



2017 Annual Report





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Our Novita kids, teens and young adults achieve amazing things every day.

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The 2016-2017 financial year has been productive, exciting and challenging for Novita as the majority of our children and young people under the age of 18 completed their transition to National Disability Insurance Scheme (NDIS) plans.

Disability services have moved from a welfare model to an insurance-based approach. For the majority of Novita's clients the reality and opportunity for choice and control under the NDIS has arrived.

This transition has not been without its challenges, and there remains much more for Novita to do to redefine the way we provide services and thrive in the new world of the NDIS.

No longer is Novita limited in the support we can offer. We announced we would extend our services to children and young people from birth to their mid-twenties as the NDIS was rolled out to people over the age of 18 in South Australia from July 2017. This will enable us to build on the expertise we have developed over many decades in providing therapy and other support to growing children and their families.

In addition, we will expand the range of assistive technology products and services we offer, not just to young people living with disability but also to older adults in need of this technology to improve their independence and make their lives easier.

As the NDIS limits funding for travel, Novita must decentralise its existing services, and base itself in smaller hubs in local communities. We have initiated a review of Novita's current facilities, which will enable us to determine Novita's future infrastructure requirements. In view of the very competitive operating environment, I expect our Board will need to make decisions in the coming year on where it feels Novita must be located for the future.

To position ourselves to implement the new strategy and help shape the changes necessary in the future, Novita has rejuvenated its Board and Management team.

One of the significant challenges for Novita is dealing with the impact of the sudden decline in NDIS operating revenue compared with the more predictable revenue stream under the previous block grant funding arrangements. This decline in revenue has occurred concurrently with the need for Novita to invest in new services, systems, and infrastructure in response to emerging NDIS policies and systems.

Despite recording a significant operating loss for the financial year as we restructure, we have continued to provide (and in some cases subsidise) holistic, transdisciplinary therapy services to our clients and their families as the transition evolves.

President's Report

“Even in these demanding times, Novita is up to the challenge. We have increasing numbers of customers who want to access our therapy services.”

Even in these demanding times, Novita is up to the challenge. We have increasing numbers of customers who want to access our therapy services. We have skilled and dedicated staff, who want to provide those services. We have consolidated our community inclusion services and expanded them for a group of young people in specialised residential care.

This year, I acknowledge once more the magnificent support we have continued to receive from our Auxiliaries across South Australia. They have volunteered so much of their time and resources for the benefit and advancement of Novita's clients. Inevitably, however, not everything lasts forever and three of our Auxiliaries, Padthaway-Keppoch, Naracoorte and New Era, have retired after lengthy periods of exceptional service. Their individual and collective contributions to Novita have been outstanding and I thank all of their members for their goodwill, hard work and dedication to Novita over many decades.

Thank you to our valued Novita kids, teens, adults and families – your ongoing support and trust in Novita has been crucial to all of us navigating the challenges and opportunities of the NDIS. We are delighted that we can offer a wider range of services with more flexibility. We look forward to supporting our current clients and welcoming new clients to Novita.

I extend my sincere thanks to His Excellency the Honourable Hieu Van Le AC, Governor of South Australia, our Patron, and the Right Honorable Martin Haese, Lord Mayor of Adelaide, our Vice Patron, for their loyalty and support over several years. A special thank you must also go to those who have supported Novita throughout the year – our generous volunteers, sponsors, and donors – without whose support we could not achieve many of the things our clients, families and carers rely on.

I thank my fellow Board Members for their dedication and efforts over the past year. The Board has welcomed three new Board Members: Dr Eva Balan-Vnuk, Ms Gretchen Richards and Ms Sonia Bolzon; each of whom brings new expertise and perspectives to the Board.

Finally, I acknowledge the effort, commitment and professionalism of our staff during these times of rapid and fundamental change. The staff has adapted to new processes and patterns of work required by the NDIS. They are passionate and dedicated in their work and efforts to make a positive difference in the lives of people living with disability and their families.

Rear Admiral the Honourable **Kevin Scarce**
AC CSC RAN (Rtd)
President, Novita



As I reflect on my first twelve months at Novita, I am constantly reminded that the National Disability Insurance Scheme (NDIS) is a transformational change that will have a profound impact on people living with disability, their families, carers and service providers like Novita.

Novita, like all not-for-profit organisations in the disability sector, needs to change and evolve to stay relevant in the NDIS era. The changes we make will be positive ones for the children, young people and families we support.

I am extremely privileged to lead an organisation that is full of dedicated professionals with a singular focus on providing the best service they can to our valued clients and their families. Their dedication and efforts have made the task of changing our operating models and adapting to the NDIS a manageable challenge.

Whilst Novita has faced a significant reduction in our revenue and a number of challenges interfacing with the NDIS this financial year, we have continued to invest in the things that are necessary for us to remain viable in the future.

We successfully implemented new finance, customer relationship and client management systems that are essential in a dynamic fee-for-service market. These systems allow us to be more responsive to our customers and better monitor our performance in general.



Chief Executive Officer's Report

“The changes we make will be positive ones for the children, young people and families we support.”

As NDIS pricing policies discourage travel for service provision, Novita has been pursuing a “get local” strategy by opening new state-of-the-art facilities in Elizabeth, Whyalla and Port Lincoln, with more to come. These facilities bring more specialist equipment and staff closer to our customers, and have been designed to reach back to our specialists wherever they are located in the organisation through the use of modern information technology and telehealth systems.

As part of our “get connected” strategy, Novita has updated our information system networks and rolled out new mobility devices to enable our staff to be more efficient and effective whilst providing services both in the office and in the community. This enables better integration between our sites, and allows Novita to offer innovative services remotely where possible.

We have been building on the things Novita is highly regarded for whilst offering a broader range of new and innovative products, services and programs to our customers. These have included a new range of holiday, schools and transition to adulthood programs. We have also expanded our service hours to include Saturdays in some locations and will continue to roll this out more widely. In addition, we expanded our Specialised Residential Care services by adding three new homes that provide 24-hour care for young children under the guardianship of the State.

To reflect the significant changes we are making, Novita launched a refreshed and contemporary brand that is more representative of the broad range of young people and adults we support. This change incorporated the feedback we received from our teenage and young adult clients that our previous brand was less inclusive of them and focussed primarily on our younger kids.

In addition, we replaced our website and enhanced our social media presence to improve and broaden the way we communicate with our customers.

I would like to thank members of the Board for generously sharing their time and expertise to guide Novita through this period of rapid change.

I would like to thank our wonderful staff for their valued support to our Novita kids and teens in achieving their potential. Thank you also to our volunteers, donors and sponsors. Their ongoing support over many years has made a huge difference in the lives of our kids and their families. It is immensely appreciated by all of us at Novita, but most importantly, by those we support.

Finally, I would like to take this opportunity to acknowledge our customers, their families and carers – we appreciate your support and respect the challenges that you also face as we all transition to the NDIS.

There is still much more to be done. I am confident that with the support of our staff and customers Novita will continue to be a leader in the provision of high quality and innovative supports to people living with disability, and their families.

Greg Ward
Chief Executive Officer
Novita

About Novita

Novita supports thousands of South Australian kids, teens and young adults living with disability, their families and carers.

We are one of the State's largest community-based disability services organisations, with hubs across regional and metropolitan South Australia, and Broken Hill. We are continuing to open new facilities to give more people living with disability, especially those in regional areas, access to our innovative supports, services and equipment.

Novita has more than 500 staff, and our specialists include occupational therapists, physiotherapists, speech pathologists, psychologists, social workers, orthotists, developmental educators and more.

Our range of supports and services includes assessments and advice, in-home support, early intervention, physiotherapy, aquatic therapy, occupational therapy, speech pathology, psychology, orthotics, rehabilitation, social work and service coordination.

We also offer diagnostic services, assessments and early childhood intervention, along with assistive technology and equipment, case management, in-home and NDIS support, fun groups, workshops and Out of School Hours Care.

We offer therapy at our hubs, at home, at kindy or school, on the sports field, or anywhere else we're needed.

Our Mission

Enable children and young people living with disability and their families to participate in the community to their full potential.

Our Vision

Australia's leading provider of choice for innovative disability and community inclusion solutions.

Our Values



Integrity

Be honest and ethical in everything we do.



Commitment

Be passionate in what we do.



Accountability

Own our actions.



Respect

Value every individual.



Excellence

Make a positive impact.



Our Strategic Goals

1. Build community understanding, acceptance and inclusion of people living with disability.
2. Ensure the rights, safety and dignity of people living with disability, and their families, in all that we do.
3. Provide more people with the highest quality family and person-centred products and services they need in a form they want.
4. Be at the forefront of innovation and global best-practice in the support we offer to assist people living with disability, and their families, to reach their full potential.
5. Build a workforce and culture that values teamwork, excellence, efficiency and effective outcomes, and is a place where people want to work, that is admired by our sector.
6. Act as one business with a common purpose and systems, supporting multiple brands under the Novita banner.
7. Operate sustainably to enable constant reinvigoration of our capabilities for the benefit of all who use our products and services.

Highlights



Elizabeth hub

We opened a new hub in Elizabeth to give people in the north better access to our supports and services.



Young adults

We expanded our allied therapy supports and services to include young adults living with disability.



Strategic plan

We launched our 2017-2022 Strategic Plan.



Mighty River Run

We celebrated the 10th Anniversary of the Mighty River Run.



Refreshed brand

We launched a new look logo and website.



Charity partner

We were the official charity partner of the Adelaide Strikers.



Bingo

Largest Bingo contribution in more than ten years.



Allied Health

We continued statewide growth and development.



NDIS

We increased client transitions to the NDIS.



Novita Library

3,300 visits, 15,500 loans and 370 new items.



Mobile Toy Library

We launched a Mobile Toy Library as part of the new Home Visiting Service through Novita's Community Options Parent Engagement program (COPE).



Our Young People

At Novita, we're privileged to work with amazing young people and their families, every day. Here are some of their stories.



Chloe Pexton

16 year old Chloe Pexton represented Novita kids and teens in our 2017 Tax Appeal.

Chloe, who lives with cerebral palsy, goes to Adelaide East Education Centre in Paradise. Her favourite things to do are catching up with her cousins and friends, and she really likes baking – especially choc chip cookies and brownies!

Chloe has been with Novita for about 11 years. Her therapists visit her at home and school, and have helped her to balance and walk, and develop her speech. They also help her at school with writing and fine motor skills. She looks forward to physio each week and likes the games they play together in each session.

Chloe's biggest achievement over the past year was completing the 3km walk in the City-Bay Fun Run in 2016. She had to miss the 2017 event, but is looking forward to taking part in 2018 and is practising on her treadmill every day after school to increase her endurance.



Bodhi Forsyth

Nine year old Bodhi lives in Whyalla on the western shores of the Upper Spencer Gulf in South Australia.

Bodhi goes to Whyalla Town Primary School and loves all-things video games – including Plants vs. Zombies and watching gaming Youtubers like DanTDM. His favourite hobby is creating videos with his Plants vs. Zombies and Angry Bird plushies, for when he gets his own Youtube channel in the future.

Bodhi, who lives with autism spectrum disorder, has been with Novita for a few years. He works with his therapist on lots of things, including his emotions. He says she's helped him to understand his feelings and identify when he is "in rage". She has also taught him how to calm down and manage his different feelings in different situations. They also do fun sensory games together, like playing with Orbeez – which are tactile and visual sensory balls that swell with water.

Aside from having his own Youtube channel, Bodhi wants to be a cartoonist after he leaves school.



Dominic Brain

20 year old Dominic was the face of Novita when we announced in June 2017 that we were expanding our services beyond kids and teens, to include young adults living with disability.

Dominic was born in England and moved to Australia when he was eight years old. He has one older sister and two younger brothers, and went to Hallett Cove East Primary School before completing Cert III in Information Technology in 2016. Dominic also loves sport and has been playing wheelchair rugby for seven years.

His passion is technology and anything to do with computers. Dominic has been applying his IT skills at Novita. He did work experience with us to help launch and develop our new website.

Dominic lives with cerebral palsy, and first started with Novita in 2006. He says Novita was part of his everyday life growing up - the physios visited him at home and school, which was great for him and his family.

"They helped me at school if I needed a ramp to get into classrooms, and taught me how to use crutches so I could go out with my friends without a wheelchair, which meant I could be independent. They also arranged splints so I could walk straighter and easier," Dominic said.

"As well as giving me equipment, the Novita physios helped in lots of other ways. They arranged weekly visits so I could stay on top of my fitness and health, and after one of my operations, they helped me get back to school. They also showed my support teacher how to take me out of my chair and how to do exercise with me."

Dominic was excited about being able to re-join Novita as an adult.

"It means I can go back to a place where I feel comfortable and a place where I can trust the people around me are going to do all they can for me. I can also go back and get treatment and get stronger and more active."

Achievement Awards

We take enormous pride in recognising and celebrating the fantastic achievements of all our Novita kids, teens and young adults. Each year, we present a number of special awards to celebrate some particularly outstanding achievements. **Congratulations to all the Novita 2016 Award winners, and the families that support them.**

President's Achievement Award
Angus Waller
(10 years old at time of award)



Angus loves staying active and playing sports like tennis and hockey. He lives with cerebral palsy, which affects the right side of his body. Angus has demonstrated incredible tenacity, persistence, perseverance and courage through regular serial casting and Botox to support his limbs – even though he doesn't like it and it stopped him from doing some of the activities he enjoys. Angus is also achieving well academically.

Carol Dibben
Encouragement Award
Sophie Pontifex
(14 years old at time of award)



Sophie loves Girl Scouts and sport—especially swimming. She has won multiple swimming awards, broke the Australian record for the 13-year-old girls' 50 metres freestyle S7 in 2016, and was named on Swimming Australia's emerging talent para list. Sophie lives with congenital myotonic muscular dystrophy, which causes daytime sleepiness, chronic fatigue, muscle atrophy and mytonia. She was also born with club feet, and underwent rigorous physiotherapy. She wears supportive devices on her lower legs and feet to help her to move around. Sophie works especially hard at school because of her learning difficulties and daytime sleepiness.

Michael Wooley Recreational and Sporting Achievement Award
Brodie Healy
(15 years old at time of award)



Brodie is passionate about sport and has participated in tennis, athletics, soccer, cricket, Boccia, swimming and basketball, but his favourite sport is AFL. He lives with cerebral palsy which limits his mobility and he uses a wheelchair for long distances.

Brodie loves watching his twin brother play footy for the Tanunda club and was the team's motivator, statistician, game analyser and play selector... before discovering Wheelchair Football. He captained South Australia at the inaugural Wheelchair Aussie Rules National Championships in 2016. His team won the title match to become the Wheelchair Aussie Rules National Champions, and Brodie was awarded Best Forward in Nationals!

Communication Achievement Award
Olivia Daw
(18 years old at time of award)



Olivia, who loves socialising and going to Novita's movie club, has been with Novita since she was one year old. She lives with dyspraxia, which affects her speech, but this hasn't discouraged her from getting her message across and communicating with her family, friends and people in the wider community. She has learnt skills and a range of strategies, such as using key word signs, picture symbols, PODD books and complex communication devices. She has developed her speech intelligibility, undertaken extensive speech pathology and can say more than 200 words. Olivia also volunteers in aged care during her spare time.

Margory Head Achievement Award
Bree-Ann Neale
(16 years old at time of award)



Bree-Ann lives with her family in Port Lincoln and goes to the local mainstream high school. She acquired a brain injury shortly after she was born, and has trouble with memory and concentration. She has not let her disability prevent her from achieving her dreams and has actively engaged in therapy to reach her goals. She loves art and uses it as a way to express her thoughts and emotions.

Bree-Ann also loves animals and spending time with her Dad collecting grain during harvesting. Bree-Ann also volunteers in her spare time at a local respite agency.

Pauline McGregor Early Childhood Intervention Award
Vincent Wass
(5 years old at time of award)



Vincent lives with global developmental delay, which affects various areas of development, including sensory processing. When he started with Novita, he was shy, withdrawn and overwhelmed. Now, he is a vibrant young boy, bursting with energy.

Vincent worked extremely hard to achieve his goals such as increasing the variety of food he eats. He attends fortnightly occupational therapy and speech pathology sessions to explore new foods in a fun way. He has also worked on identifying letters and writing his name, and can proudly form all letters of the alphabet in both upper and lower case.

Achievement Awards

Graham Nancarrow Achievement Award
Zashka Gunson
(10 years old at time of award)



Zashka loves sport, particularly athletics, and was involved in the Winter Para Athletics program. She has always wanted to jump rope with her friends at school but it was a very tricky activity for her to master, because she lives with cerebral palsy hemiplegia.

Zashka identified skipping rope as her goal in a Novita research program using a walking aid called WalkAide. Her results showed gait improvements and a substantial increase in her advanced gross motor skills, as well as improvements in her physical activity and participation goals. Zashka now has the confidence to jump rope with her friends and her family could not be more proud.

Wallmans Lawyers Academic Achievement Award
Emily Musitano
(17 years old at time of award).



Emily lives with cerebral palsy – spastic hemiplegia, which limits the use of one of her arms and legs and makes some everyday tasks difficult.

Emily enthusiastically pursues and achieves her goals, and is driven to succeed through hard work and fortitude. At school camp in the Flinders Ranges, Emily showed great determination by climbing St Mary Peak independently – a feat that took eight hours to complete. She is also a keen swimmer and was selected to represent South Australia at multiple National Swimming events.

Emily was named as a finalist in the Focus on Ability national film festival for a video she created called “Do not underestimate me”, which was about her disability. Emily hopes to study Health Science after finishing school.

Tyndale Youth Transition Achievement Award
Yasir Hussaini
(23 years old at time of award)



Yasir left Afghanistan with his family in the year 2000. They fled to Indonesia and boarded a boat bound for Australia. Australian authorities intercepted their boat and they were detained for more than two months before being able to enter the country.

Yasir lives with cerebral palsy, which affects his legs and left upper limb. He went to school at Blackfriars Priory School, where he was a popular student and Year 12 Prefect. He then completed university, with a double degree in arts and psychology.

Outside of study, Yasir enjoys playing table tennis, and he has represented South Australia and Australia in tournaments around the country and overseas.

Minister's Community Achievement Award
Brooke Joppich
(12 years old at time of award)

Brooke lives with cerebral palsy – right sided hemiplegia. She finds some self-care activities challenging, like getting dressed, and sports activities like running, hopping, balancing and jumping.

Brooke has demonstrated a commitment to gaining independence and has learnt to tie up her own hair, and put on her own orthotics, socks and shoes. She has also made outstanding progress improving her gait pattern, safety and independence.

Brooke is actively involved in her local community and enjoys performing in the Australian Girls Choir. She also enjoys hiking with her family, tending to her herb garden, cooking, and caring for her younger siblings.



How We Help

Novita offers a range of innovative supports, services, equipment and technology, including:

- AAC (Augmentative and Alternative Communication)
- Acquired Brain Injury (ABI) program
- Acquired Disability Program
- ACTSS (Access and Communication Technology Specialist Service)
- Aquatic therapy
- Assessment and advice
- Bike Clinic
- ConnectABILITY inclusive sports program
- COPE (Community Options Parent Engagement)
- Customised orthotics, mobility and seating solutions
- Day Options and day activities
- Diagnostic Services, early intervention and group therapies for people living with autism spectrum disorder
- Early Childhood Intervention
- Educators
- Groups
- HIPPY (Home Interaction Program for Parents and Youngsters) teaching in-home parenting skills and early childhood development support
- Home modifications
- Individualised support
- In-home support
- Mobile services
- Multidisciplinary Physical Management Clinics
- Night Time Positioning Equipment
- Novita Library and Mobile Toy Library
- Novitatech
- Occupational therapy (OT)
- OSHC (Out of School Hours Care)
- Physiotherapy
- PODD (Pragmatic Organised Dynamic Display)
- Powered Mobility Clinic
- PRP (Physical Rehabilitation Program)
- Psychology
- Recreational services
- Regional allied health services
- Rehabilitation for people living with acquired brain injury and/or physical disability
- Research with universities, industry partners and academics
- Shower Chair Clinic
- Social Work, family support and disability coordination
- Specialist Residential Care for children aged 5-17 years
- Speech pathology
- Support coordination
- Supported accommodation for adults living with intellectual disability
- Test Lab for laboratory testing of rehabilitation and medical equipment to meet strict NATA Australia standards
- Training and Consulting Service
- Walker Clinic
- Working Schools Program.



Therapy

Therapy involves working with people living with disability, and their families, to identify their strengths, the goals they want to achieve, and how they can best develop, improve and maintain their skills to participate in everyday life.

These services are offered by 198 professionals including therapists, social workers, psychologists and educators, who specialise in therapy, intervention and family support services for children and young people living with developmental delay and disability.

Novita provides multidisciplinary therapy and support within community settings such as at home, preschool or school, at community venues like Kindergyms and local pools, and at all our Novita hubs in metropolitan and regional locations.

Community settings

we come to you	
Home visits	19%
Preschools/Schools	28%
Other community	27%
Novita based	
you come to us	
Novita Service hubs	26%

Our most frequently used supports and services are:

- Occupational therapy
- Speech pathology
- Physiotherapy
- Social work
- Therapy group programs
- Psychology
- Specialist equipment prescription
- Aquatic therapy
- Early Childhood Intervention/Educator support
- Planning and coordination

Occupational therapy

Occupational therapists assist in a wide range of areas, including services targeting fine motor skills, sensory issues, personal care, independence, technology and specialist equipment. Demand for these services has increased significantly over the past two years and Novita now employs around 50 occupational therapists to keep up with demand.

Speech pathology

Demand is also high for Novita's speech pathology services. Speech pathologists assist people to learn to communicate through speech or alternative communication methods. They also assist people with eating difficulties.

Physiotherapy

Novita has always been regarded as the first-choice service provider for children and adolescents living with physical disability, and physiotherapy is at the core of this service provision. There has also been a significant increase in physiotherapy intervention to address motor impairments for children living with autism spectrum disorder.

Social work

Social work has continued to deliver high quality and holistic services in case management, crisis intervention, transition planning and other services such as counselling and social skills groups. They also provide support coordination services to individuals and families.

Therapy group programs

Our therapy group programs are growing in popularity with over 20 different therapy groups on offer over the calendar year across the various Novita service sites. These groups target development of a range of skills, whether that be to improve physical skills and fitness in "Fit and Fun", social skills and communication in "What's the Buzz?", early handwriting in "The Sound is Write" or "Chat Group", which aims to increase skills and confidence using Augmentative and Alternative Communication. On average, 170 young people attend Novita groups each month.

Psychology

Psychology provides support for mild to moderate mental health concerns, parenting, adjustment and school support. The Department of Education and Child Development (DECD) continues to use Novita as a 'provider of choice' for outsourced psychology assessments.

Psychology at Novita continues to be in very high demand,

Specialist equipment prescription

Specialist equipment prescription and training continues to be a speciality area for Novita. Supported by Novitatech, our physiotherapists, occupational therapists and speech pathologists are specialists in the prescription of complex assistive technology. This can be used for mobility, positioning and seating, equipment for personal care, home modifications, augmentative and alternative communication, computer access or environmental control.



Aquatic therapy

Our aquatic therapy services continue to be very popular. These services are goal oriented, and we allocate staff with the skill-set required to help individuals attain specific goals. The aquatic therapist profile has broadened beyond physiotherapists to include occupational therapists and allied health assistants, as well as speech pathologists. Many of our children have successfully transitioned from aquatic therapy to swim programs.

Early Childhood Intervention

The development of Early Childhood Intervention (ECI) services has been a key focus for Novita therapy staff over the past year. As such, our therapy staff have undertaken significant training in ECI best practice, which focusses on the importance of family-centred practice, inclusion, naturalistic setting and the importance of a collaborative team approach.

Some families are using one primary, or key, worker, who collaborates with other team members to implement services for each family. This has led to the introduction of Child Development Educators as part of our therapy teams.

School therapy program

Educators have added to the skill base of our team and have been invaluable as a conduit between therapists and educational settings, and relevant curriculum. We are also continuing to develop our school therapy services as there is considerable opportunity to work with more children in these settings given our wide range of services.

School holiday programs

We have expanded the range of services available during school holiday times, including a range of therapy groups and individual appointments.

Regional services

For many years, Novita has been visiting regional areas to provide supports and services to local families. We are continuing to expand our presence in regional areas, with therapists now living and working in Whyalla, Port Augusta, Port Lincoln/Eyre Peninsula, York Peninsula, Murray Bridge, and soon, Broken Hill.

Autism diagnostic service

Novita is building its reputation as a best practice and responsive provider of diagnostic assessment for autism spectrum disorder. We have specially trained psychology and speech pathology staff who provide this service and keep up to date with the national guidelines for autism assessment and services.



Technology

Novitatech (formerly the Assistive Technology Service) specialises in the supply, assessment, modification, testing and maintenance of Assistive Technology.

Assistive Technology, often called AT, refers to any equipment or device that can improve the life of someone living with disability by helping them to move, play, learn, communicate, study or work. This could be anything from a tap turner, to make turning taps easier, to a powered wheelchair or eye gaze controlled communication device.

Our Novitatech staff have specialist AT knowledge and skills, to help children, adults, families and carers select, set-up and access the most appropriate technology for their mobility, communication, education and daily living needs.

Novitatech is comprised of four specialist teams:

- Therapy
- Technical (seating, mobility and communication)
- Orthotic
- Testing and Compliance

Over the past financial year, the Therapy team provided assessment, prescription and training for requests relating to more than 410 equipment items, for more than 290 individuals. They provided services in homes, schools and at Novita hubs, for a range of items including walkers, bikes (in partnership with Freedom Wheels), shower chairs and Powered Mobility Aids.

Members of the therapy team have presented at industry conferences, for example on an Environmental Control System (ECS) at the Australian & New Zealand Spinal Cord Society (ANZCOS), held in Adelaide.

The Access and Communication Technology Specialist (ACTS) Service continued to provide consultative support and training in the areas of ECS, Computer Access Technology (CAT) and Augmentative and Alternative Communication (AAC). The funding for this service reduced by 50 per cent as clients transitioned to the National Disability Insurance Scheme (NDIS).

The Technical team were involved with providing modifications to Sid James' racing cart for his goal of competing at the World Iron Man event in Hawaii with Kevin Fergusson. This customised cart has the capability to support Sid during this gruelling and world class Iron Man Event, and supported him through a number of smaller triathlons. The demand for modifying beach wheelchairs has increased due to the widening scope of NDIS funding.



Our referral sources expanded over the 2016-2017 financial year into clinical areas, including a Mobility and Seating service in the Mildura region. We also received referrals from other providers, including Disability SA, Child and Youth Services, ASSIST, and private providers.

The Orthotics team at Novitatech expanded to meet the increasing demand for orthotics services. We introduced 3D scanning and digital modification as part of the orthotic design process, which improved efficiency and client outcomes. We are exploring new technology to enable the manufacture of these orthoses to occur locally, as they are currently produced overseas.

We also introduced a new mobile orthotic service, which was grant funded through Fund My Community. This customised van is designed specifically for the measurement and fitting of Ankle Foot Orthotics and will enable Novita to expand our services to clients in outer metropolitan and regional areas in the second half of 2017.

The Testing and Compliance team has maintained its world recognised NATA accreditation and continued to provide quality testing services, to international standards, to a variety of international and national manufacturers and suppliers in the disability sector.

Inclusion

Novita is embracing its opportunities to integrate community inclusion services through the 'One Novita' vision. This means more service options for children, young people and adults living with disability, and their families, through Novita.

In 2016 Novita established three additional Specialised Residential Care houses for children living with disability in out of home care. We now have four houses in total, accommodating 13 children and teenagers.

These community based houses have been designed specifically to meet the additional needs of the children living in them. They are staffed by well qualified, committed and experienced personnel, and the outcomes for the children have been terrific. They are engaged in school life and participate in optional extracurricular activities, like Scouts and swimming lessons. Those with communication challenges are developing speech, using sign language and other augmentative devices, some for the first time. The future is bright for these children as they settle into their homes, become part of their local community and learn new skills.

The family take-up of the Community Options Parent Engagement (COPE) program has been great with an average of 170 families engaged in programs each month. In particular, the numbers attending all three playgroups continued to grow and support for the home visiting/toy library service has been exceptional.

Likewise, all three Home Interaction Programs for Parents and Youngsters (HIPPY) continue to be fully utilised, with waiting lists for enrolment. Recognition by HIPPY Australia of the pathways that Novita have developed for home tutors in South Australia has resulted in Sarah Stevens (Coordinator, HIPPY Salisbury) being a pivotal contributor to the new national pathways program for HIPPY tutors. Congratulations to Sarah who has been invited to train other Coordinators across the country.

Our Day Options and community based Recreational services have maintained their programs during the past financial year, with approximately 85 young people and older adults attending. Staff eagerly take enquiries from potential new participants who seek quality, centre-based and community activities. Some individuals and families have transitioned to the NDIS but the majority will do so over the coming year. Our staff have worked, and will work, with families and carers as they transition to the Scheme.

Novita's Supported Independent Living service is a small, but important and integral part of our customers' lives. There are three community based house sites and seven adults receiving our services at Gawler and Murray Bridge. In addition, many children and their families, along with younger and older adults, received community based individualised support services. This area of Novita's business is growing steadily with the number of hours of service delivered each fortnight increasing to 285 by the end of the financial year.



Research

Novita's Knowledge and Innovation research team play a key role in ensuring our practice is based on the latest knowledge, research and clinical evidence.

Over the past financial year, we have facilitated research projects in collaboration with South Australian and interstate universities. We also continued to strengthen our partnership with the Bloorview Research Institute and Holland Bloorview Kids Rehabilitation Hospital in Toronto, Canada, from where Professor Virginia Wright, Paediatric Physiotherapist and Senior Clinician Scientist, continues to collaborate with our Knowledge and Innovation team across a range of projects.

In March and April 2017, we hosted Professor Wright as Novita's Visiting Scholar for the fourth time at our Regency Park hub, during which she provided mentoring and support to our research and clinical staff. Professor Wright and our research team also presented their work at a Healthy Development Adelaide forum at the University of Adelaide.

In June 2017, a member of our research team, Dr Toan Nguyen, was admitted as a member of the Autism CRC Research Academy. Our research team and clinical profession leaders are also proud members of the Australasian Academy of Cerebral Palsy and Developmental Medicine.



Research

A number of Novita kids living with Duchenne muscular dystrophy (DMD) are taking part in a research project* investigating the advantages of a powered wheelchair standing device.

DMD is a neuromuscular, genetic disorder which results in the progressive deterioration of muscle strength and function. This new type of chair allows young people to stand within an electric wheelchair, rather than having a potentially awkward transfer from their usual chair into a separate standing frame. At the push of a button, the person can change from a sitting, to a standing, position and move forward whilst upright.

The research is ongoing, but preliminary findings suggest the new chairs can be associated with improved physical and mental health for young people.



One of these young people is 11-year-old Jack, who's been a client of Novita since birth. Jack's Mum, Michelle, says Jack is a very spirited boy who likes to be independent, but he can lack confidence at times and feel a little insecure around his peers.

"This is because Jack is half the height of his peers, measuring the height of a typical 5-year-old," she said. "But the standing wheelchair has given him the opportunity to become more secure, confident and independent - when standing in his wheelchair he is now the same height as his peers. There is a lot of interest from others when Jack uses his wheelchair and he is very proud. It has been a pleasure to be part of the research, and watch the growth in Jack, and the other kids involved in the research."

The research project has given Novita therapists an opportunity to understand more about how best to use these chairs, including the appropriate time to introduce the option to families and the importance of technical support. More young people will be recruited for the project through to 2018 and, if the benefits can be clearly demonstrated, then this project will provide valuable evidence to justify funding for this type of chair.

"The research is a collaborative project led by a team from the Telethon Kids Institute with the Save Our Sons Duchenne Foundation and investigators from WA, SA, VIC and QLD.

During the 2016-2017 financial year, we supported the following research projects:

Novita-led projects:

- A randomised controlled trial on the impact of the paediatric WalkAide® (a drop-foot stimulator) on advanced motor skills and physical activity participation in children with hemiplegic cerebral palsy (Kerry Evans). Grant funded by the Channel 7 Children's Research Foundation.
- A review of upper limb casting practice and outcomes for children with hypertonia at Novita (Anna Klemm).
- Assessing the usability and utility of the Facial Expression (FaceTracker) system with users with complex needs - a pilot trial (Dr Toan Nguyen, Novita and Flinders University).

- Best Practice Early Childhood Early Intervention Implementation (Coralee Sheldon).
- Determining the inter- and intra-rater reliability of the Novita Switch Access Solutions Assessment (NSASA) (Annabelle Tilbrook).
- Exploring allied health professionals' views about regular reviews of children and young people with disability (Dr Annemarie Wright).
- Exploring the impact of the paediatric WalkAide® (a dropfoot stimulator) plus motor learning-based physiotherapy on advanced motor skills and physical activity participation in children with hemiplegic cerebral palsy: Randomised controlled trial protocol feasibility (Kerry Evans).
- Play as Therapy (Kanchana Pathirana and Myriam Sandelance).

Collaborative projects

- A process and impact evaluation of use of a Powered Wheelchair Standing Device by boys with Duchenne muscular dystrophy (Dr Jenny Downs).
- A survey of barriers and facilitators to participation in organised physical activity for children with a disability within the Australian community (Professor Nicole Rinehart, Deakin University).
- Anticipating and addressing the impending shortage of skilled disability support workers (Dr Linda Isherwood, Flinders University)
- Bike skills training for children with cerebral palsy (Rachel Toovey, Murdoch Children's Research Institute).
- Capacity Building in Early Childhood Intervention Professionals (Denise Luscombe, Western Sydney University).
- Community-clinic-based occupational therapy for the sensory needs of children with Autism Spectrum Disorder: a South Australian clinical record audit (Scott Weeks, Flinders University).
- Digital Arts: Improving education and employment outcomes of Indigenous and non-Indigenous young people with disabilities in rural, remote and metropolitan areas of Australia (Professor Denise Wood, Central Queensland University).

- Evaluation of the trial of the National Disability Insurance Scheme (Professor Kostos Mavromaras, Flinders University).
- Initial teacher education programs and their relevance to teaching students with disability and additional needs in mainstream classrooms (Jo Shearer, Flinders University).
- Lower-body exoskeleton for gait rehabilitation (Professor Ross Bensley, University of Adelaide).
- Mutual learning: Intercultural skills and knowledge developed through supervising culturally and linguistically diverse students in health professional placements (Dr Stacie Attrill, Flinders University).
- Opening access to public libraries for children with special needs and their families (Jo Kaeding, University of South Australia).
- What helps young people with disability to be safe? (Dr Sally Robinson, Southern Cross University).
- Young people with complex communication needs: Investigating participation in conversations online through e-mentoring (Emma Grace, Flinders University).

Moving forward, Novita will continue to lead the way, facilitating innovative research and development projects that contribute to knowledge and best practice in the disability sector. This research will ensure the NDIS workforce is equipped to meet the changing needs of people living with disability. It will also ensure more young people living with disability are able to participate in sport, included in the community, have customised assistive technology solutions to improve communication and participation, and have access to evidence-based therapy that delivers great outcomes.

Fundraising and Events

Each year, Novita hosts a number of events to raise funds and awareness for young people living with disability. This wouldn't be possible without the dedicated support of our volunteers, Auxiliaries, corporate partners, bingo enthusiasts, and the broader South Australian community.

Events

Throughout the year we hosted many events, including the iconic Mighty River Run, the Golf Day at Kooyonga Golf Club and the Carols by Candlelight prior to Christmas in Elder Park. The River Run is Novita's largest fundraising event and, in its 10th Anniversary year, saw in excess of 30 boats travel more than 300km along the mighty Murray River.

We are fortunate that numerous organisations and community groups choose to support Novita and this year thanks go to the Adelaide Strikers, Adelaide United Football Club, Police Association of South Australia, Central District Football Club and The Carbine Club of South Australia.

Volunteers

We are extremely lucky to have the generous support of in excess of 100 volunteers assisting staff with all the events we run. Thank you to all these amazing volunteers – it is not an exaggeration to say that we would be lost without your support and dedication.

Auxiliaries

We would like to acknowledge the tireless work of our Auxiliaries and thank them for their ongoing commitment and dedication.

In 2016-2017, 228 members across 19 Auxiliaries in metropolitan and regional South Australia raised in excess of \$66,000 for our kids, teens and young adults. The money was raised through a variety of community based activities such as fashion parades, golf days, movie nights, craft fairs and much more.

This year has seen three of our valued Auxiliaries raise their final dollars as they closed their books. Padthaway-Keppoch, Naracoorte and New Era Auxiliaries have collectively supported Novita for over four decades and raised in excess of \$800,000 during that time. Thank you to past and present members for your selfless support in raising money and awareness for Novita's young people. You have truly helped change lives.

As Anne Emerson, President of Padthaway-Keppoch puts it, "We were always excited about the amounts of money we raised and blown away by the generosity of the (mostly) local people. We hosted some extremely funny events and would not have managed without our willing men folk, on many occasions."

Bingo

This year Novita Bingo saw approximately 60,000 patrons attend sessions held across three sites; Regency Park, Marion and the newly introduced South Adelaide Football Club. Novita Bingo made its largest contribution to Novita in over a decade! This fantastic achievement was possible through increased revenue generation brought on by new technology, new games and the opening of new sessions at the South Adelaide Football Club. A notable highlight is the new Novita Bingo SUPER Session, which has proven incredibly popular averaging over 300 people per session.



Directors’ Report

The Board of Directors has pleasure in presenting both its annual and financial reports for Novita for the year ending 30 June 2017, along with the report from the company’s Auditors.

Corporate Governance

Novita is a company limited by guarantee, registered under the Corporations Act (Cth). The Board of Directors is responsible for the corporate governance of Novita and accountable to the members of the organisation. The Board guides the business and affairs of Novita and is responsible for setting its strategic direction.

The Board approves the annual budget, reviews financial performance and liaises with Novita’s Auditors. The Board establishes and monitors the achievement of corporate goals and ensures the integrity of risk management, legal compliance, and quality assurance systems.

Novita is a membership based organisation whose members are entitled to vote for election of Directors at the Annual General Meeting and on matters related to the organisation’s Constitution. The liability of members is limited to \$5 each.

The Board reports to members, stakeholders and regulatory authorities and is responsible for the appointment, remuneration and succession planning of senior executives.

The Board is made up of elected and appointed Directors. Each Director is bound by Novita’s Code of Conduct, which outlines the expectations and corporate behaviour of all members of the Board. The Board currently comprises nine Directors, six elected by the members and three appointed by the Board. The Chief Executive Officer is responsible for the day to day management of the organisation.

Principal Activities and Objectives

Novita’s principal activities for the year were the development, provision and research of services to children and young people living with disability.

Novita continues to play a key role in the National Disability Insurance Scheme (NDIS) in South Australia, and the transition to a new environment in which services are delivered in an open, competitive marketplace. Through the NDIS, payment for allied health and related services is received directly from participants (Novita clients) and subsidies from the State Government have ceased for these services.

During the year, the Board endorsed a new Strategic Plan, 2017-2022. You can read our Strategic Goals in full on page 9 and on the Novita website.

Novita’s therapy services comprise a full range of allied health and rehabilitation services for children and young people living with disability, and their families. The services are provided across metropolitan areas of Adelaide, in regional South Australia, and also in Broken Hill. Novita therapists deliver services in various settings that include home, pre-school, school, workplaces and in local offices.

Assistive technology services are provided by Novitatch. These services include prescription, testing and recommendations regarding specialised equipment such as wheelchairs, walking frames and communication devices.

Novita’s community inclusion services consist of specialised residential care for adolescents in out-of-home settings, early childhood development programs, Out of School Hours Care (OSHC) and vacation care services for children living with disability, day options and recreation services, together with numeracy and literacy programs.

Novita’s knowledge and innovation services include research projects into disability and equipment, involvement in product development projects, and reviews of evidence and best practice in a range of therapies, techniques and assistive technology.



Operating and Financial Review

The Directors report that Novita recorded a loss of \$3,964,102 for the year ending 30 June 2017 (2016: loss of \$1,802,534). The loss is largely attributable to the transition of therapy services to NDIS funded clients and investment in new systems and operating models. NDIS revenue was variable on a month by month basis and on average is approximately one half of that received through previous State Government block grant funding.

Board Meetings

The Board holds a minimum of six scheduled meetings each year, plus a strategy meeting and any extraordinary meetings that may be necessary to address specific or significant matters that arise. The number of meetings held in 2016-17 and the attendance of Directors at those meetings is detailed below:

Director	Board meetings
K Scarce	10 of 10
E Balan-Vnuk	9 of 10
J Beilby	8 of 10
S Bolzon (elected Nov 2016)	5 of 5
A Daniels	9 of 10
G de Cure	10 of 10
J Fereday	9 of 10
G Richards	9 of 10
T Roberts	8 of 10
D Earl (retired Nov 2016)	5 of 5

Directors' Report

Board Committees

The Board has three advisory committees which assist with the oversight and implementation of Novita's strategic directions. They are the Finance and Audit Committee, the Business Development Committee, and the Governance and Risk Committee.

The agendas for committee meetings are prepared in consultation with the chairs of the relevant committee. Papers are circulated to committee members in advance. Each committee is free to invite members of management or others to attend meetings.

The Board approves the membership and appoints the chair of each committee. The terms of reference of the committees are approved and reviewed periodically by the Board. Minutes of committee meetings are circulated to all Board Directors with a statement of recommendations for consideration by the full Board at its next meeting.

Finance and Audit Committee

The Finance and Audit Committee monitors and advises the Board on issues relating to the financial performance and sustainability of the organisation. It has responsibility for oversight of the organisation's audit function, including reliability of financial management and reporting, compliance with laws and regulations, and information technology infrastructure. The Committee ensures the effective management of financial risk across the organisation, including the financial risks of subsidiaries and controlled entities.

Director
Dr Eva
Balan-Vnuk



Director
Professor
Justin Beilby



Director
Ms Sonia
Bolzon



Director
Mr Andrew
Daniels



Director
Mr Gregory
de Cure



Business Development Committee

The Business Development Committee identifies, discusses and promotes innovative business strategies and makes recommendations to the Board regarding service development opportunities, and major capital projects. The Committee provides advice to the Board on the scope of business development within Novita; the risk and resources required for specific business development and service development initiatives.

Governance and Risk Committee

The Governance and Risk Committee monitors and advises the Board on issues relating to corporate governance and risk management. The Committee reviews governance policies, quality assurance initiatives and strategies, and the organisation's strategic and operational risk framework. The Committee assesses the Board's composition, structure and succession planning. The Committee also reviews the remuneration and other benefits applicable to the position of Chief Executive Officer and senior managers.

Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on page 44 and forms part of the Directors' Report for the year 1 July 2016 to 30 June 2017.

This report is made in accordance with a resolution of the Directors of Novita made on 26 October 2017.

Rear Admiral the Honourable **Kevin Scarce**
AC CSC RAN (RTD)
President, Novita

Director
Dr Jenny
Fereday



Director
Ms Gretchen
Richards



Director
Mr Todd
Roberts



President
Rear Admiral
the Hon
Kevin Scarce
AC CSC
RAN (Rtd)



Financial Report

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30 June 2017 \$	30 June 2016 \$
CURRENT ASSETS		
Cash and Cash Equivalents	3,116,049	7,250,315
Trade and Other Receivables	2,042,643	1,622,967
Inventories	79,297	75,556
Total Current Assets	5,237,989	8,948,838
NON-CURRENT ASSETS		
Trade and Other Receivables	48,103	52,456
Available-for-Sale Investments		
Debentures	2,086,902	2,014,943
Shares in Listed Companies	12,086,600	10,939,391
Property, Plant and Equipment	10,745,021	10,154,251
Intangible Assets	24,951	600,176
Total Non-Current Assets	24,991,577	23,761,217
TOTAL ASSETS	30,229,566	32,710,055
CURRENT LIABILITIES		
Trade and Other Payables	2,212,016	1,701,554
Deferred Income	2,285,541	2,264,172
Employee Benefits	2,524,933	2,712,790
Total Current Liabilities	7,022,490	6,678,516
NON-CURRENT LIABILITIES		
Deferred Income	3,305,757	3,305,757
Employee Benefits	284,393	266,927
Total Non-Current Liabilities	3,590,150	3,572,684
TOTAL LIABILITIES	10,612,640	10,251,200
NET ASSETS	19,616,926	22,458,855
EQUITY		
Contributed Equity	23,521,193	23,521,193
Accumulated Losses	(6,933,941)	(2,969,839)
Reserves	3,029,674	1,907,501
TOTAL EQUITY	19,616,926	22,458,855

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	30 June 2017 \$	30 June 2016 \$
INCOME		
Government Funding	10,422,827	15,725,445
Grant Income	760,641	846,723
Revenue from Sale of Goods	1,269,001	1,059,222
Revenue from Rendering of Services	12,119,927	11,252,348
Revenue from Bequests and Donations	1,992,468	1,449,610
Other Income	1,748,544	2,098,272
Total Income	28,313,408	32,431,620
EXPENSES		
Employee Expenses	25,495,206	24,918,978
Client Expenses	1,163,055	2,732,284
Facilities, IT and Maintenance	2,433,372	2,920,970
Depreciation and Amortisation Expense	884,712	877,844
Cost of Sales	386,846	238,266
Motor Vehicle Expenses	363,428	350,581
Impairment of Goodwill	595,771	270,069
Other Expenses	2,119,542	2,114,552
Total Expenses	33,441,932	34,423,544
Loss from Operating Activities	(5,128,524)	(1,991,924)
Finance Income	1,263,563	1,300,557
Finance Costs	(99,141)	(1,111,167)
Net Finance Income	1,164,422	189,390
Loss Before Tax for the Year	(3,964,102)	(1,802,534)
Tax Expense	-	-
LOSS FOR THE YEAR	(3,964,102)	(1,802,534)
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss:		
Available-for-Sale Investments reclassified to Profit or Loss	(125,496)	(116,191)
Available-for-Sale Investments – Net Change in Fair Value	1,247,669	(559,784)
Total Other Comprehensive (Loss) for the Year, Net of Tax	1,122,173	(675,975)
TOTAL COMPREHENSIVE (LOSS) FOR THE YEAR	(2,841,929)	(2,478,509)

Financial Report

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Fair Value Reserve	Accumulated Losses	Contributed Equity	Total Equity
	\$	\$	\$	\$
Balance as at 1 July 2015	2,583,476	(1,167,305)	23,521,193	24,937,364
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the Year	-	(1,802,534)	-	(1,802,534)
Total Other Comprehensive Income	(675,975)		-	(675,975)
Total Comprehensive Income for the Year	(675,975)	(1,802,534)	-	(2,478,509)
Balance at 30 June 2016	1,907,501	(2,969,839)	23,521,193	22,458,855
Balance at 1 July 2016	1,907,501	(2,969,839)	23,521,193	22,458,855
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the Year	-	(3,964,102)	-	(3,964,102)
Total Other Comprehensive Income	1,122,173	-	-	1,122,173
Total Comprehensive Loss for the Year	1,122,173	(3,964,102)	-	(2,841,929)
Balance at 30 June 2017	3,029,674	(6,933,941)	23,521,193	19,616,926

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS	30 June 2017	30 June 2016
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts in the Course of Operations	29,608,017	36,137,491
Cash Payments in the Course of Operations	(33,417,340)	(35,040,037)
Net Cash used in Operating Activities	(3,809,323)	1,097,454
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Dividends Received	995,104	986,623
Interest Received	171,131	209,022
Payments for Investments	(753,179)	(763,668)
Proceeds from Sale of Investments	654,371	565,214
Net Cash provided by Investments	1,067,427	997,191
Acquisition of Property, Plant and Equipment and Intangibles	(1,850,968)	(1,146,653)
Proceeds from Sale of Property, Plant and Equipment	458,598	283,229
Acquisition of Subsidiary	-	-
Net Cash from Investing Activities	(324,943)	133,767
Net Decrease in Cash and Cash Equivalents	(4,134,266)	1,231,221
Cash and Cash Equivalents at 1 July	7,250,315	6,019,094
Cash and Cash Equivalents at 30 June	3,116,049	7,250,315

Financial Summary

Notes to the Summary Consolidated Financial Statements

Statement of Significant Accounting Policies

Novita Children's Services (the Company) is a company domiciled in Australia. The address of the Company's registered office is 171 Days Road, Regency Park, South Australia. The summary consolidated financial statements comprise the Company and its controlled entities, collectively the 'Group' and individually 'Group entities', and are as at and for the year ended 30 June 2017.

The principal activities of the Group are the provision of child development, rehabilitation and disability services to children and young people. The Group is a not-for-profit entity for the purpose of preparing the financial statements.

The summary financial report is prepared on an historical cost basis except for available for sale investments which are measured at fair value.

A full description of the accounting policies adopted by the Group is provided in the Group's full consolidated financial report. These accounting policies have been consistently applied by each entity in the Group and are consistent with those of the previous year.

These summary consolidated financial statements were authorised for issue by the Board of Directors on 26th October 2017.

Summary Consolidated Financial Report 2016-17 for the Year Ended 30 June 2017

Statement by the Board

The summary consolidated financial statements and other specific disclosures are a summary of and have been derived from Novita Children's Services' full consolidated financial report for the financial year. Other information included in the summary consolidated financial report is consistent with the Group's full consolidated financial report.

Novita recorded a loss of \$3,964,102. This is an increase on the previous financial year loss of \$1,802,534 due to challenges faced by the business as it transitions into an NDIS funded, fee for service environment.

The summary consolidated financial report does not, and cannot be expected to, provide as full an understanding of the financial performance and position, financing and investing activities of Novita, as the full consolidated financial report.

A copy of Novita's Annual Financial Report, including the Independent Audit Report, is available to all members, and will be sent to members without charge upon request.

Discussion and analysis of the Consolidated Statement of Comprehensive Income

Total income for the period was \$28.3M a decrease of \$4.1M (12.7%) on the previous year, being primarily due to reductions in Government Funding.

Total expenditure for the period was \$33.4M, a decrease of \$981.6K (2.9%) on the previous year, with \$25.5M (76.2%) being for employee expenses.



Discussion and analysis of the Consolidated Statement of Changes in Equity

Net assets have decreased by \$2.8M to \$19.6M principally due to the large operating loss in the current year.

Discussion and analysis of the Consolidated Statement of Financial Position

As at 30 June 2017 Novita holds investments of \$14.2M from which it derives income to help fund its operating costs for the year. The value of investments increased during the year by \$1.2M, compared to 1 July 2016. The increase was due principally to gains in the market value of the portfolio.

Discussion and analysis of the Consolidated Statement of Cash Flows

The organisation had total cash outflows of \$2.7M from operating and investment activities during the 2016-17 financial year. This negative flow was utilised for the purchase of capital equipment, replacement of fleet vehicles, and property improvements. Cash holdings at 30 June 2017 were \$3.1M.

Dated at Adelaide this 26th day of October 2017.
Signed in accordance with a resolution of the Board of Directors.

.....
BOARD DIRECTOR

.....
BOARD DIRECTOR



Independent Auditor's Report

To the members of Novita Children's Services

Report on the audit of the Consolidated Summary Financial Statements

Opinion

We have audited the **Consolidated Summary Financial Statements** of Novita Children's Services (the **Consolidated Entity**) derived from the audited Financial Report of Novita Children's Services as at and for the year ended 30 June 2017 (the audited Financial Report).

The **Consolidated Entity** consists of Novita Children's Services (the Company) and the entities it controlled at the year-end or from time to time during the financial year

In our opinion, the accompanying Consolidated Summary Financial Statements are consistent, in all material respects, with the audited Financial Report of Novita Children's Services, in accordance with the basis of preparation described in Note 1 to the Consolidated Summary Financial Statements.

The **Consolidated Summary Financial Statements** comprise the:

- Summary statement of financial position as at 30 June 2017;
- Summary statement of profit or loss and other comprehensive income, Summary statement of cash flows, and Summary statement of changes in equity for the year ended 30 June 2017; and
- Related notes.

Consolidated Summary Financial Statements

The Consolidated Summary Financial Statements do not contain all the disclosures required by *Australian Accounting Standards* applied in the preparation of the audited Financial Report. Reading the Consolidated Summary Financial Statements and the auditor's report thereon, therefore, is not a substitute for reading the audited Financial Report and the auditor's report thereon.

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited Financial Report in our report dated 26 October 2017.



Other Information

Other Information is financial and non-financial information in Novita Children's Services's annual reporting, including the discussion and analyses, which is provided in addition to the Consolidated Summary Financial Statements and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Summary Financial Statements does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Summary Financial Statements, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Consolidated Summary Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibility of the Directors for the Consolidated Summary Financial Statements

The Directors are responsible for the preparation of the Consolidated Summary Financial Statements in accordance with the basis of preparation described in Note 1 to the Consolidated Summary Financial Statements.

Auditor's responsibility for the audit of the Consolidated Summary Financial Statements

Our responsibility is to express an opinion on whether the Consolidated Summary Financial Statements are consistent, in all material respects, with the audited Financial Report based on our procedures, which were conducted in accordance with *Australian Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements*.

KPMG

Darren Ball
Partner

Adelaide

26 October 2017



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the Directors of Novita Children's Services

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2017 there have been:

- i. no contraventions of the auditor independence requirements as set out in *the Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

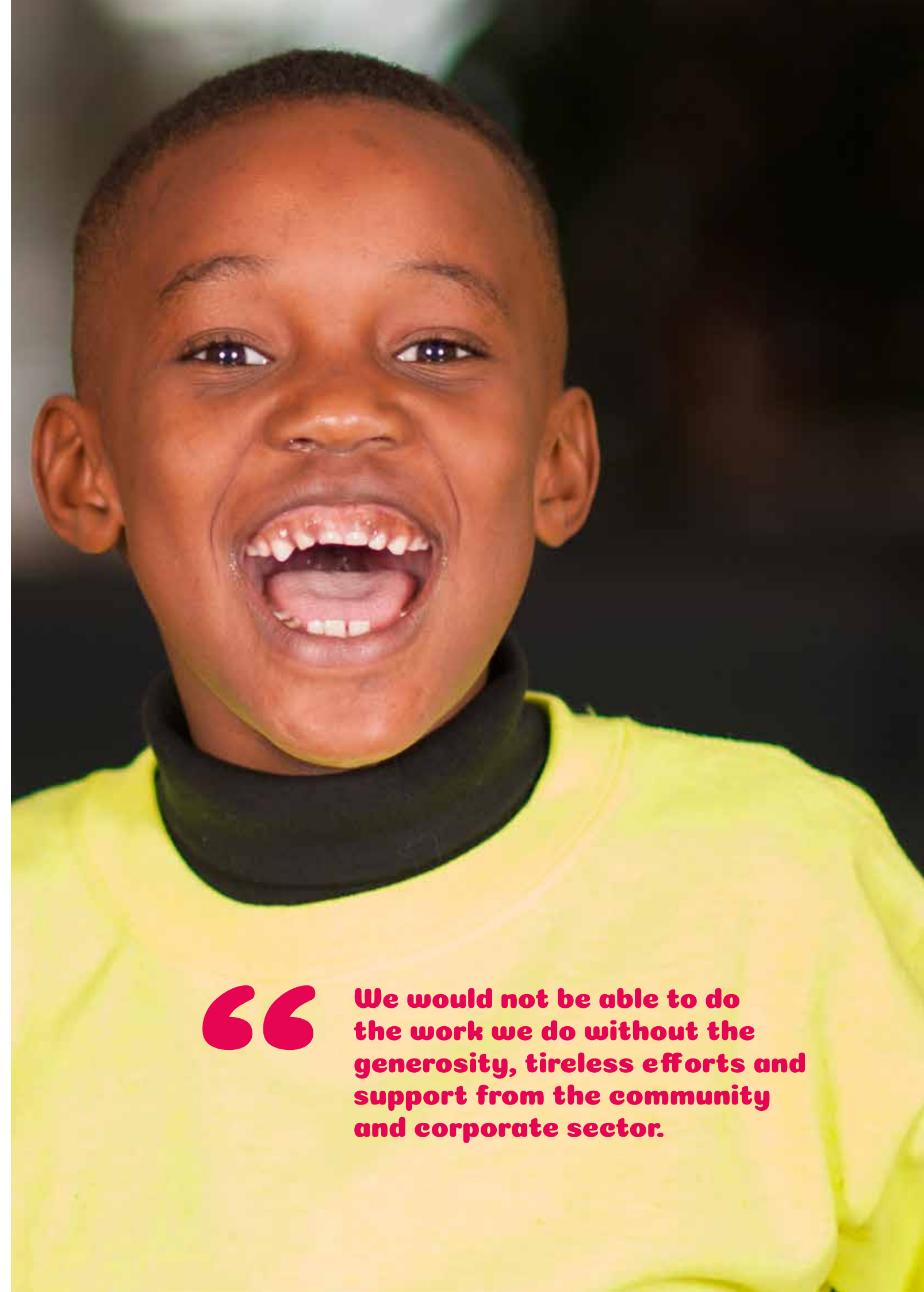
Darren Ball
Partner

Adelaide

26 October 2017

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.



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We would not be able to do the work we do without the generosity, tireless efforts and support from the community and corporate sector.

Thank You

We express our heartfelt gratitude to all the organisations which have provided financial or value-in-kind support, and to all the individuals who have donated their time, knowledge or skills to Novita over the past twelve months.

We also thank everyone in the community who has helped us by attending our events, supporting fundraising activities or donating.

In particular, Novita warmly thanks:

Our corporate supporters

Arte Grafica
Australian Executor Trustees
BSG
CMV Group
Commonwealth Bank of Australia
eib Insurance Brokers
KPMG
Lion
Macquarie Private Wealth
Maxxia
Mix102.3
Shannahan Crash Repairs
Stamford Grand Adelaide
Stamford Plaza Adelaide
Wallmans Lawyers
Walter Brooke
Zorich Group

Our community partners

Australian Lions Children's Mobility Foundation
Adelaide Strikers
Adelaide United Football Club
Bulldogs (Central District Football Club)
Police Association of South Australia
St Peter's College
The Carbine Club of South Australia
Trinity College
Tyndale Christian School
Variety – the Children's Charity

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