



# Nadrasca

Dignity. Diversity. Community. Industry.



Love Birds  
by Louisa Hanna



Flower Tank  
by Eirley Hendricks



## ANNUAL REPORT 2015-2016

### Nadrasca

ACN 125 235 047 ABN 90 125 235 047

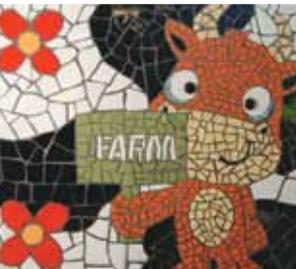
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### Board of Directors

Mike Poole (Chairman)  
Keith Kilner (Deputy Chairman)  
Gus Koedyk (Company Secretary)  
Christopher James  
Roderick Keuris  
Christopher Malin  
Claudia Margach (resigned 02/02/16)  
Douglas Mitchell  
Christopher Pyke  
Christopher Woodward (resigned 22/09/15)



# Report from the Chairman and Executive Director

## Overview

This financial year was one of the most difficult trading periods for Nadrasca in the last decade. In May 2015 Nadrasca purchased The Leadership College Pty Ltd, a Registered Training Organisation (RTO), in anticipation of receiving Victorian Training Guarantee (VTG) funding in January 2016. This funding did not eventuate due to retrospective eligibility criteria. Further details are included in the Nadrasca Training Report. Nadrasca bore the cost of RTO staff teaching participants with no revenue, until a sub-contracting agreement with the Box Hill Institute, approved by the Victorian Department of Education and Training (DET), was signed on 10 June 2016.

Sales revenue in Nadrasca Industry declined due to the loss of business from a number of customers for various reasons: competition; delisting of product lines by major retailers; or business simply reducing or ceasing. Unfortunately, new business revenue did not replace lost revenue and sales compared to budget were down and less than the previous year.

In addition, following a site audit, the Board approved spending of \$1.3 million on repairs and maintenance on our Witt Street and Wood Street sites for safety and compliance reasons. Most of the renovations were carried out to meet the Disability Discrimination Act (DDA) compliance requirements, plus traffic management to ensure that back and side entrances are safe for pedestrians.

## National Disability Insurance Scheme (NDIS)

The Victorian Bi-Lateral Agreement was signed during the year with the Commonwealth Government. The roll out of the NDIS commenced on 1 July 2016 in the North East Region of Melbourne, Loddon and Central Highlands.

Victoria has been split into 16 regions and the NDIS will progressively roll out across Victoria over the next 3 years. The roll out in Inner and Outer East Melbourne will commence in November 2017 and may take up to twelve months.

## Nadrasca Industry

Nadrasca Industry has had a difficult year from a revenue perspective. While we strive for quality outcomes from our service, we have found our market being eroded by automated and semi-automated production lines, and significant discounting from some of our direct competitors. Our sales team is working diligently to develop new markets and create new opportunities with new business customers.

Our Warehouse offering continues to grow, with new customers taking up our full 3PL

offering, including online ordering and 'pick and pack' options. We continue to promote 3PL as it creates many opportunities for our employees to learn new skills in the warehouse environment, which they can use in future open employment opportunities.

This year we have been able to increase our intake of students from surrounding suburbs for our work experience programme, with a view to them choosing Nadrasca as their destination of choice when they leave school. Our employee numbers remain strong and stable, with great interest from potential new employees wanting to take advantage of our workplace employment offering, certificate training and experiential learning model.

Nadrasca will continue to focus on its core goal of moving our people into Open Employment by developing strong relationships with the commercial sector.

The Nadrasca Industry team has worked continually to communicate and enact strong OH&S work practices. We are very pleased to complete the year without a single Lost Time Injury in the workplace. Congratulations to all staff and employees on this great result, and to Niki Wetherall and her team for their support and good work during the year, promoting workplace OH&S and Wellbeing.

## Nadrasca Community

The 2015-2016 year has been another year with many changes and challenges, as well as a year of growth and success.

We received permission from the Department of Health & Human Services (DHHS) Area Director to reconfigure residents at our Shared Supported Accommodation services at Whitehorse and Woodcrest. It was acknowledged that our Whitehorse home was purpose built to accommodate people with physical support needs, which was what a resident required. The move was completed with the utmost respect for the individuals; however, it sometimes takes a while to adjust to change.

The following houses were open over the Christmas period: High, Panorama, Whitehorse and Woodcrest. The following houses were closed from 24 – 27 December: Gardenia, Glenwood and Mt Dandenong. This highlights the ageing population of both residents and their parents.

As a registered bus operator, Nadrasca is responsible for the implementation of the Bus Safety Act 2009 for Accredited and Registered Bus Operators. The Bus Safety Regulations 2010 require us to:

- complete an annual Bus Safety Inspection on all buses operated,

- develop, maintain and implement an Alcohol and Drug Management policy,
- ensure that a serviceable fire extinguisher is fitted to all buses operated,
- ensure that each person who drives a bus holds the appropriate driver's licence, and
- notify Transport Safety Victoria of any bus accidents or incidents.

We passed an audit in July; in fact, our processes are well in line with the new regulations being issued by Transport Safety Victoria.

During the year, DHHS implemented a new mandatory Quality of Support Review process for all allegations of assault of a client by a staff member in disability services. Allegations of unexplained injuries of a person with a disability may also be subject to the review process.

DHHS undertakes an annual Desktop Audit of Nadrasca that reviews our legal reporting processes to them, including Incident Reporting. As in previous years, Nadrasca passed this audit.

Each year, we also go through the Annual Essential Safety Measures reporting that is required under the Building Regulations and the DHHS Fire Risk Management Guidelines.

Training is an integral part of our best practice for service delivery. On 15-17 July, the Nadrasca Community Leadership team attended the Annual Leadership Conference. The main focus of the conference was organisational change and how to implement change. The Chief Operating Officer spoke on the future direction of the organisation and the underlying principles of the NDIS. We also worked on: team development; how we manage the various teams across Community; and continuous improvement to service delivery.

Three times a year, we bring together all staff from Community (Day Services and Accommodation Services) and present workshops on a number of topics. This year, topics included:

- Mental Health/Illness
- Physical and Sexual Abuse
- Cultural Safety in Aboriginal Health

Training in the development of fundamental self-advocacy skills has also been provided to participants of My Life, My Future through the Victorian Advocacy League for Individuals with a Disability (VALID).

During the year, participants at My Life, My Future and the Farm attended the annual Respite Information and Development in the East (RIDE) Expo for the first time.

Nadrasca Community Options has supported the Seniors Art Programme for many years, despite financial deficits each year. Due to declining numbers, Nadrasca had to make the difficult decision to close the Seniors Programme, amalgamating it with the Arts Programme at Witt Street.

### Nadrasca Training

Nadrasca has made a significant organisational and financial commitment over the last four years to develop Certificate Level training opportunities for Nadrasca Participants. The primary goal of this structured learning is to reduce vulnerability, improve community and social inclusion, and strengthen access to employment opportunities.

During 2015, Nadrasca purchased and successfully gained registration of a new RTO with Australian Skills Quality Authority (ASQA), the governing body. The RTO was also successfully scoped for Foundation Skills courses suitable for a broad range of Nadrasca Participants. However, Nadrasca was precluded from accessing funding through the VTG due to significant retrospective changes to funding criteria by the VTG, which affected all new RTOs.

Nadrasca management lobbied Federal and State Politicians, and high level bureaucrats in the Victorian Department of Education and Training (DET). Through the lobbying process, Nadrasca's training concept received broad-based support from the State Government and the DET. DET then approved a sub-contracting agreement between Nadrasca and the Box Hill Institute. This agreement enables Nadrasca to provide quality Certificate Training opportunities to Nadrasca Participants in an experiential learning environment that improves outcomes to people living with disability at all levels of learning need.

The objectives of Nadrasca Training are in keeping with the fundamental constructs of Nadrasca's Purpose to: *Establish & Develop a Range of Services for People with a Disability*, and the NDIS Objects and Principles, which include to: *Promote the provision of high quality and innovative supports that enable people with disability to maximise independent lifestyles and full inclusion in the community.*

### Quality, Compliance & Risk

Quality, compliance and risk management are key elements of governance and fundamental to Nadrasca operations. The aim is to meet legislative standards and contract requirements by:

- identifying ways to continually improve systems and processes, and
- effectively eliminating/controlling risks faced by Nadrasca's population and the organisation.

Nadrasca's quality framework is comprised of certified and non-certified management systems to provide assurance of service quality, evidence of consistent and reliable outcomes, and continuous improvement activity.

### DHHS and DSS Certification

BSI, a business standards company, was re-engaged to conduct measurement and evaluation activity for the DHHS Quality Framework, DSS (Department of Social Services) and ISO 9001:2008 Service Standards compliance audits in April 2016. Nadrasca met all audit requirements to renew certification in all areas, with no non-conformances.

### Client Management System (CIMSability)

An updated version of CIMSability was installed in a test environment in early December 2015. Feedback received from staff was positive. Nadrasca worked with the supplier, Liveware, to ensure system issues were addressed and the platform enhanced to meet business requirements. This process has enabled participant information to be entered directly in the system, reducing the amount of traditional hard copy templates and information. Formal training and roll out was completed in February 2016.

### Risk

Nadrasca recognises that, to ensure a safe workplace, risks must be identified, assessed, and eliminated or controlled. Risk mitigation activities have been undertaken to ensure that all Nadrasca sites and various systems of work and processes have been evaluated, with a view to eliminate risks or reduce the risks as far as is reasonably practicable.

Activities undertaken during the year include:

- Workplace Inspections for all sites,
- Witt Street site Audit Reviews,
- Risk Assessments of some Farm and office equipment,
- Approval To Trial processes for ergonomic chairs for Nadrasca Industry,
- Disability Access Audit at Rooks Road site,
- Commercial Glazing Inspection at Rooks Road site,
- Policy and Procedural reviews and updates, and
- A Centralised Register of Injuries.

### Board Matters

During the 2015-16 year, Mr Chris Woodward did not re-nominate for the Board at the AGM and Ms Claudia Margach resigned from the Board due to personal

circumstances on 2 February 2016. The Board expresses appreciation for their contribution as Directors.

Nadrasca is fortunate to have a diverse, professional Board to guide the current and future direction of the organisation in a constantly changing environment, particularly with the introduction of the NDIS.

### Donors, Supporters & Sponsors

Nadrasca wishes to thank all the donors, supporters, corporate sponsors and community groups who have given so generously. Your generosity and assistance is greatly appreciated.

### Financials

The consolidated result for 2015-16 is a deficit of \$1,232,829 with deficits in all operational areas, except Nadrasca Community which made a small surplus. As mentioned in the Overview, \$1,300,084 was spent on repairs and maintenance at Witt Street and Nadrasca Training sustained a loss of \$562,689. Consequently, the Consolidated Statement of Financial Position shows the total equity has reduced to \$11,519,813.

Some of the expensed losses are in fact an investment in the future for the organisation and Nadrasca participants.

The Nadrasca Board appreciates the commitment and support of the staff during what was a difficult and challenging year.

*Nadrasca acknowledges the support of the Victorian Government.*



**Australian Government**  
**Department of Social Services**

*The provision of employment assistance services to people with disability is partially funded by the Australian Government under the Services and Support for People with Disability Programme.*



**Mike Poole**  
Chairman



**Gus Koedyk**  
Executive Director

## Consolidated Statement of Profit or Loss and other Comprehensive Income for the Year Ended 30 June 2016

	2016 \$	2015 \$
Revenue	11,722,295	11,877,497
Cost of sales	(536,750)	(515,019)
Employee benefits expenses	(9,136,250)	(8,386,064)
Marketing expenses	(9,420)	(25,615)
Depreciation and impairments	(326,188)	(387,020)
Consulting and professional fees	(84,430)	(100,276)
Repairs and maintenance	(1,419,215)	(284,426)
Gain and loss on disposal of assets	–	(59,185)
Rent and occupancy expenses	(179,760)	(177,352)
Motor vehicle and travel expenses	(302,671)	(250,109)
Cleaning and housekeeping expenses	(185,506)	(166,704)
Doubtful debts expense	(361)	(1,032)
Other expenses	(774,573)	(690,693)
<b>Surplus/(deficit) for the year</b>	<b>(1,232,829)</b>	<b>834,002</b>
<b>Other comprehensive income</b>		
Items that will not be reclassified subsequently to surplus or deficit	–	–
Items that will be reclassified subsequently to surplus or deficit when specific conditions are met	–	–
<b>Total comprehensive income for the year</b>	<b>(1,232,829)</b>	<b>834,002</b>

## Consolidated Statement of Financial Position as at 30 June 2016

	2016 \$	2015 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	565,397	1,039,680
Trade and other receivables	381,680	412,707
Inventories	489,436	452,192
Financial assets	5,275,233	5,252,123
Other current assets	49,244	167,715
<b>Total current assets</b>	<b>6,760,990</b>	<b>7,324,417</b>
<b>Non-current assets</b>		
Other receivables	212,500	212,500
Financial assets	–	–
Property, plant and equipment	7,710,571	7,813,859
<b>Total non-current assets</b>	<b>7,923,071</b>	<b>8,026,359</b>
<b>TOTAL ASSETS</b>	<b>14,684,061</b>	<b>15,350,776</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	1,057,608	758,204
Other current liabilities	210,575	136,272
Short term provisions	1,678,296	1,407,627
<b>Total current liabilities</b>	<b>2,946,479</b>	<b>2,302,103</b>
<b>Non-current liabilities</b>		
Long term provisions	217,769	296,031
<b>Total non-current liabilities</b>	<b>217,769</b>	<b>296,031</b>
<b>TOTAL LIABILITIES</b>	<b>3,164,248</b>	<b>2,598,134</b>
<b>NET ASSETS</b>	<b>11,519,813</b>	<b>12,752,642</b>
<b>EQUITY</b>		
Reserves	199,123	175,751
Accumulated surpluses	11,320,690	12,576,891
<b>TOTAL EQUITY</b>	<b>11,519,813</b>	<b>12,752,642</b>



New Disability Compliant Ramps.

### Statement by Independent Auditor – Saward Dawson

We, Saward Dawson have been appointed Auditor of the Group for the year ended 30 June 2016. In our opinion, the information reported in the summarised Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Financial Position of Nadrasca for the year ended 30 June 2016 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.

**WE ARE NOT  
ALL THE SAME  
BUT WE ARE ALL  
EQUAL.**

Do you have a question or concern about discrimination because of sexual orientation or gender identity?  
If you do, or if you'd like to make a complaint, contact us.

Enquiry Line: 1300 292 152 or 032 9032 3563  
Email: enquiries@victoriarights.com.au  
Web: humanrightscommission.vic.gov.au



### Statement on behalf of the Board

I, Gus Koedyk, being the officer in charge of the preparation of this summarised Annual Financial Report comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Financial Position of Nadrasca for the year ended 30 June 2016, 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 the Group. A full set of audited accounts is available upon request or can be viewed on Nadrasca's website – [www.nadrasca.com.au](http://www.nadrasca.com.au)