

2011

Sowilo Community High School Annual Report



Table of Contents

1	Chairperson's Report.....	1
	Continued	2

ORGANISATION

1.0	Executive Summary	3
1.1	Mission Statement	3
1.2	Philosophy	3
1.3	Values	3
1.4	Vision	3
1.5	Corporate Governance – Management of Sowilo.....	4
1.6	Legal Structure	4
1.7	Organisational Structure	5
1.8	History	6

PRINCIPAL'S REPORT

2	Introduction.....	7
2.1	Welfare Team Report.....	7
2.2	Some Approximate Welfare Statistics.....	8
2.3	Wilderness Trek.....	8
2.4	The Chilli Program	9
2.5	BJJ Physical Education Program.....	10
2.6	Student Body.....	10
2.7	Non Attendance Management.....	10

CURRICULUM COORDINATOR'S REPORT

3.1	Introduction.....	11
3.2	About This Report.....	11
3.3	Enrolment Policy (extract).....	11
3.4	Professional Engagement.....	12
3.5	Expenditure and Teacher Participation in Professional Learning.....	12
3.6	Student Attendance	13
3.7	Literacy and Numeracy Benchmarks	13
3.8	Year 11 2011 Performance Data	13
3.9	Year 12 2011 Performance Data	14
3.10	Value Added	14
3.11	Standardised Assessments	14
3.12	Post-School Destinations.....	15
3.13	Satisfaction	15
3.14	Conclusion	15

BUSINESS MANAGER'S REPORT

4	Business Manager's Report	16
4.1	Financial Planning and Management	17
4.2	Business Structure	17
4.3	Business Growth.....	17
4.4	Capital Expenditure	18
4.5	Income and Expenditure	19-21
4.6	Human Resources Relationship Chart	22
4.7	Staff Movement.....	22
4.8	Insurance	23
4.9	Policies and Procedures Statement.....	23
4.10	Statement by the Council	24
4.11	Independent Auditors Report for year 2011	25-26
4.12	Balance Sheet (summary) for year 2011	27
4.13	Income Statement or year 2011.....	28



CHAIRPERSON'S REPORT FOR 2011

2011 has been a year of consolidation and progress for Sowilo's governing Council. The Council has seen its membership steady into a small committed group who have been indispensable to the increasingly effective running of the Council and fulfilling its governance responsibilities.

We have seen the addition of several new members from the community who have brought with them significant experience and expertise in many pertinent areas. This began towards the end of last year and I am pleased to say has continued throughout the year with several new members bringing with them substantial talents and networks from their professional and personal backgrounds.

There is still room to grow however, and this year we hope to see the Council fill several unoccupied key positions which have proven exceedingly difficult to appoint. This issue is being actively addressed by the Council with invitations to both membership of Association and Council being sent to selected pertinent members of the wider community. Any suggestions for potential members who would bring with them significant expertise and/or benefit are always appreciated and will be carefully considered. For details of the requisite qualifications we are looking for in regard to the specific roles needed filling please contact the Council through the school and/or the Chairperson.

The Council has also dealt with many other matters during the course of the year, including working toward the goal of securing one or more celebrated sports personalities to act as patrons and spokespersons for the school.

Once again the issue of sufficient attendance to the Council meetings by student and parent representatives has proven a difficult one to address. I would like to invite interested parents of current students to consider applying for membership to the Association and the Council, as this is one area of our community we believe would benefit Sowilo to have more input and feedback from.

It is my belief that Sowilo's governing Council is growing stronger and more capable as time goes on, and I look forward to the great things I have no doubt it will achieve in 2012.

Hannah Maddrell

Chairperson
Governing Council of
Sowilo Community High School

ORGANISATION

1 Executive Summary

Sowilo Community High School (School) is a small, independent community high school for students in Years 8 to 12 run by Sowilo Community Inc. (Sowilo).

Sowilo caters for educationally ‘at risk’ youth. Its core business is to focus on young people who have fallen through the gaps in education – give them a sense of belonging, support and increased self-esteem and a value on the importance of learning.

Sowilo intends to establish itself as a leading CARE school serving the community.

1.1 Mission Statement

Our purpose is the re-engagement of young people into life-long learning via an alternative, flexible and individualised process. We aim to prepare them for their life journey, empowering them to become creative, responsible adults who are able to make a positive contribution to their community.

1.2 Philosophy

Sowilo aims to provide a safe and positive learning environment where students are supported in a way that enables them to take responsibility for their own learning and behaviour. Students learn on their own enquiry, discovery and creativity and at their own pace and are encouraged to assess and evaluate their learning. Teachers at Sowilo act as a learning resource in a consultative role, encouraging students to discover their own learning style. Students are respected and accepted rather than criticised or punished.

1.3 Values

Sowilo ascribes to the following values:

- (a) Building community
- (b) Respect and trust
- (c) Being responsible
- (d) Learning and having knowledge
- (e) Embracing individuality
- (f) Being creative and innovative
- (g) Being flexible

1.4 Vision

Sowilo has determined that the School will, ideally:

- (a) Be recognised as a centre of excellence, demonstrating best practice in innovative education based on student-centred learning
- (b) Be well-resourced, providing an inspiring learning environment in attractive, custom-built premises owned by Sowilo
- (c) Be staffed and supported by a strong team of dedicated individuals who are skilled in mentoring and supporting young people
- (d) Be an educational community which supports and empowers young people and also involve their families in life-long education

- (e) Have students who are motivated, involved and succeeding on a daily basis to become emotionally literate and intellectually skilled adults
- (f) Have strong, strategic partnerships with local organisations that provide complementary services or have similar aims
- (g) Have a steady roll of 80-100 students
- (h) Have former students consistently returning to the School as mentors to the next generation of students, and
- (i) Be managed by a vibrant, motivated engaged Council.

1.5 Corporate Governance – Management of Sowilo

The School Council is the governing body of the school. It will ensure that appropriate systems and procedures are in place to ensure the proper management of Sowilo within the boundaries of its ‘Rules of Association’. These systems include but are not limited to:

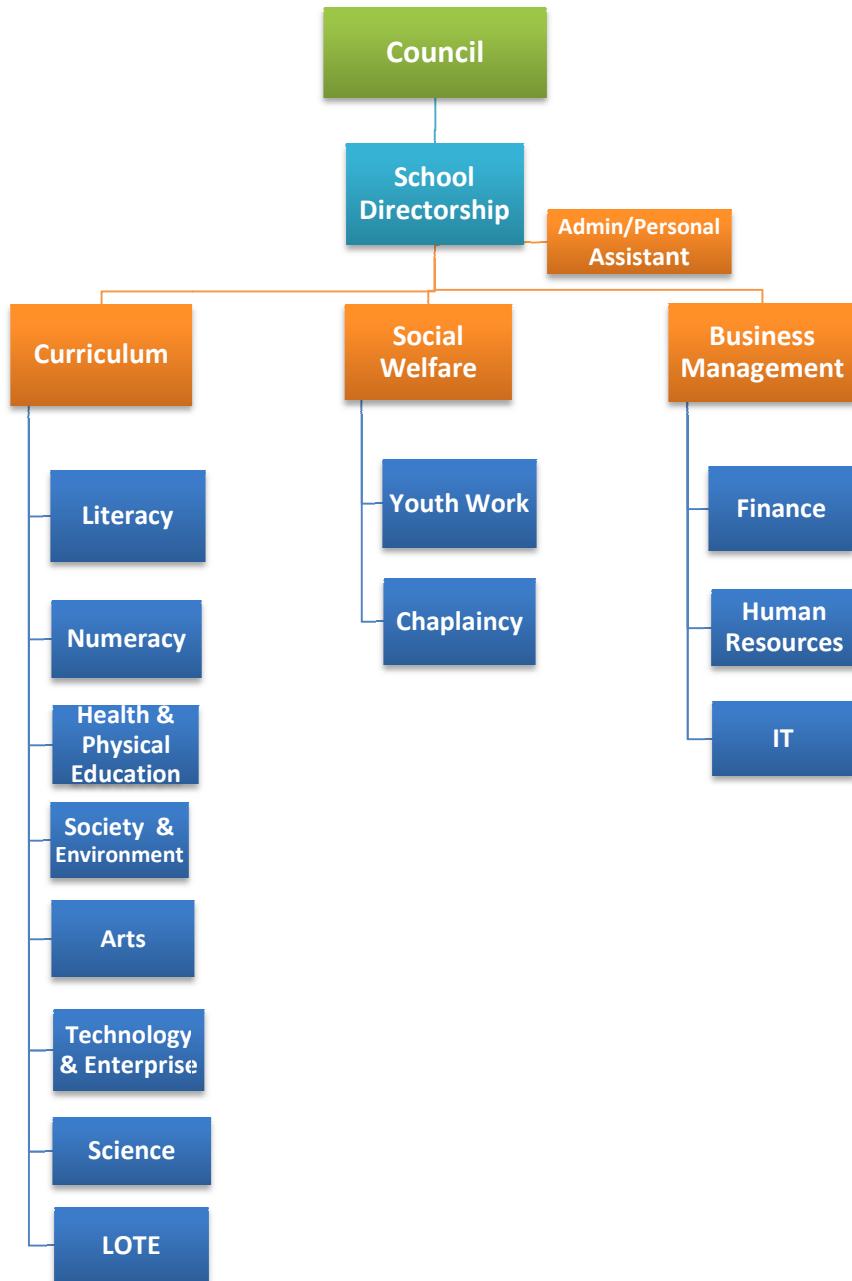
- (a) Compliance with all of Sowilo’s legal and statutory obligations as per relevant Acts
- (b) Ensuring resources and staff are allocated
- (c) Complying with contractual obligations
- (d) Reviewing, amending or entering into new contractual arrangements
- (e) Identifying and managing risks, including compliance and insurance requirements
- (f) Interacting with the media
- (g) Completion of reporting requirements
- (h) Agreeing and following protocols with other organisations involved with Sowilo

1.6 Legal Structure

Entity Type:	Incorporated under the Associations Incorporation Act 1987 (WA)
Date of Incorporation:	9 April 2001
Governed by:	School Council under its Constituent Rules
Registrations:	School Education Act 1999 (WA) Charitable Institution under the Australian Taxation Office
ABN	19 429 824 850
Tax Endorsements:	GST Concession from 1 July 2005 FBT Rebate from 1 July 2005 Income Tax Exemption from 30 April 2001

The School is governed by its Council under its constituent rules. The Council will review the organisational structure and the Constitution regularly to ensure that the existing structure is the most appropriate in light of Sowilo’s visions, values and mission statement.

1.7 Organisational Chart



1.8 History of Sowilo

Sowilo was established by a group of parents who were concerned that their teenagers needed a learning environment that would assist them in their education as well as support their health and well-being. There were a number of intelligent students who regularly questioned the status quo and found it difficult to fit within existing school models.

In October 2000, under the guidance of Dr Adrienne Huber, a psychologist and educator working with Edith Cowan University at the time, these parents began facilitating classes for five students. In June 2001, Sowilo Community High School obtained registration in accordance with the *School Education Act 1999 (WA)* and became eligible for funding through recurring government grants.

As Sowilo's student and staff numbers gradually increased since 2001, it became apparent that the majority of students enrolling in the School were disaffected young people in need of psychological and emotional support as well as alternative education options. Sowilo was attractive to these students and their families because of its holistic approach to education, which includes catering for one-to-one counselling, family support, emotional support, health and self-care support, referral support, literacy and career advice.

Accordingly, Sowilo employed a full-time social worker to assist students' transition into the school environment and to lend extra support to young people who have lost or given up their interest in learning. The social worker also provides the first point of contact with human services organisations if required by the student.

Between 2000 and 2009, Sowilo had to move premises four times before moving to its present location in Kelmscott at the beginning 2010. Operating under a lease agreement, the School recognized the benefits to the School community and the surrounding communities. Student enrolments grew from 46 in 2009 to 73 in 2010 and then settled to 67 by the end of 2011.

In January 2011, the school realised its dream by purchasing the Kelmscott building. Long term stability in a secure permanent location was finally achieved. Through the support provided by the Minister, Department of Education, a Low Interest Loan was secured which funded the majority of the purchase price. Improvements to the building commenced with a major upgrade to the air-conditioning system and capital expenditure will continue in the forthcoming years.

Recognition to the gaps in the educational levels of some of our student community generated the implementation of a new program aptly titled 'F.I.G.', i.e., Filling In the Gaps. A new teaching position was created to develop and deliver this program where basic numeracy and literacy classes are designed to meet individual students' needs in supporting their integration into the high school learning environment. The F.I.G. program has become integral to forming solid educational foundations which are then built on in .

The educational and social programs offered by Sowilo Community High School are a testament to the increasing number of students engaged in the classroom. The staff at Sowilo continues to look forward with providing its unique holistic services to young people in the Armadale region of Perth.

Principal's Report for 2011

Our past 12 months at Sowilo has seen some remarkable steps forward in regard to the development of Sowilo as a leading CARE school in WA. Comprised of a fantastic team of passionate workers our teaching staff have developed wonderful and creative cross curriculum programs that link with the current Australian curriculum. With the versatility of a wide skill base within the staff we have complimented these programs to not only provide a creative cross curriculum link to education but have provided experienced and passionate facilitation of such curriculum; this directly assists with a more positive educational engagement from students. Our core community within Sowilo has developed very positively, with the implementation of discreet leadership training of students and the emphasis upon community development within the school through general philosophy. Our school has grown a substantial positive core student body that seems to model far more positive behaviours than in the past. This enables good modelling by peers to new students which in-turn provides more potential for positive growth. With the implementation of more social activities such as camps, fishing trips, weights and extracurricular activities we have seen a more solidified core group of students.

With Zac our valued Chaplin resigning due to study commitments in Melbourne, our welfare department has had a new inclusion in its ranks with the employment of Alan Hiscott fulfilling the role of Educational Psychologist. Alan brings valued experience in Alcohol and drug counselling and rehabilitation along with a wealth of knowledge in regard to educational issues that impact upon student's ability to learn.

2.1 Welfare Team Report

Our welfare team this year has dealt or are dealing with a wide variety of significant issues that decrease a student's ability to learn. Some such areas of work for our welfare team include but are not limited to:

- Abuse: Physical, sexual, mental, emotional
- Drug addiction: Crack, marijuana, ecstasy, prescription medication
- Mental Health issues: Panic attacks, depression, suicidal ideation
- Psychological disorders: Post Traumatic Stress Disorder, Attachment Disorder
- Aspergers
- Co morbidity
- Poly drug users
- Relationship breakdown
- Serious criminal offences
- Mediation

Our welfare team is often overwhelmed with the issues that prevent the ability of students learning to a high enough potential. Often the issues pertaining to the prevention of student's progress are so serious that many other agencies are involved with the students growing to a level where they may be able to engage more substantially.

Some such agencies include:

- DCP
- VIP Kenwick

- Communicare
- Bentley Child and Adolescent Mental Health Unit
- Child and Adolescent Mental Health Service
- Private clinical psychologists
- Anglicare
- Bentley Hospital Rehabilitation Unit
- Drug and Alcohol Youth Service
- Family First
- Victoria Park Youth Accommodation
- Uniting Church
- Armadale Hospital
- Princess Margaret Hospital
- Fusion Student Household Service
- Juvenile Justice Team
- Local Police

2.2 Some Approximate Welfare Statistics

- Agencies liaised with over 2010: 25-35
- Conflicts resolved per week: 50-80
- Parent interviews in regard to current student's behaviour, per week: 2-4
- Agency meetings per week in regard to current students: 1-4
- Ongoing counselling per week: 12
- Extracurricular rapport building/emotional support activities per week: 6-8

2.3 Wilderness Trek

Our Wilderness Trek Program has been running now for over 6 years, designed by myself and Peter Humbert (primary school teacher and corporal in the Australian Army Reserves). Our Wilderness Trek Program was initially designed for students who required re-entry into Sowilo after behavioural problems. After several treks many students were volunteering for the gruelling adventure. Our last trek in 2011 had some 20 volunteers for participant positions and 6 for leadership (a pre requisite being that you must have received 50% or more from any trek)! We are now at the stage whereby we interview the students to see what their aims and needs are to establish a short list for the Trek.

Some Wilderness trek aims:

- Enhance staff-student and student-student relationships
- Increase trust
- To provide a self responsibility styled learning environment within nature
- Provide alternative areas of learning otherwise not experienced in any other schooling environment.
- To provide opportunities for students to realise their inner strengths and ability to get through situations that they don't like but have to endure
- Increase teamwork/communication skills amongst individuals

How the Wilderness Trek works:

3 staff members (2 with counselling backgrounds) and 3- 6 students are driven 150km's east of Kalgoorlie or 30 kilometres into the middle of state forest around Perth. We travel in 2 vehicles with overwhelming amounts of recovery/emergency response gear and supplies. Over 5 days, students start with 40 points per day and are required to pass the following criteria:

- 10-20km's walking/day
- 2 Team work survival skills exercises /day
- Participate in rostered fire duty each night
- Get through 3 meals of mainly vegetarian based rations/day
- Lambs tongue challenge
- Value water and the environment
- Learn time management skills
- Apply thinking ahead techniques and planning

Students or teams are marked on the following criteria:

- Communication 10 points
- Respect 10 points
- Team work 10 points
- Successful completion of task 10 points

Once students are allocated points they use them to purchase their sleeping gear, outlined below:

- Sleeping Bag 25 points
- Sleeping Mat 5 points
- Hutchie(tent) 5 points
- Pillow 5 points

If students have not retained enough points for their sleeping gear they are taught theoretically and shown practically how to get through the night comfortably by using what nature offers them. It is then up to the student to decide if they will go through the effort to do this.

At the end of 2011 over 55 students had participated in the Wilderness Trek Program since its origin. At all times counsellors are there to hold firm boundaries but to give support and strategies for students that need to get through mental and emotional obstacles.

2.4 The Chilli Program

Whereby students learn how to grow chilli hydroponically, design graphics, market products and liaise with multiple businesses. This program takes in aspects of Science, Maths, Society and Environment and English for lower school, making links with outcomes within WACE 1a and 1b maths.

Students have opportunities to enter into various competitions external to Sowilo showcasing designs and recipes. This is a whole school program that runs for 1-2 terms a year.

Award winning students

International chilli awards for Sowilo students:

The Hot Pepper Awards New York State USA

- Gold Medal: Industry award 2010: Imogen Schiemer/Kyle Newton
- Bronze Medal : Garlic Sauce 2009 Shantell Nesbitt
- Bronze medal: Boutique Sauce 2010 Shantell Nesbitt

2.5 Brazilian Jiu Jitsu Physical Education Program

The Brazilian Jiu Jitsu program is facilitated by our youth worker, Kyle Baker, who is a brown belt and official instructor. Students on a voluntary basis are taken through the art form of Brazilian Jiu jitsu. This very popular form of Jiu jitsu serves for an opportunity to learn a competitive based form of martial art, as well as a very effective form of self defence. This has been a wonderful success in not only providing skills to students but the relationship between martial arts and life, often assisting in analogies within the counselling room.

Students participating in Brazilian Jiu Jitsu

- 2011: 30

BJJ Achievements 2011

- 4 Belt Promotions
- Increased Participation
- 6 students joining external clubs
- Bjj culture and its disciplines growing within the school

2.6 Student Body

Sowilo consistently strives to model and teach positive behaviours within our community. Aiming to enhance healthy decision making along with providing the student community to experience a wide and varied level of education, facilitated in such a way that it not only focuses on academic intelligence but that of the other intelligences that are important in everyday life and professional growth.

Our community over the last 12 months has grown vastly and has established a nice number of students that have been with us for quite some time. This has aided in community development and positive influence by providing a solid student community foundation that models caring and positive behaviours that enhance their life and others around them.

2.7 Non attendance management

Our student non attendance is managed via policy whereby after certain periods of time of non attendance the below steps are taken:

- Phone call to parent/s / carer/s are made on the day of non attendance
- If there is chronic non attendance a meeting with family to discuss options and / or interventions is organised
- If non attendance continues a welfare check is organised via local police
- Following this if non attendance is ongoing Participation officers are notified in the local area

Staff then liaise with the Participation Team and discuss options and strategies.

David Marshall
Principal / Senior Social Worker

CURRICULUM COORDINATOR'S REPORT

3.1 Introduction

In 2011 Sowilo CHS, in response to the results of our standardised testing in numeracy and literacy, employed a specialised teacher to deliver our 'Filling in the Gaps' teaching program. This program has been designed to recognise, identify and fill in the gaps in education that most students have. We ran two classes one maths, the other English. Both of these classes concentrated on the basic foundations of both academic areas and the programs were individualised to meet each student's needs. It is envisaged that we should see the results from this programs in our student's results within a 2-3 year period.

In our whole school classes we taught the Learning areas: LOTE (French), The Arts (General art ideas and skills & music – African drumming and guitar), Health & physical Education (Jiu Jitsu, Basketball, beach volleyball, soccer, kickball and ultimate Frisbee), Science (Earth & Beyond, Science in Society), Society & Environment integrated into our Cichlid (fish care and breeding program) and Chilli (Hydroponic cultivation and history), English (Survival techniques, immigration, racism and government power).

In our lower school classes and completing the eight learning areas were: Maths (mathematical fundamentals, application skills, real life contexts and WACE preparation) and English (novel study, Film and novel compare and contrast essay. Research skills, Grammar, text, structure and form and WACE preparation)

We offered five WACE courses: 1A English, 1B English, 1A Maths, 1B Maths and 1A History.

3.2 About this report

The Annual Report to the College Community for this year provides the school community with fair, reliable and objective information about school performance measures and policies, as determined by the Minister for Education.

3.3 Enrolment Policy (extract)

'...Sowilo Community High School is recognised by the State Government as a Special Education/Care School. As such it is the role of the school to enrol high school aged students who are experiencing significant difficulties while enrolled in mainstream schools...Once enrolled at Sowilo School it is expected that students will attend on a regular basis. However, it is acknowledged that not all students will be able to achieve full attendance at school...The Pastoral Care teachers will have the responsibility to monitor and negotiate attendance issues with the child. It is only when non-attendance becomes extreme that, under normal situations, outside agencies will be referred to.

Non-attendance at school alone will not be a reason to terminate a child's enrolment. The lack of attendance will be recorded in the Sowilo school system...However it is acknowledge that lack of attendance at school as a factor alone, will not be allowed to be used as a reason to give up trying to re-engage the individual child with the educational process...Sowilo Community will follow the Student tracking System Guidelines...'

3.4 Professional Engagement

Teacher Qualifications

The school employs 3 fulltime and two part-time teachers:

- All teachers hold Bachelor of Education degrees
- Graduate Diplomas in Education
- Graduate Diploma in International Relations
- First aid certificate
- Intermediate Certificate in French
- Cert IV Training and assessment
- Diploma in Business Studies
- Completion certificate in POP (Primary orientation program)
- Certification of Participation Keys for Life

All teaching staff meet the professional requirements to teach in Western Australian schools and are registered with the Western Australian College of Teaching.

All teachers have been involved in professional development activities during the year. These activities are designed to develop the skills and understandings of staff to improve student outcomes. Professional development can take many form including whole school staff days, subject specific in-services or out sourced programs, meetings and conferences.

Professional Development undertaken includes:

- Keys for Life – pre driving instruction course
- Assist Suicide First aid (3 days)
- Measurement in Maths
- Network Blue
- Ancient history
- Whole school curriculum expansion meetings
- Learning area meetings

3.5 Expenditure and Teacher Participation in Professional Learning:

From the school's audited financial statements, \$3,513 was spent on Professional Development for teaching staff. Participation in AISWA professional development courses are also undertaken by staff where no charges apply.

School Priorities in 2011 were:

- Literacy and Numeracy
- Student Engagement and Participation
- Student Enrolment numbers

3.6 Student Attendance:

2011									
UPPER SCHOOL					LOWER SCHOOL				
% attendance	Term 1	Term 2	Term 3	Term 4	Term 1	Term 2	Term 3	Term 4	Total
0-20%	3	3	6	3	4	6	9	13	16
20-40%	1	4	2	2	3	2	1	5	9
40-60%	2	2	4	4	2	4	6	1	3
60-80%	7	5	3	3	8	7	5	10	13
80-100%	14	10	7	7	18	18	19	19	26
Total students	27	24	22	19	35	37	40	48	67

Please note: Many students mentioned above had a 0-20% attendance rate in mainstream education

3.7 Literacy and Numeracy Benchmarks:

In 2011 Sowilo Community High School NAPLAN tested (the national literacy and numeracy test) a total of 7 students. Results were not published on the 'My School' web site (which features the results of all schools that test a minimum of 10 students). It is acknowledged that our NAPLAN results are consistently below those of main-stream high schools in the area as we are a CARE school.

3.8 Year 11 2011 Performance Data

Percentage of Year 11 Students Studying 2 WACE 1A subjects, receiving one or more 'A Grades'

Number studying 2 or more WACE 1A subjects	(15 at beginning of year) 3 continuing onto year 12
Number achieving one or more A grades	5
Percentage achieving one or more A grades	33.3 %

Percentage of Year 11 Students Studying 2 WACE subjects, receiving a pass in all subjects

Number studying 2 or more WACE subjects at beginning of year	15
Reasons for Students not completing course or not continuing to year 12	1 now in an apprenticeship 1 studying at TAFE 2 Transferred to another school 4 receiving extra tutoring at Sowilo 4 left school
Number of students achieving passes in all subjects	5

Percentage of remaining students achieving passes in all subjects	33.3%
---	--------------

3.9 Year 12 2011 study Data

Number of year 12 students	3	Percentage retained from 2011 = 20 %
Number of students studying 2 WACE 1B subjects	3	100%

Year 12 student's 2011 Intention table

Number of students	6	Equal to percentage of students – 100%	Destination of students 2012
TAFE studies	4	66.6%	2 TAFE 1 University
Apprenticeship	1	16.6%	1
Employment	1	16.6%	2

3.10 Value Added

The school offers a variety of opportunities outside of the classroom that allow students to grow and develop. Activities include:

- Brazilian Jiu-jitsu
- Weights
- Kick Boxing
- Art classes
- Desert Trek
- Chilli sauce development & marketing
- Fishing

3.11 Standardised Assessments:

Motivated by our Naplan and in school testing results, we have developed and implemented the F.I.G (Filling in the gaps) teaching program. This enables us to run a two strand education curriculum; as a result all students are testing using nationally recognised standardised testing methods:

- PAT Maths tests
- Torch tests (Reading)
- Words Their Way (Spelling)

In keeping with our philosophy that there are many different kinds of intelligence (Howard Gardner Theory) and many different ways to teach, all students complete 'Multiple Intelligence' and 'Brain Function' questionnaires that help us to determine the best way to engage each student.

3.12 Post-school Destinations

We are proud to acknowledge the continued achievement of Past Sowilo CHS students who have successfully engaged in numerous post high school studies or careers. Here are a few examples:

Name	Destination
Adam	Console Operator
Bonnie	Electrician (fully qualified)
Wade	Apprentice Electrician
Karren	Free lance Illustrator artist
Jordy	3 rd year University of Sydney (Writing)
Hannah	3 rd year University of Notre dam
Jarred	Apprentice Welder
Libby	Pastry chef
Elle	Jewellery assistant
Joe	Apprentice Boiler maker
Toby	Advance dip Tafe: Film and television
Alanna	Tafe: Art and design
Mia	Curtin University Graduate: Languages
Megan	Tafe: Art and Design
Krysta	Zoolander centre for kids who can't read
Mat	Tafe
Cassandra	University: Curtin: Fine Art
Emily	Pickled Fairy Fremantle
Shakita	Website designer
Jordan	Pre apprenticeship: Carpentry
Dea	Murdoch University
Liza Marie	Curtin University: Nursing
Mitch	Local Government

3.13 Satisfaction

Parent, Student and Teacher Satisfaction:

Communication between the School (Management, teachers, youth Workers and administration), is always ongoing. The pastoral care and academic leaders within the school are in constant contact with parents and vice versa, regarding any issues that have, or may arise. Students are also offered in-school counselling if deemed necessary or helpful. Issues of dissatisfaction, concern or behaviour are raised in these or other forms of communication that take place on a daily basis.

3.14 Conclusion

In 2010 Sowilo Community High School continued its proud history of providing quality education, in individualised programs, to students who for a variety of reasons have been unable to stay within the mainstream school system.

This information on the 2010 school year is provided to comply with the Annual Report required by the Federal Government and is accurate to the best of my knowledge.

Julie Williams
B.A. Arts.,Grad.Dip.

BUSINESS MANAGER'S REPORT

- 4 The results of the strategy of building the school's net worth which began in 2008 were shown in 2011 by the acquisition of the school building; capital improvements; cash assets maintained and in particular, the appointment of a specialist teacher for the introduction of the educational program known as 'FIG'. The net worth of the school is just shy of a half a million dollars at \$475,071. In other words, the school is financially secure and has met its financial objectives satisfactorily.

87% of revenue in 2011 was derived from the State and Federal Governments Per Capita Grant Funding Programs. Funding of \$72,168 was also sourced from a number of smaller targeted programs which include the Numeracy and Literacy Grants, Raising of School Leaving Age (ROSLA) grants; National Partnerships Low SES Grant and National Schools Computer Program. Whilst the school charges tuition fees, the provision for Doubtful Debts was increased to \$37,300 being 75% of Debtors. This percentage reflects a more realistic expectation in tuition fee collections. Sowilo's policies for charging school fees recognise the Socio-Economic status of some members of our community and these policies provide the mechanism to facilitate an equitable procedure in charging tuition fees. Bad Debts carried forward from 2008 of \$16,953 were written off in 2011.

The accounting method used since 2010 is the Accrual Method of Accounting which takes into account non-cash items and balance day adjustments. Non-cash accounts include Depreciation \$54,921; provisions for Long Service Leave \$4,427 and Annual Leave \$16,664 which total \$76,012.

Turnover in 2011 surpassed \$1million dollars and is comparable with 2010. The 2011 performance result is reported as \$5,745 loss. Operational expenditure increased by 28% overall. The most significant increase occurred in staff salaries which rose by 51%. This reflects the budgeted costs for three newly created positions in 2011: (one fulltime teacher; 1 part time external teacher and 1 part time cleaner) the transition of part time youth worker position to full time position and appropriate salary increases.

Whilst revenue is comparable to that of the previous year, the numbers of students attending school in 2011 increased. On average, attendance reached about 30 and above per day compared to low to mid 20s in 2010. It would be appropriate to acknowledge the success of 2011 programs attributable (at least in part) to the increased re-engagement of our students. Demands on teaching staff warrant the staff increases. Paradoxically, student attendance of 20% or that of 100% does not impact the amount of government funding received but does impact on the school's resources, mainly staff.

Conversely, administrative expenditure in total was reduced by 14%. Property expenses fell sharply by \$60,936 (less than half of preceding year) mainly due to no property rental costs. The interest cost on the property mortgage is negligible as it is negated by the interest earned on cash surplus.

The financial statements for Sowilo for the year ended December 2011 were independently audited by Dry Kirkness, Chartered Accountants, West Perth and were found unqualified. The Financial Statements and Independent Auditors Report can be found appended to the Annual Report.

In summary, the school's longer term viability is stable and fortified with a permanent location and sensible financial planning. It has complied with professional standards and practices. It continues to uphold its commitment to re-engage students in education and impact positively on the wider community.

Kath Wainwright

4.1 Financial Planning and Management

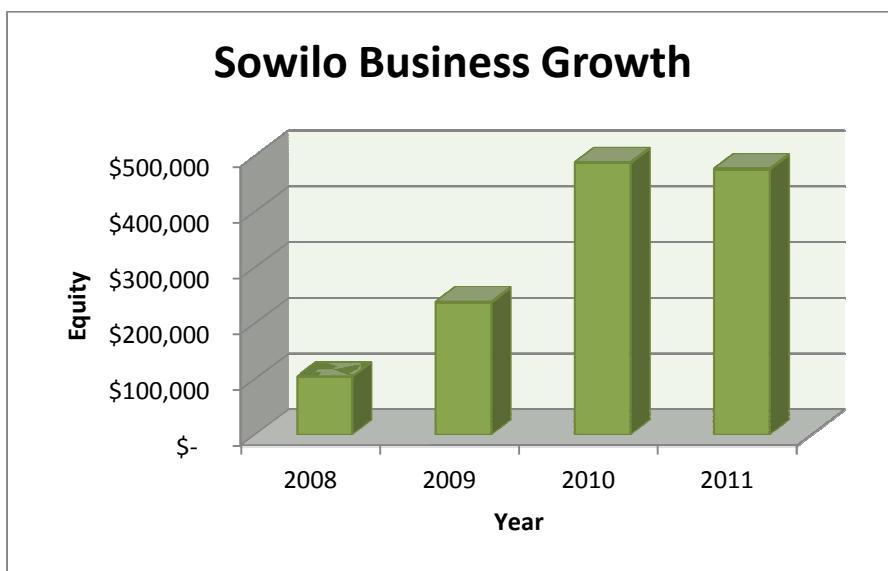
Sowilo ensures that financial planning underpins the mission, values and objectives of the School. It ensures ongoing viability of the school and successful performances educationally, student caring and financially. The school shall continue to implement strict financial controls and analysis of its growth and value in delivery of its services. With ongoing reviews of its key strategies, the school shall ensure its long term financial viability and successful learning outcomes of its students. The 2011-2015 Business Plan captures the short, medium and long-term goals of the school within the parameters of forecasted budgeting calculations. This is a separate document.

4.2 Business Structure

- (a) Non-Government Independent CARE School
- (b) Funded mainly by State and Government per capita grants
- (c) Tuition Fees charged per term \$600
- (d) Concession Card Holders entitled to 50% discount for tuition fees
- (e) Consideration given to 'hardship' status by evaluation of families' ability to pay fees.
Evaluation is by a case-by-case basis and further discount or waiver of tuition fees applied to families in severe hardship.

4.3 Business Growth

Sowilo has an ongoing commitment to its growth towards establishing itself as a leading CARE school serving the community. With maintaining stability in equity, investment into capital expenditure, professional development and learning programs support this growth. The funding it receives from governmental bodies enables the school to operate whilst it pursues potential funding from other sources. The chart below depicts the growth of the school over the last four years and the relative stability against the preceding year, 2010.



The Financial Reports are appended to this document.

4.4 Capital Expenditure 2011

The School has an ongoing commitment to its growth and this has been reflected in the last three years particularly in Capital Expenditure. The performance of the school's financial strategy has allowed surplus funds to be injected into capital growth.

The significant purchase for the year was the acquisition of the school building. Through a Low Interest Loan furnished through the Department of Educational Services, a small private loan and school cash, funds were obtained for the purchase. The school has now a permanent home and can provide long term stability to its community.

Table 1 – 100% of valuation financed through DES

Cost of Acquisition	\$	Funding	\$
Purchase Price	950,000	Landgate Valuation \$850,000	
GST	95,000	DES LIL Loan 100% of valuation	850,000
Stamp Duty (exempt)	0	Private Investment	115,000
Associated Budgeted Costs	20,000	Sowilo Cash for GST & other	100,000
Total	1,065,000	Total	1,065,000

A further \$63,961 was spent on assets as following:

- Total Upgrade of Building Air-Conditioning systems
- Construction of new teachers office
- Outside Upgrade of Pergola with seating and fencing
- 18 new computers (17 for students and 1 for staff)

The school was granted a further \$10,500 under the Digital Education Revolution (DER) Grants Program (government initiative to meet 1:1 student computer ratio by 2012). The grant contributed to the computer purchases stated above.

Funding Arrangements – Acquisition of Building

The Low Interest Loan approved by the Education Minister is provided at 100% of the valuation of the building as conducted by Landgate. The amount of the valuation is \$850,000. The Low Interest Loan will be repaid by the school over the term of the loan which is 15 years. The first repayment occurred in February 2011.

The private Investor provided a loan to the school for the amount of \$115,000 for the purpose of assisting with purchasing the building. The private loan will be repaid by the school over the term of the loan which is 10 years. The first repayment occurred 17th December 2010.

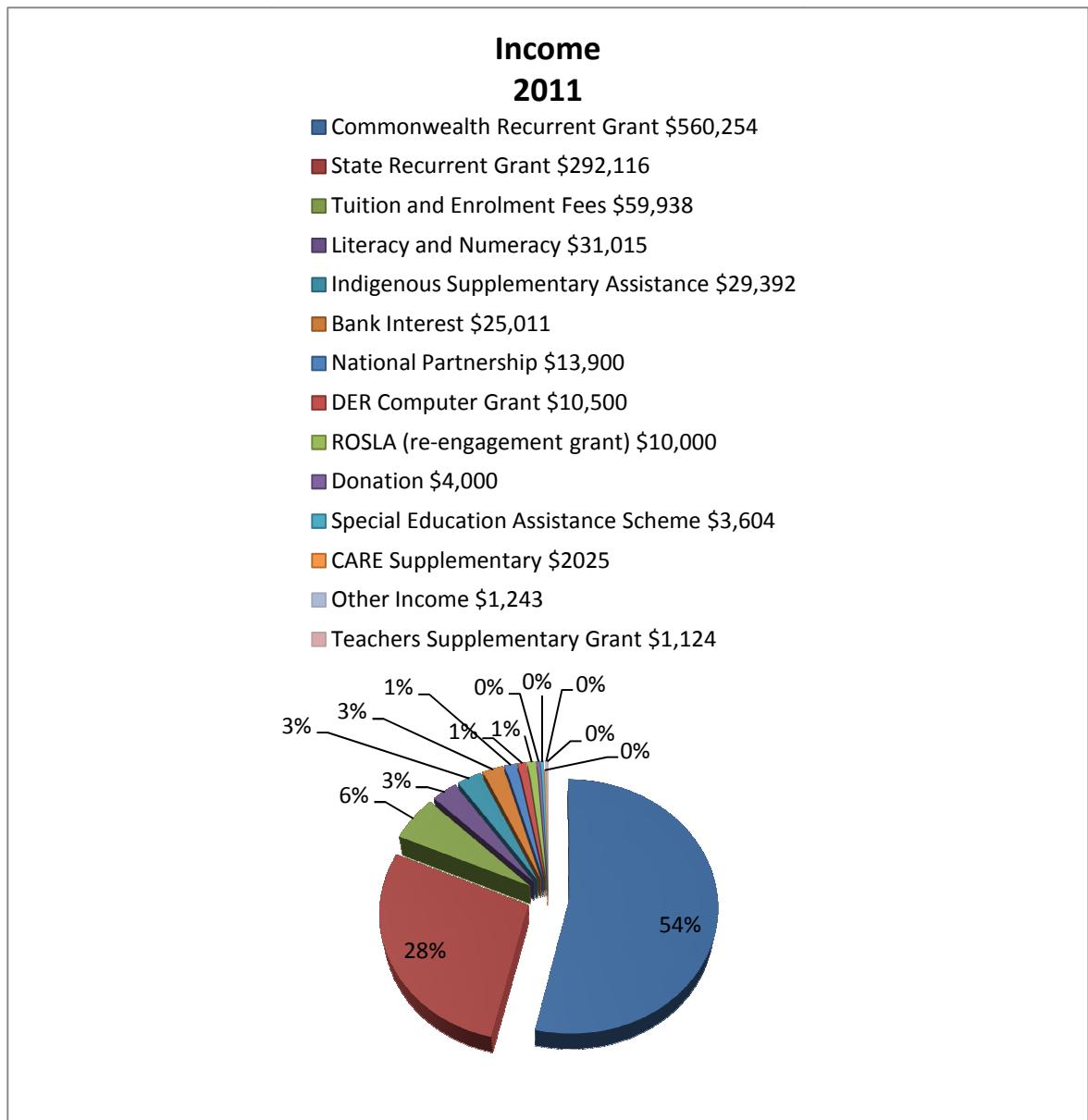
Both loan repayments are factored into the Cash Flow for the five year period 2011-2015. The GST component of \$95,000 above was refunded as part of the March 2011 quarterly BAS Return.

4.5 Income and Expenditure

The total income of \$1,034,122 represents income which is mostly obtained from Commonwealth Government Per Capita Grant 54% and State Government Per Capita Grant 28% of total income.

These two grants equal 82% of the total funding received which highlights the school's dependency on future government funding.

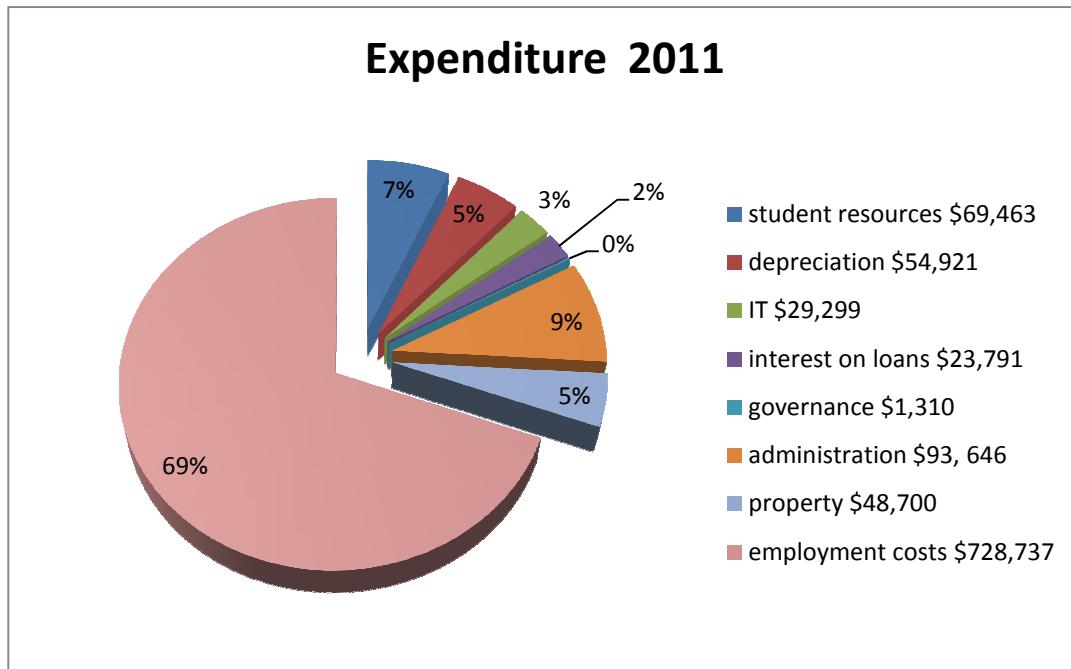
Tuition Fees invoiced to families represent only 6% of the total income. The remaining 12% of income is mostly sourced through applications submitted to AISWA (Association of Independent Schools of WA). A donation of \$4,000 was received by a member of the public. Refer to Income Statement for further details.



Expenditure is dominated by employment costs representing 69% of operational costs. Employment costs include salaries, superannuation, increases in long service leave provision and annual leave provision for unused leave, workers compensation, staff training and staff wellbeing.

Administration costs include normal operational costs (e.g., telephones, stationery costs) as well as bad debts \$16,953 and doubtful debts \$37,300, legal service.

Property costs include rates, strata levies, maintenance and energy consumption.

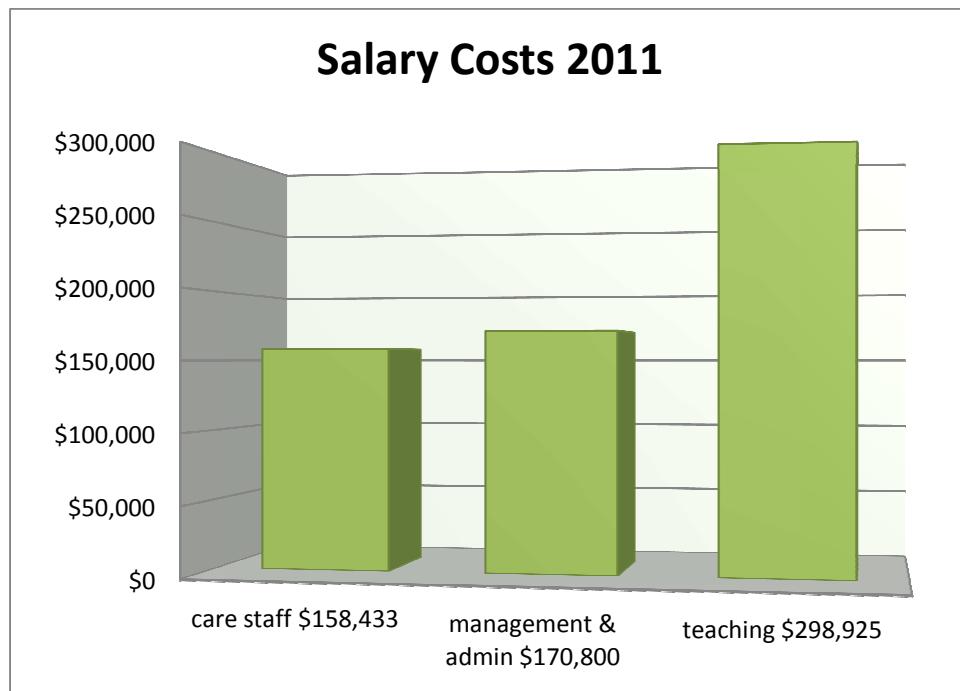


Staff Salaries

Staff Salaries are the largest expense to the school and are depicted across the three main functions of the school.

- Teachers and their aides represent the highest cost at \$298,925. This represents a 70% increase from the preceding year. The appointment of 2 FTE and 0.5 FTE teachers and salary adjustments reflects the increase.
- Care staff includes social, youth and chaplaincy were \$158,433. This represents a 40% increase from the preceding year. The transition of part time to FTE position and salary adjustments reflects the increase.
- Management and Administrative costs are at \$170,800. This represents 32% increase from the preceding year. The appointment of a part time cleaner and salary adjustments reflect the increase.

The nett increase of salaries from \$418,058 in 2010 to \$628,158 for 2011 equates to an overall increase of 50% in staff salaries. The number of staff was increased as student numbers attendances increased.



Please note: Salary costs depicted in this graph are representative of gross salary and are exclusive of superannuation and any on-costs.

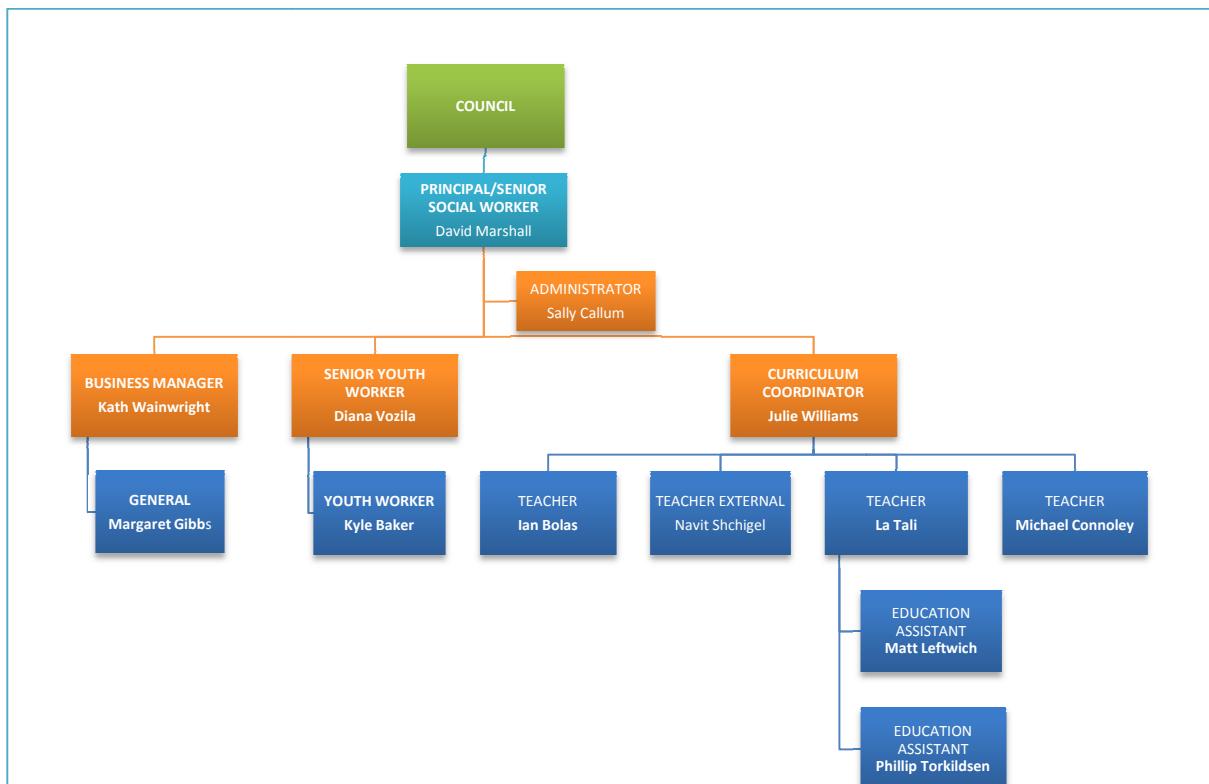
Student Numbers

The number of student enrolled in the school at end of 2011 was 67.

The number of students enrolled fell by 8% from that of 2010 (73 in 2010).

Of those 67, a small percentage of students do not attend on a daily basis and are listed under special circumstances. As at last census (August 2011) 56 students were approved for funding under the State Government's Recurrent Funding criteria. As the criteria for Commonwealth Government's Recurrent Grants program for funding students is calculated under a different formula, the number of students fully funded under this program was 67, at the end of 2011.

4.6 Human Resources – Staff Relationship Chart 2011



All staff members have appropriate qualifications and/or experience for the positions held. Sowilo supports professional development of staff and encourages further professional development with accredited training/educational institutions. The ongoing professional development of staff is strategic to the enhancement of student outcomes. The school adopts a positive practical approach to staff well-being and promotes team spirit.

4.7 Staff Movement

In 2011, three staff departures by their own volition:

Mr Zachariah Holt
Miss Hannah Maddrell
Mr Benjamin Szumskyj

Chaplain
Teacher's Aide
Teacher

Dec. 2011
Apr. 2011
Jun. 2011

In 2011, new appointments were:

Mrs Lou Ann Tali	Teacher (new position)	Jan. 2011
Mr Michael Connoley	Teacher	Jan. 2011
Mrs Margaret Gibbs	Cleaner (new position)	Feb. 2011
Mr Phillip Torkildsen	Teacher's Aide	May 2011
Mr Benjamin Szumskyj	Teacher	Jun. 2011
Mrs Navit Shchigel	TeacherExternal (new position)	Aug. 2011
Vacant Position	Chaplain/Welfare Officer	filled in April 2012

4.8 Insurance

Sowilo shall ensure that it carries the appropriate insurance cover by a reputable insurer at all times. Grange Insurance Company acts as Sowilo's insurance broker and current policies held:

- (a) Workers Compensation
- (b) School Student Personal Accident
- (c) Industrial Special Risk
- (d) Liability Statutory
- (e) Professional Indemnity
- (f) Directors & Officers Liability/Co. Reimbursement
- (g) Voluntary Workers Personal Accident
- (h) Corporate Travel
- (i) Professional Fees
- (j) Property Insurance

4.9 Policies and Procedures Statement

Sowilo shall ensure that it maintains and implements the necessary policies, procedures and related documents in order to ensure that efficient and effective operation of the School and that it is in compliance with all legal requirements.

Sowilo shall prepare and implement any additional policies or procedures that may be required as the need arises.

The Council with assistance from the School management shall regularly:

- Review the policies and procedures
- Assess their effectiveness
- Consider whether any amendments are required, or any additional policies, procedures or related documents need to be prepared

4.10 Statement by the Council

SOWILO COMMUNITY INC

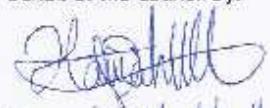
STATEMENT BY THE COUNCIL

The Council has determined that the Association is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Council the financial statements as set out on pages 6 to 17:

- (i) Presents fairly, in all material respects, the financial position of Sowilo Community Inc trading as Sowilo Community High School as at 31 December 2011 and its performance for the year ended on that date; and
- (ii) At the date of this statement, there are reasonable grounds to believe that Sowilo Community Inc trading as Sowilo Community High School will be able to pay its debts as and when they fall due.

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



Hannah Maddrell
Chairman

Treasurer

Dated at Perth this 10th day of April 2012

4.11 Independent Auditor's Report for year 2011



SOWILO COMMUNITY INC

INDEPENDENT AUDITOR'S REPORT

To the members of Sowilo Community Inc

DRY KIRKNESS
CHARTERED ACCOUNTANTS
ABN 46 959 149 765

Lotto, 5, 55 CHURCH STREET

West Pymble, NSW 2095 0955

133 Pitt St, West Circular, 6673

Tel/Fax: (09) 548 1118

Facsimile: (09) 548 1153

E-mail: drkirkness@optusnet.com.au

Website: www.drykirkness.com.au

Liability limited by a scheme approved
under the Professional Standards Legislation.

We have audited the accompanying financial statements being special purpose financial statements, of Sowilo Community Inc trading as Sowilo Community High School (the 'School'), which comprises the balance sheet as at 31 December 2011, the income statement, statement of changes in equity and statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

Council's Responsibility for the Financial Statements

The Council of Sowilo Community Inc is responsible for the preparation of the financial statements and has determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the constitution and is appropriate to meet the needs of the members. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial statements, 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

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

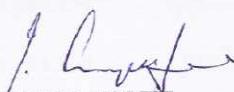
Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sowilo Community Inc. as at 31 December 2011, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and its constitution.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to assist Sowilo Community Inc to meet the requirements of its constitution. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Sowilo Community Inc and should not be distributed to any other party.


DRY KIRKNESS
Chartered Accountants


P J LAMPRELL-JARRETT
Partner

Date: 10 April 2012
West Perth
Western Australia

4.12 Balance Sheet (summary) for year 2011

**SOWILO COMMUNITY INC
BALANCE SHEET
AS AT 31 DECEMBER 2011**

The following is the summary of the Balance Sheet

	2011	2010
	\$	\$
TOTAL CURRENT ASSETS	355,726	432,380
TOTAL NON-CURRENT ASSETS	1,098,174	1,085,442
TOTAL ASSETS	1,453,900	1,517,822
TOTAL CURRENT LIABILITIES	119,420	122,888
TOTAL NON-CURRENT LIABILITIES	859,406	914,115
TOTAL LIABILITIES	978,826	1,037,003
NET ASSETS	475,074	480,819
ACCUMULATED FUNDS		
Represented by:		
Retained Earnings	475,074	480,819
	475,074	480,819

The accompanying notes form an integral part of these financial statements

4.13 Income Statement for year 2011

SOWILO COMMUNITY INC

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010
	\$	\$
Recurrent Operations		
Revenue	1,033,622	1,032,701
Administration expenses	(124,255)	(83,359)
Depreciation expense	(54,921)	(72,009)
Employment expenses	(728,737)	(483,814)
Interest expense	(23,791)	(758)
Property expenses	(48,700)	(109,636)
Student expenses	(69,463)	(50,763)
Surplus from recurrent operations	(16,245)	232,362
Non Recurrent		
Revenue	10,500	12,000
Expense	-	-
Surplus from non recurrent operations	10,500	12,000
NET OPERATING SURPLUS FOR YEAR	(5,745)	244,362

The accompanying notes form an integral part of these financial statements