



UNLOCKING ABILITY

ANNUAL REPORT 2016-17

CHANGING PEOPLE'S LIV

Tanya's daughter Charlotte was diagnosed with Autism Spectrum Disorder and global developmental delay. She is three and a half-years-old, but many of her behaviours are of a child who is almost half her age. Before the family was receiving support from Northcott, Charlotte would have regular meltdowns, placing a lot of stress on the family.

"We have been using Northcott's Transdisciplinary Early Childhood Intervention Service for about 18 months. The team has been amazing with support for myself, my family and most importantly, Charlotte. We are absolutely seeing progress with Charlotte. She's communicating more and the meltdowns are less frequent. We have strategies and routines in place to support Charlotte and the whole family.

Northcott has given us communication tools and visuals for Charlotte, and our keyworker, Ann-Margaret, has arranged an amazing Occupational Therapy service for Charlotte. I also had a very severe deterioration in my mental health and Ann-Margaret was so supportive.

Her non-judgemental and compassionate nature assisted me to seek support services which have ultimately enabled me to provide better support and care for my daughter. Knowing about a siblings' group for Charlotte's older sister, Victoria, through Ann-Margaret has also been useful. I wouldn't have known where to go and I feel it is so important that Victoria is not just the sister of someone with disability, but a person herself who has needs to be met.

Northcott has also been really great at supporting us to understand the National Disability Insurance Scheme (NDIS). Their workshop was simple and straightforward and the team supported us to develop a draft plan for Charlotte, which has taken a lot of the worry away.

I'm most proud of Charlotte's communication and her ability to socialise and interact a little better. A really special moment was the very first time she told me she loved me. That was really the most amazing feeling in the world because previously she hadn't been that verbal or affectionate.

Our goal is for Charlotte to continue to develop her communication and learning skills so she is ready for school."

Tanya, mother of Charlotte, Northcott customer



ES



Charlotte's mother, Tanya says support from Northcott to improve Charlotte's communication skills and behaviour, has been life-changing.

SUPPORTING PEOPLE WITH DISABILITY SO THEY CAN BE THE BEST THEY CAN BE NOW AND IN THE FUTURE

OUR NAME

Northcott is named in honour of the first Australian-born Governor of NSW, Lieutenant-General, Sir John Northcott KCMG, KCVO, CB, CtStJ, who was Northcott's Patron from 1946–57.

OUR PURPOSE

Build an inclusive society where people can live the life they choose.

OUR VISION

Grow our services because customers choose us as their provider of choice.

OUR VALUES

We strive to foster a workplace where staff display our values:

- Friendly and Considerate
- Committed and Enthusiastic
- Innovative and Responsive
- Ethical and Courageous
- Professional and Competent

Traditional Owners

We acknowledge the Traditional Owners and custodians of the land where we work and pay our respects to their Elders, past, present and future.

We acknowledge the contributions of Aboriginal Australians and non-Aboriginal Australians with disability to this country, and reaffirm Northcott's purpose of building an inclusive society where people can live the life they choose.

Annual Report (Part 1) and Financial Report (Part 2)

Together these documents report on Northcott's activities and achievements in relation to our services, support and financial performance during 2016–17. They are written for Northcott's many and varied stakeholders, which include existing and potential customers and their families and carers, staff, donors, volunteers, community partners, other service providers and businesses, and government agencies. The Financial Report 2016–17 containing the full financial statements is available from www.northcott.com.au.

| | |
|---|-----------|
| ABOUT NORTHCOTT | 5 |
| OUR SERVICES AND SUPPORTS | 6 |
| CHAIRMAN'S REPORT | 8 |
| CEO'S REPORT | 10 |
| WHO WE SUPPORT | 11 |
| OUR IMPACT AND ACTIVITIES | |
| SYDNEY NORTH | 14 |
| SYDNEY SOUTH | 18 |
| HUNTER, NEW ENGLAND &, WESTERN NSW | 22 |
| MURRUMBIDGEE | 26 |
| NORTHERN NSW AND NORTH COAST | 30 |
| ENABLING NORTHCOTT TO SUCCEED | |
| OUR BOARD | 36 |
| OUR EXECUTIVE TEAM | 38 |
| OUR TEAM | 40 |
| ORGANISATIONAL STRUCTURE | 44 |
| WORK HEALTH AND SAFETY | 45 |
| VOLUNTEERS AND STUDENTS | 48 |
| QUALITY AND PRACTICE | 50 |
| GOVERNANCE | 52 |
| RESEARCH AND EVALUATION | 54 |
| FUNDRAISING | 57 |
| NORTHCOTT INNOVATION | 64 |
| FINANCIAL SUMMARY | 68 |
| INVESTMENTS | 71 |
| ACKNOWLEDGEMENTS | 72 |
| MEMBERS | 74 |

ABOUT NORTHCOTT



OUR PATRON

Our Patron His Excellency General The Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales, is passionate about supporting people with disability to lead fulfilling lives as valued and active members of the community.

OUR HISTORY

Northcott was established in 1929 by the Rotary Club of Sydney as the NSW Society for Crippled Children. The Society was formed in response to the polio epidemic and the growing number of children left with the effects of illnesses such as polio and tuberculosis. At the time, Northcott provided services to children who had been isolated and excluded from the community due to illness or disability.

Who is Northcott?

Northcott is a not-for-profit disability service provider that works with customers to realise their potential. As one of Australia's largest not-for-profit disability service organisations, we provide services from metropolitan and regional locations throughout NSW and the ACT. Our work is backed by more than 85 years of experience and expertise in the disability service industry.

A registered NDIS provider, we employ more than 1,000 staff and provide empowering, personalised services to over 13,500 people with disability and their families and carers each year.

What do we do?

Northcott provides personalised and dynamic support, delivered by a committed team who will optimise and maximise support and services for every customer.

Our experience and expertise gives confidence to our customers that they are in trustworthy hands. Our commitment to innovation and pushing boundaries allows us to tackle challenges creating barriers for our customers to reach their potential.

Northcott's diverse range of service offerings and strong community partnerships give customers easy access to the supports they need or want through a single gateway from our many locations.

What is our promise to each customer?

We will work creatively and relentlessly with each customer to unlock, discover and unleash their potential, supporting and empowering them to be the best they can be now and in the future.

Our customers are not numbers, they are unique individuals. We will personalise our services to each customer's current and future needs and goals, every single one, to ensure their development and growth.

As advocates for our customers' inclusion, we will empower them with confidence, choice and opportunity so they can live their life, as they choose, in their own way.

How is the NDIS affecting Northcott?

The NDIS is driving huge amounts of change and growth across the entire disability sector in Australia, and within Northcott. In NSW, where Northcott has its strongest presence, with the exception of some trial sites, the scheme has been progressively rolling out in full since July 2016 and will be fully in place by July 2018. From July 2017, the majority of our customers will begin transitioning to the scheme.

As a result, Northcott is currently operating under two business models. In some areas, we are continuing to provide block funded services to customers who have not yet transitioned to the scheme. In other areas, the way we deliver services and attract customers has shifted to address the more competitive customer-focused marketplace that exists with the NDIS.

Across the organisation, new processes, systems and procedures are being developed and implemented to ensure our new way of operating is efficient and effective — and that we can attract and retain customers. Ensuring we can continue to deliver high quality services that meet the needs of children and adults with disability is our priority.

OUR SERVICES AND SUPPORTS

COORDINATION OF SUPPORTS

We provide information, advice and support to assist customers to navigate the disability service system, access the right services and resolve issues. With our assistance, customers build their confidence and skills to make decisions about their supports and control their funding.

EQUIPMENT AND TECHNOLOGY

We create tailored equipment and technology solutions to assist customers to improve their communication and mobility. Our assistive technology therapists conduct assessments, recommend equipment and technology, and provide training in new equipment.

EVERYDAY LIFE SKILLS TRAINING

We work with customers to understand the skills they want to learn, and offer a range of individual and group training, workshops and activities to assist with the development of these. With our support, customers learn and develop skills to participate in and undertake activities independently.

HOUSING AND SUPPORTED INDEPENDENT LIVING

We provide a range of services that enable people with disability to live independently. Our three service types in housing or supported living are: Shared Housing, Individual Housing, and Supported Living Service. Residents are supported to learn skills, make friends and be part of their community.

SEXUALITY AND RELATIONSHIPS

We support customers to understand and explore relationships, and engage in sexual activities of their choosing. We provide practical and emotional support for relationships and sexual needs and support customers to develop social skills and participate in social activities.

OUTSIDE SCHOOL HOURS CARE

We provide care for children and young people outside school hours and during vacation times. Our opportunities allow children with disability to meet others their own age, develop social skills, have fun and build relationships outside the school setting.

IN-HOME AND COMMUNITY SUPPORTS

Our support workers assist customers with everyday activities in their homes or when they go out. This includes caring for customers overnight or while carers are occupied, providing assistance for recreational activities, homework, or meal preparation, taking customers shopping, to appointments or accompanying them on holiday.

SHORT BREAKS AND OUTINGS

We provide a range of short breaks, outings and activities so people with disability can meet new people, make friends, gain new skills and discover new interests. Short breaks and social activities include skiing trips, camps, city breaks, going to nightclubs, music festivals and sporting events.

MULTIDISCIPLINARY SERVICES

We have a team of fully accredited speech therapists, occupational therapists, physiotherapists, behaviour practitioners, social workers and dieticians who provide assessments and intervention. We work with customers at a location that suits them best, such as in homes, at schools or in our consulting rooms. For young children with disability or developmental delay, and their parents and carers, we provide Transdisciplinary Early Childhood Intervention services to improve learning and development capability to ensure a smooth transition to their next stage of life. This approach includes sessions with a dedicated keyworker and relevant allied health professionals.

VOCATIONAL SKILLS TRAINING AND EMPLOYMENT

We provide work-related skills training in group or individual settings to assist customers with finding a job or volunteer work. We find relevant work experience opportunities and support customers to get a job and discover career pathways. We are a registered Disability Employment Services Provider.

FUNDED PARTNERSHIP PROGRAMS

We administer the Preschool Disability Support Program (PDSP), which is funded by the NSW Department of Education. This program supports children with disability or additional needs attending NSW community preschools. We also deliver the Early Links program which supports parents and carers of children aged 0–8 years who are seeking support for their child's development. This is funded by the NSW Department of Family and Community Services, Ageing, Disability & Home Care. With funding from NSW Health, we deliver the Paediatric Spinal Outreach Service (PSOS) for children under 18 who have acquired spinal cord injury, and the Spina Bifida Adult Resource Team (SBART) for young adults with spina bifida who are transitioning from paediatric to adult services.



CHAIRMAN'S REPORT

THE 2017 FINANCIAL YEAR WAS CHALLENGING FOR NORTHCOTT. THE TRANSITION TO THE NDIS IS UNDERWAY IN EARNEST AND DESPITE OUR BEST EFFORTS TO PREPARE, THE SIZE OF THE TASK HAS PROVEN TO BE SIGNIFICANTLY MORE DIFFICULT ON A NUMBER OF FRONTS.

Northcott's whole operations mode is changing, however while we have some customers remaining in the old system, we are, in effect, running two business models at once. This is difficult both operationally and administratively, and understandably confusing at times for our staff.

In addition to this, the National Disability Insurance Agency (NDIA), the agency responsible for administering the NDIS, is a relatively young organisation that has set out to achieve implementation of the scheme at a speed and magnitude that has not been attempted too often, if at all, anywhere in the world. It is, therefore, not surprising they are not completely on top of the process. This has created additional complexities for service providers such as Northcott.

Our major challenge is the inadequacy of the NDIS pricing for many of the services we provide. While I have confidence this will be addressed as it will seriously undermine the success of the NDIS if it isn't, I am worried about how long this response may take. Northcott is expecting to suffer significant financial losses if it is to continue to provide these services.

While our financial results show a surplus of \$1.2 million, we had a negative operating cash outflow of \$4.3 million. The surplus was largely as a result of various provisions in relation to non-NDIS activities that we had set aside in the past, but are no longer needed. Our underlying operating position was a significant loss, and we are budgeting for an even greater loss this coming financial year.

We have developed a plan to address the issues and are considering other options to provide us with a financially sustainable position, but it will take time to undertake the initiatives. I understand many other service providers are experiencing significant financial stress. Many are withdrawing services or getting out of the disability services industry altogether.

On a more positive note, in March, Northcott was selected by FACS (the NSW Department of Family and Community Services) to acquire Specialist Disability Accommodation and Respite Services across three regions of NSW. We were given just seven months to complete the transfer by 3 November 2017. This additional business will allow us to provide services to more than 500 new customers, add over 1,000 new staff to the Northcott team and more than double Northcott's annual turnover.

While there will be significant additional work required to improve the efficiency and effectiveness of these services, the increase in the scale of our operations is essential to be sustainable under the NDIS. We are confident this will be a significant and successful step in the history of Northcott and will help position us well for the period of rationalisation that will follow the NDIS roll-out.

I would like to thank the Board for another year of positive engagement and support. The wisdom and guidance provided by a strong board is essential in the current environment and Northcott has a very strong board with a good mix of skills and experience.

Jeyan Jeevaratnam resigned from the Board in September 2016 when he relocated to the USA for his job.

I thank Jeyan for his valued contribution to the Board, and in particular for his input and guidance in relation to the major IT systems projects we have undertaken in recent years. I also thank Kate Ingwersen who joined us as an Observer as part of the Board Observership program run by the Australian Institute of Company Directors.

Finally, a big thank you to our CEO, Kerry Stubbs, her executive team and all staff for their hard work and efforts throughout this challenging year. In particular, I would like to pay tribute to the staff members at all levels who have been involved in the acquisition process for the government accommodation and respite services. Many have had to make this contribution in addition to their regular roles. The Board appreciates this effort and the professionalism with which you have worked and commends you all.



MICHAEL BRIGGS
CHAIRMAN



CEO'S REPORT

THIS LAST YEAR AT NORTHCOTT FELT LIKE THE TSUNAMI WE HAVE BEEN EXPECTING FINALLY ARRIVED.

I am pleased to say that, while we are still struggling with the consequences, all our preparation in the previous years has stood us in good stead. I am very confident we will emerge stronger, more focused and even better at supporting our customers to unleash their potential.

As the Chairman noted, operating in transition from block funding to the NDIS has been extremely challenging. It was made even more difficult by the lack of certainty in the design and implementation of the scheme, and our need to be both agile and very focused. As time goes on, things do seem to be beginning to settle, and I welcome some of the most recent moves by the NDIA Board and new CEO.

Northcott has always strongly believed that the NDIS is the right way to go for people with disability, which helps us stay the course as times are tough. Staff have been amazingly focused on ensuring our customers still receive excellent service during this time of change, which is no mean feat. I thank them wholeheartedly, every staff member and every manager.

Looking ahead, most excitingly, we are in the process of transitioning our new accommodation and centre-based respite services from the NSW Department of Family and Community Services to Northcott, which will be completed by 3 November 2017. We welcome our new Northcott customers and our new staff members, many of whom we have met during the transition process. We know they will be a great asset to our team and will support our work with many more customers, enabling them to be the best they can be.

Thank you to the Chairman, and the Board, for their support and guidance over this difficult year, and into the future. Finally, thank you to my Executive team, who have worked tirelessly and over and above what anyone could expect of them.

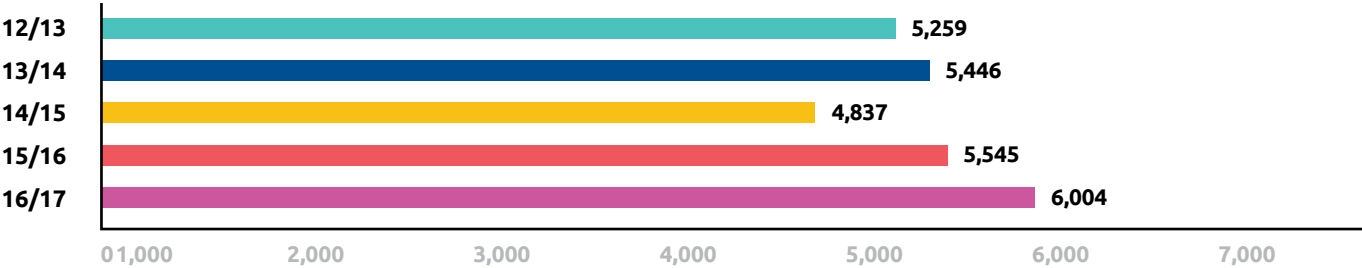
KERRY STUBBS
CEO

"WE WELCOME OUR NEW NORTHCOTT CUSTOMERS AND OUR NEW STAFF MEMBERS, MANY OF WHOM WE HAVE MET DURING THE TRANSITION PROCESS."

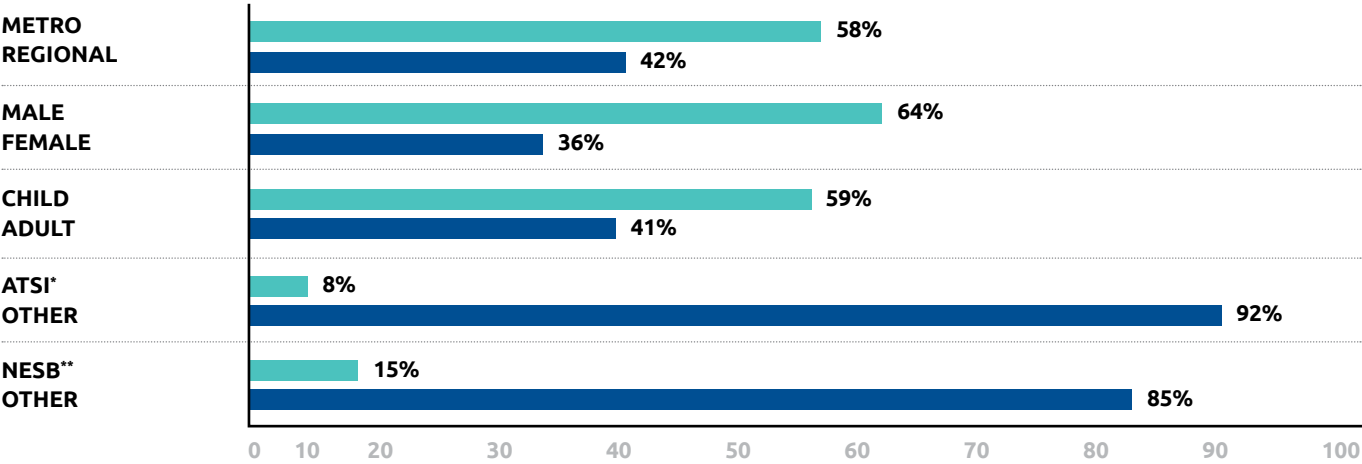
WHO WE SUPPORT

IN 2016–17, OUR SUPPORTS AND SERVICES REACHED MORE THAN 13,500 PEOPLE LIVING IN NEW SOUTH WALES AND THE AUSTRALIAN CAPITAL TERRITORY. THIS INCLUDED MORE THAN 6,000 CHILDREN AND ADULTS WITH DISABILITY AND THOUSANDS MORE PARENTS, SIBLINGS AND CARERS.

NUMBER OF PEOPLE WITH DISABILITY WE SUPPORTED

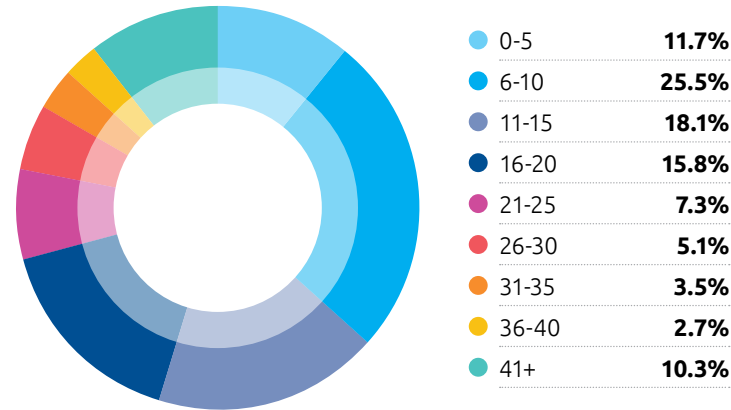


CUSTOMERS' DEMOGRAPHICS 2016–17

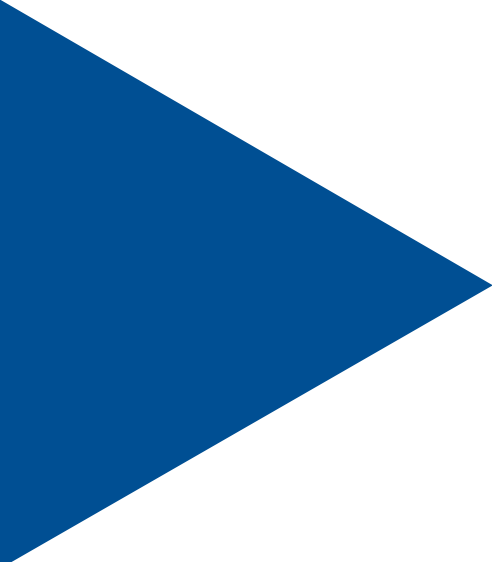


* Aboriginal and Torres Strait Islander ** Non-English Speaking Background

OUR CUSTOMERS' AGE 2016-17



OUR IMPACT AND ACTIVITIES



SYDNEY NORTH

KEY ACHIEVEMENTS

18Up NEW SOCIAL PROGRAM



\$154,000

IN FUNDABILITY GRANTS TO 12 INCLUSION PROJECTS



12

DADS AT 2 FATHERS' WORKSHOPS



WORKFORCE IN NORTHERN SYDNEY



15 NEW SUPPORT WORKERS

900

CUSTOMERS TRANSITIONED TO THE NDIS



70



PARTICIPANTS AT NORTHERN SYDNEY SATURDAY KIDS PROGRAM



1,000

WALK WITH ME COMMUNITY PARTICIPANTS

50%

WERE NEW TO NORTHCOTT

2,033

HOURS OF SUPPORT COORDINATION



31

CENTRAL COAST CUSTOMERS SUPPORTED



50+

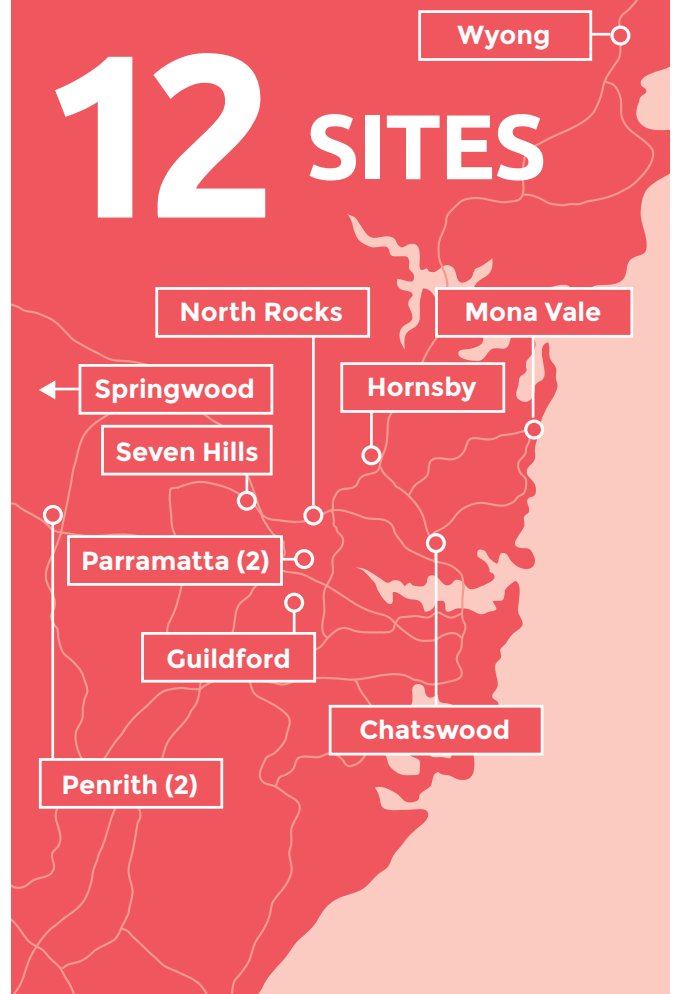
CUSTOMERS IN NEW SOCIAL PROGRAMS IN WESTERN SYDNEY AND NEPEAN BLUE MOUNTAINS



1,914

CUSTOMERS WITH DISABILITY SUPPORTED

12 SITES



Employers Evening – Meet our talent

Using ClubGRANTS from West Pennant Hills Sports Club, Asquith Leagues Club and Hornsby RSL, our Northern Sydney Vocational Skills team held an 'Employers Evening' for customers to showcase their employment skills and abilities to local businesses. The evening also provided the opportunity for businesses employing people with disability to present the merits of this employment approach to other organisations.

As a result of introductions made on the night, one Northcott customer was offered part-time employment, three work experience placement positions were secured and five new positions were created at a local organisation with Northcott customers encouraged to apply for them. The forum also motivated local businesses, including Target and Woolworths, to register their interest in providing work experience and employment opportunities for our vocational skills participants.

Life After School program

We developed a new social program specifically for young people aged 14–17 years. Held two days a week at three sites, the program has attracted eight participants on average per session. The teenagers come together to cook and eat dinner, support each other with their school work and play Xbox. The program is providing opportunities for these teenagers to make new friends and improve their social connections.

Recreation for everyone

Following success with the Saturday Kids program for 5–12 year olds, the Northern Sydney team created a range of new recreation programs for all age groups. They now also provide a Teentastic Program for 13–17 year olds and 18Up for young adults.

All the programs aim to provide children and young people with disability access to community activities and opportunities to meet new friends and improve their social skills.

Holiday time!

We enabled eight young adults to enjoy their first holiday away from home and their parents. Supported by Northcott staff, the young people spent two nights in the Blue Mountains, visiting local attractions including the Scenic Railway, dining out and enjoying live music at a local pub. The short break gave the young people the opportunity to participate in new activities, try new food, while also building on their social skills and independence in a supportive environment.

CASE STUDY

LOOK





ING FOR FUN!

Like most 19-year-olds, Nathan wants to go out, socialise and be more independent. Nathan has cerebral palsy and participates in our Life Skills Program. He regularly spends weekends at our respite house, Karingal, for some time with friends, away from his family.

"I started coming to Karingal when I was 14 and have made lots of friends here. We like to have fun hanging out watching movies and eating pizza and tacos together. I love music too. I like listening to the Chainsmokers and Australian bands like AC/DC and Cold Chisel. One of my goals is to perform in front of an audience, so I've been taking part in music workshops at Northcott to feel more relaxed about that.

I go to Northcott five days a week. I go on excursions, take part in creative classes and learn how to travel. I enjoy bowling and exploring places like the beach and the races. Since doing travel training, I feel more confident catching a bus and train to Parramatta and Castle Hill.

When I know I'm coming to Northcott I feel good because I'm going to see my friends and have fun. My support workers, Meg and Jess, are really funny and make me laugh a lot. I am much more outgoing than I used to be and I enjoy going out. This time next year I would like to be able to catch a bus or a train by myself to see my friends."

Nathan, Northcott customer

Attending Northcott's Life Skills Program and Respite Service gives Nathan the chance to get out and be more independent.

SYDNEY SOUTH

KEY ACHIEVEMENTS

248 CUSTOMERS TRANSITIONED TO NDIS



\$109,000

IN FUNDABILITY GRANTS TO 7 INCLUSION PROJECTS



1 HIGH SUPPORT NEEDS CUSTOMER SUPPORTED TO LIVE INDEPENDENTLY

NEW SERVICES

ILLAWARRA SHOALHAVEN

20

LIFE SKILLS CUSTOMERS

19

RECREATION CUSTOMERS

14

SHORT BREAKS CUSTOMERS



80

PEOPLE ATTENDED *FEEL THE VIBE* IN SOUTH WESTERN SYDNEY



2 NEW OFFICES/SITES IN WOLLONGONG AND NOWRA



190

PARENTS AND CHILDREN ATTENDED 2 FAMILY CAMPS IN ILLAWARRA SHOALHAVEN



8

CUSTOMERS ATTENDED NEW EVERYDAY LIFE SKILLS PROGRAM IN HURSTVILLE

Support Networks and Community Education

The Campbelltown Support Networks and Community Education team continued to run five supported playgroups across the Local Government Areas to support families in need. These playgroups have been funded by the Family and Community Services Targeted Earlier Intervention (TEI) program, which is currently undergoing reform. Our team was pleased to learn this funding will continue during the transition to the new TEI service model, ensuring we continue these successful playgroups for children and families.

Support also continued for Yarning Circle, a group supporting Aboriginal and Torres Strait Islander Elders and families. One key activity was to support members from the group to attend the 3rd Annual Indigenous Veterans Ceremony in Hyde Park, Sydney in May. Through this activity, our staff were able to maintain strong relationships with the local Aboriginal community.



1,548

CUSTOMERS WITH DISABILITY SUPPORTED

Campbelltown Everyday Life Skills

The Campbelltown Everyday Life Skills Program works with customers to develop their independence and capabilities. This year, our team supported customers to achieve a range of goals to improve their quality of life. For example, the team developed a five-week travel training program for two customers who previously travelled to and from the program with support workers. The tailored program supported the customers to learn how to use public transport so they can now make their own way to and from the program using public transport.

New Everyday Life Skills Program in Hurstville

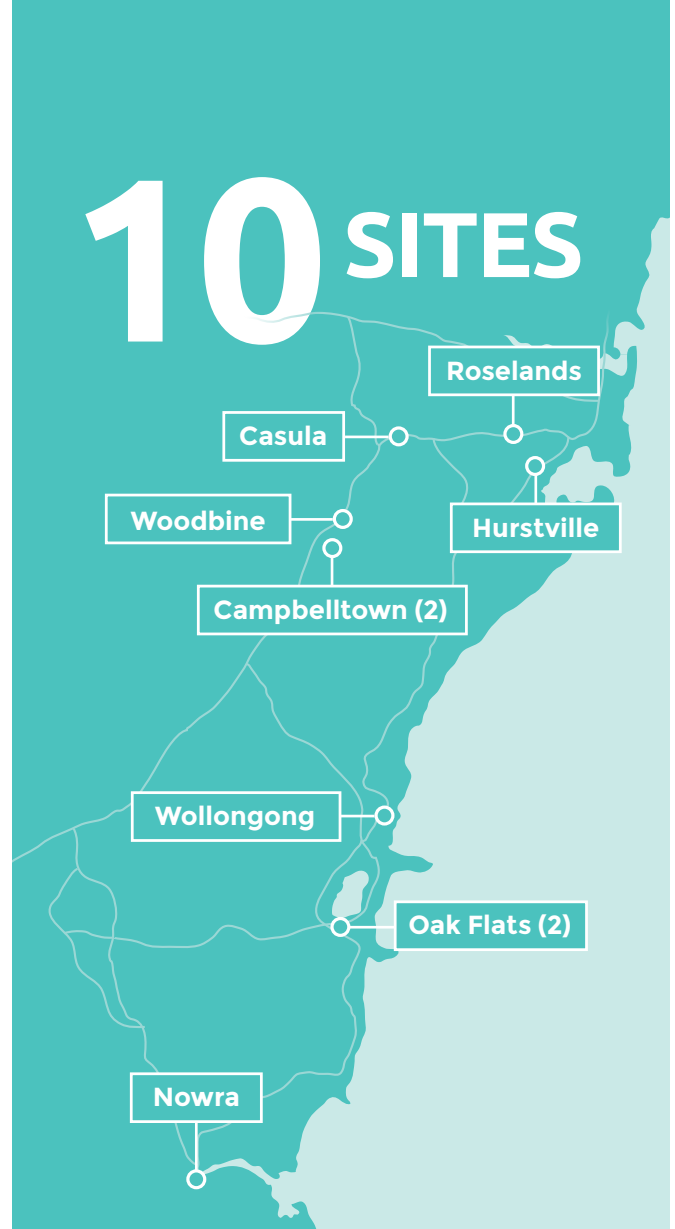
In February 2017, following requests from customers, we commenced an Everyday Life Skills Group Program from our Hurstville office. The program focuses on increasing customers' confidence by building their capacity in everyday living skills. Participants take part in a cooking program to increase their cooking skills, while also teaching them to understand the necessary preparation and budgeting involved. Before attending the program, our customer Hamish could not hold a knife properly, let alone cook for himself. Four months into the program, Hamish can cut up and prepare his own food and cook a meal with supervision.

In addition to everyday living skills training, we provide opportunities for participants to experience and explore their artistic and musical skills through Art and Music Programs. The Art Program includes working with 3D art, ceramics, canvas work and photography. The Music Program builds skills using a variety of instruments and encourages connectedness between the individual, the music and the group, where they are encouraged to practice social skills and engagement with peers.

Adult 'mini breaks'

We launched a 'mini breaks' package for adults with disability at our Roselands Respite House. This offering was not available under previous funding arrangements, but was often requested by our current and past customers who had accessed our children's respite service at Roselands. Providing opportunities for adults to spend time away from their families and with other people their age increases social engagement and builds independence in customers. Eleven customers accessed this new respite service during the year.

"I just want to give you some feedback on my weekend. I feel we were free to do what we wanted to do. It's a nice change from getting told what we can and can't do. In my opinion I feel that you will try to match people who are around the same age to me which is really important, because it's not very nice to respite with people who are double your age." - Respite customer



Equipment for refugees with disability

Our initiative supporting refugees with disability to access equipment such as refurbished wheelchairs and other mobility aids has now reached more than 40 people living in Liverpool, Bankstown and Fairfield. Through a partnership with the NSW Refugee Health Service, this program provides refurbished equipment to refugees with disability who have arrived in Australia with no equipment or equipment unsuitable to support their disability. With customised equipment, these refugees can participate more freely in their community and access the services and supports they need.

NSW Refugee Health identifies newly settled refugees in need of equipment and connects them with Northcott. Working with occupational therapists, Northcott's Equipment Service refurbishes donated equipment such as manual wheelchairs, shower chairs, commodes and walking frames to meet the individual's needs.

In January 2017, the program received \$16,000 in Unity Grant funding from Multicultural NSW.



CASE STUDY

With Northcott's support, Henry has learnt job skills and completed work experience, building his confidence in joining the workforce.

Henry is 20-years-old and has a hearing impairment. When he finished high school, he was a little unsure about his future, but knew he liked to cook and thought this may be an industry he would like to pursue. He joined Northcott's Vocational Skills Program in Casula where we supported him to complete TAFE, find work experience and become work ready!

"After I finished Year 12, I went to an expo and found out about Northcott's Vocational Skills Program. I was interested in learning and understanding about jobs and the skills I need to get a job.

I go to Northcott three days a week. I have learnt interview skills, how to apply for jobs, budgeting, work health and safety and cooking skills. Northcott supported me to do a Barista course, a Certificate 3 in Commercial Cookery and a First Aid Course at TAFE. In the cookery certificate, we learnt to cook different types of food, different seafood and fish and how to bake bread. Now I really like hospitality and would like to work in restaurants and RSL clubs.

With Northcott this year, I did work experience in the kitchen at Sydney Southwest Private Hospital. At the hospital, my favourite task is cooking any food. I like chopping up vegetables and making salads.

Northcott has been very supportive. I have learnt job skills and understand more. I'm getting better and I've improved. I feel more confident because I practice interviews, and I feel prepared when I go to meet somebody new.

Northcott supported me to discover I like cooking. Now I would like to get a job in a kitchen. I'm excited about applying for a job at a big hotel."

Henry, Northcott customer

**READY
FOR
WORK!**

HUNTER, NEW ENGLAND & WESTERN NSW

KEY ACHIEVEMENTS

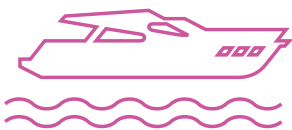


76 NEW SUPPORT WORKERS



\$43,500

IN FUNDABILITY GRANTS TO 6 INCLUSION PROJECTS



10

CARERS FROM NEW ENGLAND TAKEN ON A CRUISE



16

PARTICIPANTS AT 2 MOTHERS' WEEKENDS

NEW

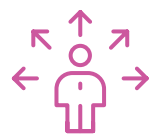
EARLY CHILDHOOD TRANSITION PLANNER ROLE IN NEW ENGLAND



2 NEW CUSTOMERS MOVED INTO MT HUTTON COMPLEX

NEW

SUPPORT COORDINATION SERVICE IN THE HUNTER FOR 41 CUSTOMERS



1,014

CUSTOMERS WITH DISABILITY SUPPORTED

40%+

GROWTH IN LIFE SKILLS CUSTOMERS

2015-16

80

2016-17

115

8 SITES



NDIS transition

We continued to support customers in the Hunter and New England region with their NDIS plans, with many of them now in their second and third year of the scheme. In Taree, 90% of customers successfully transitioned to the scheme and are working towards achieving their goals.

For Dubbo customers, our focus was on providing education about the NDIS in preparation for the scheme's launch in July 2017. This included running workshops and talking with customers and others in the community about how the scheme will work, how to prepare for their planning sessions and how Northcott can assist them.

Support Networks in the Hunter

Family events organised by our Support Networks team have been popular this year. In particular, a family day held at Flip Out attracted more than 30 parents and their children, providing an opportunity for parents to meet and get to know each other in a relaxed environment. As a result, several parents have formed new friendships and become regulars at our 'Mums, Dads and Couples' events in the area. Providing opportunities for parents and carers to meet others in a similar situation is important for building confidence and sharing knowledge, experiences and strategies.

New Everyday Life Skills program in Moree

We commenced an Everyday Life Skills program in Moree to support customers to access community activities and facilities in groups. The program includes attending TAFE, learning budgeting and cooking skills, a creative arts program, visiting the local library, participating in group exercise in the community and volunteering and work experience opportunities. We support customers to take part in the activities at a range of local venues, so they can build their confidence in being out and about in the community.

90%

OF TAREE CUSTOMERS SUCCESSFULLY TRANSITIONED TO THE NDIS AND ARE BEING SUPPORTED BY NORTHCOTT TO ACHIEVE THEIR GOALS.

LEARNING TO BE INDEPENDENT

Twenty-two-year-old Jenna participates in Northcott's Everyday Life Skills program in Moree and goes out and about in the local community with a support worker. With this newfound independence, her mum Wendy says Jenna is gaining new skills as well as becoming more outgoing and happier.

"Before starting with Northcott, Jenna had two months when she refused to leave the house. Since she has been going to Northcott, she has blossomed. She has friends her own age and is so much happier. On the days she goes to Northcott, Jenna is ready by 8 o'clock, waiting for the bus to pick her up. She's even started talking in the group.

Jenna goes to the Day Program three days a week. She loves the company of others in the group. The staff take participants to the TAFE College for cooking, the library, or sometimes to the art gallery to do drawing. They also take them to the shops to buy cooking supplies. Now when we go shopping, Jenna knows exactly where to go to get the ingredients we need.

One day the group was having a sausage sizzle in the park. Jenna's support worker, Jacquelyn, was cooking and a bird flew down onto the butter. Jenna said "Bird! Bird!". It was the very first day she spoke in the group. All the Northcott staff were so excited.

Every Friday Jenna goes out with Jacquelyn or Tanya, Northcott support workers. They do something in the community, eat out at a café and sometimes go dancing at the club. When they bring her home, it's so lovely to hear all the positive feedback about what Jenna's doing.

Northcott's occupational therapist Anna is also teaching Jenna new communication skills, such as how to use her iPad to order meals when she's out.

I don't know what's going to happen in the future for Jenna. At the moment she is really happy at Northcott and learning new skills so I want to continue with that. I know she loves it."

Wendy, mother of Jenna, Northcott customer





Our customer Jenna (left) loves spending time in her local community with her Northcott support worker, Jacquelyn.

MURRUMBI

KEY ACHIEVEMENTS



2 CUSTOMERS SUPPORTED TO TAKE HOLIDAYS



\$120,000

IN FUNDABILITY GRANTS TO 7 INCLUSION PROJECTS



NEW ADAPTIVE CAR FOR HIRE



23 Hrs USED BY ONE CUSTOMER

NEW

MULTIDISCIPLINARY THERAPY AND BEHAVIOUR SUPPORT SERVICE



\$17,390

RAISED FROM WAGGA WAGGA TAKES 2 EVENT TO REFURBISH OUR TWO SHORT STAYS ACCOMMODATION SERVICES



Lake Haven Veggie Patch

We supported residents at our Lake Haven group home to design and build a vegetable and herb garden in their backyard. The process involved planning, brainstorming and research by residents, support workers and coordinators to decide what to plant and feature in the garden. Lime and mandarin trees and a range of herbs were planted and a worm farm was introduced. Residents and staff have since been involved in learning about garden care and how to successfully manage a worm farm.

Future plans for the project include collaborating with local gardening businesses and groups to expand the garden space with more plants and sensory elements. Additionally, grant funding of \$1,553 from the Jean Ray Blencone Scholarship will be used to enhance features within the garden. Through involvement in the project, residents have been supported to develop their decision-making skills, build confidence, learn new skills and gain knowledge.

DGEE

6 SITES



676



**CUSTOMERS WITH
DISABILITY SUPPORTED**

Adaptive vehicle program

To support customers with physical disability to learn to drive, we launched an adaptive car rental service. Customers can hire our specially-modified vehicle at affordable rates to use with an instructor while they are learning to drive and gaining their learner driving hours. This program aims to support people with disability to increase their independence by offering greater opportunities for travel, work and social engagement. Northcott customer Jason is using the adaptive vehicle to gain the driving hours required to obtain his provisional driver's licence. So far he has clocked up 23 hours.

"I DIDN'T THINK THAT GETTING A DRIVER'S LICENCE WAS EVER REALLY AN OPTION. I'D GROWN ACCUSTOMED TO USING TAXIS, FAMILY OR FRIENDS FOR TRANSPORT. AS I HAVE GOTTEN OLDER I HAVE REALISED HOW RELIANT I AM ON OTHER PEOPLE AND HOW MUCH I END UP MISSING OUT ON DOING BY NOT BEING ABLE TO GET PLACES. I BELIEVE THAT ONCE I GET MY LICENCE AND I CAN JUST JUMP IN THE CAR AND GO SOMEWHERE, IT WILL GIVE ME AN UNPRECEDENTED LEVEL OF INDEPENDENCE."

– Jason, 34, Northcott customer



LEARNING TO MAKE CHOICES

Simone's son Ethan is 16-years-old and accesses respite services from Northcott, including spending one-on-one time each week with a support worker. The time away from home gives Ethan a break from his two brothers so he can make new friends, develop his confidence and feel empowered to make his own choices.

"Before I was referred to Northcott I didn't know there were respite services that could support Ethan to get out and be with other kids. Ethan has severe to mild intellectual disability and Autism. He's very social but also very withdrawn and quiet.

Ethan started going to Northcott's Teen Time social group about 18 months ago. He goes after school every Tuesday, and during the school holidays, he ventures out on day trips in and out of Wagga Wagga.

Northcott also supported me to get funding so Ethan could go out on Saturdays with a support worker. Jacob takes Ethan out every Saturday. They will go the park, get lunch and do laser tag or play football or tennis. Ethan can't wait for Jacob to pick him up.

Before Ethan started going to Northcott, he was quite immature. Now he has grown up. His maturity level is rising. He's more confident and he's more social than ever. He just wants to explore everything. Even the thought of going shopping is exciting to him now. He also wants to try new things. We've got him into karate – that's something he wouldn't have tried before.

Jacob gives Ethan options of what to do, but leaves it up to Ethan to decide. It's all about developing his independence and getting Ethan to come out of his shell and have his say. That's very empowering for him because he's never had that choice before.

I wish I had known about the resources that are out there for Ethan earlier. He's happier now and is developing his own personality."

Simone, mother of Ethan, Northcott customer

For Ethan (left), regular time with Jacob, his Northcott support worker, is building his self-confidence while developing his social skills and interests.

NORTHERN NSW AND NORTH COAST

KEY ACHIEVEMENTS

25% INCREASE IN FLEXIBLE RESPITE CUSTOMERS



\$82,000

IN FUNDABILITY GRANTS TO 10 INCLUSION PROJECTS



19

CHILDREN ATTENDED LEARN TO SWIM CLASSES



24

NDIS WORKSHOPS DELIVERED TO MORE THAN 240 PEOPLE



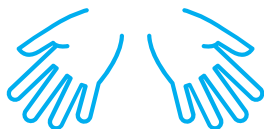
60

FAMILY MINI WEEKENDS AWAY



8 NDIS CUSTOMERS SUPPORTED PRE-1 JULY 2017

852



CUSTOMERS WITH DISABILITY SUPPORTED

Community recognition

With an increasingly competitive marketplace, significant effort has been given to raising our profile. In Coffs Harbour, we hosted two fundraising events with the aim of forming new relationships with the business sector. Building community connections is important for raising awareness about disability in the local community and promoting inclusion for all. In addition to making new connections, the events raised \$7,000 for Northcott.

Aboriginal Elder Engagement

Our teams in Coffs Harbour, Port Macquarie, Wauchope, Kempsey and Grafton have focused on continued relationship development with their local Aboriginal communities. This has included building close connections with local Elders and Aboriginal services such as Booroongen Djugun, Dunghutti and the Miimi Mothers Group in Bowraville which has connected us to 50 Aboriginal families.

8 SITES

We have supported many of these people to complete Functional Capacity Assessments and are now working to provide ongoing services as required. Connections like this support Aboriginal people with disability to transition smoothly to the NDIS.

Tony Attwood workshop

Our Early Links team facilitated a full day workshop in Grafton with Professor Tony Attwood, world-renowned clinical psychologist and Australia's leading expert on Autism Spectrum Disorder. The workshop attracted more than 200 people from surrounding areas who were looking for specialist advice about Autism and caring for children with Autism.

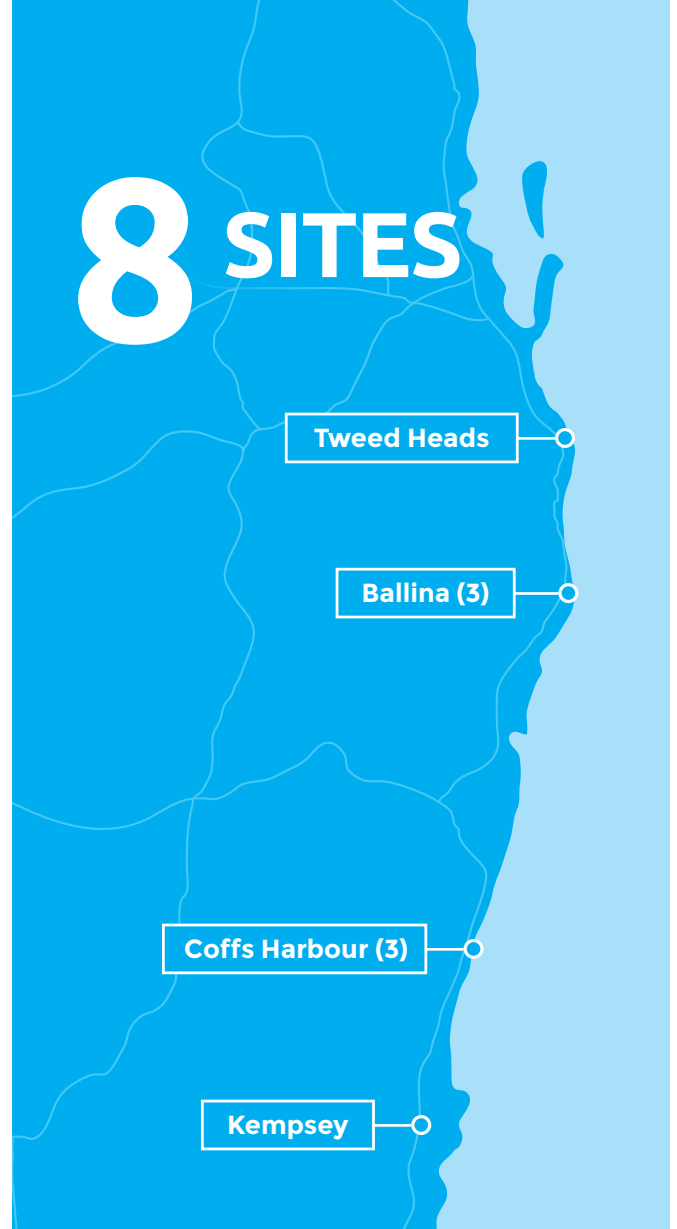
Social inclusion project

We partnered with local service provider, Social Futures, and local author, Bev Larsson and her guide dog, to deliver a Social Inclusion workshop in eight schools around Tweed Heads. The workshop introduced social inclusion by asking the children to imagine how it would feel to be excluded. All the children were engaged and enthusiastic as they spoke about their similarities as human beings, with the same emotions and needs. Bev spoke to the children about her life as a person with vision impairment, explained the use of braille as a written language and showed some of the different gadgets that support her independence. Feedback from the workshops was overwhelmingly positive from the children, teachers and school communities.

Mobility matting for Ballina beaches

Northcott was gifted mobility matting by local fundraiser Tracey Everingham-Armstrong, who raised funds to purchase the matting. The purchase of the equipment was partially funded by Fundability, a grant program administered by Northcott which awards funds to initiatives promoting inclusiveness for people with disability.

Mobility matting is a durable, portable and removable roll-out pathway that is laid across sand to give people in wheelchairs or those using walking sticks or walking frames access to the beach. Northcott now has ownership and responsibility for the Mobi-mat, which is housed at Ballina Lighthouse and Lismore Surf Life Saving Club and used when the beach is patrolled by surf life savers on duty.



“IT WAS A REALLY GOOD DAY. TONY IS A HUGE SOURCE OF KNOWLEDGE AND DELIVERS HIS SEMINAR IN A REALLY ENTERTAINING WAY. I KNOW IT CHANGED MY LEVEL OF UNDERSTANDING AND PERSPECTIVE OF AUTISM AND I THINK A LOT OF LOCAL FAMILIES FELT THE SAME. NORTHCOTT IS AMAZING FOR MAKING THIS HAPPEN.”

– Remana, Tony Attwood workshop attendee

PUTTING STRATEGIES IN PLACE

Lachlan was diagnosed with Autism two years ago, when he was 11-years-old. For his parents, Kaela and Brad, finally getting a diagnosis was a huge relief. Receiving support from Northcott has been life-changing for the family of eight.

"I had concerns about Lachlan back when he was 13-months-old because he used to head-butt the concrete, but the doctors put it down to just being a toddler. When my seven-year-old daughter was diagnosed with Autism, that's when I noticed Lachlan had similar behaviours.

On a good day, Lachlan is a happy, energetic boy, but when he's having a meltdown, he can be physically abusive and aggressive.

We were referred to Northcott last year and have been accessing Behaviour Support services since then. Previously, Lachlan would have meltdowns on a daily basis. Since working with Northcott's behaviour therapist, Lachlan only has meltdowns every now and then, and if there is a meltdown, he is not physically abusive or trying to hurt himself. He has learnt to calm himself down.

Our Northcott behaviour practitioner, Michelle, has given me visual tools to use for the morning and afternoon routines, so these times are much less chaotic now. She also made visual cards for Lachlan so that when he gets worked up he can start looking at them to support him to calm himself.

The Northcott support has made a big difference. Lachlan has learnt how to control himself. He has worked out ways, besides hitting people, to calm down and get rid of his anger.

We used to live in a very chaotic house. I can't believe that we've gone from that to where we are now simply by having support to put strategies in place. Without Northcott and the support they can give to families like mine, I don't know where I'd be at right now."

Kaela, mother of Lachlan, Northcott customer



For Lachlan and his mother, Kaela, strategies from a Northcott behaviour practitioner to manage Lachlan's Autism has made a world of difference.

ENABLING NORTHCOTT TO SUCCEED



OUR BOARD

1 MICHAEL BRIGGS

**B Comm ACA AGIA MBA
Chairman**

Director since 2003

Michael is a Business Advisor and Investor. He is the Chairman of Antec Engineering Pty Ltd and Northcott Innovation Ltd and a Director of Guided Knowledge Pty Ltd and Enechi Pty Ltd. He is also an Advisory Board Member of The Collective Wellness Group. Michael has been Chairman of Northcott since 2009.

- Finance and Properties Committee
- Nomination Committee
- Remuneration Committee

2 TONY ABRAHAMAS

**B Com (Hons) LLB MPhil
(Econ) MBA MAICD
Director since 2010**

Tony is the co-founder and CEO of Access Innovation Media (Ai-Media), an organisation that provides media access solutions for people with disability, and speech-to-text solutions for education, government, corporate and broadcast clients. He is a Rhodes Scholar and a Member of the Australian Institute of Company Directors (MAICD). In 2013 Tony was named a Young Global Leader by the World Economic Forum.

- Nomination Committee
- Remuneration Committee

3 KIRSTEN ARMSTRONG

**M.Ec M.PH FIAA
Director since 2013**

Kirsten is the Director of Knowledge & Innovation for the Fred Hollows Foundation. She is a Director of Three Rivers Consulting, a Fellow of the Institute of Actuaries of Australia and a Member of the Australian Council for International Development's Development Practice Committee. She is also a former Partner of PricewaterhouseCoopers.

- Finance and Properties Committee

4 RICHARD BLAIKLOCK

**B Comm MBA
Director since 2003**

Richard is Chairman of the Baresque Australia Pty Ltd group and affiliated companies.

- Chair, Nomination Committee
- Chair, Remuneration Committee

5 NICK CARDNO

**MA (Hons) CA MAICD
Director since 2013**

Nick is a Partner of the accounting firm Ernst & Young as well as a Director of Ernst & Young Transaction Advisory Services Ltd. He is also a Member of the Institute of Chartered Accountants of Scotland, the Institute of Chartered Accountants in Australia and the Australian Institute of Company Directors.

- Chair, Finance and Properties Committee

6 CHRISTOPHER JANSSEN

**MB BS (Sydney)
MBA (IMD) FAICD
Director since 1986**

Christopher is the Founder and Managing Director of GPC Electronics and affiliated companies. He is also a Director for The Warren Centre for Advanced Engineering Ltd at The University of Sydney, on the Advisory Board of Centor Holdings Pty Limited and a Warden at St Andrew's Anglican Church, Wahroonga. He is a registered (non-practising) Medical Practitioner and a Fellow of the Australian Institute of Company Directors.

- Finance and Properties Committee

7 JEYAN JEEVARATNAM

**B Eng (Hons 1)
MBA M Eng Sc MAICD
Director since 2012
Resigned September 2016**

Jeyan is the Chief Growth Officer for Avanade APAC and was previously Managing Director of Avanade Australia, Managing Director of AT&T Australia and NZ, and held senior executive roles at IBM. He is a Director of the Australian Information Industry Association (AIIA), and a Member of the Australian Institute of Company Directors and the World Presidents Organisation (WPO).

8 ANDREW MANSOUR

**B Ec LLB (Hons)
Director since 2010**

Andrew is a Partner at commercial law firm, Allens, and is head of the firm's Power & Utilities Sector.

9 DONNA PURCELL

**Dip. HR Mgt, Dip B, Dip BM,
Dip PR, Dip Ed**

Director since 2016

Donna is the Senior Manager, Accessibility and Capability at the Commonwealth Bank. She recently completed a one-year secondment working on the *National Inquiry into Employment Discrimination against older Australians and Australians with Disability* for the Australian Human Rights Commission. Prior to working on the Inquiry, Donna was a Diversity Manager at Commonwealth Bank, leading the Group's approach to accessibility and inclusion for customers and employees with disability. Donna is also a Director of Australian Network on Disability. Donna is a certified Access Consultant and has also held a number of HR roles within the not-for-profit sector. Donna was a *Don't Dis My Ability* Campaign Ambassador for 2013–2016.

10 DEBRA RICHARDS

**BA (Lib Studies) Grad
Diploma (Arts) MA MAICD
Director since 2012**

Debra is the CEO at Ausfilm (International Inc) and a Director of the Communications & Media Law Association and the International Institute of Communications. She is also Deputy Chief Adjudicator of the Alcohol Beverages Advertising Code Adjudication Panel and a Member of the Australian Institute of Company Directors.



1



2



3



4



5



6



7



8



9



10



11



12

11 DR ROB SILBERSTEIN
MB BS MHL LLB (Hons 1)
MIP GDLP FIPTA
Director since 2009

Rob is the founding Principal of Silberstein & Associates legal services firm. He is also Chairman of the Board of Mobility 2000 (Australia) Limited, a not-for-profit charitable organisation developing technologies for people with disability, as well as a Director of Northcott Innovation Ltd. Rob has been a customer of Northcott since his early childhood.

12 KERRY STUBBS
BA (Hons), MA (Hon),
GC (Writing), MAICD
Director since 2008

Kerry is the Managing Director and CEO of Northcott. She is a Director of The SpineCare Foundation Ltd, Northcott Innovation Ltd, AsOne Therapy Ltd and CRC for Water Sensitive Cities, and Chair of their Audit and Risk Committee. Kerry is also Chair of the National Accreditation Authority for Translators and Interpreters Ltd and a Member of the Finance and Investment Committee for the University of Western Sydney Board of Trustees. In 2007, Kerry was named NSW IBM Community and Government Award winner in the Telstra Business Women's Awards.

- Finance and Properties Committee
- Nomination Committee
- Remuneration Committee

13 JOHN SURIAN
BA (Econ) G.DipAppFin
(Sec Inst)
Director since 2000

John is the Licensee and Principal of Raine & Horne Parramatta and Raine & Horne Commercial Parramatta, a firm that has been respectively engaged in the sale, leasing and property management in the broader metropolitan area of Sydney and Parramatta since 1976. John is also a Licensed Business Broker and Auctioneer and provides property advice including site consolidation, acquisitions and project management.

- Finance and Properties Committee



13

OUR EXECUTIVE TEAM

Current at September 2017

1 KERRY STUBBS

Chief Executive Officer

Kerry joined Northcott in 2008 as CEO. She was previously the Executive Director of St Vincent's Hospital and Sacred Heart Hospice. Kerry sits on the board of several organisations, including the SpineCare Foundation Ltd, the CRC for Water Sensitive Cities, Northcott Innovation Ltd and AsOne Therapy Ltd. She is also the Chair of the National Accreditation Authority for Translators and Interpreters Ltd and a Member of the Finance and Investment Committee for the University of Western Sydney Board of Trustees and of the Australian Institute of Company Directors.

In 2007, Kerry was named NSW IBM Community and Government Award winner in the Telstra Business Women's Awards.

2 SILVANA BAUTE

Operations Manager

Silvana joined Northcott in 2002 and holds a Bachelor of Applied Science. She has 18 years of experience working within the disability sector and has held a variety of management roles at Northcott covering a diverse portfolio. Silvana has been heavily involved in the transition to the NDIS and is now responsible for operations across South Western Sydney, South Eastern Sydney, Sydney, Illawarra, North Coast and Murrumbidgee.

3 RUTH CALLAGHAN

General Manager, Stakeholder Relations

Ruth joined Northcott in 2015 with substantial experience over the last 10 years as a CEO and senior executive in the government and non-government sectors. Ruth is responsible for government relations and tendering, research and evaluation, fundraising and contracts and projects that are not funded under the NDIS.

She holds a BA (Hons) from the University of Sydney and a MA (Policy Studies) from the University of NSW. Prior to joining Northcott, Ruth developed and led major change and strategic policy, funding and service delivery initiatives in disability services, early childhood regulation and funding.

4 LEE CARPENTER

Director of Operations

Lee came to Northcott in 2008. As Director of Operations, Lee is responsible for the delivery of services to Northcott's customers. In addition, Lee oversees support functions for customer engagement, business support, business analysis and infrastructure. Lee has a background in finance and previous experience in the health sector, including roles in leading hospitals in Australia and the UK.

5 LIZ FORSYTH

General Manager, Northcott Supported Living

Liz has worked for Northcott since 2008. In recent years she has been instrumental in preparing the organisation for the introduction of the NDIS and was the former head of the Customer Experience Group. In September 2017, Liz commenced as General Manager, Northcott Supported Living. She is responsible for managing our accommodation and supported living services.

6 ABY HUTCHINSON-WEST

Manager, Multidisciplinary Service

With 25 years in disability services, Aby has a Psychology Masters and is a qualified special education teacher. Prior to joining Northcott in 2006, Aby worked as an Autism advisor for the Highlands of Scotland. In her time at Northcott she has established many Northcott services including Intensive Family Support, Early Childhood Autism Service and the Person Centred Behaviour Support service. In her current role, Aby manages the Multidisciplinary Service which includes Therapy, Behaviour Support and Transdisciplinary services

7 JOHN LAU, FCA

Chief Financial Officer

John joined Northcott in early 2017 after extensive experience in the commercial sector in Australia, Europe and Asia. He has led global finance functions for multinational organisations and specialises in corporate change management. Prior to joining Northcott, John worked in the employment services sector in communities in need. With almost 20 years of experience as a CFO, John will assist Northcott to navigate the continuing transition to the NDIS.



8 DAVID LONG

**General Manager,
People and Culture**

David has responsibility for Northcott's strategies that ensure we attract and retain the right people, and that they are equipped to meet our future needs. David joined Northcott in 2012 and has more than 25 years experience in human resources management. He has worked across various industries in the public and private sectors for organisations including the Roads & Traffic Authority, the TAB and St Vincents & Mater Health Sydney.

9 JOHN PRESTON

Operations Manager

John joined Northcott in 2003 and holds a Bachelor of Applied Social Science. He has spent much of his time at Northcott in a variety of management roles, primarily related to Employment and Life Skills services. John has been heavily involved in the transition to the NDIS and is now responsible for operations within North Western Sydney, Northern Sydney, Central Coast, Hunter, New England and Western NSW.

10 ALEX VARLEY

**General Manager,
Customer Experience**

Alex joined Northcott in February 2017 working with Northcott Innovation before moving to head up our Customer Experience Group in September. In this role he has responsibility for marketing, communications, customer insights and experience. Alex has been a CEO of two disability organisations, as well as undertaking senior marketing roles in the not-for-profit services and arts sectors.

VALE – TRACEY GLEESON

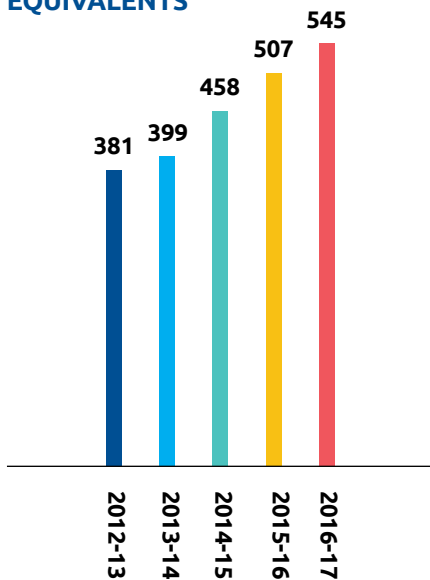
Tracey Gleeson, formerly General Manager, Operations Support and Specialist Services, was a beloved staff member of Northcott, committed to supporting people with disability. Tracey passed away in October 2016.

OUR TEAM



OUR DEDICATED AND PASSIONATE TEAM MEMBERS ARE OUR MOST VALUABLE ASSET. WE ARE COMMITTED TO PROVIDING A SUPPORTIVE AND SAFE WORKPLACE WHERE ALL TEAM MEMBERS FEEL VALUED AND HAVE OPPORTUNITIES TO DEVELOP THEIR SKILLS.

FULL-TIME EQUIVALENTS



Our team profile

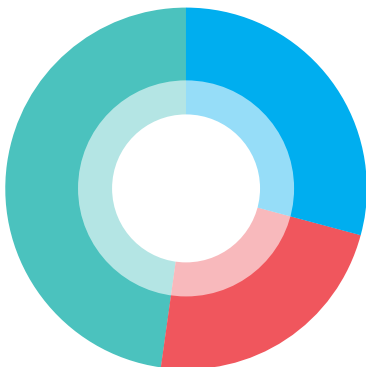
This year, we employed 1,252 people (or 545 full-time equivalent staff) throughout NSW and the ACT. This is an increase of 28% from the previous year, with the majority of these people working in roles which directly support our customers.

In alignment with our purpose to build an inclusive society, we are an Equal Employment Opportunity advocate. We also ensure compliance with all requirements and obligations in employment legislation, including the *Fair Work Act*, *Anti-discrimination Act* and *Human Rights and Equal Opportunity Commission Act*.

The staff attrition rate for the 12 months ending June 2017 was 24%, up from 19.5% in the previous year. This is slightly higher than the industry attrition rate of 23%, but was to be expected given significant organisational and sector changes.

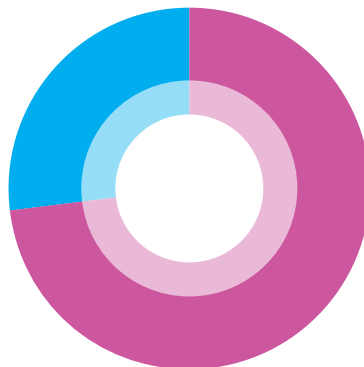
We continue to offer flexible working practices and a number of other employee benefits to attract and retain staff. We also provide access to learning and development programs so our team members can develop and nurture their professional skills.

EMPLOYMENT STATUS



| | |
|-----------|-------|
| Full-Time | 29.3% |
| Part-Time | 23.1% |
| Casual | 47.6% |

GENDER COMPOSITION



| | |
|--------|-------|
| Female | 73.2% |
| Male | 26.8% |

Board Members



Executives



* Excludes Jeyan Jeevaratnam who retired in September 2016

**Includes Alex Varley who joined in September 2017

Organisation development

With our workforce growing rapidly, we have continued the rollout of our Organisation Development Plan to improve the effectiveness and efficiency of our workforce. The plan has an emphasis on developing and implementing programs and activities that will contribute to attracting and retaining staff and enhancing the capabilities of our people.

This year, significant improvements were made to our induction program and annual performance appraisal and development planning process. Both systems were primarily moved online, substantially reducing the time and costs associated with these important organisational systems.

We also developed a new process for responding to organisation-wide learning priorities, including supporting managers through a leadership development and mentoring program. Our first-ever Emerging Leaders Program was highly successful with 19 high-potential employees completing and graduating from the program.

The year-long program was run in conjunction with the University of New England (UNE) Partnerships team. Graduates gained three units towards a Post Graduate Certificate in either Business or Management. The program was personally transforming and built practical skills and knowledge across the group. Excellent feedback was received. Read about the experience for our team member, Kiran on page 47.

At an operational level, we have ensured team members continue to have timely access to their required mandatory training, other essential training and to a broad range of other professional development opportunities.

As part of our efforts to enhance our employees' experience with us, we conducted an Employee Engagement Survey in early 2017 to better understand what our team members enjoy about working for Northcott and where improvements can be made. Analysis of the results is underway to develop an action plan for implementing initiatives to address areas in need of improvement.

Inclusive Workplace Strategy

We established and implemented an Inclusive Workplace working party in June 2016 with responsibility for achieving the objectives outlined in our Inclusive Workplace Strategy, developed the previous financial year.

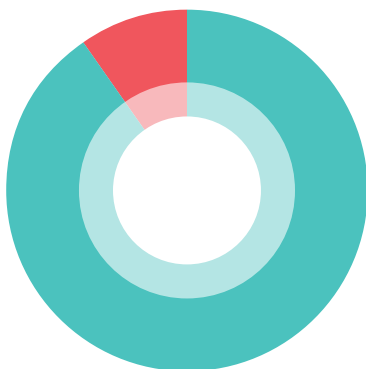
We have appointed our first Inclusive Workplace Officer. We also reviewed and updated all of our job advertisements to include an inclusion statement and introduced a new procedure for assessing new employees with disability. This allows us to implement modifications and/or resources required to support employees with disability to safely undertake tasks and duties.

The working party is now developing a reasonable adjustments procedure, implementing disability awareness training and staging a disability employment awareness campaign.

Enterprise Agreement

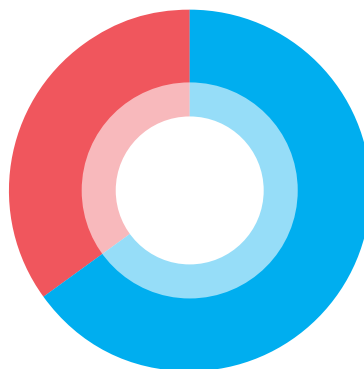
This year our new Enterprise Agreement was approved by the Fair Work Commission. Development of the Enterprise Agreement included extensive staff consultation to address needs. The Agreement maintains workplace flexibility, introduces a trainee level of support worker, maintains our classification structure and makes one day of paid leave available for Aboriginal and Torres Strait Islander team members to participate in National Aborigines and Islanders Day Observance Committee (NAIDOC) week activities.

JOB ROLES



| | |
|---------------------------------------|--------------|
| ● Operations (Support, Therapy roles) | 90.5% |
| ● Corporate service roles | 9.5% |

LOCATION



| | |
|----------------|------------|
| ● Metropolitan | 65% |
| ● Regional | 35% |

Team member recognition

We continued our monthly Employee Recognition and Service Awards program as a way to recognise and acknowledge those team members who display our organisational values in their work. This year, Kamen Thommers from our Wagga Wagga office was named Employee of the Year. In his role as a coordinator, Kamen has improved service delivery by reducing the centre-based respite waiting list. Previous customers who stopped using the service have returned. Kamen's nominators described him as flexible, accommodating and supportive, saying he is always willing to step up and lend a hand to any situation and will support staff and the service alike.

Learning and Development

We have continued to invest heavily in learning and development. To help build the skills and knowledge of our staff in the most effective and efficient ways, we introduced the 70:20:10 Learning Model, along with a range of supporting tools and strategies. We also introduced more rigour around applying for training, as well as opportunities for internal mentoring and assignments as learning options for staff.

A broad range of learning and development opportunities were delivered across the organisation including internally organised training sessions on topics including Manual Handling, Tube Feeding, Child Protection and Positive Behaviour Support. Externally facilitated training sessions included topics such as Social Work and the NDIS, Disability Employment Australia Annual Conference, Managing Sensory Issues and participation in the Volunteering NSW State Conference.

We also supported staff to undertake formal qualifications ranging from Certificate IV to Masters level. Subject areas included Counselling and Psychotherapy, Health Science, Customer Engagement, Community Services, Social Science Welfare and Certified Public Accountant training.

Supporting our Aboriginal and Torres Strait Islander team members and customers

The Northcott 'Stretch' Reconciliation Action Plan (RAP) 2016–2019 recognises that acknowledging and respecting Aboriginal and Torres Strait Islander (ATSI) people with disability, their families, employees and community members from these backgrounds is a key factor in ensuring Northcott is a welcoming, appropriate and culturally competent organisation. Most importantly, the RAP provides the framework for how we work with Aboriginal communities and customers to



Our customer Shirley (left) with Lisa, her Northcott support worker.



Graduates from our first Emerging Leaders Program.

deliver services that are culturally respectful and appropriate.

We take a proactive approach to supporting our staff from ATSI backgrounds to develop their skills and ensure they feel welcomed and supported in our workplace. Our two ATSI consultation groups, the RAP Working Party and ATSI Staff Network, have continued to be valuable in generating discussions, developing initiatives to address issues of concern and driving improvements in this area. The ATSI Staff Network has provided valuable guidance to the Northcott Executive Team on how the NDIS will impact Aboriginal communities. The group has supported the organisation to target its services to the unique needs of different communities across the state.

A key achievement has been the development and implementation of a Northcott ATSI Cultural Education Framework to increase the capacity of all staff to support their ATSI colleagues and engage with ATSI

communities. The framework is a training program aimed at raising awareness of Aboriginal culture in the workplace and teaching skills in engaging with Aboriginal communities. It includes an online module, a face-to-face workshop and an immersive country experience where participants visit a community.

Additionally, we developed and ran a new training program to strengthen staff knowledge and capability when recruiting and retaining people from ATSI backgrounds, including support workers – a growing element of our workforce.

The year ahead

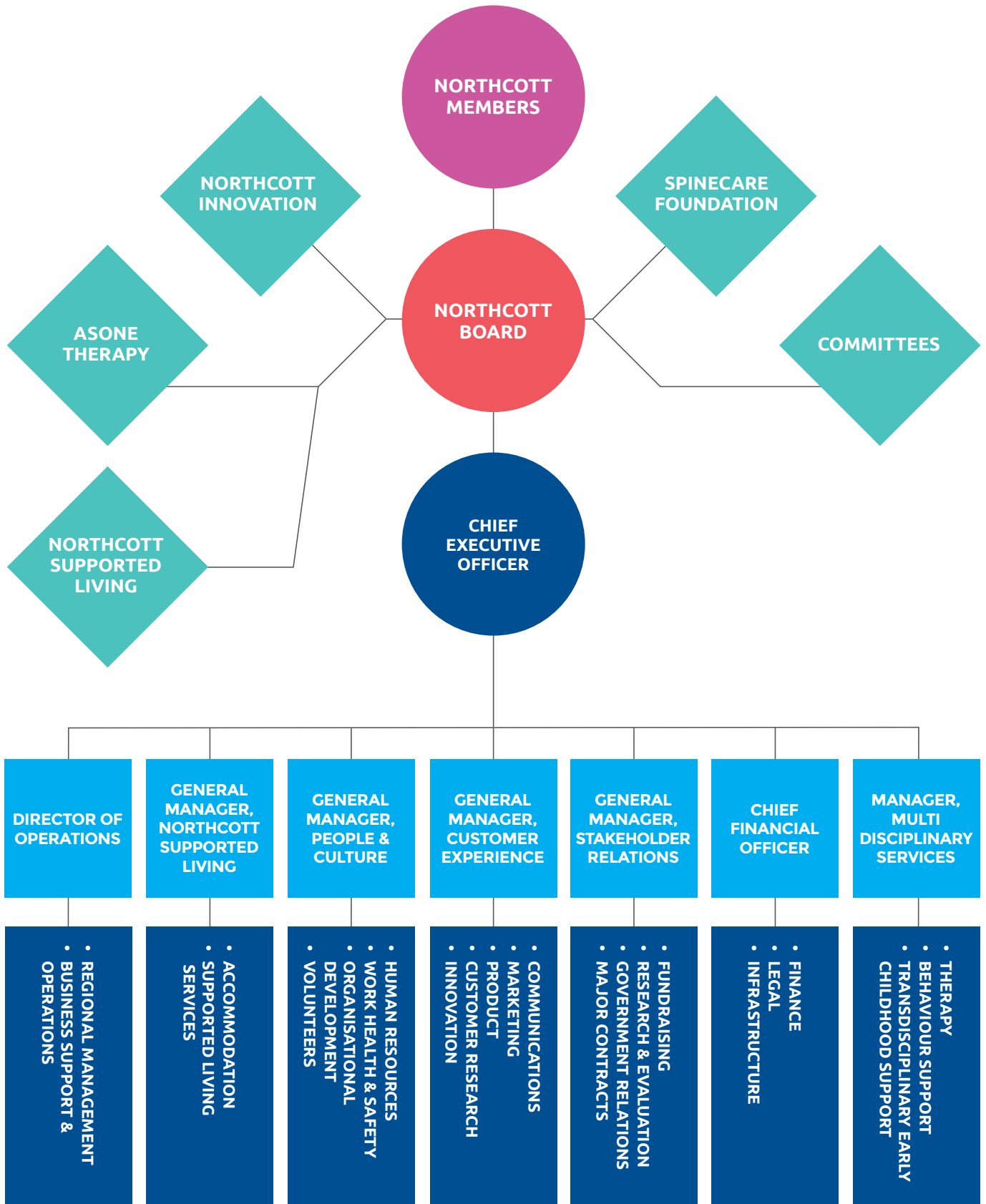
We are preparing for significant growth in our staff numbers. Our future focus will be streamlining our recruitment procedures and continuing to improve our learning and development programs to maintain our exemplary standard of service delivery and ensure high levels of customer support.

We will continue to look for ways to improve our organisational culture and enable team members to have the right skills and knowledge through job-specific training, so our customers can be supported to achieve their goals.

“THE TRAINING ENHANCED MY UNDERSTANDING OF HOW FIRST NATIONS’ COMMUNITIES WORK AND PROVIDED INSIGHT TO THEIR CULTURAL PRACTICES.”

- ATSI Cultural Education Training participant

ORGANISATIONAL STRUCTURE



WORK HEALTH AND SAFETY

Managing risk

In 2016–17, our Health, Safety and Risk Management Framework once again provided a strong foundation for safety. Similarly to previous years, our suite of risk assessment tools provided our team members with a better understanding of the foreseeable risks associated with the work they undertake.

Through our environmental risk audit program, which includes an annual inspection at each of our facilities, we continued to monitor compliance against legislative requirements in areas such as fire safety and first aid. The implementation of Pinnacle, our new asset management system, further enhanced our ability to respond to environmental risks in a timely manner.

Consultation

Consulting with team members and customers through our regional and metropolitan health and safety committees continues to be an effective way of monitoring and managing risks, evaluating injury prevention processes and developing health and safety initiatives. Our regional and metropolitan committees meet quarterly and report to an organisation-wide central health and safety committee. Customer representation on each of the committees provides valuable insight from our key stakeholder perspective.

Health and wellbeing

This year, we asked team members to contribute to the development of an organisation-wide health and wellbeing program. Through the Survey Monkey research platform, staff suggested a range of topics they were interested in learning more about, such as mental health awareness, the impact sleep has on our general wellbeing, and building resilience. We are working to develop initiatives to support improved health and wellbeing across our sites based on survey insights. As a means of supporting employees who experience challenging circumstances, either inside or outside the workplace, we continued to offer confidential access to an Employee Assistance Program.

Managing injuries and incidents

In accordance with our thorough approach to managing incidents, we require all staff, contractors and visitors to report incidents, regardless of the severity of the resulting injury. This gives us a larger data pool, and allows us to identify potential trends, leading to improvements in safety.

The Lost Time Injury Frequency Rate (LTIFR) provides a representation of the number of lost time injuries relative to the volume of time worked. This year we had less injuries, as reflected in a 39.7% decrease in the LTIFR (from 9.3 to 5.6). For the same period, the total hours worked increased by 9.8%.

A combination of factors contributed to the decrease in lost time injuries, including a dedicated effort to raise the profile of health and safety issues through targeted safety awareness campaigns. Safety awareness flyers on topics such as safe manual handling were distributed to all staff and helped keep the safety message at the forefront.

The year ahead

With the number of team members set to increase substantially in the coming financial year, maintaining our strong performance in work health and safety will be paramount. In preparation for this, we are working towards ensuring our policies and procedures accurately meet our needs and promote positive health and safety for both our team members and our customers.



LEADING STAFF CAPABILITY

Kiran has worked at Northcott since 2013, coordinating our Centre-based Programs in Hornsby, Chatswood and Mona Vale. She was selected as one of 19 emerging Northcott leaders to participate in a new staff professional development program. For Kiran, who has dyslexia, completing the qualification was a great achievement personally and professionally.

“When I was selected to participate in the Emerging Leaders program, I couldn’t believe I was at the level where I could be considered for such a program. I felt very privileged and a little worried at the same time.

I was diagnosed as heavily dyslexic at 32-years-old. I didn’t start school until I was almost 11-years-old and always struggled. I never learnt to write properly. When I was chosen for the Emerging Leaders program I couldn’t believe my luck. Very quickly I began to think ahead about what this meant for my personal development.

I learnt so much from the Emerging Leaders program. I enjoyed learning from the mentors and tutors and working with other staff members from across the organisation that I normally wouldn’t work with. I have always felt that I’ve struggled to be the leader I thought I should be. Having completed the Emerging Leaders program, I now realise that I’m actually an ideal type of leader!

Due to dyslexia, I experience a lot of anxiety and frustration when it comes to studying. My childhood experience tells me that I wasn’t good enough to go to school, so it was difficult to absorb that I had passed the program. I always expect to jump yet another hurdle to complete new qualifications. When I realised I had passed, I was excited and felt proud that I had stuck it out.

The skills I gained from the program are significant, but just being selected was probably most important to me. The fact that someone saw potential in me and made that decision to invest in my skills as a leader was truly phenomenal. I am so grateful for the trust shown by that and for being given this opportunity.

I’m moving into a new position at Northcott soon. I’m looking forward to putting my new skills into practice and continuing to develop them. In my role, you can actually make a difference to someone every day and that’s what I love about it.”

Kiran, Northcott staff member and Emerging Leaders Program graduate

For our staff member, Kiran, completing the Emerging Leaders Program was a great professional and personal achievement.

VOLUNTEERS AND STUDENTS

VOLUNTEERS AND STUDENTS UNDERTAKING WORK PLACEMENT AND WORK EXPERIENCE WITH NORTHCOTT PLAY A VITAL ROLE IN SUPPORTING OUR STAFF AND CUSTOMERS. CONTRIBUTIONS MADE BY THIS PART OF OUR WORKFORCE ARE GREATLY VALUED.

367
TOTAL
VOLUNTEERS
THIS YEAR

This year, we relaunched our Volunteer Program to provide more direction for staff, improved screening of applicants and robust preparation for teams thinking of engaging volunteers.

Staff in six of Northcott's larger regional areas were identified as 'volunteer champions' in order to promote volunteering in their local communities and be a local source of assistance for staff. As a result, we increased volunteer and student placements in these locations.

We also commenced a skilled volunteering program, known as Mentoring Managers. In light of the recent significant changes in the disability sector, this initiative is aimed at building our leadership capability to enable a smooth transition for staff and customers to the NDIS. Northcott's senior regional managers were the first group to be paired with a skilled external mentor. With very positive results at the midway point, the program will be offered to more managers in the coming year.

67
NEW
VOLUNTEERS

Partnerships with numerous school groups who assist with activities coordinated by our Children's Recreation service, including sports carnivals and weekend activities, have continued to benefit all involved. During the year we welcomed the involvement of a new school, St Ignatius Riverview, who assisted with our Northern Sydney Saturday Kids program. In addition, we appreciated the involvement of a number of corporate groups, many of whom volunteer at various activities year after year.

This year, 114 students completed work placements with Northcott, with most being trained in support work across various services. We consider it a privilege to be involved in the training of future workers for the disability sector, including those studying allied health, support work and medicine.

4,989
HOURS DONATED

\$206,740
VALUE ADDED

114
STUDENT
PLACEMENTS



Students from Hills Grammar enjoy volunteering at our annual Primary School Athletics carnival for children with disability.

Recognising volunteers

This year we acknowledged and recognised our volunteers at the Annual General Meeting in November 2016. The individual Volunteer of the Year Award was presented to Denny Christensen from the Queanbeyan Office. Denny initially volunteered from the local Men's Shed to assist a Vocational Skills customer interested in woodwork. He soon became part of the team, additionally assisting with gardening, small maintenance projects, local Northcott events and sourcing free materials for Northcott programs.

The group Volunteers of the Year Award was presented to the Library Hardcopy Customer Files Group at Parramatta. The team of Bob Chilton, Marianne White and Nabila Laskar were given the task of archiving over 400 boxes of paper-based customer files. The whole task required their weekly involvement of 12 hours a week for two years.

Thank you

We would like to thank and recognise all of our individual volunteers across all sites, for their commitment and shared purpose of supporting the inclusion of people with disability in their communities. We value their involvement, their donation of time, energy and resources and hope they enjoy volunteering as much as our staff and customers enjoy having them with us.

We would also like to thank our corporate volunteers St George, Westpac, HLS Healthcare, Western Earthmoving, Deloitte, ANZ, Campaign Monitor and Columbus for providing enthusiastic volunteers to assist at various events throughout the year.

Our thanks also go to our school partners, Hills Grammar, Loreto Normanhurst, Our Lady of Mercy College Parramatta, The Kings School and St Ignatius Riverview for providing diligent and reliable student volunteers throughout the year.

Without the commitment of volunteers we would be unable to provide the diverse programs we offer to support people with disability to reach their potential.

QUALITY AND PRACTICE

WE HAVE A STRONG COMMITMENT TO INCLUSIVE PRACTICES AND THE PROTECTION OF CHILDREN AND VULNERABLE ADULTS. OUR QUALITY AND PRACTICE TEAM IS RESPONSIBLE FOR DEVELOPING AND IMPLEMENTING INITIATIVES TO SUPPORT THE AWARENESS AND DELIVERY OF CUSTOMER SAFEGUARDS AND BEST PRACTICE STANDARDS WHICH PROMOTE QUALITY, SAFETY AND GREAT OUTCOMES FOR CUSTOMERS.

96
TEAM MEMBERS
COMPLETED CHILD
PROTECTION
TRAINING

GROOMING
AWARENESS
CAMPAIGN
LAUNCHED

MONTHLY
SAFEGUARDS
AND PRACTICE
REPORT
INTRODUCED

During Child Protection Week in September 2016, we launched a Grooming Awareness Campaign across all our sites to demonstrate and promote our commitment to the prevention of and response to abuse and neglect of children and vulnerable adults. The campaign included promotional posters in our offices, an email signature and a blog post promoting Northcott as an organisation that prioritises child protection issues. The blog article was shared throughout our social media channels to reach a wider audience. Compulsory online child protection training was also introduced to our induction process, along with a refresher training module. This new online training is in addition to mandatory Working with Children Checks for all staff and face-to-face training that ensure team members are provided with essential, timely information prior to starting at Northcott.

A new monthly Safeguards and Practice Report was introduced for managers to record a simple, timely summary of incident reporting trends, risk mitigations, compliance, industry updates and organisational responses. This monthly report has been a key strategy aimed to promote customer safety while reducing and effectively responding to risks.

We also launched a Disability Service Standards Awareness Campaign for staff on International Day for People with Disability. The campaign aimed to reinforce our commitment to the Standards in everything we do. New look Disability Service Standards Policies, including Easy English versions, were uploaded to our website and distributed to offices.

In recognition of our reputation as a leader in this area, Northcott was one of five organisations invited by the NSW Ombudsman to participate in a roundtable discussion on 'Coordinating risk management and investigative responses to incidents – successes and challenges'. The roundtable provided the opportunity to discuss some of the challenges and successes of the Disability Reportable Incidents scheme.

The Disability Reportable Incidents Scheme is an allegation-based scheme where NSW providers of supported group accommodation and/or centre-based day programs for people with disability are required to report all serious incidents of abuse or neglect to the NSW Ombudsman within 30 days.

With anticipated growth in our customer base and increased focus on high quality customer service under the NDIS, we are also currently reviewing our Quality Governance Framework. Through consultation with a range of not-for-profit and corporate organisations, we have reviewed strategies for creating a high quality customer service culture and are continuing to review and improve our quality and safeguarding practices. Our aim is to design and develop an improved framework that will lead to a more effective and responsive investigation process and increased customer education around rights, ensuring we are well placed for the future.

Northcott maintains compliance with the following legislation and standards:

- National Standards for Disability Services
- NSW Disability Service Standards
- *Workplace Gender Equality Act 2012*
- National Regulatory System for Community Housing (NRSCH)
- *Children and Young Persons (Care and Protection) Act 1998* and *Children and Young Persons (Care and Protection) Regulation 2012*
- *Disability Inclusion Act 2014*
- *ACT Disability Services Act 1991*



Posters like this one were displayed in our offices to raise awareness about child grooming.

GOVERNANCE

Role of the Board

Northcott is governed by a Board of Directors appointed by our Members (see page 74). The role of the Board is outlined in the Constitution of The Northcott Society (trading as Northcott). The Board has ultimate responsibility for: our direction and performance; approval of the annual budget and financial plan; financial performance including monitoring/ approval of the financial reports and liaison with auditors; assessment of the performance of the CEO; and monitoring of managerial performance. The Board is also responsible for ensuring significant risks are identified and appropriate controls implemented; and for reporting to Members, stakeholders and regulatory authorities.

The Board consists of between five and twelve non-Executive Directors. The CEO may be appointed as Managing Director, creating an additional Director role. Our Board is a skills-based board. Directors are chosen on the basis of their ability to assist in furthering the objectives of Northcott. Non-Executive Directors are not remunerated. Each Director may serve for a maximum three-year term, and then must retire. They may apply for re-election.

Board processes

The Board meets a minimum of seven times per year. It also meets with Members and stakeholders at the Annual General Meeting, where the Chairman delivers a report. Additionally, the Board meets with staff in December.

Board composition

Most Directors have had a long-standing relationship with Northcott before becoming a Director. All Directors, with the exception of the Managing Director, are independent Directors, and are free from any interest and any business or other relationship that could, or could reasonably be perceived to materially interfere with the Director's ability to act in the best interests of Northcott.

The Managing Director is employed under a performance-based contract. The Chairman conducts a performance review at least annually, with recommendations endorsed by the Board. The Board sets the delegations under which the Managing Director must operate.

How new Directors are recruited

The Nomination Committee, a sub-committee of the Board, is responsible for selecting suitable candidates for the Board and for recruiting new Directors. Candidates are interviewed by the Nomination Committee, which then makes recommendations to the Board. New Directors receive an induction and are offered board training delivered by the Australian Institute of Company Directors. The Nomination Committee also forms a Remuneration Committee to review the performance of the CEO and senior staff.

Risk management and ethical standards

Directors have a duty to act honestly at all times, with reasonable skill, in good faith and in the best interests of Northcott. This means taking proper action where necessary, declaring any conflicts of interest, and avoiding mismanagement or inaction. Directors must also adopt and follow sound business policies and practices. The Board's performance is reviewed regularly against policies.

We have long-standing relationships with corporate partners to ensure we remain aware of our legislative and regulatory responsibilities. The Executive team has portfolio responsibility for appropriate areas of legislation, and regular reports of changes are contained in the Board papers.

We also maintain membership of appropriate peak and industry organisations to ensure we remain aware of policy and procedure in the disability and not-for-profit sectors.

member of

abilityfirst
AUSTRALIA



Observership Program

We continued our involvement in the Australian Institute of Company Directors (AICD) Observership Program. This initiative places talented young professionals aged 25–40 years on not-for-profit (NFP) boards for a period of 12 months as observers. The program is designed to improve next generation involvement and succession planning of NFP boards.

In February 2017, our Board welcomed Kate Ingwersen from Commonwealth Bank. In addition to learning and observing our Board, Ms Ingwersen has made a valuable contribution to the functioning and operations of our organisation.



*Board Observer
Kate Ingwersen*

Board Committees

There are two formal Board Committees: the Finance and Properties Committee and the Nomination Committee. The role of the Finance and Properties Committee is to assist the Board with effective oversight of Northcott's financial performance, internal controls, audit, risk, insurance, asset management and investment matters. This includes but is not limited to reviewing financial performance, recommending Northcott's annual budget and managing and reviewing internal and external audit matters including appointing the external audit provider, liaising between the auditor and management team and reviewing and confirming the auditor's independence. The role of the Nomination Committee is to oversee the selection and appointment of Directors, and acting as the Remuneration Committee, to review the performance of the CEO and senior staff.

Each Committee has a Terms of Reference which has been endorsed by the Board. Formal reports are made at Board meetings by the Committee chair, with minutes tabled for the entire Board. Directors are also involved individually in a number of other committees assisting Northcott with its work.

Northcott Committees

In addition to the Board Committees, we have a range of other committees to assist with evaluating, assessing and managing our practices. We also use these committees to consult with staff, our customers and their families and carers. Some of our internal committees are detailed to the right.

Quality in Research Standing Committee (QIRSC)

This committee provides internal expert staff oversight and ethical review of our research and evaluation projects. It also fosters ethical research and evaluation practices at Northcott that are consistent with the National Health and Medical Research Council (NHMRC) practices and advice.

Prevention and Response to Abuse and Neglect Committee (PRANC)

This committee aims to oversee our child and adult abuse and neglect framework and meets quarterly to review incident trends and ensure organisational compliance to best practice standards. The recent appointment of a Manager, Prevention and Response to Abuse and Neglect has increased our focus on continuous improvement in this area.

Government Transfer Sub-Committee

With the successful tender for the transition of a sizeable number of disability services operated by the NSW Department of Family and Community Services to Northcott in November 2017, a sub-committee of the Board was established to oversee the tender and subsequent transition process on behalf of the Board.

RESEARCH AND EVALUATION

WE HAVE CONTINUED TO LEAD AND PARTNER WITH A RANGE OF INTERNAL STAFF AND EXTERNAL RESEARCHERS TO UNDERTAKE EVALUATION AND RESEARCH PROJECTS RELEVANT TO OUR WORK WITH CHILDREN AND ADULTS WITH DISABILITY.

Relationships and Recognition Research Project

In February 2017, we hosted the Relationships and Recognition Project policy workshop and book launch at Northcott's Parramatta office. This policy workshop was a key milestone in this Australian Research Council (ARC) Linkage Grant project, which we are undertaking in collaboration with Southern Cross University, the University of New South Wales, National Disability Services and the University of Dundee.

The ARC project is investigating what factors influence the relationships between young people with cognitive disability and their paid support workers in their work together.

In Stage 1, researchers reviewed existing policies, both national and international, to find out what they say about young people with cognitive disability and their support worker relationships. In Stage 2, researchers worked with young people and their support workers to learn about how they work together and what they think is important in their relationship.

Participants (young people with cognitive disability and their support workers) took photographs together which have been compiled into a book, *Relationships and Recognition – Photos about Working Together*, and photography exhibition.

Findings from the Stage 1 policy review were presented at the Policy Workshop, which was attended by policy makers, young people with disability, service providers, families and national and international researchers. The findings presentation was followed by an activity between participants about what makes good relationships. The workshop concluded with the launch of the book and a photography exhibition of some of the photos.



A photo book was produced as part of the Relationships and Recognition Research Project.



Jim Longley, Deputy Secretary, Ageing, Disability and Home Care; Deanna Mooney, Northcott Project Officer; Professor Joanne Travaglia from the University of Technology Sydney; and Sarah Migliorini from DiverseWerks, with the NSW Disability Industry Innovation Award for our Diversity in Disability project.

Diversity in Disability project

At the 2017 NSW Disability Industry Innovation Awards in February, our Diversity in Disability project received the *Excellence in Promoting Cultural Competency* award.

The Diversity in Disability project was a key driver in the development of the Cultural Diversity Competency Framework. This is an important initiative building the capacity of the disability sector to work with

a diverse workforce and client population in the transition to the NDIS. The framework is an adaptable and sustainable methodology that can meet the needs and preferences of culturally and linguistically diverse people with disability, their families and carers, as well as service providers. Supporting tools developed alongside the framework include video case studies, self-reflection questionnaires and self-assessment elements.



AT THE 2017 NSW DISABILITY INDUSTRY INNOVATION AWARDS IN FEBRUARY, OUR DIVERSITY IN DISABILITY PROJECT RECEIVED THE EXCELLENCE IN PROMOTING CULTURAL COMPETENCY AWARD.

Pathways to Successful Educational Development of Young Aboriginal Students, Jarjum College evaluation project

As part of our project to deliver speech and occupational therapy and behavioural support to Aboriginal students at Jarjum College in Redfern, we are evaluating outcomes for the students and others involved across five key areas.

The purpose of the project is to support Aboriginal students enrolled at Jarjum College to improve their educational outcomes so they can successfully transition back to a mainstream school environment. The project is being funded jointly with the Vincent Fairfax Family Foundation over a three-year period.

Participants for the evaluation include Jarjum students, Jarjum staff, Elders, parents and members of the local Aboriginal community, teachers from mainstream schools and Northcott therapists.

The evaluation links to a monitoring plan and is a mixed methodology design using both qualitative and quantitative data collection tools to measure the process, outputs and outcomes of the program. A key part of the evaluation is frequent progress appraisal with participants, focusing on areas such as increasing teacher knowledge, providing support and interactions with children.

Transdisciplinary Service Evaluation Project

The Transdisciplinary Service Evaluation Project is a Human Research Ethics Committee approved evaluation of Northcott's Transdisciplinary Early Childhood Intervention service. It uses validated outcome measures to assess changes in child behaviour and parental confidence. Our Transdisciplinary Early Childhood Intervention service provides a mix of therapies to children and their families via a keyworker, who is supported by a panel of professional therapists.

Through this project, we are evaluating the:

- Impact on individual child outcomes, parent effectiveness, family wellbeing and inclusion
- Benefits of the model to families in comparison to other models of service delivery
- Efficiency of the model in delivering outcomes.

Quality in Research Standing Committee

Established in 2010, the Northcott Quality in Research Standing Committee (QiRSC) continues to assess the risks associated with research and quality improvement activities as the National Health and Medical Research Council outlines. The Research and Evaluation Unit chairs the Committee along with up to six Northcott staff members volunteering their time on the Committee. The key tasks of the Committee are to:

- Promote awareness and adherence to the National Health and Medical Research Council's Code of Ethics.
- Determine the risk of Northcott's involvement when external organisations request our support or participation in their research, quality improvement and evaluation projects.

Proposals that the QiRSC has actively promoted within Northcott in the last year include:

- *Australian longitudinal study of adults with Autism*, University of New South Wales
- *Anticipating and addressing the impending shortage of skilled disability workers*, National Institute of Labour Studies, Flinders University
- *How parents of a child with Down syndrome feel about the implications of pre-natal testing*, The University of Sydney

FUNDRAISING

WE ARE FORTUNATE TO HAVE A STRONG HISTORY OF SUPPORT FROM GENEROUS INDIVIDUALS AND ORGANISATIONS WITHIN THE WIDER COMMUNITY. THESE CONTRIBUTIONS ENABLE US TO SUPPORT CHILDREN AND ADULTS WITH DISABILITY TO REALISE THEIR POTENTIAL AND ACHIEVE THEIR GOALS. WE ARE GRATEFUL FOR EVERY DONATION WE RECEIVE.

Our fundraising history

Northcott was established in 1929 by the Rotary Club of Sydney as The NSW Society for Crippled Children. The Society was formed in response to the polio epidemic and provided services to children with tuberculosis, polio and other diseases who had been excluded from mainstream society.

Fundraising in 2016–17

The transition to operating under the NDIS presents a period of financial instability for Northcott. Therefore, our focus in fundraising has been to ensure sustainability for NDIS funded services as we transition to the scheme. In the years to come, our plan is to enhance investment in fundraising to provide funding for services and innovations not funded under the NDIS, but that make a significant impact on the lives of people with disability.

A number of Northcott's services or functional supports would not be possible without the support of our fundraising and philanthropic partnerships. These include: Advocacy, Research and Evaluation, Recreation, Refugee program initiatives, Relationships and Sexuality programs and our subsidiary, Northcott Innovation.

Examples of how our partners support the delivery of life-changing services to our customers are detailed on pages 58–61.

In 2016–2017, we received \$2.066 million (excluding bequests) from fundraising activities. Our main sources of fundraising income continued to be:

- Regular giving (over 1,500 individual donors support us via a monthly donation)
- Direct mail appeals
- Grants awarded from Trusts and Foundations
- Community partnerships
- ClubGRANTS
- Contributions from corporate organisations and major donors
- Major donors

Additionally, we were fortunate to receive a significant amount of support through bequests with \$1.3 million bequeathed from 23 generous estates. It is reassuring and encouraging to have loyal supporters express confidence in our cause by remembering Northcott in their will.

The Porte Family was featured in fundraising communication pieces to donors.



| SOURCES OF FUNDRAISING | 16/17 (\$'000) | 15/16 (\$'000) | 14/15 (\$'000) | 13/14 (\$'000) | 12/13 (\$'000) |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Corporate Partnerships | 210 | 286 | 250 | 243 | 524 |
| Trusts & Foundations | 288 | 1,912 | 477 | 444 | 485 |
| Donations & Appeals | 1,100 | 803 | 832 | 979 | 508 |
| Community Fundraising | 118 | 137 | 291 | 160 | 189 |
| Fundraising Merchandise Sales | 1 | 0 | 0 | 0 | 2 |
| Sponsorship | 53 | 51 | 125 | 28 | 26 |
| Event Income | 196 | 193 | 145 | 173 | 138 |
| Royalties (May Gibbs) | 100 | 27 | 82 | 159 | 83 |
| Sundry Income | 0 | 0 | 0 | 0 | 0 |
| Total excluding Bequests | 2,066 | 3,411 | 2,202 | 2,186 | 1,956 |
| Estates & Bequests | 1,314 | 561 | 1,157 | 341 | 796 |
| Total Fundraising Income | 3,380 | 3,972 | 3,359 | 2,527 | 2,752 |
| Fundraising Costs | 890 | 1,331 | 1,005 | 901 | 916 |
| Fundraising cost as a percentage of fundraising income | 26.3% | 33.5% | 29.9% | 35.6% | 33.3% |

Our 21st Cricket Legends Lunch, held on 17 February 2017, was once again supported by our long-standing and valued partner, Cricket NSW, and was a huge success. We are grateful for the contributions of Graham Ragg (Western Earthmoving), John Surian (Raine & Horne Commercial Parramatta) and Mark Skipper (Skipper Jacobs Trust).

This year, we were pleased to welcome Abbas Aly (Triforce Australia) as the major partner of this event. See page 62 to learn about how funds raised at the Cricket Legends Lunch create fun for children with disability.

How our fundraising partners make an impact

We strive to create fundraising partnerships that enable us to deliver impactful services to children and adults with disability, but that are also beneficial for our partners. We are grateful for the many and varied ways our partners choose to enhance our work.

Western Sydney University

Since 2009, students from the Sport and Event Management faculty of Western Sydney University (WSU) have raised nearly \$130,000 for Northcott's Recreation service. With support from Northcott's Community Fundraising Officer, the students work in small teams to conceptualise, plan and manage events that aim to raise funds for Northcott.

Every year, the WSU group delivers a variety of events, including trivia competitions, themed dinners, outdoor movie nights and competitive sporting carnivals such as Bubble Soccer. The logistics of all events must comply with industry best practices and implementing them gives students hands-on experience with every aspect of event management. All funds raised at the events are donated to Northcott.

"I'VE HAD A GREAT TIME PLANNING AND EXECUTING THIS EVENT. KNOWING THE FUNDS WE RAISED SUPPORT A FANTASTIC CHARITABLE GROUP MEANT THIS SUBJECT BECAME ONE OF MY MOST REWARDING EXPERIENCES AT UNI."

– WSU student

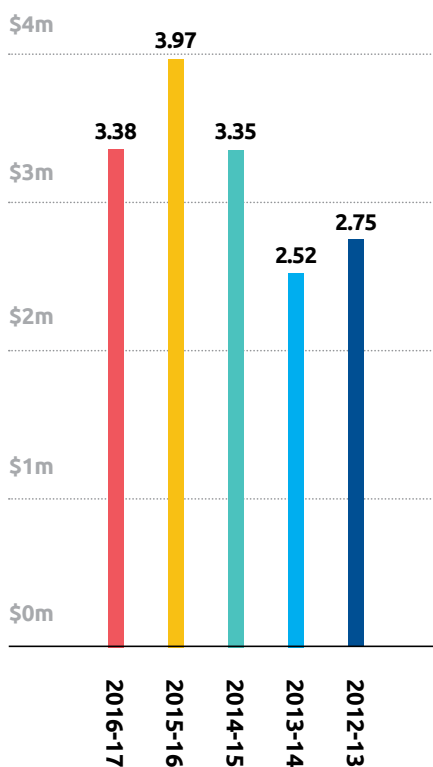
Our Recreation service has used the funds raised by WSU students to create many opportunities for young people with disability to attend events or experience new adventures. Examples include ski camps with specialised equipment to enjoy the thrill of snow sports, attending and grooving at a live music concert, or enjoying the thrill of a competitive game of footy. This service receives limited government funding, so without contributions from donors we would not be able to provide these recreation opportunities for children and adults with disability that many of us take for granted.

Additionally, our work with WSU has also raised awareness of Northcott and the work we do throughout the community.

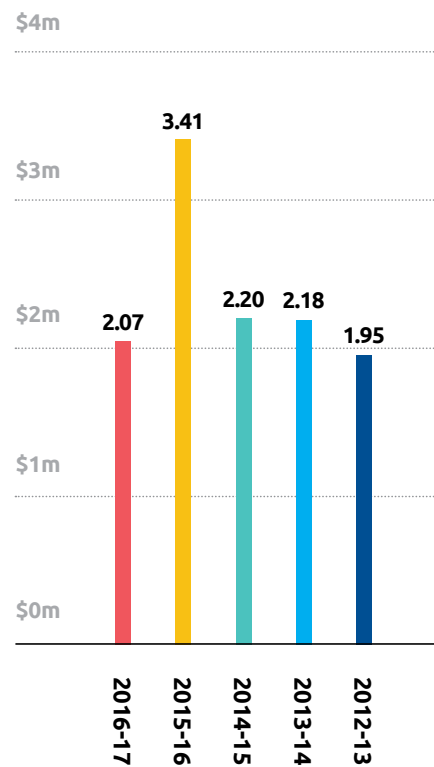


Jessica (centre), and her sister Lisa and father, Martin, shared their story for our Tax Appeal.

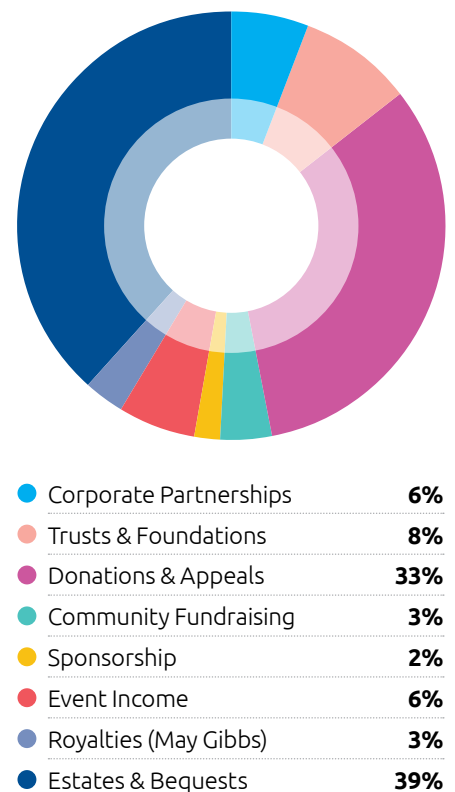
TOTAL FUNDRAISING REVENUE (\$)



TOTAL FUNDRAISING REVENUE (EXCLUDING BEQUESTS) (\$)



FUNDRAISING REVENUE BREAKDOWN (%)





Chris Bates (left) and Mike Whitehead (right) from Drive 4 Life with Northcott CEO Kerry Stubbs.



Grant funding supports our partnership with the NSW Refugee Health Service to provide refurbished equipment to refugees with disability, like two-year-old Latifa, who received a modified stroller customised by Northcott's Equipment Service.

Drive 4 Life

Drive 4 Life has supported Northcott since 2006, raising more than \$780,000 for Northcott Equipment Services by organising and leading 'tag-along' 4WD adventure trips in the Australian outback. The initiative was founded by Mick Whitehead, who saw firsthand the costs and support required to care for the son of a close friend, Ben, who lives with Arthrogryposis.

To participate in Drive 4 Life, 4WD enthusiasts contribute \$1,000 per vehicle, which is given to Northcott as a donation. The funds raised help to fund our Equipment Loan Pool which loans wheelchairs and other mobility equipment to children and adults with disability. This service allows users to trial equipment in their living environment before committing to purchase their own.

The service also provides emergency loans for people with acquired disability from an accident, when they are waiting for funding or when equipment requires repair.

The Maple-Brown Family Foundation

The Maple-Brown Family Foundation has supported Northcott since 2005. This year, the Foundation's generous contribution enabled the purchase of interactive learning tools such as iPads and laptops. It also funded the modification of equipment such as wheelchairs and specialised seating. These supports improved learning outcomes for children with disability and promoted greater inclusiveness at their school and in the community.

Baxter Healthcare

Baxter Healthcare Australia and New Zealand has supported Northcott for 17 years. This year, the organisation helped to forge employment pathways for young people with disability living in and around Newcastle. Financial support from Baxter Healthcare has enabled the delivery of our Everyday Life Skills and Vocational Skills services. These services support young people with disability to build their confidence and gain vital skills to enter the workforce while working towards greater independence and involvement in their community.

The Profield Foundation

For more than two decades, The Profield Foundation has contributed funding to 25 vital projects for children and adults with disability. Most recently, generous and successive funding has supported the salary of a speech pathologist to assist children with communication and/or swallowing difficulties. Communication impairment is often an invisible and silent disability. Early intervention is crucial to address learning and literacy difficulties and reduce the social, emotional and mental health impacts on the child, their family and the community. Assistance from The Profield Foundation allowed us to work with 55 children, their carers and families throughout the year to improve their communication, including how they communicate with others and their comprehension of people communicating with them. Our speech therapists also worked with individuals to manage swallowing so that their mealtimes can be safe and enjoyable.

Thank you

Without the generosity of our donors, fundraising community groups, corporate partners, Trusts and Foundations and clubs, many of our services and programs that do not receive government funding or funding from other sources would not be available to children and adults with disability. We are grateful for each and every donation, grant and contribution we receive. This support ensures we can continue to deliver a wide range of services and supports so children and adults with disability can discover their potential and reach their goals.



Donations from individuals go towards funding recreation activities, such as ski trips, which do not receive funding from government or other sources.

CASE STUDY



DONATING TO CREAT

For children with disability, like Charlotte, our adapted athletics carnivals give them the chance to compete with their peers and have lots of fun.

Graham Ragg is the Managing Director of Western Earthmoving Pty Ltd and a long-term supporter of Northcott. For 30 years, Graham's family and his staff have generously donated to Northcott's Recreation service, providing vital funds to run modified swimming and athletics carnivals that give children with disability the chance to participate and have fun with other children with similar abilities.

"Donating to Northcott's adapted sports carnivals is a way we can support Northcott to provide recreational activities for young people in a way that celebrates their involvement and participation," says Graham.

"Our team, which includes our work team and our family, believes donating and supporting Northcott is an important community element."

Western Earthmoving's connection to Northcott began with Graham's late father, Wal Ragg, who first donated to Northcott in 1986. This was shortly after Northcott's first adapted swimming carnival in 1985 and a few years before the first athletics carnival in 1988. Since then, Northcott has run yearly swimming and athletics carnivals for primary school and high school aged children with disability.

The carnivals attract between 75 and 150 children of all ages and abilities, along with parents, carers, teachers and volunteers. This year, Charlotte (left) attended the Primary School Athletics Carnival for the first time. The energetic eight-year-old had an absolute ball participating in running races, bean bag races, throwing games and obstacle courses.

"Charlotte had such a good day at Northcott's Primary School Athletics Carnival. It was an amazing event put on for the kids," says Rebecca, Charlotte's mother.

With no government funding to support these types of recreation events for children with disability, Northcott relies on the generosity of corporate partners, like Graham and Western Earthmoving, to continue to run these activities.

As Graham says: "We just believe everyone deserves a fair go!"

**If you would like to donate to Northcott, please visit:
www.northcott.com.au/donate**

**G
E
FUN**

NORTHCOTT INNOVATION



**Northcott
Innovation**

WE ARE COMMITTED TO DRIVING INNOVATION THROUGHOUT OUR ORGANISATION AND ACROSS THE DISABILITY SECTOR.

Northcott's wholly owned subsidiary, Northcott Innovation, was established in 2015 to enhance our capabilities in designing innovative and cutting-edge services and products in response to challenges faced by children and adults with disability. With the aim of creating tools and technologies that will have a positive impact on the lives of people with disability, Northcott Innovation's approach is to work closely with Northcott customers, other people with disability, disability service providers and other organisations to understand challenges and co-design and develop solutions.

This financial year, Northcott Innovation continued to refine the design of its state-of-the-art Step Climber attachment for power-drive wheelchairs, while also collaborating with a wide range of partners on several ground-breaking new and ongoing projects. It has been exciting to see work progress on a number of new projects that were identified during last year's alternative housing solutions project.

Building collaborations has continued to be a key focus for the team. This year, Northcott Innovation welcomed an intern from the University of Technology Sydney (UTS) Faculty of Engineering & Information to work on the Nest home matching platform. Additionally, students from the University's School of Mechanical and Mechatronic Engineering were involved in refining the design of Northcott's

Adaptive Cricket Bowling Machine. Our team also worked alongside the UTS Institute for Public Policy and Governance on a range of community consultation projects focused on employment and technology.

Hack-a-Home

In March, we launched Hack-a-Home, a global first initiative exploring the relationship between people with complex/high support needs and their use of assistive technology solutions which have been designed and fabricated through 3D printing. Working with AbilityMate and the UTS, the project involved 22 residents from Northcott's three long-term accommodation services, their support workers and carers, volunteers and solution developers.

Participants were trained in the concept of user-centred design and were then supported to 'think outside the box' to design and create small assistive technology items that would have a big impact on the independence, wellbeing and community participation of our customers. The items were created using 3D printers installed onsite at our accommodation services. During the time the printers were onsite, the items were progressively evaluated and refined by users.

More than 45 assistive technology devices, including customised wheelchair toggles, one-handed chopping boards, specialised bead boards, jewellery and iPod/iPhone holders, were designed and created by customers, working with their support workers or carers.



Marina (right), who lives in one of our group homes, was supported to participate in the Hack-a-Home project.

Nest

Significant progress was made on the development of an online platform – called Nest – that will assist people with disability to find a home that matches their needs. The system works by matching a user’s unique housing and support needs with a vacant property and relevant service levels, provided by a disability service provider or community housing provider. When a match is made, the person with disability is linked with the housing provider and supported to move into their new home with appropriate support services provided.

Nest is currently in prototype phase with a launch planned for late 2017.



Kobie and his father Dean participated in our 3D Orthotics clinical trial. Kobie's foot and ankle were scanned by orthotist, Merrick Smith from Korthotics, using Northcott Innovation's custom-made 3D scanner. This 3D scanning method is much less invasive than previous methods used to measure children's ankles and feet.

3D Orthotics

Northcott Innovation is working alongside Northcott, Cerebral Palsy Alliance, Robohand, AbilityMate, Korthotics and Mobius Medical on a clinical trial focused on improving a child’s experience when their foot and ankle are measured for a customised Ankle Foot Orthosis (AFO). An AFO is an external brace designed to support, align, correct, protect or improve the function of the foot and ankle.

The trial uses a custom-built 3D scanner to accurately and quickly scan and measure the ankle and foot. Medical grade 3D manufacturing techniques are then used to create customised AFOs. From the trial, Northcott Innovation hopes to significantly improve the process children and their families must go through when being fitted for an AFO.

Guide Dots

Guide Dots is an audio navigation app for people with vision impairment or blindness. It combines data from GoogleMaps, Facebook and powerful crowdsourcing technology to give users a new level of independence. It provides voice instructions which guide users, alerting them to important landmarks as they pass them or letting know when friends are nearby. This year, two grants enabled the Guide Dots team to further refine the app based on feedback from a user testing group. Improvements included designing a more intuitive userface and more accurate navigation.

The Guide Dots app became available for download in 2016. To raise awareness and increase market penetration of the online tool, this year Northcott Innovation and project partner UDKU formed a joint venture company, Guideway.

Northcott Innovation partners

- AbilityMate
- Cerebral Palsy Alliance
- Korthotics
- Mobius Medical
- Northcott
- Robohand
- UDKU
- University of Technology Sydney (UTS)

PROVING WHAT SHE CAN DO

Kim lives in a Northcott group home and participated in Northcott Innovation's research project, Hack-a-Home which saw customers trained in how to design and make their own assistive technology using 3D printers. Kim, who has an acquired brain injury, enjoyed designing and making her own jewellery. The project gave her the opportunity to show others what she is capable of.

"I wanted to do the Hack-a-Home project because it was something to do and I thought it would be fantastic if I could design my own jewellery. I wanted to design bracelets, necklaces and rings.

I've heard of assistive technology but I really don't know what it means. If it can make my life a little bit better, that's good.

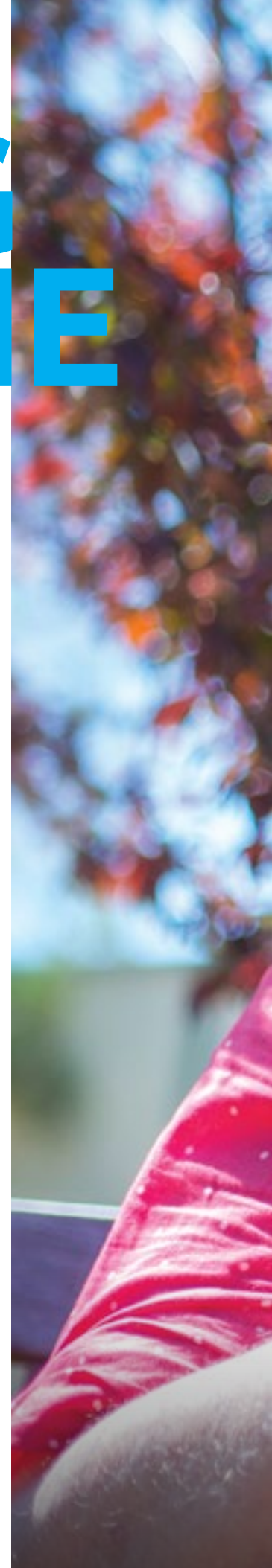
The 3D printing was a bit complicated at first, but my housemate Jessica helped me. I drew what I wanted to make and then we put it into the computer. After about half an hour, my ring came out of the 3D printer made of plastic. I felt really good when I put my ring on.

Because I've got brain damage a lot of people think I'm dumb but I'm not. My brain is damaged but I can still think. I thought that doing Hack-a-Home would prove that I could do something and that I have my own mind. I thought it would be nice to show people what I can do. In nursing homes and group homes, I've seen a lot of people do a lot of things. This project was a good chance for all of us to prove ourselves.

The 3D printer was in our common room for a week. It was good to have something to do. I think everyone enjoyed it and would brighten up when the 3D printing people were here.

I enjoyed being able to make what I want. Afterwards I was proud I was able to be creative and make something, because I know I am creative. I just haven't had much opportunity to do that. I hope Hack-a-Home comes again because next time I want to make a necklace."

Kim, Northcott customer and Hack-a-Home participant





Our customer Kim was thrilled with the 3D printed rings she designed herself in the Hack-a-Home project.

FINANCIAL SUMMARY

Five-year financial summary

Over the last five years, the Group (being The Northcott Society and its controlled entities) has experienced continued growth leading to a more than doubling in operating revenue from \$36.4m in the 2013 Financial Year (FY2013) to \$74.2m in the 2017 Financial Year (FY2017).

With the increase in funding and activity, expenditure has also increased over the last five years from \$38.0m to \$75.1m:

- Expenditure on customer programs is at \$58.1m in FY2017 compared to \$27.8m in FY2013, due to the increase in costs associated with the expansion of programs over the last five years.

- Expenditure on corporate support is \$15.7m in FY2017 compared to \$8.4m in FY2013, which is in line with our increased activity and the structural and systems changes associated with the transition to the National Disability Insurance Scheme (NDIS).

The Group's net assets have increased from \$33.4m in FY2013 to \$40.9m in FY2017.

Overall results for FY2017

The result for the Group for FY2017 was a consolidated net surplus of \$1.2m (FY2016: \$1.9m). This result included strong investment returns of \$1.9m (FY2016: \$0.6m).

The underlying operating deficit for the year was \$0.8m (FY2016: surplus \$1.2m) as a result of costs associated with the transition to the NDIS. These costs included the implementation of new systems and processes and recruitment of additional staff.

Operating revenue

The Group experienced continued revenue growth over the last year. Operating revenue increased by \$9.6m (15%) to \$74.2m in FY2017.

Government funding increased by \$10.3m (18%) to \$67.7m, mainly relating to the expansion and transition of funding to the NDIS, which increased to \$13.7m in FY2017 from \$2.1m in FY2016. Funding by Ageing, Disability and Home Care (ADHC) programs

| TOP LINE FINANCIAL COMPARISON | 16/17 (\$'000) | 15/16 (\$'000) | 14/15 (\$'000) | 13/14 (\$'000) | 12/13 (\$'000) |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Income & Expenditure | | | | | |
| Operating Revenue | 74,225 | 64,622 | 52,111 | 41,893 | 36,450 |
| Operating Expenditure** | (75,053) | (63,451) | (50,459) | (42,374) | (38,043) |
| Operating Surplus / (Deficit) | (828) | 1,171 | 1,653 | (482) | (1,592) |
| Financial Income / (Loss) | 1,884 | 596 | 1,129 | 1,715 | 1,748 |
| Capital Grants Income | 5 | 316 | 29 | 427 | 3,087 |
| Other Investment Income / (Loss) | 103 | (193) | (127) | 0 | 0 |
| Net Surplus / (Deficit) | 1,164 | 1,890 | 2,683 | 1,660 | 3,243 |
| Assets & Liabilities | | | | | |
| Total Assets | 57,944 | 61,732 | 56,931 | 50,989 | 47,592 |
| Total Liabilities | 17,048 | 21,985 | 19,115 | 15,865 | 14,151 |
| Total Equity | 40,896 | 39,747 | 37,816 | 35,124 | 33,441 |
| Cash Flows | | | | | |
| Net Cash from Operating Activities | (4,271) | 6,068 | 7,370 | 4,555 | 5,369 |
| Net Cash from Investing Activities | 3,171 | (8,882) | (7,333) | (2,522) | (1,390) |
| Cash and Cash equivalents at 30 June | 5,026 | 6,126 | 8,940 | 8,903 | 6,870 |
| Ratios | | | | | |
| Current Assets / Current Liabilities | 2.04:1 | 1.66:1 | 1.66:1 | 1.67:1 | 1.6:1 |
| Total Cost of Services / Total Expenditure | 77% | 74% | 75% | 73% | 73% |

**Operating revenue excludes revenue from capital grant income

increased by \$0.2m to \$49.8m in FY2017 from \$49.6m in FY2016.

Revenue from estates and bequests increased significantly to \$1.3m (FY2016: \$0.6m) reflecting the fluctuating nature of this revenue stream.

Revenue from fundraising and donations (excluding bequests) was \$1.3m lower at \$2.1m reflecting that a special one-off grant was received in FY2016. Donations included \$0.1m of pro bono services and in-kind gifts from our partner organisations.

Operating expenditure

With the increase in funded activity, expenditure increased by \$11.7m (18%) to \$75.1m in FY2017.

Customer program expenses increased by \$11.4m (24%) to \$58.1m in FY2017 due to the increase in costs associated with the expansion of programs during the year.

Corporate support expenses increased by \$0.7m (5%) to \$15.7m. The growth in corporate costs was mainly associated with continued investment in the refining and streamlining of business processes, systems and service models to accommodate the delivery of services under the NDIS. The Group also invested in the successful tender to deliver disability accommodation and respite services associated with homes that are presently operated by the NSW Department of Family and Community Services (FACS). These services will commence in November 2017.

Assets and liabilities

Total net assets increased by \$1.1m to \$40.9m. The Group's assets included:

- **Land and buildings:** \$20m
- **Other fixed and intangible assets:** \$5m
- **Cash and financial investments:** \$28m
- **Trade and other receivables:** \$3.6m

Notably, the transitioning to NDIS has resulted in a negative cash flow impact. NDIS claims are paid in arrears, whereas ADHC and other government grants are received in advance.

The Group's land and buildings have appreciated considerably in market value. However, those assets are accounted at cost.

Cash flows

Cash used in operating activities was a net \$4.3m for FY2017. This reflected the Group's operating deficit of \$0.8m and the change in the timing of cash receipts associated with the NDIS (which are received in arrears).

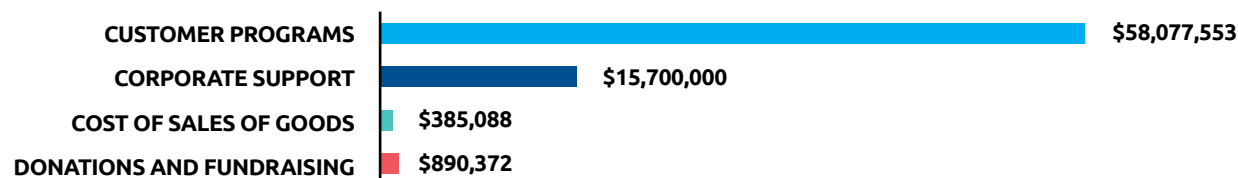
Financial assets of \$6.5m were also liquidated to fund: the cash shortfall from operating activities, the renewal of fixed assets (mainly motor vehicles and IT assets), and a \$1.5m deposit associated with the successful tender of the FACS accommodation and respite services that will commence in November 2017.

SOURCES OF INCOME

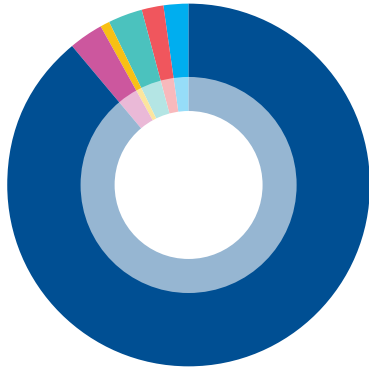


*includes capital grants

USES OF INCOME



WHERE THE MONEY COMES FROM 2016-17

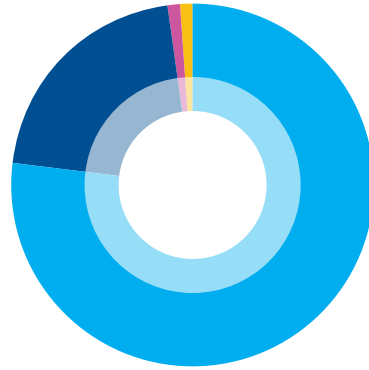


| | |
|-----------------------------|------------|
| ● Government funding* | 88% |
| ● Other income** | 4% |
| ● Sales of goods | 1% |
| ● Donations and fundraising | 5% |
| ● Estates and bequests | 1% |
| ● Financial income | 1% |

*includes capital grants

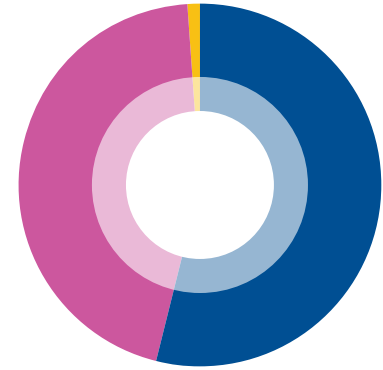
** includes rental & accomodation services

WHERE THE MONEY GOES 2016-17



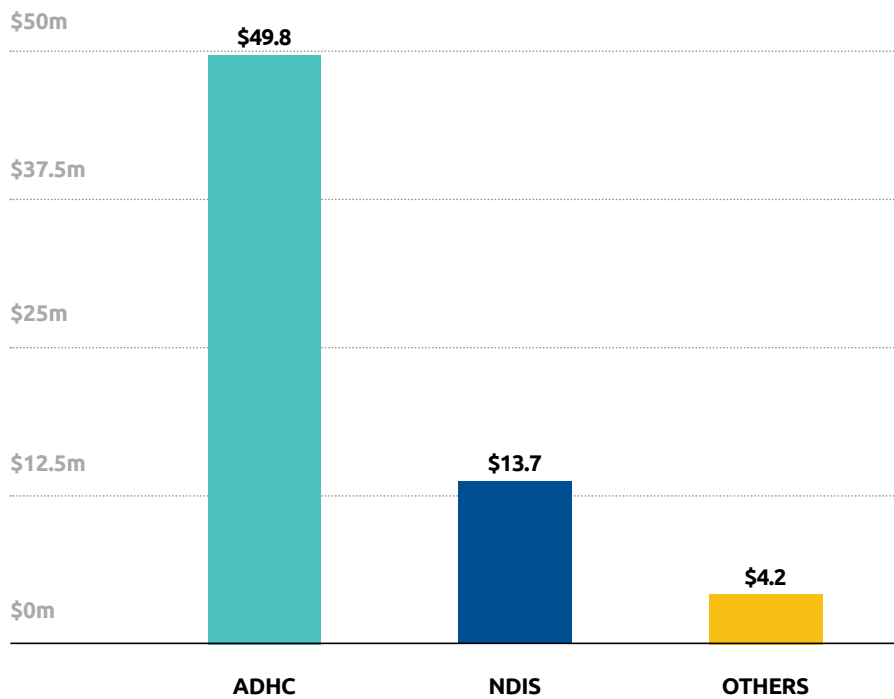
| | |
|---------------------|------------|
| ● Customer programs | 77% |
| ● Corporate support | 21% |
| ● Cost of sales | 1% |
| ● Fundraising | 1% |

WHERE THE MONEY IS SPENT 2016-17



| | |
|-----------------------|------------|
| ● Sydney Metropolitan | 54% |
| ● Regional NSW | 45% |
| ● Statewide | 1% |

REVENUE PER FUNDING BODIES 2016-17



INVESTMENTS

Governance

Northcott's investments are governed by The Finance and Properties Committee ("the Committee") in accordance with the Investment Management Policy and the Committee's Charter as agreed by the Board. The Committee is responsible for reviewing Northcott's investment performance, including:

- reviewing and managing Fund Manager performance.
- receiving detailed investment performance presentations from Fund Managers.
- reviewing, at least annually, Northcott's overall investment position and performance having regard for the current investment environment and outlook, and if necessary, recommending changes to the allocation mix, manager allocations and/or investment policy.
- recommending potential changes to Fund Managers.
- monitoring the Chief Financial Officer's implementation of investment policy and Board directives.

Fund Managers

As at 30 June 2017, Northcott's long-term financial investments were managed by Russell Investments. Short term investments were managed by Morgan Stanley Wealth Management. Operating cash was invested with the Commonwealth Bank.

FY2017 Performance

In the 2017 financial year (FY2017), Northcott benefited from a strong growth in its investments. Northcott accounted for \$1.9m of financial income (FY2016: \$0.6m), including unrealised market gains, interest, dividends and franking credits.

Current Strategy

Our current investment strategy is as follows:

- Long-term investments: half in Australian Equities and half in Australian bonds. This strategy is targeted to achieve above-inflation growth.
- Short term investments: short-dated term deposits to maximise yields for cash that is expected to be required to meet near term operational needs.

How we spent these funds and future plans

During FY2017, some short term investments managed by Morgan Stanley were liquidated and transferred into operating cash to assist the funding of:

- our operations;
- investment in new systems, processes and technology to meet the challenges of delivering services in the NDIS; and
- the successful tender for the delivery of FACS accommodation and respite services from November 2017 that will double the size of Northcott.

ACKNOWLEDGEMENTS

WE APPRECIATE ALL THE FINANCIAL SUPPORT, SPONSORSHIP, PRO BONO AND IN-KIND GIFTS AND ADVOCACY WE RECEIVE FROM MEMBERS, OTHER ORGANISATIONS, INDIVIDUALS AND COMMUNITIES. WHILE WE CANNOT ACKNOWLEDGE ALL CONTRIBUTORS HERE, WE ARE GRATEFUL FOR EVERY CONTRIBUTION RECEIVED.

Trusts, Foundation and Grants

Baxter Charitable Foundation
Bruce & Joy Reid Trust
City of Parramatta Council
Cumberland Council
Exec-Estate Pty Ltd
Hildanna Foundation
Jibb Family Foundation
The Liangrove Foundation Pty Ltd
Maple-Brown Family Charitable Foundation Ltd
Multicultural NSW
Newcastle Permanent Building Society
Optus Community Grants Program
NSW Government Stronger Communities Fund Community Grants Program
Penrith City Council
Philandron Foundation
The Profield Foundation
Rellim Foundation
The Bluesand Foundation
The Broinowski Foundation
The Fairbridge Foundation
The Hawker Foundation
The Hills Shire Council
The James N Kirby Foundation
The R A Gale Foundation
The Raymond E Purves Foundation
Todd Family Foundation

Major Donors

Mr Robert Albert
Mrs Antoinette Albert
Mr Paul Attwell
Mr Richard Blaiklock
Mr Michael Briggs
Mr John Cameron
Mrs Rosemary Campbell
Mr W Chia
Mr Denis Cleary
Mr Bruce Downie
Mr Bill & Alison Hayward
P Ho
Mr Pieter Huveneers
Mr Phillip Keady
Mr Rocco Mangano
Mr & Mrs G McAuslan
Mr Duncan McKay
Mr William Mudford
Mr Anthony Muston
Mr Paul Okkerse
Mr Norm O'Neill
Mr Leslie Patterson
Dr William Pratt
Mr Elson Pow
Justice Steven Rares
Mr Michael & Kathryn Richardson
Mrs Sophie Rothery
Mr Martin Smyrk
Thomas Hare Investments Pty Ltd
Dr Mary Westbrook
P Wright

In grateful memory of our special friends

Bruce W Boardman
Ella Kate Boyd
Jocelyn Brian
Henry Lloyd Brown
Cater Charitable Trust
Lionel Ernest Frederick Dege
K & G Gluck Trust
Lois Scheibhone Hagin
Russell Hoddle Locke
Harry L Howden Charitable Trust
Robert Jackson
Marion Armstrong Kingston
Joanna Josephine Rawlin
Edith Roche
Margaret Ellen Reid
Mona Isobel Paul
Joyce Mary Sivertsen
Rex Foster Smart
Joyce Ethel Sproat
Patrick Stewart
Ray Leslie Wright Blencowe

Community Fundraising

Bank of Tokyo-Mitsubishi
 Coffs Harbour Golf Club
 Desert Duel
 Drive 4 Life
 Entertainment Publications
 Galston District Garden Club Inc
 Grill'd Pty Ltd
 Northcott Coffs Harbour Office
 Northcott Oak Flats Office
 Northcott Tamworth Office
 Penshurst Hotel
 Wagga Fundraising Committee
 Western Sydney University

ClubGRANTS

Asquith Rugby League Club
 Brighton-Le-Sands RSL Club
 Chatswood RSL Club Ltd
 Dooleys Lidcombe Catholic Club
 Earlwood-Bardwell Park RSL Club Ltd
 Forster Tuncurry Memorial Services Club Ltd
 Guildford Leagues Club
 Hornsby RSL Club Ltd
 Illawarra Catholic Club Ltd
 Katoomba RSL Club Ltd
 Moorebank Sports Club Ltd
 North Ryde RSL Community Club
 Parramatta Leagues Club
 Tamworth Services Club Ltd
 The Queanbeyan Leagues Club
 Wenty Leagues Club
 West Dubbo Bowling Club
 West Pennant Hills Sports Club Ltd

Corporate and Strategic Partners



MEMBERS

Current October 2017

Honourary Life Governor

President Emeritus
Richard M Griffin AM
D W King OAM

Honourary Life Member

Trevor Chappell
Edward Condran
J Doug Donoghue
Ron J Finneran
Beverly Fletcher
Jean Garside
Frank & Carole Misson
Alfred E F Rofe AM
Normie J Rowe AM

Life Governor

Robert O Albert AO
Phillip J Cave AM
Ann Coventry
RK & MR Critchley
John B Fairfax AO
Bill and Alison W Hayward
W M Loewenthal
Rocco P Mangano
Stan May
B McLachlan
Charles F Moore
Graham O'Donnell
Paul Okkerse
Les & Judy Rae
John B Reid AO
David Ross
Basil Sellers AM
Tim Sims
Dick Smith AO

Life Member

B Aboud
Muriel Andrews
Neil & Diane Balnaves
C J & Y Barry
Stewart A Bates
Anthony R Berg
W D Blackshaw
Richard Blaiklock
Robert & Robin Bradfield
Susan Campbell
Mark & Evelyn Chan
David C Clarke
Roger Cowan
Gretchen E Dechert
Bruce Downie
W J Ferguson
W Flynn AO
Glenn Gardner AM
John Gerahty
Ross E C Grainger
Colin Gray
Trevor Gruzin
Con Harris
Barry Hoffman
Susan E Horwitz
M A Jacob
Dr Christopher H Janssen
Caroline Jones
Megan Jones
Robert King
John Laws OBE
Kevin Laybutt
Patricia Lee
Aino M Mackie
James & Adele Maloney
Julie Manfredi-Hughes
Robert & Sandra McCuaig
Tony & Jill McGrath
Primrose Moss

Elson Pow
Hon Justice Steven Rares
Sophie Rothery
Jim Searant
Gail Singh
Anny Slater
Christopher P Sparks
Andrew W Stevenson
John Surian
Helen Wellings

Board Member

Tony Abrahams
Kirsten Armstrong
Michael Briggs
Nick Cardno
Andrew Mansour
Donna Purcell
Debra Richards
Rob Silberstein
Kerry Stubbs

Ordinary Member

Lisa Chung
Michelle Laforest
Anne Sullivan
Dr Mary Westbrook



Authority

The Northcott Society, trading as Northcott, is a registered charity and is endorsed by the Australian Taxation Office as a tax deductible gift recipient for charity tax concessions. The Northcott Society holds a charitable fundraising authority under Section 16 of the *Charitable Fundraising Act 1991*.

The Northcott Society is a public company limited by guarantee and is taken to be registered as a company under the *Corporations Law of New South Wales*.

ABN 87 302 064 152 ACN 000 022 971

Annual General Meeting

Northcott's 2017 Annual General Meeting will be held on Thursday 9 November 2017.



CENTRAL OFFICE

-  1 Fennell Street
North Parramatta NSW 2151
-  northcott.com.au
-  1800 818 286

FOLLOW US

