



Nadrasca

Dignity. Diversity. Community. Industry.



Annual Report 2010-2011

Nadrasca

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Board of Directors

Malcolm Thomas Poole (Chairman)

Alan Keith Kilner (Deputy Chairman)

Gus Koedyk (Company Secretary)

Richard James Copeland

Christopher Douglas James

Roderick Bruce Keuris (From 28.09.10)

Yvonne Lynette Mahony

Christopher Patrick Pyke

Jennifer Elizabeth Reid

Christopher Keith Tann

Christopher Norman Woodward (From 28.09.10)

Report from the Chairman and Executive Director – 2010-11 Highlights

Overview

In a year full of changes and challenges, Nadrasca has continued its successful journey supporting people with a disability, while ensuring that the company remains sustainable and viable.

At the AGM in September 2010, the members elected two new Directors to the Board. The Board now comprises Directors who have skills that include business knowledge (including SME's), marketing, insurance, risk management, human relations, accounting/bookkeeping, production and manufacturing. The Board has 11 members, five of whom are parents of children who access a Nadrasca service.

The Board has spent considerable time meeting to discuss, review and plan the future direction of Nadrasca, taking into account the results of the Needs Analysis conducted over two years ago. Details of the Strategic Plan were a feature in the Nadrasca News Easter edition (available on our website).

National Disability Insurance Scheme (NDIS)

Nadrasca was one of the initial signatories in support of an NDIS over three years ago. The Productivity Commission has been conducting an enquiry into Disability Care and Support for over 18 months. The report was initially commissioned by the Rudd Government.

The Productivity Commission identified that the current disability support system is 'underfunded, unfair, fragmented, and inefficient. It gives people with a disability little choice, no certainty of access to appropriate supports and little scope to participate in the community. People with disabilities, their carers, service providers, workers in the industry and governments all want change.'

The NDIS 'would be like Medicare, in that all Australians with a significant and ongoing disability would get long-term care and support (but *not* income, which would be left to private insurance and to the Australian Government's income support system)' such as the Disability Support Pension.



The Federal Government has recently announced that they share the vision for a National Disability

Insurance Scheme and will begin laying the foundations for its introduction.

The main recommendation of the Productivity Commission's final report is:

'A National Disability Insurance Scheme should be created to provide all Australians with insurance for the costs of support if they or a family member acquire a disability. The scheme will provide individually tailored care and support to around 410,000 people with significant disabilities. The Productivity Commission's report finds that it would take at least seven years to transform disability services.'

We need to ensure that people with a disability not only have *eligibility*, but an *entitlement* to services after assessment and that the services are fully funded. An NDIS would also mean significant changes to service providers and service delivery, as an additional \$6.5 billion per annum flows to individuals requiring support. This would double the funding levels of the currently underfunded and crisis-driven system.

This is why it is still important for people with a disability, their parents, carers and advocates to commit and support the *Every Australian Counts* Campaign. The campaign is seeking a minimum of 100,000 supporters to ensure that the NDIS becomes a reality. Details are available on the website everyaustraliancounts.com.au. Nadrasca encourages you to register your support online.

Nadrasca Industry

The revenue and surplus for 2010/11 of \$3,947,259 and \$366,645 respectively are a record for Nadrasca Industry and the result of sustained growth over the past six years. Nadrasca Industry revenue has increased over 95% in the past six years, which is equivalent to a 12% year-on-year growth.

Over the past six years, Nadrasca Industry has grown its customer base to have a strong non-seasonal focus, providing a continuity of work for the employees, and has established a position that provides a greater level of job security than existed in the past. Whilst not totally immune from the Global Financial Crisis, we have been able to survive and even grow the business, while developing strong relationships with our customers.

The closure of Timber Manufacture and Assembly announced in June 2011, occurred because it was unable to meet

budget and growth targets. Nadrasca will rebuild this area for storage and warehousing, and will expand into third party logistics (3PL) operations. This will ensure the future business expansion and viability of Nadrasca. No staff or employee will lose their job; all have been redeployed to other operational areas.

After 16 years working for Nadrasca, Jessie Ray (Logan) retired in July 2010. Jessie started at Blackburn in October 1994 and transferred to Rooks Road as Production Manager in January 2002. Jessie was replaced by Robert Martin, who commenced with Nadrasca as a supervisor in September 2010 after 10 years as the Manager of Scope South-East Industries.

Nadrasca Industry continues to meet certification requirements under both the Commonwealth Disability Employment Services Certification and the International Standard ISO 9001:2008.

The Australian Disability Enterprises (ADE's) entered 2011 with three major and inter-related items on the Federal Government policy agenda: the Price Review, the Vision for Supported Employment and Performance. The Price Review (which included a survey of ADE's by KPMG) has fed into the Vision for Supported Employment, which resulted in 570 submissions in response to the discussion paper, 'Inclusion for People through Sustainable Supported Employment'. The Vision was intended to be finalised early in 2011, but is still ongoing.

Nadrasca Community

The commercial reality of individual support packages (also known as self-directed approaches) has taken its toll on the finances of operating Nadrasca Day Services during the financial year. In the past, Nadrasca received funding through a block grant. When people left the service, the funding remained and we simply filled vacancies. Now the funding is attached to individuals. If they leave the service, the funding goes with them. With little intake and the loss of 12 clients (through death or transfers to other regions and/or services) there was a reduction in subsidy funding of \$185,000. This had an impact on the bottom line and resulted in a need to focus on expense control as revenue dropped.

Likewise, the underfunding in our Accommodation Services raised in last year's report continues. Overall they operated with a deficit for the year. As residents age and their needs become more complex, we will slowly become

aged-care providers by default. This has already occurred in one of our Accommodation residences.

Ageing parents with ageing clients has been an issue for some time, but this year we saw further evidence of this with the death of a number of our clients and parents. We would like to express our condolences to all the families/carers who suffered a loss of a family member this year.

It was with sadness we heard of the death of Rob Tunney. Rob was a very active member of the Lions Club of Blackburn North. He has been a wonderful supporter of Nadrasca over the past seventeen years.

The Whitehorse Community Health Services Men's Shed was first established in 2005 to provide men with a venue for gaining skills, learning new activities and socialising with other men who have similar interests. The Whitehorse Men's Shed moved into our High Street Community Options facility in October. This created a new dimension in our partnerships and exemplifies reverse integration.

On 10 November 2010, the Nadrasca Amateur Drama Dance and Song performed *Les Miserables* to a delighted packed audience at the City of Whitehorse Theatre. The performance was compared to professional theatre companies in terms of the quality of the production.

Corporate Partnerships and Sponsors

We would like to acknowledge all of our sponsors and supporters, particularly:

- Robert Finch from The Good Guys in Nunawading for their continuing quarterly donations from their Local Giving Program Token Box.
- The Rotary Club of Forest Hill and the Rotary Club of Box Hill Central for their contribution to the Farm and the Whitehorse Charity Golf Day.
- The City of Whitehorse Community Chest for funds which went towards a new water tank at the Farm.
- The Jack Brockhoff Foundation for a grant towards a bus hoist.
- Smiths/Pepsico who organised a day of volunteering on 30 July. Twenty-five people worked hard on the gardens at the Farm, Tennyson Street Independent Living Units, High Street Day Services and High Street Residential.

- ExxonMobil Australia chose the Farm as their Day of Caring project for their staff. In November, the team of eight enthusiastically erected a large tunnel hothouse.

The fundraising committee at High Street re-united for a once-off project – the creation of a Sensory Room. They organised a Giant Book Fair on 16 October 2010. The Blackburn South Community Bank of the Bendigo Bank generously contributed \$30,000 towards the purchase of the equipment and furnishings for the Sensory room, which has been a great asset to the site.

Quality Framework

The main focus for Nadrasca Community (Accommodation Services and Day Services) has been on improving its service quality, with an emphasis on the people we support achieving real outcomes, reaching their full potential and being valuable citizens in their community.

Nadrasca management and staff have also been working hard to fulfil and support state certification requirements that include the Disability Legislation and the Quality Framework (which comprises Industry Standards, Outcome Standards and 16 Life Areas).

In order to improve outcomes for individuals, Nadrasca Community has moved away from having plans that focused on each individual and a service provider, to having one plan for each client, where the person determines what services and outcomes they need and want. Both Accommodation and Day Services have been working more closely with individuals to achieve this.

Nadrasca Community has also worked hard to implement strategies to promote Active Support, which is all about people being given the opportunity to do things for themselves, to be empowered in decision-making and to be engaged in meaningful activities. To facilitate this, we have employed a Facilitator for Active Support and Advocacy. As a result of adopting the philosophy of Active Support, people are now managing their own money and paying their own bills, whereas in the past staff would have done this for them.

Risk Management and Training

The Board has formed a Risk and Compliance Management Sub-Committee. The committee conducted a

self-assessment of Nadrasca's current systems and processes in relation to risk management.

The review indicated that Nadrasca has a sound and robust risk management system in place, which is being continually reviewed.

All staff in Day Services underwent training with the Office of the Disability Services Commissioner on Complaints, and DHS training on Incident Reporting. Accommodation Services staff attended training on Human Rights through the Victorian Equal Opportunity and Human Rights Commission.

During the year, Nadrasca commissioned CGU (our WorkCover agents) to conduct organisation-wide training in Manual Handling, Bullying and Harassment, in line with our legal and OH&S requirements.

Financials

The Statement of Comprehensive Income and Statement of Financial Position (see overleaf) reflect another good result for Nadrasca, despite reduced revenue from the loss of an unusually high number of clients during the year. The surplus of \$660,607 is a slight increase over the previous year and will enable Nadrasca to reinvest in capital improvements and services in the future. Over \$500,000 of the surplus was as a result of the excellent performance of Nadrasca Industry, and Corporate income from interest and rental investments.

The equity of Nadrasca has increased to \$9,828,662, which is just under the annual revenue.

None of this would have been possible without the dedication and commitment of the more than 150 Nadrasca staff (who support our consumers) and the contribution of our 142 employees in Nadrasca Industry. Our sincere thanks go to them. The Board of Directors and Management would also like to thank all our stakeholders for their continuing support.



Mike Poole
Chairman



Gus Koedyk
Executive Director



Statement of Comprehensive Income for the Year Ended 30 June 2011

	2011 \$	2010 \$
Revenue	9,919,639	9,838,910
Cost of sales	(517,409)	(524,744)
Employee benefits expenses	(6,805,845)	(6,706,971)
Marketing expenses	(20,235)	(20,905)
Depreciation and impairments	(312,711)	(340,483)
Consulting and professional fees	(40,801)	(21,871)
Repairs and maintenance	(332,600)	(225,764)
Rent and occupancy expenses	(200,330)	(238,484)
Motor vehicle and travel expenses	(218,128)	(201,792)
Cleaning and housekeeping expenses	(212,444)	(322,569)
Other expenses	(598,529)	(595,402)
Surplus for the year	660,607	639,925
Other comprehensive income		
Other comprehensive income	–	–
Total comprehensive income for the year	660,607	639,925

Statement of Financial Position as at 30 June 2011

	2011 \$	2010 \$
ASSETS		
Current assets		
Cash and cash equivalents	766,355	283,182
Trade and other receivables	506,360	359,540
Inventories	137,985	122,277
Financial assets	2,613,483	2,634,000
Other current assets	11,565	–
Total current assets	4,035,748	3,398,999
Non-current assets		
Other receivables	212,500	212,500
Property, plant and equipment	7,640,721	7,497,752
Total non-current assets	7,853,221	7,710,252
TOTAL ASSETS	11,888,969	11,109,251
LIABILITIES		
Current liabilities		
Trade and other payables	530,171	493,862
Borrowings	11,782	–
Other current liabilities	343,573	345,755
Short term provisions	1,121,719	1,069,099
Total current liabilities	2,007,245	1,908,716
Non-current liabilities		
Other long term provisions	53,062	32,480
Total non-current liabilities	53,062	32,480
TOTAL LIABILITIES	2,060,307	1,941,196
NET ASSETS	9,828,662	9,168,055
EQUITY		
Reserves	55,557	–
Accumulated surpluses	9,773,105	9,168,055
TOTAL EQUITY	9,828,662	9,168,055



Statement by Independent Auditor – Saward Dawson

We, Saward Dawson have been appointed auditor of the company for the year ended 30 June 2011. In our opinion, the information reported in the summarised Statement of Comprehensive Income and Statement of Financial Position for Nadrasca for the year ended 30 June 2011 is consistent with the annual statutory report from which it is derived and upon which we intend to express an unqualified opinion in our report to members. For a better understanding of the scope of our audit, this report should be read in conjunction with our audit report on the annual statutory financial report.



Statement on behalf of the Board

I, Gus Koedyk being the officer in charge of the preparation of this Special Purpose (Reduced Disclosure Regime) Annual Financial Report comprising the Statement of Financial Performance and Statement of Comprehensive Income of Nadrasca for the year ended 30 June 2011, state that the financial report has been extracted from the books and records of the Company and shows a true and fair view of the state of affairs of Nadrasca. A full set of audited accounts is available upon request or can be viewed on the Company website – www.nadrasca.com.au

