



Nadrasca

Dignity. Diversity. Community. Industry.



ANNUAL REPORT 2016-2017

Nadrasca

ACN 125 235 047 ABN 90 125 235 047

Registered Office

52-62 Rooks Road
Nunawading Victoria 3131
Postal Address
PO Box 3874
Nunawading Victoria 3131

Phone 03 9873 1111
1300 Nadrasca
Fax 03 9873 2270
Email nadrasca@nadrasca.com.au
Website www.nadrasca.com.au

Board of Directors

Mike Poole (Chairman)
Keith Kilner (Deputy-Chairman)
Gus Koedyk (Company Secretary)
Christopher James
Roderick Keuris
Christopher Malin
Douglas Mitchell
Christopher Pyke
Pauline Whitehead (Appointed 25 Oct 2016)

Report from the Chairman and Executive Director

Overview

Once again, 2016-17 was a very difficult trading year for Nadrasca in a constantly changing environment as the disability sector goes through what is essentially a market restructure with the roll out of the National Disability Insurance Scheme (NDIS). It can only be described as 'business as unusual' rather than 'business as usual' for all Nadrasca stakeholders. We are all on a huge learning curve.

A number of senior staff retired and/or resigned during the financial year and that created resourcing difficulties, particularly in the first half of 2017. All positions except one have been filled, with people who have extensive experience in their respective fields.

During the year Nadrasca signed a sub-contracting agreement with the Box Hill Institute. There are now over 150 Nadrasca students undertaking Certificate 1 in Transition Education and/or Certificate 1 in Work Education.

Despite a difficult and constantly changing environment, Nadrasca continues with its Purpose: To Establish and Develop a Range of Services for People with a Disability, providing participants with good outcomes, as well as remaining viable and financially sustainable, enabling investment in more services in the future.

National Disability Insurance Scheme (NDIS)

The market restructure mentioned above is having a significant impact on participants, parents and carers as the transition to the Scheme is implemented. It is also having an impact on service providers such as Nadrasca. Administration and terms of business with the National Disability Insurance Agency (NDIA) means a complete change in the way we do business, compared with current Federal and State Government Departments.

Even though the NDIS is not due to roll out in the Inner Eastern and Outer Eastern Melbourne until 1 November 2017, people on the Disability Support Register with an urgent need have transitioned earlier. As at June, seven people supported by Nadrasca have an NDIS plan, four of which have been approved. Another 51 people have been contacted by the NDIA to determine eligibility, prior to the Scheme roll out.

Nadrasca has arranged forums at each of our service sites to inform parents and carers about the NDIS roll out, and also sent out a 'Frequently Asked Questions' sheet on the NDIS. We have also assisted participants contacted by the NDIA to determine their eligibility. At this point we have met with over 50 parents and/or

carers and participants to assist them with preplanning prior to their meeting with an NDIA planner.

Nadrasca is in the process of employing an NDIS Transition Manager and two Engagement and Communication Officers to assist participants, parents and carers as they transition to the NDIS. We cannot emphasise enough the importance of preplanning to ensure that a participant's first NDIS plan meets all the reasonable and necessary supports required for that individual. You are welcome to contact Nadrasca to ensure this happens for the person you support. All our Site Managers, along with the additional transition staff, are more than willing to assist with the process.

Nadrasca Industry

Pre-packed components from overseas (predominately China) continue to be the major threat to Nadrasca Industry and contributed to a year where revenue did not reach budgeted levels. Planning currently underway will definitely pay off in the future as we identify and implement a strategy to defend our present business arrangements, and extend this to existing and new customers. It has been recognised that Nadrasca Industry has become increasingly uncompetitive. It is envisaged that some changes to our processes will increase output and open up new opportunities.

Last year's report outlined our continuing focus to move employees to Open Employment. We are very excited and proud of those who have achieved their aspirations of working in mainstream employment. Two employees gained employment as factory hands and forklift operators within commercial operations, while another achieved his lifetime dream of becoming a bus driver. Defining Exit Points for our employees to move into Open Employment will continue to be a focus for Nadrasca Industry, particularly with school leavers, as we continue to develop a Service Model to assist our employees to become job-ready.

Six Nadrasca Industry staff successfully completed their Certificate IV in Workplace Training & Assessment. This will be a huge benefit for us on the production floor as employees are trained in new skills and in the classroom where staff teach Certificate courses. A new General Manager and two new Business Development Managers have commenced and it is predicted that the new and innovative ideas they bring will have enormous benefits in future years.

The transition to the NDIS came to Nadrasca Industry earlier than anticipated. Approximately 50% of our employees were

contacted by the NDIA towards the end of year to commence the NDIS process and two people already have approved plans. It is anticipated that by this time next year, the majority of our employees will have transitioned. We will be spending this year and next year supporting employees and their families to prepare for transition.

Nadrasca Community

We had 12 new Futures For Young Adults (FFYA) start in January at the My Life, My Future traineeship and community programmes. After evaluating our service delivery, we are trialing a more formal structured approach for participants accessing community activities, training and Nadrasca Industry traineeships.

'Unlocking Creativity', an art exhibition by the Witt Street Art Group, was opened on 18 August 2016 at the Box Hill Community Arts Centre. We received a City of Whitehorse Community Grant for an animation project. A professional animator will facilitate the project and be responsible for editing the final work.

Witt Street Community Options received a wet wheelchair for their swimming pool through a \$3,500 grant from the Whitehorse Community Chest.

The Nunawading Good Guys Merry GiftMas project gave a refrigerator to a Nadrasca Homeshare facility resident and The Farm's new tractor was purchased with funds donated by the Good Guys Nunawading.

The Lions Club of Blackburn South and their sister club in Italy (The Lions Club of Pandino) donated funds towards a water fountain at the Farm.

Yarra Valley Water completed a water audit at a number of our sites, that subsequently received replacement equipment paid for by Yarra Valley Water.

Bus Safety Victoria introduced new requirements for bus registration. Nadrasca underwent bus accreditation several years ago and, as all policies, procedures and processes were in place, the new requirements were fulfilled without any changes required.

During the year, all staff across Nadrasca Community attended In-Service training days on 'Change Management' and 'Leading a Value-Driven Culture' conducted by Level Consulting. In January, there was an update workshop on the NDIS, as well as a presentation by the Manager Training Operations on Adult Learning and the future training arrangements with the Box Hill Institute.

In June, a representative from the Disability Services Commissioner gave a

presentation about their work and their role in preventing and responding to abuse and neglect.

The introduction of formal Certificate training for participants across all Community sites in December has proved to be both exciting and positive. All teams have approached it with full acknowledgement of the importance of the courses.

Nadrasca Training

The commitment to provide Certificate Level 1 courses to Nadrasca participants has come to fruition this financial year, with a total of 152 participants enrolled.

The sub-contracting agreement with Box Hill Institute has been established and 27 participants have completed 22302VIC Certificate I in Work Education.

A second new course, 22301VIC Certificate I in Transition Education, commenced in December 2016 with 125 participants enrolled across all Nadrasca sites. Timetables and class groups were developed, and Nadrasca staff who had completed TAE40110 Certificate IV in Training & Assessment became trainers.

Each site now has a designated training area that has been equipped with data projectors, wall screens and whiteboards. Our training facilities are now equal to or better than those of other training providers.

The first staff change in the Training Group was the appointment of the Manager Training Operations in November 2016. The group now has two Coordinators reporting to the Manager Training Operations: a Training Quality Coordinator and a Training Programme Coordinator. A permanent part-time teacher has also joined the group to share the training load at Nadrasca Industry.

The original objective of the introduction of the Certificate courses in Nadrasca was to give participants every opportunity to develop an independent lifestyle and full inclusion into their communities. The structure and content of both Certificate courses support and reinforce that outcome.

Quality & Compliance

DHHS and DSS Certification

In May 2017, Nadrasca Industry successfully undertook a surveillance audit against the requirements of ISO 9001 and the Department of Social Services Standards. The audit report confirmed that Nadrasca's quality systems are established, documented,

implemented and maintained in accordance with these requirements. There were no major or minor non-conformities.

Some overall highlights identified by the auditors included the following:

- Nadrasca's commitment to the Quality Management System is evident through endorsement of quality policies and objectives.
- Management have established quality objectives at relevant functions and levels.
- A variety of tools and mechanisms are used to collect and analyse data.
- Management review processes are in place and effective.
- An internal audit programme is in place and is sufficient.
- Continuous improvement is documented.

Management Systems

Nadrasca purchased the CIMSXpress and Rostering modules in CIMSability. CIMSXPress will allow staff to access the database using tablets and mobile devices, while the Rostering module allows for coordinated planning across the different programme areas at Nadrasca.

Nadrasca continued to roll out BundyPlus time and attendance systems across our sites by purchasing scanner and biometric clocks in-and-out systems for each of the accommodation services. Nadrasca Industry and Nadrasca Community Options now submit their timesheets electronically.

A Quality Portal Management System was also purchased to assist Nadrasca with tracking our compliance to the different standards required by funding bodies.

OH&S

As part of Nadrasca's commitment to participant safety, presentations were made by the Highway Patrol on the topic of Road and Pedestrian Safety, and a Traffic Management upgrade was undertaken at Rooks Road to improve accessibility for people who are visually impaired.

Board Matters

Nadrasca is pleased to report that Pauline Whitehead was appointed to the Board on 25 October 2016.

Pauline is currently CEO of Moran Home, a privately-owned Furniture and Home Textile company. Previously, as Sales Director of the recently acquired Dryen Australia Pty Ltd, Pauline led business

and product development for many key retailers in Australia and New Zealand, travelling extensively around the world to meet with customers and suppliers.

A passionate and energetic business leader, Pauline has accepted the role of Board Member with much enthusiasm, believing her commercial marketing background and long history of recruiting and developing people will add value to the organisation.

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

The Board appreciates the commitment and contribution of the staff to the organization and to the people we all support.

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 financial result for 2016-17 is a surplus of \$641,973. The Consolidated Statement of Financial Position shows the total equity of \$12,161,786.

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 2017

	2017 \$	2016 \$
Revenue	12,271,091	11,792,580
Cost of sales	(459,097)	(536,750)
Employee benefits expenses	(9,028,346)	(9,136,250)
Marketing expenses	(8,773)	(12,217)
Depreciation and impairments	(357,310)	(326,188)
Consulting and professional fees	(234,142)	(221,747)
Repairs and maintenance	(191,292)	(1,419,215)
Rental and occupancy expenses	(242,433)	(250,045)
Motor vehicle and travel expenses	(304,819)	(311,083)
Cleaning and housekeeping expenses	(180,774)	(185,506)
Other expenses	(622,132)	(626,410)
Surplus/(deficit) for the year	641,973	(1,232,831)
Other comprehensive income		
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	—	—
Total comprehensive income for the year	641,973	(1,232,831)

Consolidated Statement of Financial Position as at 30 June 2017

	2017 \$	2016 \$
ASSETS		
Current assets		
Cash and cash equivalents	991,109	565,397
Trade and other receivables	757,275	381,680
Inventories	360,325	489,436
Financial assets	5,298,617	5,275,233
Other current assets	14,914	49,244
Total current assets	7,422,240	6,760,990
Non current assets		
Other receivables	212,500	212,500
Property, plant and equipment	7,530,242	7,710,571
Total non current assets	7,742,742	7,923,071
TOTAL ASSETS	15,164,982	14,684,061
LIABILITIES		
Current liabilities		
Trade and other payables	966,094	1,057,608
Other current liabilities	233,268	210,575
Short term provisions	1,685,978	1,678,296
Total current liabilities	2,885,340	2,946,479
Non current liabilities		
Long term provisions	117,856	217,769
Total non current liabilities	117,856	217,769
TOTAL LIABILITIES	3,003,196	3,164,248
NET ASSETS	12,161,786	11,519,813
EQUITY		
Reserves	222,507	199,123
Accumulated surpluses	11,939,279	11,320,690
TOTAL EQUITY	12,161,786	11,519,813



Statement by Independent Auditor – Saward Dawson

We, Saward Dawson have been appointed as Auditor of the Group for the year ended 30 June 2017. The summarised annual financial statements, which comprise of the Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Financial Position are derived from the audited financial report of Nadrasca Ltd for the year ended 30 June 2017 upon which we expressed an unmodified opinion in our report to members.

The summarised annual financial statements do not contain all the information required by the Australian Accounting Standards and the ACNC Act.

For a better understanding of the financial position of the organisation, please refer to the Statutory Annual Financial Statements.



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 2017, 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

