>
</tr>
<tr>
<td>Accrued income</td>
<td>40,959</td>
<td>38,120</td>
</tr>
<tr>
<td>Prepayments and deposits</td>
<td>177,094</td>
<td>77,184</td>
</tr>
<tr>
<td>Total</td>
<td>248,095</td>
<td>137,187</td>
</tr>
<tr>
<td>Non-current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepayments and deposits</td>
<td>125,318</td>
<td>125,318</td>
</tr>
<tr>
<td>Total</td>
<td>125,318</td>
<td>125,318</td>
</tr>
</tbody>
</table>

NOTE 4: PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer equipment – at cost</td>
<td>243,899</td>
<td>194,056</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(184,325)</td>
<td>(148,333)</td>
</tr>
<tr>
<td>Total</td>
<td>59,576</td>
<td>45,723</td>
</tr>
<tr>
<td>Office equipment – at cost</td>
<td>367,387</td>
<td>359,757</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(327,471)</td>
<td>(269,420)</td>
</tr>
<tr>
<td>Total</td>
<td>39,916</td>
<td>90,337</td>
</tr>
<tr>
<td>Leasehold improvements – at cost</td>
<td>687,405</td>
<td>687,405</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(273,386)</td>
<td>(215,471)</td>
</tr>
<tr>
<td>Total</td>
<td>414,018</td>
<td>471,934</td>
</tr>
<tr>
<td>Total Plant and Equipment</td>
<td>513,510</td>
<td>607,994</td>
</tr>
</tbody>
</table>
Financial Report for the Year Ended 30 June 2017

Notes to the Financial Statements

NOTE 4: PLANT AND EQUIPMENT (CONT'D)

Plant and equipment movement:

<table>
<thead>
<tr>
<th></th>
<th>Computer Equipment</th>
<th>Office Equipment</th>
<th>Leasehold Improvement</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the year</td>
<td>46,723</td>
<td>90,337</td>
<td>471,934</td>
<td>607,994</td>
</tr>
<tr>
<td>Additions</td>
<td>51,399</td>
<td>7,629</td>
<td>-</td>
<td>59,028</td>
</tr>
<tr>
<td>Disposals/Written off</td>
<td>(314)</td>
<td>-</td>
<td>-</td>
<td>(314)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(37,232)</td>
<td>(58,050)</td>
<td>(57,916)</td>
<td>(153,208)</td>
</tr>
<tr>
<td>Carrying amount at the end of the year</td>
<td>59,576</td>
<td>39,916</td>
<td>414,018</td>
<td>513,510</td>
</tr>
</tbody>
</table>

2017 2016

$     $     

NOTE 5: FINANCIAL ASSETS

NOTE 6: AUDITORS' REMUNERATION

Remuneration of the auditor of the parent entity for:

Auditing services | 15,430 | 15,100 |

NOTE 7: TRADE AND OTHER PAYABLES

CURRENT

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>271,317</td>
<td>244,413</td>
</tr>
<tr>
<td>GST payable</td>
<td>65,992</td>
<td>26,603</td>
</tr>
<tr>
<td>Sundry payables including accruals</td>
<td>718,060</td>
<td>209,087</td>
</tr>
<tr>
<td>Lease creditor</td>
<td>7,804</td>
<td>35,479</td>
</tr>
<tr>
<td></td>
<td>1,062,773</td>
<td>516,582</td>
</tr>
</tbody>
</table>

NOTE 8: GRANTS RECEIVED IN ADVANCE

CURRENT

Unexpended grants | 740,199 | 722,148 |

NOTE 9: PROVISIONS

CURRENT

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee benefits</td>
<td>571,993</td>
<td>577,819</td>
</tr>
<tr>
<td>Leased properties</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>571,993</td>
<td>577,819</td>
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NON CURRENT

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee benefits</td>
<td>91,547</td>
<td>95,657</td>
</tr>
<tr>
<td>Leased properties</td>
<td>87,047</td>
<td>84,665</td>
</tr>
<tr>
<td></td>
<td>178,594</td>
<td>180,322</td>
</tr>
</tbody>
</table>

NOTE 5: FINANCIAL ASSETS

NON-CURRENT

Available-for-sale financial assets:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares in listed corporations – at market value</td>
<td>443,938</td>
<td>551,545</td>
</tr>
<tr>
<td>Other available-for-sale assets – corporate bonds and hybrids</td>
<td>2,082,002</td>
<td>1,935,718</td>
</tr>
<tr>
<td></td>
<td>2,525,940</td>
<td>2,487,263</td>
</tr>
</tbody>
</table>

All available-for-sale investments are quoted on the Australian Stock Exchange. Shares in listed corporations have no fixed maturity date or coupon rate. Fixed interest securities include corporate bonds and hybrid securities which have coupon rates varying from 2.3% to 5.0% and maturity dates ranging from August 2018 to November 2023. The market value of these securities fluctuates from time to time.

NOTE 6: AUDITORS’ REMUNERATION

Remuneration of the auditor of the parent entity for:

Auditing services | 15,430 | 15,100 |

NOTE 7: TRADE AND OTHER PAYABLES

CURRENT

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<td>-</td>
<td>-</td>
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<tr>
<td></td>
<td>571,993</td>
<td>577,819</td>
</tr>
</tbody>
</table>

NON CURRENT

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee benefits</td>
<td>91,547</td>
<td>95,657</td>
</tr>
<tr>
<td>Leased properties</td>
<td>87,047</td>
<td>84,665</td>
</tr>
<tr>
<td></td>
<td>178,594</td>
<td>180,322</td>
</tr>
</tbody>
</table>
Financial Report for the Year Ended 30 June 2017

Notes to the Financial Statements

NOTE 10: LEASING COMMITMENTS
Payable:
- not later than 1 year 356,719 346,409
- later than 1 year but not later than 5 years 1,392,373 98,888
- later than 5 years 79,256 -
1,828,348 445,297
Leasing commitments relate to property, technology hardware and motor vehicle leases.

NOTE 11: OTHER COMMITMENTS
Payable:
- not later than 1 year 409,685 509,543
- later than 1 year but not later than 5 years 151,245 397,299
- later than 5 years - -
560,930 906,842
Other commitments relate to a managed services agreement, software as a service licence, support and development agreement and telephony maintenance support agreement.

NOTE 12: RECONCILIATION OF NET CASH FLOWS
Surplus after income tax 264,888 8,850
Cash flows excluded from profit attributable to operating activities
Non-cash flows in profit
Depreciation 153,197 143,935
(Gain)/Loss on disposal of plant and equipment - (1,750)
Donated assets 2,374 -
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries
Increase/(Decrease) in trade and other payables 539,387 89,624
Increase/(Decrease) in provisions (7,555) 28,099
Increase/(Decrease) in trade and other receivables (110,907) 165,784
Increase/(Decrease) in unexpended operating grants 19,050 598,069
860,434 1,032,611

NOTE 13: ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS
During the current year, the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.
The adoption of these Standards has not had a significant impact on the financial statements of the company.

Standards and Interpretations in issue not yet adopted
At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

<table>
<thead>
<tr>
<th>Standard/Interpretation</th>
<th>Effective for annual reporting periods beginning on or after</th>
<th>Expected to be initially applied in the financial year ending</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 9: Financial Instruments and the relevant amending standards</td>
<td>1 January 2018</td>
<td>30 June 2019</td>
</tr>
<tr>
<td>AASB 15: Revenue from Contracts with Customers</td>
<td>1 January 2019</td>
<td>30 June 2020</td>
</tr>
<tr>
<td>AASB 16: Leases</td>
<td>1 January 2019</td>
<td>30 June 2020</td>
</tr>
</tbody>
</table>

The reported results and position of the company will not change on adoption of these pronouncements as they do not result in any changes to the company’s accounting policies. The company does not intend to adopt any of these pronouncements before their effective dates.

NOTE 14: RELATED PARTY TRANSACTIONS
The financial transactions between Board of Directors, members and the Company were of a minor nature and related to reimbursement of expenditure necessarily incurred on behalf of the Company.

NOTE 15: EVENTS AFTER THE REPORTING PERIOD
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 financial years.

NOTE 16: CONTINGENT LIABILITIES
On the Line Australia Limited has provided a guarantee as security against the lease agreement for its premises. At 30 June 2017 the extent of this contingent liability amounted to $125,318 (2016: $125,318). This contingent liability is fully funded by term deposits held by the company.

The reported results and position of the company will not change on adoption of these pronouncements as they do not result in any changes to the company’s accounting policies. The company does not intend to adopt any of these pronouncements before their effective dates.
Financial Report for the Year Ended 30 June 2017

Statement by the Board of Directors

The Board has determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with Division 60 of the Australian Charities and Not for Profits Commission Act 2012 and the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board the financial report as set out on pages 30 to 43:
1. Presents a true and fair view of the financial position of On the Line Australia Limited as at 30 June 2017 and its performance and cash flows for the year ended on that date;
2. Comply with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not for profits Commission Act 2012; and
3. At the date of this statement, there are reasonable grounds to believe that On the Line Australia Limited will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board by:

Chair, Jeanette Jifkins

Chair of Finance Committee, Paul Gladman

Dated this 21 day of September 2017

Auditor’s Report

INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF ON THE LINE AUSTRALIA LIMITED

Opinion
We have audited the accompanying financial report of On The Line Australia Limited, which comprises the statement of financial position as at 30 June 2017, 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, and notes to the financial statements, including a summary of significant accounting policies and the directors declaration.

In our opinion the financial report of On The Line Australia Limited has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act), including:

(a) giving a true and fair view of the registered entity’s financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and
(b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion
We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting
Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the responsible entity’s financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.
Auditor’s Report

INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF ON THE LINE AUSTRALIA LIMITED (Continued)

Directors’ Responsibility for the Financial Report
The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ASX Act, and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Entity’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The directors of the company are responsible for overseeing the company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Report
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we examine professional judgment and maintain professional scepticism throughout the audit.

We identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the improper use of internal control.

We obtain an understanding of internal control relevant to the audit 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.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

We conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We communicate with directors of the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Advantage Advisors Audit Partnership
Chartered Accountants

Dated at Melbourne on this 21st day of September 2017.

Advantage Advisors
BEN BESTER
Partner