



# ANNUAL REPORT 2016





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THANK  
YOU

# DEVELOPING KIDS' POTENTIAL EVERY DAY

We provide child development, rehabilitation and disability services to more than 3800 young clients, as well as support for their families and carers. We help children and young people throughout their childhood and adolescent years in Adelaide, regional South Australia and beyond.



# WELCOME

The 2015-2016 financial year has been one of ongoing excellence in service and sustainable growth for Novita. We continued to make a real difference in the lives of many children and young people, and their families, through the delivery of our high quality programs and services.

Novita has continued to work collaboratively with a variety of stakeholders, including policymakers, industry and government partners, opinion leaders and other not-for-profit organisations on behalf of the children and adults living with disability, and the families, we represent.

The National Disability Insurance Scheme (NDIS) continued to be the most pivotal change for our organisation and we remain committed to making sure our clients and their families benefit from its introduction. We continued to align our practices to cement our position as a responsible sector leader while our existing clients transition to the NDIS and new families join us. We also undertook a successful independent NDIS audit to demonstrate Novita's dedication to compliance with the Scheme's operating guidelines.

The demand for specialist allied health services has continued to rise, driven by ongoing and growing recognition in the community of the more diverse and complex needs of children living with disability, as well as emerging research based evidence. Demand for Novita's services and programs have increased accordingly. More and more families are choosing Novita's transdisciplinary, holistic approach to support their children and cater to their specific needs and abilities.

In this changing environment, the Board has made timely and significant decisions to review the long-term requirements of the organisation. In particular, reviews have commenced into the condition of our buildings, the upgrade of our infrastructure and the suitability of our website to meet contemporary standards of accessibility and effectiveness. We will work towards a complete review of Novita's Strategic directions to ensure we are properly positioned as the NDIS moves to a full roll-out.

As an early adopter of the NDIS, Novita is experiencing a necessary transformational shift in its operations, while at the same time focussing on opportunities to maintain and build its strategic position. With the disability service sector at the beginning of rapid growth, it is important that we prioritise our business development opportunities, in order to focus our activity and investment in support of our longer term vision. The Board explored a number of key topics critical to the long-term strategic positioning of the organisation. They included market share, company structure and enhancing value as a service provider of choice. Significant work is also underway in workforce planning and strategy. Novita's strategic workforce plan will provide the foundation for human resource planning, which is an important element in preparing the business for future success.

The past year also saw Novita become the host and sole beneficiary of South Australia's iconic Christmas event, Carols by Candlelight. The 2015 event was a resounding success attracting a record 30,000 people, and raising money for Novita's Toy and Resource Library. It also offered a significant opportunity to build Novita's brand and raise awareness of support for our kids.

At the end of the financial year we bid farewell to our longstanding Chief Executive, Glenn Rappensberg, and welcomed former defence forces specialist, and respected business leader, Greg Ward, as our new Chief Executive Officer. I take this opportunity to acknowledge the significant contribution made by Glenn during his 16 years of service to Novita. He steered the organisation through many successes and a great deal of change. Novita today is very different from when he commenced as Chief Executive in the year 2000 and both the organisation, and the South Australian disability landscape, are all the better for his tireless dedication.

A national recruitment process led us to appointing Greg Ward as the organisation's new Chief Executive Officer and we believe he is an excellent choice to take Novita forward. Greg has a proven record of success in building organisations in competitive, commercial environments, combined with strong personal attributes and values that fit with the important work

done by Novita. His appointment heralds a new era of leadership for Novita, as we continue to meet the demand for services for the many thousands of South Australians living with disability.

During the year, we were deeply saddened by the passing of Mrs Margory Head, one of our longest serving Auxiliary members and Novita supporters. An Honorary Life Member of Novita – our highest accolade – Mrs Head was a remarkable woman who dedicated more than 40 years of her life to children living with disability, touching the lives of thousands of South Australians. Mrs Head was an inspiration to many and she will be greatly missed.

I thank my fellow Board Members for their ongoing commitment and significant contributions over the past year. I make special mention of Andrew Downing and Dennis Earl in acknowledgement of their fantastic and extraordinary years of service as board directors. Dennis Earl will retire at the 2016 AGM having commenced as a director in 1985. His exemplary service included terms as Vice President in 1995/96 and 1999/2000. For many years he served as Chair of the Finance and Audit Committee and as Chair of the Executive Remuneration Committee. Andrew Downing retired on 30 June 2016. He commenced as a director in 1995; with 21 years of service including terms as Vice President in 2007 and President for seven years between 2007-2014. In addition, he chaired the Governance Working Party and Business Development Committee for several years. The individual and joint contributions which Andrew Downing and Dennis Earl made to Novita have left an indelible mark as a result of their tireless, dedicated voluntary service. On behalf of the Novita community, I thank them both. In addition, I thank Susie Robinson who retired as a director after five years of service. She made an important contribution to the board through her exceptional skills and knowledge of the sector.

I extend a special thank you to the many and varied people in the community who support us tirelessly. To our members, Auxiliaries, corporate and individual supporters, volunteers and to the various individuals, parents and families from the community – thank you so much for all that you contribute.

Finally, I wish to acknowledge the professional dedication and work of the skilled and committed staff of Novita and our subsidiaries who help young people living with disability achieve their goals.

“I’M EXTREMELY PROUD TO BE PRESIDENT OF AN ORGANISATION WHICH CONTINUES TO SET THE STANDARDS FOR BEING PROFESSIONAL, ETHICAL, CARING, EFFECTIVE AND ADAPTIVE. TOGETHER, WE LOOK FORWARD TO SUSTAINABLE GROWTH, STRONG GOVERNANCE AND CONTINUED STORIES OF SUCCESS AND INSPIRATION.”

REAR ADMIRAL THE HONOURABLE  
KEVIN SCARCE  
AC CSC RAN (RTD)  
PRESIDENT, NOVITA CHILDREN'S SERVICES



# ABOUT NOVITA



## OUR VISION

To be the pre-eminent provider of innovative children's services that foster ability and inspire every child to achieve their best



## OUR PURPOSE

Enabling children and young people to discover and reach their potential every day



## OUR STRATEGIC DIRECTIONS

Transform care and support  
Inspire our people  
Build collaboration  
Accelerate knowledge  
Be the recognised leader



## OUR VALUES

Integrity  
Commitment  
Accountability  
Respect  
Excellence

Novita Children's Services is South Australia's largest community-based children's services organisation, helping children reach their full potential for more than 75 years.

Novita provides a range of high quality services and programs to more than 3800 children, including child development, rehabilitation, therapies and vital equipment. Our trained therapists and specialists include paediatricians, occupational therapists, physiotherapists, speech pathologists, psychologists, dietitians and more. We also support families, teachers and carers.

Our main hub is based in Adelaide's Regency Park, with a network of metropolitan and regional sites around the State.

We employ more than 400 staff, all of whom contribute immensely to delivering our life-changing services with a direct impact on the wider South Australian community.

Novita is one of South Australia's most respected children's charities and not-for-profit organisations. Our aim is to help all children living with disability enjoy every aspect of their lives – whether at home, at kindergarten, primary or high school, in the playground or on the sports field – and allow them to discover their abilities and full potential.

"NOVITA HAS A LONG AND OUTSTANDING HISTORY IN SOUTH AUSTRALIA FOR THE WORK IT DOES – I'M EXCITED TO BE LEADING THE ORGANISATION TO BUILD ON THIS EXCELLENT REPUTATION AND DELIVER EVEN GREATER OUTCOMES FOR OUR COMMUNITY IN THE FUTURE."

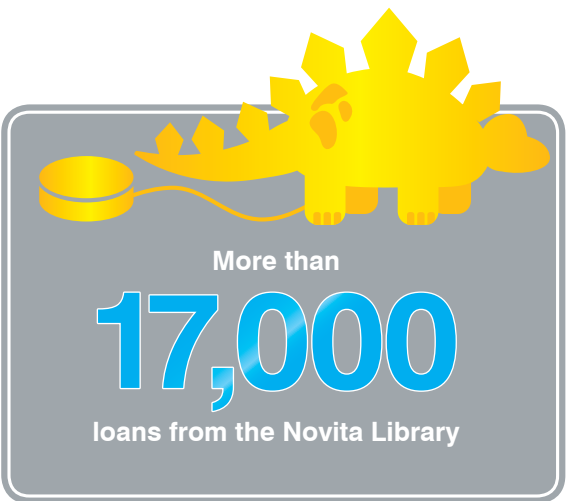
**GREG WARD**  
CHIEF EXECUTIVE OFFICER  
NOVITA CHILDREN'S SERVICES



# HIGHLIGHTS



Introduced individualised support programs across South Australia, from Victor Harbor to Whyalla, under our Community Options SA brand



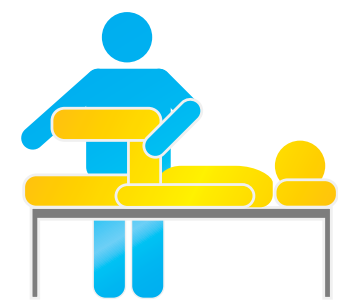
Built a fun, new, secure outdoor playground at Regency Park for our Teenzone and Day Options children







# OUR GROWTH HIGHLIGHTS

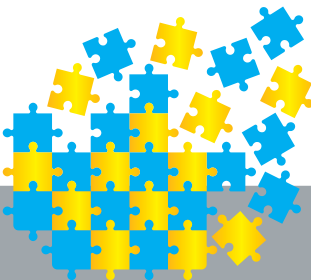


Established regular services at the Tobruk Centre in Port Lincoln

Expanded our reach into



to cater for growing demand driven by the NDIS



## EXPANDED OUR SERVICES FOR KIDS LIVING WITH ASD

including

Aquatic therapy with particular emphasis on the sensory needs of children with ASD

Gym group

Social skills group

Hanen Communication programs: More than Words and Talkability

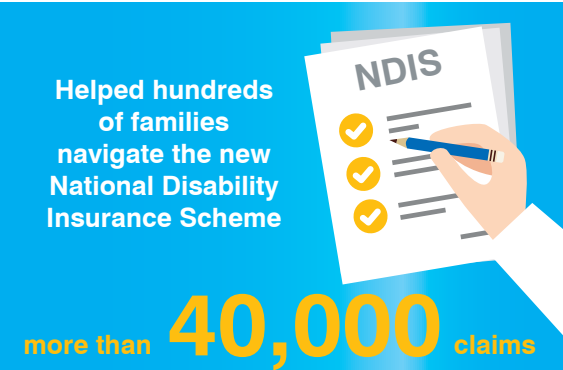
Individualised Support

OSHC



new clients and their families

Grew our Bingo contribution by



Helped hundreds of families navigate the new National Disability Insurance Scheme

more than **40,000** claims



# OUR AMBASSADORS

The work we do would not be possible without the support of our Ambassador families – the parents, relatives and carers of some wonderful children and young people whose stories we are humbled to share.

To all our Ambassadors and their families, we thank you for your extraordinary generosity and courage. We are deeply grateful to you for working with us and for donating your time and energy over this past year.



TANNA

Eight year old Tanna loves dancing, soccer, playing with friends, learning new sports with her brother and going to primary school.

After using elbow crutches, Tanna can now walk independently and was especially proud when she learned to play on the monkey bars by herself!

Tanna was diagnosed with spastic diplegia cerebral palsy, which affects her lower limbs, when she was one year old. Since then she's been coming to Novita for ongoing care, support and therapy.

Tanna travelled to Sydney for a major operation and her mum, Kim, acknowledged Novita for providing access to rehabilitation and essential equipment to help Tanna recover.

EDDIE



Eight year old Eddie loves bushwalking and science.

Sometime near birth, Eddie had a stroke resulting in two large blood clots on his brain. He was diagnosed with cerebral palsy at three months of age and his parents were introduced to Novita.

Eddie's mum Bek said she didn't know what to expect with Eddie's disability.

"His cerebral palsy affects the left side of his body, which means he struggles to have controlled movement of his left leg, and struggles to have much movement of his left arm and hand."

Bek says Eddie has achieved so much.

"He started communicating when he was 18 months old with sign language and now speaks fairly clearly. While he was never expected to have much mobility, he now walks aided by a walker and his ankle-foot orthoses (AFOs)."

Eddie is improving his walking and speech every day. He goes to his local primary school where he has many friends.

The future looks bright for Eddie!

Seven year old Archie is independent and full of zest for life.

Archie was diagnosed with spinal muscular atrophy (SMA) Type 2 just before his first birthday. The condition leads to progressive muscle wasting and mobility impairment, but this hasn't held him back.

Thanks to his devoted family and years of Novita support, Archie is independently mobile in his "supermachine" – the name he has given to his powered wheelchair.

Archie's mum, Kate, says he has become a lot stronger with help from Novita.

"Archie's acceptance of his conditions and his limitations in life is incredible. He can go to birthday parties with freedom, outrun his friends, and most importantly, he can play with all the other children his age," Kate says.

Archie has embraced primary school with open arms and loves hanging out with his friends.

There's no stopping young Archie!

ARCHIE





# EXCELLENCE AWARDS

## Wallmans Lawyers Academic Achievement Award Alexander Nicholas

14 year old Alexander has defied the odds, learning both the trumpet and trombone – no mean feat for someone who faces unique challenges stemming from both profound deafness and cerebral palsy. His determination, talent and positive attitude were recognised last year by Pembroke School, which awarded Alexander a coveted Music Scholarship.

## Minister's Community Achievement Award Hannah Dewhirst

Nine year old Hannah's efforts at successfully juggling a range of activities; dancing, gymnastics and swimming with her school work and therapy sessions for cerebral palsy are truly impressive! Through hard work and commitment and driven by her own goal for more independence and resilience, Hannah has made significant improvements in her strength, range of movement and coordination.

## Tyndale Youth Transition Achievement Award Angus Fowler

Angus Fowler wants to inspire other young people living with disability. Angus, who has cerebral palsy, has achieved a great deal in his 25 years, finishing Year 12 in 2009 and then completing a degree in Social Work and Social Planning at Flinders University. Angus has worked for Disability SA and the Lifetime

Support Authority and in 2014, spoke at the Julia Farr Youth Conference as well as other interstate conferences. He also remains committed to keeping fit and active, enjoying swimming, canoeing and wheelchair rugby, to name just a few of his sporting interests!

## President's Award Jordan Sims

When Jordan told his family he wanted to learn a new sport, mountain biking wasn't what they expected. The 16 year old has tight muscles and restricted movement in his legs as a result of his cerebral palsy, but that hasn't stopped him! With regular therapy and hard work, Jordan has improved his ankle and leg movements and managed to reduce his pain level. Now, the inspirational teen rides his bike for hours – often with his younger brother in tow – and loves taking on rugged terrain and challenging uphill tracks.

## Graham Nancarrow Achievement Award Maylyn Smith

Through focus and determination, young Maylyn has already achieved several of her goals despite daily challenges related to her cerebral palsy. At the age of seven, Maylyn has now overcome her fear of the pool, has learned to do up her own seatbelt, and has performed on stage with her calisthenics club. She's relishing her improved agility and loves being part of successful performances.

## CONGRATULATIONS TO ALL OUR NOVITA KIDS FOR THEIR FANTASTIC ACHIEVEMENTS! WE TAKE ENORMOUS PRIDE IN CELEBRATING YOUR OUTSTANDING SUCCESS!

## Michael Wooley Recreational and Sporting Achievement Award Angus Hincksman

Despite challenges stemming from cerebral palsy and attention difficulties, Angus's talent, positive spirit and sheer determination to succeed have set him on a brilliant path. Last year, the 11 year old celebrated a fantastic stream of achievements on the running track; being named SAPSASA's Cross Country champion then winning both the State Para event plus two gold medals at national competition. The young champion is also an avid swimmer and surf lifesaver.

## Pauline McGregor Early Childhood Intervention Award Brendon Modra

Brendon, who has autism, was almost completely non-verbal as a toddler and found it hard to cope with unexpected changes. However with the help of regular speech pathology, OT and physiotherapy since he was two, this young man has progressed in leaps and bounds! At six years old, Brendon reads aloud and is an enthusiastic member of his Year 1 class.

## Carol Dibben Encouragement Award Joshua Lamb

Up until quite recently, Joshua mostly relied on sign language, owing to the double challenges of cerebral palsy and hearing loss. But facing the all-important step from primary to high school, the now 14 year

old decided to give new methods of communication and technologies a try. Joshua's persistence and tenacity in mastering a new program, Grid Player - where sentences created are spoken out loud - have impressed everyone around him!

## Communication Achievement Award Mia Withall

Mia's growing language skills have been a major boost to her self-confidence. Her global development delay meant the seven year old couldn't talk, however, thanks to speech therapy, specially-designed picture books and apps, she can now make spontaneous comments and requests and is improving every day. Mia can ask for a drink, is imitating phrases she creates on the app and combines words to say short phrases like "my book".

## Margory Head Achievement Award Jesse Badenoch

Despite major challenges he faces through living with cerebral palsy, 13 year old Jesse has become an inspiration to many after showing what can be achieved through hard work and sheer determination.

For most of his life, Jesse has had to rely on help from others for all daily activities, but he's now able to independently operate his wheelchair and communication device after working hard to build strength in his head, neck and trunk, allowing him to operate three switches on his chair.

ALEXANDER

HANNAH

ANGUS

JORDAN

MAYLYN

ANGUS

BRENDON

JOSHUA

MIA

JESSE







# HOW WE HELP

Novita's professionalism, and the exceptional quality of our services, continue to cement us as South Australia's most experienced and caring provider of rehabilitation and disability services for children and young people.

We are delighted to report that we have achieved ongoing and sustainable growth, with an increasing number of South Australian families turning to us. Of course, we believe we can only truly measure our success by the progress of the children and young people we work with every day.

Every staff member of the Novita organisation - whether they're directly delivering therapies or providing essential business support or infrastructure services - puts the needs of our clients and their families at the heart of everything they do.

We help a broad range of South Australians through our wide variety of services and programs delivered by Novita Children's Services, and through our subsidiaries, Community Options SA and CareFirst.

We provide:

- Assistive technology
- Customised orthotics, mobility and seating solutions
- Day activities for children living with disability
- Diagnostic services, early intervention and group therapies for children living with autism spectrum disorder (ASD)
- Disability employment assessment services
- HIPPY (Home Interaction for Parents and Youngsters), teaching in-home parenting skills and early childhood development support
- Inclusion support services to upskill regional pre-school and day care centres
- Laboratory testing of rehabilitation and medical equipment to meet strict Australian standards
- Occupational therapy
- Outside School Hours Care (OSHC) and School Holiday programs for teenagers living with disability, and their siblings
- Physiotherapy
- Psychology
- Recreational services
- Regional allied health services, with locally employed therapists in Port Lincoln, Whyalla, Port Augusta, Mount Gambier and the Barossa
- Rehabilitation for children living with acquired brain injury and/or physical disability
- Research with universities, industry partners and academics
- Respite, personal care and domestic help services
- Speech pathology
- Social work, family support and disability coordination
- Supported accommodation for adults living with intellectual disability
- Toy and Resource Library.



# OUR PEOPLE

As Novita's longest-serving staff member, Linda MacGillivray OAM has been an integral part of changing children's lives for almost half a century, and continues to do so today.

Linda came on board as a Physiotherapy Assistant in early 1976 when the Regency Park building was newly built. Through the years, Linda's role shifted to become an Allied Health Assistant, better suiting Novita's multi-disciplinary approach.

Linda has seen many changes in her 40 years with Novita. From the change of name from the Crippled Children's Association to Novita Children's Services, huge shifts in therapy, to the new era created by the National Disability Insurance Scheme (NDIS) - Linda has been part of it all. Linda says that all hurdles are overcome by focussing on the needs of the child and their family.

## LINDA CELEBRATES 40 YEARS OF HELPING CHILDREN

"I have treasured memories of celebrating so many achievements with the children who've constantly amazed me with their resilience and zest for life," Linda says.

"I remember the first-ever, powered wheelchair. It was for a tiny eight-year-old, but as only adult wheelchairs were available then, the child had a cushion behind their back and a wooden box alongside them in the chair to hold their school bag and take up the seat space! Now, I see children achieve independent mobility in custom-made wheelchairs with a myriad of controls to help them make the most of their abilities.

"In my early days, therapy only happened in the building and often for long periods without the parents. Nowadays, therapists often travel to people's homes and community settings and parents are involved in the sessions so they can learn methods and be able to continue therapy at home and throughout their child's day.

"I remember a girl with cerebral palsy who did year 12 in the 70s, wearing a leather headband with a pointer stick fastened to it so she could type her exams on a manual typewriter!

These days, our children use iPads, eye-gaze computers and constantly evolving technology to help them access their world.

"I can honestly say that some of my happiest moments have been sharing the laughter of the children, often children who are severely challenged by their disability, but who continue to embrace life and enjoy just being kids."



As well as recognising Novita's longest-serving staff member, we also welcome the newest addition to our Services team, Danielle Cavuoto.

Danielle joined Novita in early June as a Physiotherapist, having completed her degree in Physiotherapy from the University of South Australia in 2015. After graduating, Danielle worked with adults in orthopaedic rehabilitation for six months, but knew her heart lay in working with children and so she jumped at the chance to join Novita.

"I really enjoyed paediatrics all through university and by my second year I knew I wanted to work with kids, especially after my placements at the Women's and Children's Hospital and at Modbury Special School," says Danielle.

"That experience had a profound impact on me and attracted me to the idea of working with children with a disability. It was very exciting and interesting; in particular the concept of making therapy fun for children really appealed to me."

It's this flexible and engaging therapy approach that Danielle values most and the effect it can have on patients.

"I really enjoy finding different ways to connect with the kids through my therapy sessions. For example, if our session is based around picking things up, I'll be showing them the correct movement but I'll make a fun game out of it.

## NOVITA WELCOMES DANIELLE, OUR NEWEST RECRUIT

"We find out what the child likes doing so that they get the most out of the session, which happens when they're engaged and having some fun. It's the best way to help them reach their full physical potential.

"Sometimes you have to keep reminding yourself how much harder it is for the kids to work at things due to their disability. It really is amazing what they can achieve!"

Danielle also enjoys the collaborative team approach at Novita, where other allied health services, such as occupational and speech therapies, work together to develop the most effective solutions for each individual child.

"I really like that no two days are the same, no two kids are alike and no two therapy sessions are identical. Although my caseload is slowly building, it's already very individualised and it's very exciting!

"Everyone has been amazing in supporting me and making me feel part of the Novita family... I look forward to further learning and staying with Novita for a long time to come!"



# OUR AUXILIARIES

Novita Children's Services would like to thank our Auxiliaries for their ongoing dedication and support throughout the year.

In 2015-16, 233 members across 19 Auxiliaries in metropolitan and regional South Australia raised more than \$110,000 for our kids. The money was raised through hosting fashion parades, movie nights, golf days, craft fairs and many more wonderful events.

In December 2015, our Questers Auxiliary sadly closed after 26 years of operation. The Questers Auxiliary is a treasured part of the Novita community, having provided so much support to so many South Australian children since its inception. Formed in 1989, the Auxiliary grew from strength to strength under the stewardship of very capable and inspirational women. We acknowledge and thank all members, past and present, for their hard work and dedication; it has been a privilege to have your support for so many years.

We are pleased to welcome the recently formed Tumby Bay Auxiliary. It is a pleasure to have a new group, and some familiar faces, on board to support our Novita kids. The Auxiliary kicked off with a fabulous Melbourne Cup event in 2015 and we look forward to future fundraising initiatives.

This year, some of our dedicated members reached some amazing milestones. Christine Lawrie from New Era Auxiliary, Deb Williams from Gawler Auxiliary, Marg Kiesel and Pam Dixon from West Lakes Auxiliary all reached 25 years of service; Lorraine Fauser from Port Lincoln Auxiliary reached 30 years and Barbara Dawe and Anne Nagy, both from West Beach Auxiliary, reached an incredible 45 years of service. We acknowledge these inspiring achievements and the members' dedication to our organisation.

CHRISTINE LAWRIE  
NEW ERA AUXILIARY  
(25 YEARS)

DEB WILLIAMS  
GAWLER AUXILIARY  
(25 YEARS)

BARBARA DAWE  
WEST BEACH AUXILIARY  
(45 YEARS)

KEVIN SCARCE

ANNE NAGY  
WEST BEACH AUXILIARY  
(45 YEARS)

MARG KISEL  
WEST LAKES AUXILIARY  
(25 YEARS)

PAM DIXON  
WEST LAKES AUXILIARY  
(25 YEARS)

MARJ AUSTIN  
MITCHAM AUXILIARY  
(5 YEARS)



# OUR MIGHTY RIVER RUN

One of Novita's annual major fundraising events, the Mighty River Run, is attracting an ever-growing band of crew, volunteers and community support. In nine years it has raised much needed funds to help South Australian children living with disability.

The five-day boating adventure along the River Murray is a true community event, with people flocking to the banks of Riverland towns to support Novita kids and see the colourful boats and crews in their weird and wacky costumes. Days and nights along the route are filled with activities and entertainment, and the crews camp and stay in caravan parks on their journey.

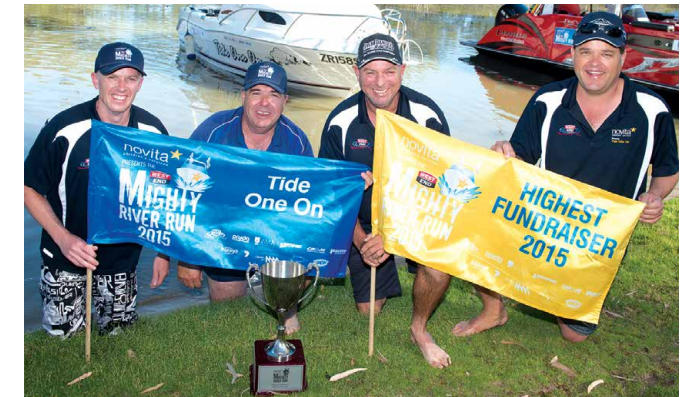
The 2015 spectacular event saw a flotilla of 27 boats travel more than 370 km and generated a record-breaking \$270,000!

First timer Alex Oliver was the Skipper of the Tide One On team in 2015, raising a grand total of \$20,820, the highest amount by a single crew last year.

"Before this event, I hadn't had experience with children with a disability," Alex said.

"I first heard about the Mighty River Run on the radio and after doing some research and finding it was for such a wonderful cause, we decided to go for it.

"The community in our hometown of Keith were magnificent and really got behind us. Purely through their generosity we made an amazing \$8000 with just one raffle.



"We were also very grateful for the wonderful support of our major sponsor, timber company Pryda Australia. Their involvement really helped a lot."

It's not hard to see why the Mighty River Run is quite a unique experience for everyone involved.

"It's a jam-packed event and we had a wonderful time. We met lots of new people, all of whom were lovely and from different walks of life," said Alex.

"The highlight was meeting the Novita kids at Renmark. We were there to be part of something far greater than ourselves and we'd definitely love to do it again.

"My advice to anyone looking to get a team together is just to go and do it - you'll have a great time and certainly make a difference!"

Novita warmly thanks everyone involved in past and present Mighty River Run events. Your help is immeasurable to the children we support and we truly appreciate your time and generosity.





# DIRECTORS' REPORT

The Board of Directors has pleasure in presenting both its annual and financial reports for Novita Children's Services for the year ending 30 June 2016, along with the report from the company's Auditors.

## Directors

The details of all Directors who held office during the financial year are set out on page 23. The Directors were in office for the entire period, unless otherwise stated.

## Corporate Governance

The Board of Directors is responsible for the corporate governance of Novita and accountable to the members of the organisation. The Board guides and monitors the business and affairs of Novita and is responsible for setting its strategic direction.

The Board approves the annual budget, monitors 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.

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

Each Director is bound by Novita's Code of Conduct, which outlines the expectations and corporate behaviour of all members of the Board.

## Objectives

Novita's purpose is to enable children and young people to discover and reach their potential every day.

The Novita 2020 Strategic Plan articulates five key strategic directions, which shape Novita and inspire the organisation to achieve its best:

- Transform care and support
- Inspire our people
- Build collaboration
- Accelerate knowledge
- Be the recognised leader.

We annually monitor progress of the Strategic Plan through business planning, and achievements are measured through a number of key performance indicators in service quality and individualised outcomes for clients.

Novita actively pursues its objective of being a service leader in child development, rehabilitation and disability services by creating a culture that empowers its staff, providing growth in organisational capability and financial performance, and promoting the development of evidence based practice.

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. Novita is managing the transition in a fair and transparent way by encouraging management and staff to work together to ensure Novita can effectively plan its own future, adapt to change and take advantage of new opportunities for the benefit of our children.

## Principal Activities

Novita provides child development, rehabilitation and disability services to children and young people living with disability and other special needs, as well as support for their families and carers.

Novita's principal activities for the year were the development, provision and research of services to children and young people living with disabilities, acquired brain injury and other special needs. Novita's services include early childhood services, school-aged services and regional services. Services are delivered by teams that include staff from the professions of occupational therapy, physiotherapy, psychology, speech pathology, orthotics, education and social work; provided at home, kindergarten, child care or at school by expert staff based in offices across Adelaide.

Novita also prescribes and makes recommendations regarding specialised equipment such as wheelchairs, walking frames and communication devices. Novita provides services in partnership with children, their families and the community, and has well-established relationships with Government, non-Government agencies and the private sector.

Through its business unit, Community Options SA, Novita has expanded and diversified its services to include residential and respite care; community support and recreation services; out of school hours and vacation care services; numeracy and literacy programs; and specialised residential care for young persons under guardianship orders. Novita's client groups have also expanded to include adults with an intellectual disability.

## Review of Operations and Results

The Directors report that Novita recorded a loss of \$1,802,534 for the year ending 30 June 2016, following a loss of \$196,611 in the previous year. The loss is largely attributable to a non-cash impairment of \$1,111,167. This impairment arose due to a prolonged decline in the value of some specific shareholdings within Novita's overall share portfolio. During this period there was also an \$810,648 write-off of an investment in information technology systems due to a failed implementation and a reduction of \$270,069 in goodwill from a previous business acquisition.

## Board Meetings

The Board holds a minimum of six scheduled meetings each year, plus a strategy meeting and any extraordinary meetings at such other times as may be necessary to address specific or significant matters that arise.

The number of Board meetings attended by each director during the financial year was:

Director	Board
K Scarce	11 of 11
J Beilby	8 of 11
A Daniels	10 of 11
G de Cure	11 of 11
A Downing	10 of 11
D Earl	11 of 11
J Fereday	9 of 11
G Rappensberg	10 of 11
T Roberts	9 of 11
S Robinson*	2 of 2

\* resigned July 2015



### Standing Committees

To support the Board, four standing committees have been established to assist with the oversight and implementation of Novita's strategic directions.

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.

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, the effective management of financial

risk across the organisation, and matters relating to information technology infrastructure.

The Business Development Committee identifies, discusses and promotes innovative business strategies and makes recommendations to the Board regarding service development opportunities. The Committee provides advice to the Board on the scope of business development within Novita, the risk and opportunity of specific service development initiatives, and the resources required to effectively undertake these.

The Governance Committee maintains a corporate governance framework that facilitates the achievement of Novita's objectives and strategic directions. The Committee provides advice to the Board on good

governance practices and reviews governance policies. The Committee assesses the needs of the Board and reviews its composition, structure and succession.

The Executive Remuneration Committee reviews and approves the remuneration and other benefits applicable to the position of Chief Executive Officer, the Executive Leadership Team and senior managers.

### Liability of Members

Novita is a Company Limited by Guarantee and the liability of members is limited to \$5 each.

### Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on page 33 and forms part of the Directors' Report for the year 1 July 2015 to 30 June 2016.

This report is made in accordance with a resolution of the Directors of Novita Children's Services made on 6<sup>th</sup> October 2016.



REAR ADMIRAL THE HONOURABLE KEVIN SCARCE  
AC CSC RAN (RTD)  
PRESIDENT, NOVITA CHILDREN'S SERVICES

JUSTIN  
BEILBY

JENNIFER  
FEREDAY

TODD  
ROBERTS

ANDREW  
DANIELS

DENNIS  
EARL

GLENN  
RAPPENBERG

SUSIE  
ROBINSON

GREG  
DE CURE

ANDREW  
DOWNING

KEVIN  
SCARCE





# FINANCIAL SUMMARY

## 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 2016.

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 6<sup>th</sup> October 2016.

## Summary Consolidated Financial Report 2015-16 for the Year Ended 30 June 2016

### 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 \$1,802,534. This is an increase on the previous financial year loss of \$196,611 due principally to the impairment of Novita's investment portfolio and intangible assets.

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 \$32.4M; an increase of \$3.5M (12.1%) on the previous year, being primarily due to increased income from rendering of services.

Total expenditure for the period was \$34.2M; an increase of \$3.5M (11.3%) on the previous year, with \$24.9M (73.0%) being for employee expenses.

## Discussion and analysis of the Consolidated Statement of Changes in Equity

Net assets have decreased by \$2.5M to \$22.5M principally due to the fall in the value of equity investments and intangible assets as at 30 June 2016 compared to the previous year.

## Discussion and analysis of the Consolidated Statement of Financial Position

As at 30 June 2016 Novita holds investments of \$13.0M from which it derives income to help fund its operating costs for the year. The value of investments decreased during the year by \$1.5M, compared to 1 July 2015. The decrease was due principally to the fall in market value of the portfolio.

## Discussion and analysis of the Consolidated Statement of Cash Flows

The organisation had total cash inflows of \$2.1M from operating and investment activities during the 2015-16 financial year. This positive flow was utilised for the purchase of capital equipment, replacement of fleet vehicles, and property improvements. Cash holdings at 30 June 2016 were \$7.3M.

Dated at Adelaide this 6<sup>th</sup> day of October 2016.  
Signed in accordance with a resolution of the Board of Directors.



BOARD DIRECTOR



BOARD DIRECTOR



# FINANCIAL REPORT

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30 June 2016 \$	30 June 2015 \$
<b>Current Assets</b>		
Cash and Cash Equivalents	7,250,315	6,019,094
Trade and Other Receivables	1,622,967	1,647,448
Inventories	75,556	121,262
<b>Total Current Assets</b>	<b>8,948,838</b>	<b>7,787,804</b>
<b>Non-Current Assets</b>		
Trade and Other Receivables	52,456	59,738
<b>Available-for-Sale Investments</b>		
Debentures and Deposits	2,014,943	2,043,322
Shares in Listed Companies	10,939,391	12,394,789
Property, Plant and Equipment	10,154,251	10,220,548
Intangible Assets	600,176	1,560,922
<b>Total Non-Current Assets</b>	<b>23,761,217</b>	<b>26,279,319</b>
<b>TOTAL ASSETS</b>	<b>32,710,055</b>	<b>34,067,123</b>
<b>Current Liabilities</b>		
Trade and Other Payables	1,701,554	1,718,114
Deferred Income	2,264,172	1,554,481
Employee Benefits	2,712,790	2,271,101
<b>Total Current Liabilities</b>	<b>6,678,516</b>	<b>5,543,696</b>
<b>Non-Current Liabilities</b>		
Deferred Income	3,305,757	3,305,757
Employee Benefits	266,927	280,306
<b>Total Non-Current Liabilities</b>	<b>3,572,684</b>	<b>3,586,063</b>
<b>TOTAL LIABILITIES</b>	<b>10,251,200</b>	<b>9,129,759</b>
<b>NET ASSETS</b>	<b>22,458,855</b>	<b>24,937,364</b>
<b>EQUITY</b>		
Contributed Equity	23,521,193	23,521,193
Accumulated Losses	(2,969,839)	(1,167,305)
Fair Value Reserve	1,907,501	2,583,476
<b>Total Equity</b>	<b>22,458,855</b>	<b>24,937,364</b>

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	30 June 2016 \$	30 June 2015 \$
<b>Income</b>		
Government Funding	15,725,445	14,792,922
Grant Income	846,723	771,332
Revenue from Sale of Goods	1,059,222	1,625,428
Revenue from Rendering of Services	11,252,348	8,158,122
Revenue from Bequests and Donations	1,449,610	1,335,066
Other Income	2,098,272	2,242,398
<b>Total Income</b>	<b>32,431,620</b>	<b>28,925,268</b>
<b>Expenses</b>		
Employee Expenses	24,918,978	22,222,974
Client Expenses	2,732,284	2,925,034
Facilities, IT and Maintenance	2,920,970	1,942,947
Depreciation and Amortisation Expense	877,844	917,490
Cost of Sales	238,266	320,771
Motor Vehicle Expenses	350,581	296,613
Other Expenses	2,114,552	2,053,647
<b>Total Expenses</b>	<b>34,153,475</b>	<b>30,679,476</b>
<b>Loss from Operating Activities</b>	<b>(1,721,855)</b>	<b>(1,754,208)</b>
Finance Income	1,300,557	1,778,663
Finance Costs	(1,381,236)	(221,066)
<b>Net Finance Income</b>	<b>(80,679)</b>	<b>1,557,597</b>
<b>Loss Before Tax for the Year</b>	<b>(1,802,534)</b>	<b>(196,611)</b>
Tax Expense	-	-
<b>Loss for the Year</b>	<b>(1,802,534)</b>	<b>(196,611)</b>
<b>Other Comprehensive Income</b>		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Available-for-Sale Investments reclassified to Profit or Loss	(116,191)	(467,273)
Available-for-Sale Investments – Net Change in Fair Value	(559,784)	(360,877)
<b>Total Other Comprehensive (Loss)/Income for the Year, Net of Tax</b>	<b>(675,975)</b>	<b>(828,150)</b>
<b>Total Comprehensive (Loss)/Income For The Year</b>	<b>(2,478,509)</b>	<b>(1,024,761)</b>



SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Fair Value Reserve	Accumulated Losses	Contributed Equity	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2014	4,040,592	(1,599,660)	23,521,193	25,962,125
<b>Total Comprehensive Income for the Year</b>				
Loss for the Year	-	(196,611)	-	(196,611)
Transfer to/(from) Reserves	(628,966)	628,966	-	-
Total Other Comprehensive Income	(828,150)	-	-	(828,150)
Total Comprehensive Income for the Year	(1,457,116)	432,355	-	(1,024,761)
Balance at 30 June 2015	2,583,476	(1,167,305)	23,521,193	24,937,364
Balance at 1 July 2015	2,583,476	(1,167,305)	23,521,193	24,937,364
<b>Total Comprehensive Income for the Year</b>				
Loss for the Year	-	(1,802,534)	-	(1,802,534)
Total Other Comprehensive Income	(675,975)	-	-	(675,975)
Total Comprehensive Loss 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

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS	30 June 2016 \$	30 June 2015 \$
<b>Cash Flows from Operating Activities</b>		
Cash Receipts in the Course of Operations	36,137,491	28,911,657
Cash Payments in the Course of Operations	(35,040,037)	(29,692,192)
<b>Net Cash used in Operating Activities</b>	1,097,454	(780,535)
<b>Cash Flows from Investment Activities</b>		
Dividends Received	986,623	1,319,439
Interest Received	209,022	214,994
Payments for Investments	(763,668)	(903,763)
Proceeds from Sale of Investments	565,214	1,821,266
<b>Net Cash from Investments</b>	997,191	2,451,936
Acquisition of Property, Plant and Equipment and Intangibles	(1,146,653)	(1,970,421)
Proceeds from Sale of Property, Plant and Equipment	283,229	293,581
Acquisition of Subsidiary	-	(255,845)
<b>Net Cash from Investing Activities</b>	133,767	519,251
<b>Net Decrease in Cash and Cash Equivalents</b>	1,231,221	(261,284)
Cash and Cash Equivalents at 1 July	6,019,094	6,280,378
Cash and Cash Equivalents at 30 June	7,250,315	6,019,094





**Report of the independent auditor on the summary financial statements to the members of Novita Children's Services**

The accompanying summary consolidated financial statements, which comprises the summary consolidated statement of financial position as at 30 June 2016, the summary consolidated statement of profit or loss and other comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, note 1 and the statement by the Board, are derived from the audited financial report of Novita Children's Services for the year ended 30 June 2016. We expressed an unmodified auditor's opinion on that financial report in our report dated 6 October 2016.

The summary consolidated financial statements do not contain all the disclosures required by Australian Accounting Standards – Reduced Disclosure Requirements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited financial report of Novita Children's Services.

*Directors' responsibility for the summary financial statements*

The directors are responsible for the preparation of a summary of the audited consolidated financial report on the basis described in Note 1.

*Auditor's responsibility*

Our responsibility is to express an opinion on the summary consolidated financial statements derived from the audited consolidated financial report of Novita Children's Services based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

*Auditor's opinion*

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial report of Novita Children's Services for the year ended 30 June 2016 are consistent, in all material respects, with the audited consolidated financial report, on the basis described in Note 1.

  
KPMG

  
Darren Ball  
Partner

Adelaide  
6 October 2016



***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 2016 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  
6 October 2016



# THANK YOU

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

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 12 months.

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

In particular, Novita Children's Services warmly thank:

## Our corporate supporters

Australian Executor Trustees  
CMV Group  
Commonwealth Bank of Australia  
eib Insurance Brokers  
Lion  
Mix102.3  
Stamford Grand Adelaide  
Stamford Plaza Adelaide  
Wallmans Lawyers  
Zorich Group

## Our community partners

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

## Our sponsors

Bird in Hand  
Boating Camping Fishing (BCF)  
Budget Rent-a-Car Australia  
Channel 7 Adelaide  
Coca Cola Amatil  
Christies Beach Marine  
Club Marine Insurance

Mamee Australia  
Nippy's Fruit Juices  
Northpoint Automotive Group  
Pacific Marine & RV  
Smith's Snackfood Company  
Solitaire Automotive Group  
Teusner Wines  
Trelawney Wines  
Vili's  
West End  
Woolworths

## Our Auxiliaries

Achieving for Children Auxiliary  
Berri/Loxton Auxiliary  
Brown's Well and Mallee Auxiliary  
Burnside Auxiliary  
Gawler Auxiliary  
Golden Auxiliary  
Hahndorf Auxiliary  
Mitcham Auxiliary  
Naracoorte Auxiliary  
New Era Auxiliary  
Padthaway/Keppoch Auxiliary  
Port Augusta Auxiliary  
Port Lincoln Auxiliary  
Port Neill/Cleve Auxiliary  
Questers Auxiliary  
Stonyfell/Wattle Park Auxiliary  
Tumby Bay Auxiliary  
West Beach Auxiliary  
West Lakes Auxiliary  
Whyalla Auxiliary

## Our donors

These individuals and organisations have donated amounts over \$1,000 (in cash or in kind) during the 2015-16 year:

ABC Sales & Marketing Pty Ltd  
Aberfoyle Park High School  
Allan Breakwell  
Andrew and Hiroko Gwinnett  
Andrew Wilson AM  
Angela Stiliano

Anne Cooper  
Brian Condon OAM  
Bronwen Jones  
Campain Family Trust  
Canoe4Kids  
Colin Hope Murray  
Commonwealth Bank of Australia Community Grants  
Commonwealth Bank Staff Social Club SA Inc  
Connie Crossing  
Daphne Burford  
Dennis Cutting  
Donald Jeffery  
Estate of Adrian Terence Mattschoss  
Estate of Berylye Lesley Fennell  
Estate of David Bennett  
Estate of Ivan John Maurice Hand  
Estate of Joan Lawton  
Estate of Marguerite Elsie Nietschke  
Estate of Mattschoss  
First National Real Estate  
Grapp Pty Ltd Charitable Trust  
Happy Valley Pty Ltd  
Jean Fordham  
Jean Robinson  
John and Cherilyn Maley  
John and Margaret Dibben OAM  
John Bradman  
John Martini  
Krystal Hebbberman  
Kumorna  
M and L Seelander  
M Cooper Nominees Pty Ltd  
Macquarie Private Wealth  
Margaret Gramp  
Margaret Swan  
Mark Carroll  
Merwin Ahrens  
Michael Gaczol  
Peter Kostis  
Peter Norrie  
Police Association of South Australia  
R and A Hill-Ling  
R Griffiths  
R Jones  
Ray Mules OAM and Margaret Mules

Resthaven Community Services  
Richard Turner  
Ros Summerton  
St Peter's College  
The Ian Potter Foundation Limited  
Tim Lang  
Tyndale Christian School  
Vera Pugsley  
Westpac Banking Corporation

## Our patrons and volunteers

A special thank you to our Patron, Vice Patron and the many volunteers who have provided our community and organisation with their time and support.

## Patron

His Excellency The Honourable Hieu Van Le AC

## Vice Patron

The Right Honourable The Lord Mayor of Adelaide,  
Martin Haese

## Memberships

Ability First Australia  
Cerebral Palsy Australia  
Every Australian Counts  
National Disability Services

## Auditor

KPMG  
151 Pirie Street, Adelaide SA 5000

## Banker

Commonwealth Bank of Australia  
100 King William Street, Adelaide SA 5000

## Investor

Macquarie Private Wealth  
2/151 Pirie Street, Adelaide SA 5000

## Solicitor

Wallmans Lawyers  
400 King William Street, Adelaide SA 5000



## Contact us

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