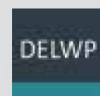




ESF ANNUAL REPORT 2017

Member Agencies



The Emergency Services Foundation (ESF)

MISSION AND VISION

The ESF was created to:

Provide relief and assistance to any Victorina emergency service worker and their families who suffer hardship in the line of duty.

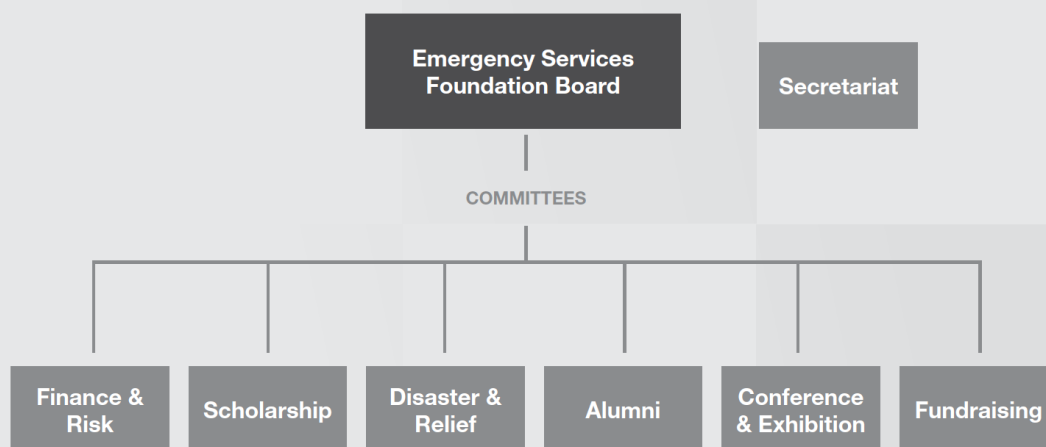
Support research into issues aimed at improving relief and assistance and reducing hazards experienced by Victorian emergency service workers in their line of duty.

BACKGROUND

The ESF was founded following the 'Ash Wednesday' bushfires in 1983. At this time a public appeal was launched to provide financial assistance to emergency service workers and their families, recognising the ongoing hardship experienced as a result of death or injury sustained in the line of duty. The appeal's sponsors agreed to use the residual funds to institute the ESF Trust.

Since its inception in 1987, a number of Victorian emergency service workers and their families have received financial benefits from the ESF. In addition, the ESF Scholarship Scheme has awarded more than 126 scholarships over a diverse range of research projects. The ESF Alumni provides a network for these scholarship recipients enabling knowledge sharing and continued commitment to the work of the ESF.

HOW THE ESF IS STRUCTURED



BOARD OF MANAGEMENT

Neil Bibby

Chairman

Gaye Mason

Treasurer

Directors

Jim Higgins

Metropolitan Fire and Emergency Services Board
(Resigned October 2017)

Grahame Ashton

Victoria Police

Frances Diver

Country Fire Authority (Appointed July 2016)

Stephen Griffin

Victoria State Emergency Service

Craig Lapsley

Emergency Management Commissioner

Stephanie Rotorangi

Department of Environment, Land, Water &
Planning

Laurie Lavelle AM

Neil Soulier OAM

Catherine Dunlop

Secretariat

Jenny Davis

Patron

Jeanne Pratt AC



Chair's Report 2017

This year marked 30 years since the Emergency Services Foundation [ESF] was established. It is a credit to the agencies working in the Victorian emergency management sector that once again no lives were lost in the line of duty in 2017. This meant that the ESF was not called upon to provide an immediate cash payment for relief and assistance, which remains our primary purpose.

This brings into focus the environment in which ESF now operates, which is widely recognised as very different from the time of its establishment, and with that in mind the Board was involved in a strategic discussion to begin planning for the future of the Foundation.

The conclusion from that discussion was that the ESF is an admired and valued organisation that has made vast contributions and brought much enrichment to the sector and its people. If any organisation is to thrive into the future it must comprehensively assess the current internal and external environments, predict future trends, threats and opportunities and create an organisational business model relevant to its projections. Three specific recommendations were made:

- ESF must refocus its overall purpose, intent and brand to establish an organisation focused on the 'wellbeing of Victorian emergency service workers'
- Establish a functional sub-committee of the board to oversee the refocus agenda
- Consider the appointment of a Chief Executive Officer (12 month fixed term contract) to lead/manage the organisational refocus agenda

Work will begin in 2018 to act on these recommendations and begin an exciting transformational phase for the Foundation. In the meantime a group of students from Worcester Polytechnic in Massachusetts assisted the Foundation to modernise its website.

Once again I am pleased to report that the core activities of the ESF - the scholarship program, emergency management conference and volunteer leader's forum were seamlessly delivered. ESF Alumni continued to take responsibility for promoting scholarships and the conference dinner. Six scholarships were awarded funded by profits from the conference. The work of the Scholarship Selection Committee, chaired by Katrina Bahen from the State Emergency Services, and the Alumni is to be commended. We currently have a small but very committed group of Alumni who continue to make an outstanding contribution to the Foundation.

The Emergency Management Conference was once again organised with tremendous support from High Profile Events and a multi-agency committee Chaired by Mark Swiney from the MFB. The 2017 conference held on 11 and 12 July was themed *Safer, Inclusive, Connected*. This theme was restated by keynote speakers including Sarah Stuart-Black, Director Ministry for Civil Defence Emergency Management NZ, Susan Alberti AC, former Vice President of the Western Bulldogs and Richard McNamara, principal Fire Officer, Marlborough NZ. Mary Barry, CEO at *Our Watch*, an organisation working to ensure Australian women and children live lives free from all forms of

violence, gave the Claire Zara Oration. The Claire Zara Memorial Oration commemorates her groundbreaking work and ensures the sector's ongoing attention to gender and disaster. The conference exceeded in all measures with delegate numbers, exhibitors and sponsorship all higher than the previous year. Agencies made a substantial contribution in sponsorship and their ongoing and valued support must be acknowledged. A total of 351 paying delegates were attracted to attend the conference with continued strong representation from the local government sector. Feedback from delegates highlighted the program contained too much focus on diversity and this will be considered in future planning.

The conference dinner attracted 159 paying guests and they were entertained by guest speaker Sir Angus Houston former Chief of the Australian Defence Force. Quintiq and Testra sponsored the conference to help subsidise costs for delegates.

The ESF also hosted two volunteer Leader's Forums in April and October 2017 with funding support from the State Government through the Valuing Volunteers Program. Both events were opened by Minister for Emergency Services, The Hon James Merlino. In total 236 volunteers from 17 agencies participated in a program which provided site visits to the State Control Centre, Air Ambulance and Police Air Wing, DELWP Altona workshops and MFB Burnley as well as much opportunity for discussion and reflection about the issues challenging volunteers and leaders in the emergency management sector.

As we progress with our refocus of the Foundation and I expect all of these core programs will receive a face lift.

Once more I must thank my colleagues on the ESF Board for their continued commitment to seeing the Foundation thrive and to Jeanne Pratt who so generously hosted a luncheon at her home Raheen where the 2016 scholarship awardees presented their study findings to Agency Heads and other leaders in the sector.

Neil Bibby

Chair

Emergency Services Foundation

ESF FINANCE AND GOVERNANCE REPORT

For the Financial year ended 30 June 2017

The Foundation was pleased to continue to manage grants from the Victorian Government's Valuing Volunteers Program to fund the annual Volunteer Leadership Conference in April. Late in the financial year we received funding for a second conference which was held in November 2017. These Volunteer Leadership Forums are extremely well supported by the sector and are key events organised by the Foundation.

In July we ran our annual Emergency Management Conference *Safer, Inclusive, Connected*. The conference was successful in generating a sound financial outcome with high attendance from the emergency services agencies.

Once again the ESF Alumni members contributed significant effort in organising the financially successful conference dinner. The Alumni is comprised of dedicated past scholarship awardees who meet regularly to plan for, and run, various Foundation events throughout the year. They also provide mentoring support for prospective scholarship applicants. The Foundation is extremely grateful for the ongoing and valuable support the ESF Alumni contributes to the success of the organisation.

Funds raised from the conference and dinner events support the Foundation's scholarship program and other important initiatives.

The Ashley Bear fundraising activity has been considerably slower than projected, resulting in further delays to the capital replenishment program. The flow-on impact in income from the managed funds investment is consequently less than expected.

This year's financial result registered a loss of \$17,836 (2016 surplus \$32,596). However, after accounting for the Tynan-Eyre Memorial Fund surplus of \$10,967 (2016 \$10,496), our operating loss for the year was \$28,803 (2016 surplus \$22,100).

While we work to ensure that we are financially sustainable for the future, and endeavor to manage our activities and related costs within our annual income, the delay in replenishing our capital has had a negative impact this year on our operating costs. While income through the sale of our Ashley Bear stock has been lower than forecast, we continue to achieve reasonable returns on our investments.

Our invested funds are managed externally using an index manager investing across a diversified range of local and global sectors adopting a 'balanced' risk profile. We commission an annual review of our investment practices and profile using an experienced asset consultant.

The governing board of the Foundation is made up primarily of the leaders or senior personnel of the major emergency service agencies in Victoria plus suitably qualified lay persons. All members of the board are experienced in the many facets of good corporate governance and there is a significant emphasis placed on this aspect of our business. The board receives regular reports and updates on our governance and management practices and our financial reports are externally audited annually by Crowe Horwath.

Gaye Mason FCPA FAICD AGIA

Director, Treasurer and Company Secretary

STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	2017	2016
	\$	\$
Current Assets		
Cash assets	9,631	9,112
Receivables	74,601	15,532
Prepayments	15,000	-
Other financial assets*	60,000	-
Inventory	108,527	111,722
Total current assets	<u>267,759</u>	<u>136,366</u>
Non-current assets		
Managed fund investments*^	<u>1,036,882</u>	<u>1,084,069</u>
Total assets	<u><u>1,304,641</u></u>	<u><u>1,220,435</u></u>
Current Liabilities		
Unearned income	92,250	-
Payables/Accrued expenses	47,078	39,293
Provisions	10,713	8,708
Total current liabilities	<u>150,041</u>	<u>48,001</u>
Net Assets	<u><u>1,154,600</u></u>	<u><u>1,172,434</u></u>
Equity		
Accumulated funds	1,199,395	1,205,519
Available for Sale Investment Revaluation Reserve~	<u>(44,795)</u>	<u>(33,085)</u>
Total equity	<u><u>1,154,600</u></u>	<u><u>1,172,434</u></u>

*Other financial assets are Managed Fund investments which are expected to be drawn down on within the next financial year.

^Managed fund investments include funds managed on behalf of the Tynan-Eyre Memorial Fund. \$581,018 (2016 \$567,708).

~A change in accounting standards relating to the reporting of investment income resulted in additional revenue being brought to account as income, the inclusion of Other Comprehensive Income: Net fair value gains/(losses) on Available for sale financial assets and the resulting creation of an Equity: Available for Sale Investment Revaluation Reserve and re-stated 2016 comparatives.

This is an abridged version of the accounts of the Foundation which are audited by Crowe Horwath. A copy of the full audited accounts is available on request to the Foundation.

INCOME STATEMENT

For the financial year ended 30 June 2017

	2017	2016
	\$	\$
Sales		
Profit on sale of Ashley Bears	564	16,088
Revenue		
Dividends reinvested into managed investments [^]	75,851	88,471
Victorian Government Grants	81,000	81,000
Proceeds from Emergency Management Conference & Alumni dinner	23,553	44,658
Sponsorship	32,000	-
Administration contributions*	30,999	60,074
Project management (Victorian Government Grant)	9,000	9,000
Other income	-	405
Total Revenue	252,403	283,608
Expenditure		
Scholarships**	59,011	55,640
Volunteer Leadership Conference	98,636	76,619
Salaries	80,851	79,136
Audit fees	4,500	3,640
Other expenses	16,093	18,980
Total expenditure	259,091	234,015
Surplus/(Deficit) before Other Comprehensive Income	(6,124)	65,681
Other Comprehensive Income		
Net fair value gains/(losses) on Available for Sale Financial Assets~	(11,712)	(33,085)
Total Comprehensive Income/(Loss) for year***	(17,836)	32,596

[^]Investment income from managed funds includes income attributable to the Tynan-Eyre Memorial Fund \$38,942 (2016 \$45,376).

* Administration contributions relating to 2015 were accounted for in 2016.

**Tynan-Eyre Memorial Fund scholarships \$18,520 (2016 \$19,640).

~A change in accounting standards relating to the reporting of investment income resulted in additional revenue being brought to account as income, and the inclusion of Other Comprehensive Income: Net fair value gains/(losses) on Available for sale financial assets for 2017 and re-stated 2016 comparatives.

***Surplus/(Deficit) attributable to the Foundation after excluding Tynan-Eyre results (\$28,803) (2016 surplus \$22,100).

This is an abridged version of the accounts of the Foundation which are audited by Crowe Horwath. A copy of the full audited accounts is available on request to the Foundation.

Scholarship Awardees 2017

James W Bradley	MFB	To identify knowledge, practice, policy training & engagement in relation to hoarding and how this has been applied to increase operational preparedness, response & safety for emergency service responders.
Carina Heppell	VICSES (Volunteer)	Identify whether people who live in different environments prepare, respond and recover differently to emergencies
G.Kroezen	VICPOL	Identify & examine world's best practice in safety, training, response and investigating techniques of clandestine drug manufacturing involving Fentanyl and synthetic opiates.
Kobi Laudani	DWELP	Aboriginal Fire Management and what we can learn.
Sam Miletta	MFB	Tactical Consideration for Non-Law Enforcement First Responders involved in Warm Zone Operations during a Hostile Event.
Melanie Mills	EMV	Understanding the application of the FEMA model at a local level in being able to undertake the assessment process of the capability against targets to inform planning and set priorities for the future.