



Annual Report
2019/20





Achieving outcomes
through support,
education & employment.



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2020 Chair Report



This began as a year of consolidation for Knoxbrooke. Mawarra and Bushland became absorbed into the wider Knoxbrooke offering. Duplicated processes have been cut and consistency improved for procedures. The digital transformation has made progress, aiming to streamline information internally and make accessing Knoxbrooke easier for families.

It has not all been good progress. Keith Nam, the Chair of the Board passed away in March. This is a very sad loss and his invaluable contribution to Knoxbrooke will long be remembered. The news that NDIS would be significantly reducing group support funding has been devastating. Despite protests from our CEO, Treasurer and myself, Hon. Stuart Robert MP is firm. He acknowledges that the new group pricing structure will not be adequate to support our services, but the decision is final. The impact on our Basecamps is severe.

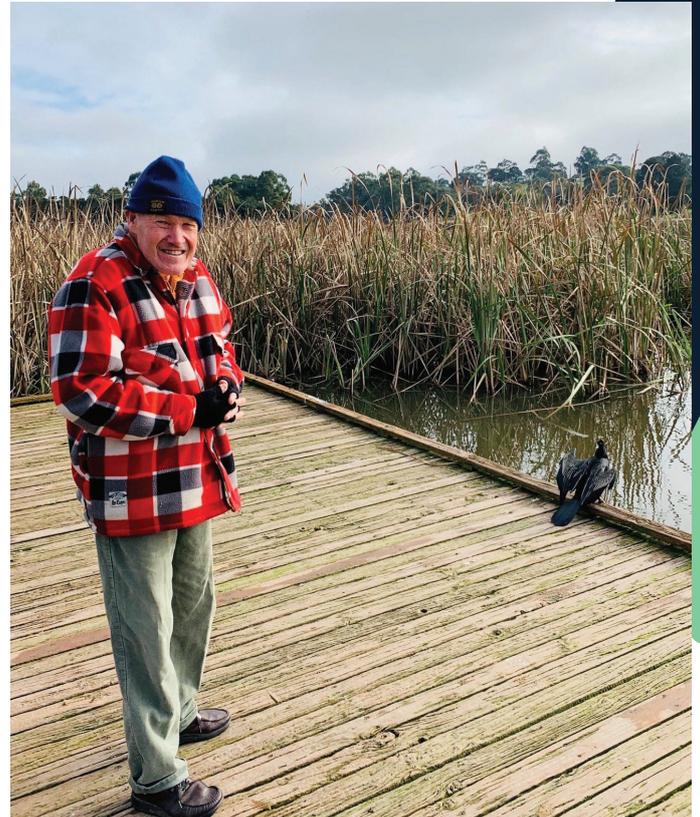
Since March, Victoria and metropolitan Melbourne particularly, have been dealing with the COVID pandemic. The response from the Knoxbrooke staff has been swift and thorough. Permits, PPE and social distancing have been rigorously applied to ensure the Knoxbrooke community is kept as safe as possible. Knox Council has also implemented policies to keep the population safe. It will not allow the opening of sporting or community facilities. This includes our Basecamp sites.



Combined with the significantly reduced NDIS funding for group support, the Board has reluctantly conceded that it will not be possible to reopen Basecamps.



The social and community participation offered by 365 and Mawarra have continued to be popular. The Zoom Performing Arts sessions especially have been a standout success amidst the gloom of lockdowns. The employment offered by the social enterprises has continued, buttressed by the Federal Government's Job Keeper allowance. Achieve too has continued to grow. The continuation and development of these programs is because of the loyal support of participants and their families. The Board sincerely thanks the CEO and all staff for their hard work in a particularly difficult year.



The settlement of the sale of 977 Burwood Highway Ferntree Gully has enabled all debts to be cleared. As the pandemic eases, Knoxbrooke will be in an excellent position to seek new opportunities to provide the very best support, education and employment for adults with intellectual disabilities.

Dr. Dallas Isaacs
Chair



CEO Report



2020 has seen Knoxbrooke continue to live by its values of: respect, inclusion, continuous improvement, accountability and culture. It was also the final year of Knoxbrooke's 2016-2020 strategic plan which saw delivery of strategic intent.

As an organisation, we have moved through the NDIS challenge and assisted our many clients through their own NDIS journey. It is their journey that informs Knoxbrooke on what and how we deliver our services. We exist for one purpose only and that is to serve our clients in a way that is valued by them.

The year has seen Knoxbrooke deliver more client outcomes, more employment opportunities and more valued support to clients and families than in our over 50 years of service. 2020 saw Knoxbrooke commence delivering services in West Gippsland with Mawarra, a proud charity of 60 years standing joining us. It also saw our social enterprises flourish with Bushland Flora doubling the scale and capacity of Yarra View Nursery, our flagship social enterprise.

It has been an exciting year, creating opportunities for people with a disability. By listening intently to our clients and then taking action to provide the best possible support in a way that is meaningful epitomises who we are and what we do.

However there have been challenges too. NDIS under-funding of providers who employ qualified, talented staff has been particularly difficult for Knoxbrooke and has meant we have again advocated for reasonable funding but also recognised where we need to make changes.



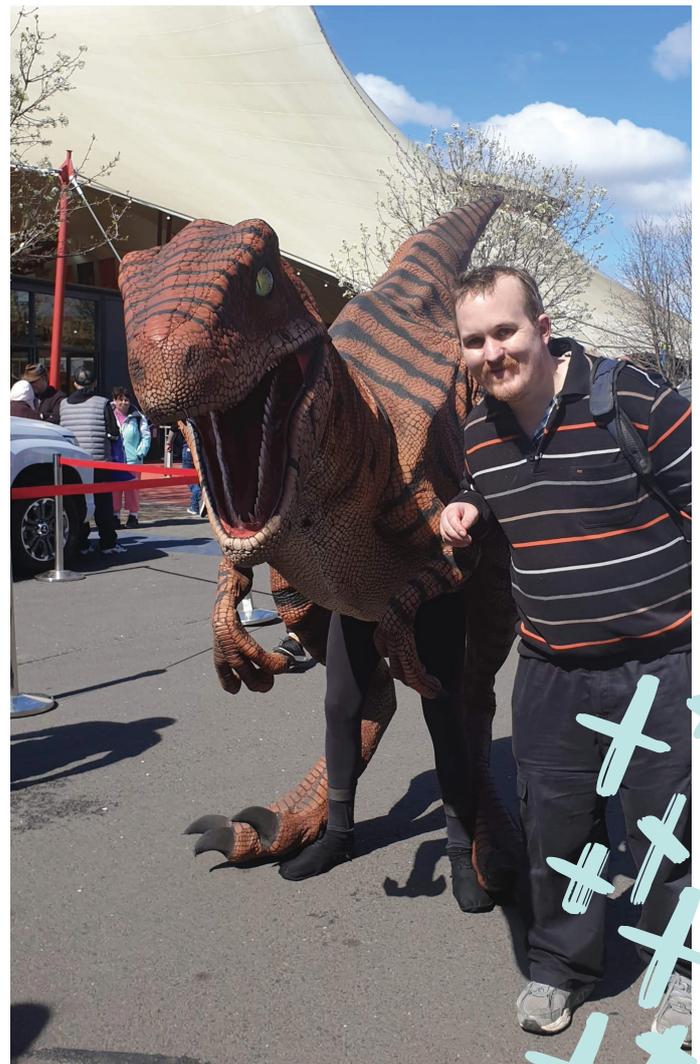


I wish to acknowledge the passing of immediate past Chair, Keith Nam on 7th March 2020. Keith was a Knoxbrooke stalwart and selflessly gave many hours of his valuable time to the furtherance of our organisation and the people we support. We are eternally grateful.

I wish to thank our volunteer Board of Management with Dr Dallas Isaacs as Chair. I also wish to thank the leadership team for their contribution this past year, in what was at times the most trying of conditions due to the COVID-19 coronavirus pandemic. Knoxbrooke is most fortunate to have a wonderful staff team and to each team member, I say thank you for the valuable work you have undertaken this past year.

Finally and most importantly, thank you to all Knoxbrooke clients and their families for engaging Knoxbrooke and we look forward to continuing to serve you into the future.

Kristian Dauncey
Chief Executive Officer



Knoxbrooke Outer East



I had the privilege of joining Knoxbrooke as Regional Manager Outer East in late March. Knoxbrooke Community has faced unique challenges in 2020 with changes in NDIS funding and COVID 19. Our Basecamps began well in 2019 but in March 2020 COVID 19 resulted in full closure of all our Basecamp sites.

In the meantime, our 365 1:1 service and our Achieve program had to adapt.

I would like to acknowledge the great work done by all our teams during this last year under challenging circumstances.

Pre-COVID our 3 Basecamps operated from Ringwood, Ferntree Gully and Rowville with 83 participants and 30 staff.

Our 365 1:1 service had been growing steadily until March with almost 100 participants supported by a team of 30 under the leadership of Paul McDonald.

Our Achieve team had also grown to 27 participants and a team of 5 Facilitators.

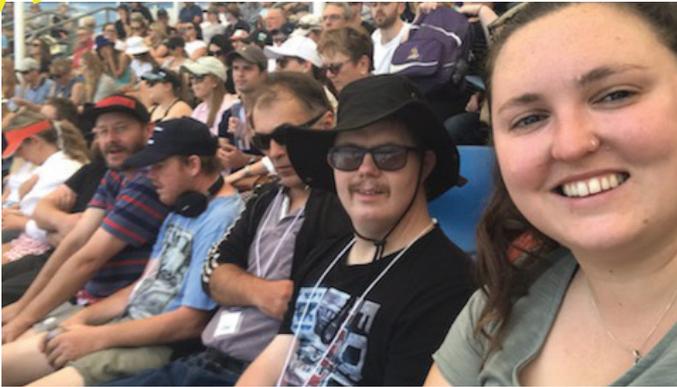
During these COVID months our 365 service has continued to provide in home support every day and important respite for many families. All our staff had to undergo COVID Infection Control Training and all now wear Personal Protective Equipment.

Our 365 Service has been there for more than 40 families while restrictions apply. We look forward to a time when our participants can once again enjoy the outdoors and all the activities available using our 365 staff.

Our priority during these months has been the welfare of our families and the connection Knoxbrooke has with all its participants.

Our talented Performing Arts team began offering 2 hour zoom sessions on 29th April 2020. Our buses delivered musical instruments, sombreros and various other costumes to participants in their homes so everyone could participate in this new form of connection.

Our NDIS team provided support with ensuring that NDIS plans covered the purchase of laptops to enhance the experience on zoom. A convoy of buses delivered laptops to participants.



- **Our Zoom sessions have now been running for 28 weeks as at late October**
- **Our Performing Arts team made up of Arthur Le Fleur, April Hall, Rhian Hague, Sam Gardiner and Suzie Wood have since delivered a total of 123 zoom sessions**
- **54 Performing Arts sessions**
- **48 Karaoke sessions which include spotlights on each participant**
- **21 Yoga sessions**
- **Each week there can be between 20-25 participants at each session.**

The joy and fun these sessions have created has gone a long way towards stopping the sense of social isolation caused by COVID19 restrictions. Zoom concerts are planned for the end of the year to highlight the talents of our participants.

Belinda Allwood finished with the Achieve service in May and we thank Belinda for her contribution as the original Team Leader for the Achieve program. We recognised the need to keep schools informed

and to provide information for prospective students considering their future in 2021. We were the first service in the Outer East to offer zoom expos to future families. We welcomed Michael Beavis as the new Team Leader in mid-July and Mike has invigorated the Achieve service with innovative ideas for our current students and exciting options for students in 2021.

As with our Performing Arts our Achieve team have been offering zoom sessions each week to keep our Achieve students on track.

The closure of most services and businesses during the lockdown in Melbourne has resulted in limited opportunities for work experience for our Achieve students so we will be working with families into next year to enable our students to reach their goals.

We anticipate further strong growth in interest in the opportunities Achieve offers to students. Achieve focuses on individually negotiated plans that meet the immediate needs of each student while also working towards longer term goals. Based on current expressions of interest and confirmed applications we are looking forward to more than 40 students in 2021.

Gai Campbell,
Regional Manager Outer East

Knoxbrooke West Gippsland



This year Mawarra was honoured to join Knoxbrooke and be able to continue to offer services, with the support of such a respected and well know organisation. The transition has had its challenges, as you would expect in a situation such as this, but on the whole, Mawarra and the local community have welcomed the change. The experience Knoxbrooke bring with its understanding and ability to navigate the NDIS has been beneficial and it's comforting to be looking towards a bright and strong future.

The 60th Anniversary was celebrated in November 2019 was a resounding success and an event that bought together all the rich and vibrant history that Mawarra has.

With the appointment of the new Regional Manager also came the COVID pandemic which, like with everyone has challenged us to think outside the box, and rethink how we provide services. We have made some exciting inroads and best of all ensured our little family stays as connected as possible. Covid has given us the opportunity to look at our process and plans and reflect on how we deliver our programs. Best of all it given us time to reinvent our programming and refocus to a person centric approach, with goals and choice. This

has been welcomed with open arms from families, and whilst we still have some things to fine tune, we are certainly stepping in the right direction.

We have started to build more presence in the community and undertaking some wonderful community trips and programs. Our Zoom sessions were fun, inclusive and interactive and our 365 in-home support and centre respite continues to grow from strength to strength. Our reinvigorated MAC now MSN (Mawarra Social Network) has been wildly successful and we have added another day. We are so excited to continue to grow this.



As we move to our "Covid" Normal the 365 program is really beginning to take off, and families are accessing a variety of supports, not just the centre-based activities. This has meant we have recruited some exciting and enthusiastic new staff, keen to mark their mark on the industry, and work with the wonderful group of clients we have.

The op shop continues to be a wonderful community resource as well as an endless support to the centre, the volunteers are really appreciated for always going above and beyond. This relationship has grown from strength to strength and we are actively seeking ways to give back to the community.

Here at Mawarra we are excited for the future. We continue to work hard on remaining the benchmark service for the Gippsland region and looking at ways to innovate and continue to provide quality service.

Claire Cutler,
Regional Manager West Gippsland



Social Enterprises



2020 will unfortunately be remembered as the year of COVID-19 and managing the many challenges faced by us all as individuals, our families, friends and our broader communities, the organisation and of course every person all around the world. There has been no other year like this.

Across our growing network of social enterprises I am just so proud of the resilience of all our staff and supported employees and the loyalty shown to the organisation. Some difficult decisions have had to be made which have impacted all of us in different ways. But these decisions, and our team's support of them, have ensured Knoxbrooke has been able to endure the impacts of COVID-19, protect jobs and see a way through for a strong future.

I am also very proud of the way we have been able to adapt in this very challenging environment. The weekly Zoom catch ups hosted by the Employment Services team have provided opportunity for people to remain connected each week and we have learnt so much about each other along the way. The private Facebook community pages have also been highly engaging and kept our teams informed with a bit of fun thrown into the mix. The Knoxbrooke and Me program has ensured training delivery for those who have unfortunately had to remain in isolation. Thank you to everyone involved in these initiatives.

In amongst the gloom and uncertainty of COVID-19, during the 2020 financial year Knoxbrooke's social enterprise group grew from 4 to 8 and our employee base from 175 to 225.

In August 2019 Knoxbrooke acquired Mawarra, based in Warragul, Victoria, adding to our group the social enterprises of Waratah Garden Services, Jigsaw Industries and Mawarra Community Works. Much of the time since has been completing the transition across to Knoxbrooke and we have strong plans to develop and expand these enterprises and our offerings in the Warragul region in the future.

In January 2020 Knoxbrooke acquired Bushland Flora Nursery, based in Mount Evelyn, Victoria, with 2 sites and 25 staff and a production capacity of over 2 million plants per year. This acquisition significantly strengthens Knoxbrooke's plant production and distribution capabilities and capacity to meet the requirements of major infrastructure projects. It also expands employment opportunities Knoxbrooke can provide for people living with a disability.



In March 2020 Knoxbrooke’s retail nursery, Yarra View Garden Centre underwent a complete revamp, with a focus on promoting and selling only Yarra View Nursery and Bushland Flora plants alongside other social enterprise products from the Knoxbrooke family and others. This was a very successful transformation and a credit to the Garden Centre staff and the Yarra View Nursery and Bushland Flora teams. Over time the store will evolve into a local retail hub for social enterprise products and include an online presence.

In June 2020, after over 18 months of planning and permit challenges, the construction of the gazebo and outdoor break area at Yarra View Nursery commenced. This is a combined project between Knoxbrooke and the Lilydale Rotary Club. The project is expected to be complete in October 2020 and Knoxbrooke is so grateful for the financial and trade support of Rotary – adding to the strong history of Rotary within Knoxbrooke across our 50+ year history.

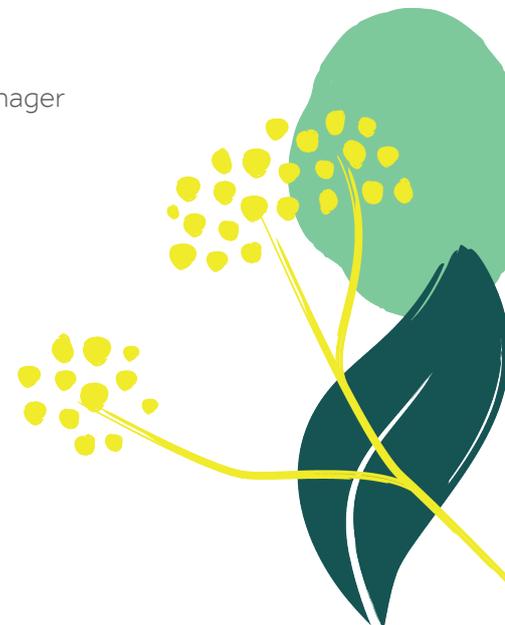
During the year there was still many other highlights across our network including:

- **The re-signing of the Yarra Ranges Shire contract for Home and Community Care garden maintenance works by Yarra View Horticulture**

- **The first ever plant stand at the national Independent Hardware Group National supplier Expo held on the Gold Coast by Yarra View Nursery**
- **The winning of one of the largest ever supply contracts for a social enterprise in Victoria by Yarra View Nursery**

In 2020 Knoxbrooke provided employment and training opportunities for over 150 people living with a disability. Over 150,000 hours of paid employment was provided, alongside over 7,000 hours of accredited training and 5,000 hours of onsite work based training.

Scott Buckland
Executive General Manager



Quality and Performance



Knoxbrooke established the Quality and Performance Manager position at the end of 2019 and I was fortunate to be appointed to the position. Initially my work focused on critically reviewing how we work at Knoxbrooke to safeguard people who use our services now, how we respond to any allegations of current or past poor practices as well as preparing for Knoxbrooke's audit under the NDIS Quality and Safeguarding Commission practice standards.

Knoxbrooke's Board and Management have a zero tolerance to any behaviours or practices that represent the abuse, neglect or exploitation of people with disability. We will continue to work on ensuring we have excellent zero tolerance systems and that the Knoxbrooke Community have information about safeguarding and responding to allegations. In the coming year we will be improving IT systems and increase our ability to provide more online training, including zero tolerance training.

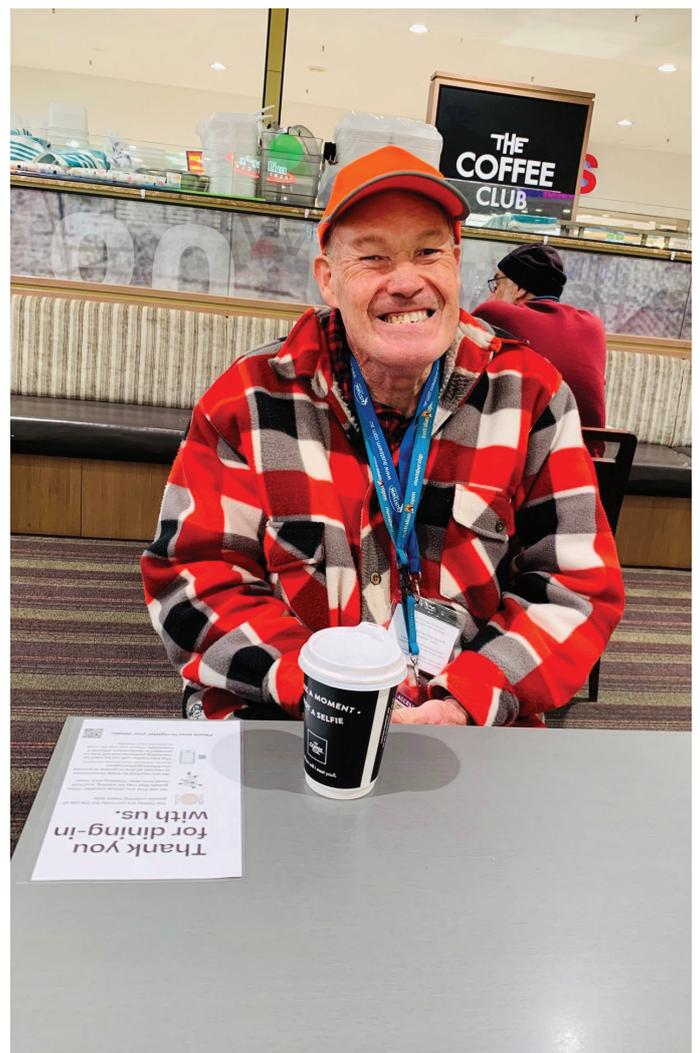
We are continuing to undertake audit preparation and look for best practices across Knoxbrooke and how they can be extended across the whole organization. Having consistent processes, access to good data and using streamlined computer systems assists in delivering tailored services and supports. During the year Knoxbrooke has looked at how we use our client relationship management system, SupportAbility. We are now recording and tracking more information on the system. Policies and procedures are located on this system as are staff training records. We have commenced a process of recording client NDIS goals on SupportAbility and are working toward having clear and meaningful outcome reports from this system.



The COVID pandemic changed the way we all work. Knoxbrooke quickly established a COVID Taskforce and I was given the position of COVID Coordinator. Although at the start of the pandemic our biggest concern was securing supplies of personal protective equipment (PPE) we have developed our systems and are working in more flexible ways, ensuring staff have PPE and training on how to use it, undertaking COVID simulation exercises and providing timely information on changes required by government. During this time of developing COVID safe practices we have never veered from our purpose of achieving outcomes through support, education and employment.

Anne Bavington

Quality and Performance Manager



Financials



I am pleased to report on the audited Financial Statements for the year ended 30th June 2020.

The statement of Profit and Loss shows that Knoxbrooke Incorporated and its controlled entity - Knoxbrooke Enterprises Limited – made a combined surplus of \$2,857,423 compared to a deficit in the previous year of \$533,214.

The surplus primarily reflects the gain on the acquisition of Mawarra Centre Warrigal of \$3,127,034 and an increase in sales revenue of \$1,185,128.

Sales revenue was up by 21% with Wholesale, Retail and Horticultural sales performing well until the commencement of COVID 19 restrictions in late March 2020.

Grants and Other Income increased by \$4,685,120 compared to last year due to the JobKeeper wages subsidy and other COVID 19 related Government Grants.

Income from NDIS services increased by \$1,509,869 due to the increase in support services during the year.

Employee Benefits Expenses increased by \$4,759,329 over last year due to increases in wages as a result of JobKeeper top-up pay and an increase in support wages as a result of providing increased support services.

The Balance Sheet remains in a strong position with a Net Asset position of \$11.1 million at the end of the financial year - an increase of \$4.6 million.

Non-Current Assets increased by \$4.3 million due to the acquisition of Mawarra - \$3.9 million and the application of the new accounting standard AASB 16 which increased assets by \$0.2million.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Consolidated	
	2020	2019
	\$	\$
Sales Revenue	6,860,714	5,675,586
Grants and other income	11,323,981	6,638,860
Gain on acquisition of Mawarra	3,127,034	-
Costs of Material	(2,651,115)	(2,329,660)
Employee benefits expense	(12,560,610)	(7,801,261)
Depreciation and amortisation	(614,936)	(281,614)
Bad and Doubtful debts expense	(890)	(8,057)
Lease expenses	(120,035)	(99,942)
Finance costs	(150,275)	(113,066)
Repairs and Maintenance	(210,274)	(147,083)
Contractor payments	(608,742)	(576,477)
Consulting expenses	(163,247)	-
Other expenses	(1,537,807)	(1,178,468)
Surplus/(Deficit) for the year	2,693,798	(221,182)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Revaluation of land and building	163,625	(312,032)
Total comprehensive income for the year	2,857,423	(533,214)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Consolidated	
	2020	2019
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers and NDIS	18,642,619	12,317,014
Payments to suppliers and employees	(18,128,209)	(13,047,721)
Donations received and other receipts	24,126	33,017
Interest received	867	9,597
Finance costs	(150,275)	(95,878)
Net cash provided by (used in) operating activities	389,128	(783,971)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of plant and equipment	39,689	3,266
Payment for acquisition of Bushland Flora	(383,925)	-
Proceeds from land deposit	1,000,000	-
Payment for property, plant and equipment	(320,376)	(208,369)
Payment incurred for asset held for sale	(133,482)	-
Net cash provided by (used in) investing activities	201,906	(205,103)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease payments	(263,447)	(97,247)
Net cash provided by (used in) financing activities	(263,447)	(97,247)
Net increase/(decrease) in cash and cash equivalents held	327,587	(1,086,321)
Cash and cash equivalents at beginning of year	(1,851,911)	(765,590)
Cash and cash equivalents at end of financial year	(1,524,324)	(1,851,911)

**BALANCE SHEET
AS AT 30 JUNE 2020**

Consolidated	
2020	2019
\$	\$

CURRENT ASSETS

Cash and cash equivalents	1,265,190	32,046
Trade and other receivables	2,387,318	1,640,523
Inventories	2,499,368	2,176,681
Non-current assets held for sale	6,437,514	6,304,032
Other assets	195,267	54,469
TOTAL CURRENT ASSETS	12,784,657	10,207,751

NON-CURRENT ASSETS

Property, plant and equipment	6,512,064	2,549,186
Other assets	94,475	13,306
Right-of-use assets	1,811,396	-
TOTAL NON-CURRENT ASSETS	8,417,935	2,562,492

TOTAL ASSETS

21,202,592 **12,770,243**

CURRENT LIABILITIES

Trade and other payables	1,782,672	960,222
Borrowings	2,789,514	1,883,957
Provisions	1,751,849	1,167,856
Lease liabilities	321,607	61,355
Other liabilities	1,675,324	194,621
TOTAL CURRENT LIABILITIES	8,320,966	4,268,011

NON-CURRENT LIABILITIES

Provisions	185,373	108,400
Lease liabilities	1,585,273	140,274
TOTAL NON-CURRENT LIABILITIES	1,770,646	248,674

TOTAL LIABILITIES

10,091,612 **4,516,685**

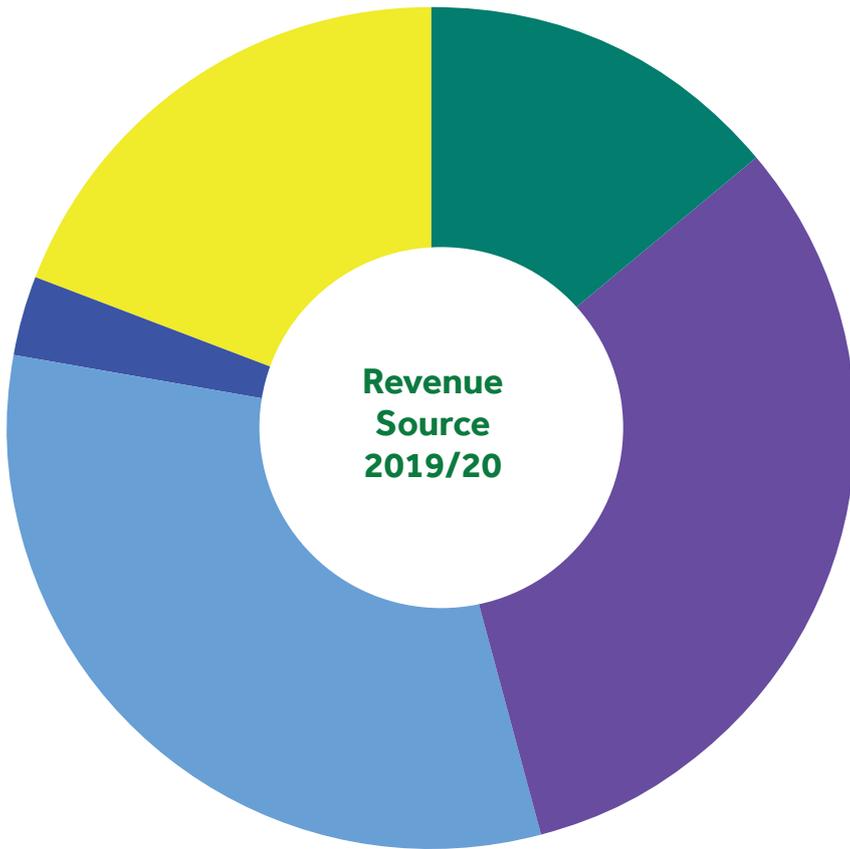
NET ASSETS

11,110,980 **8,253,558**

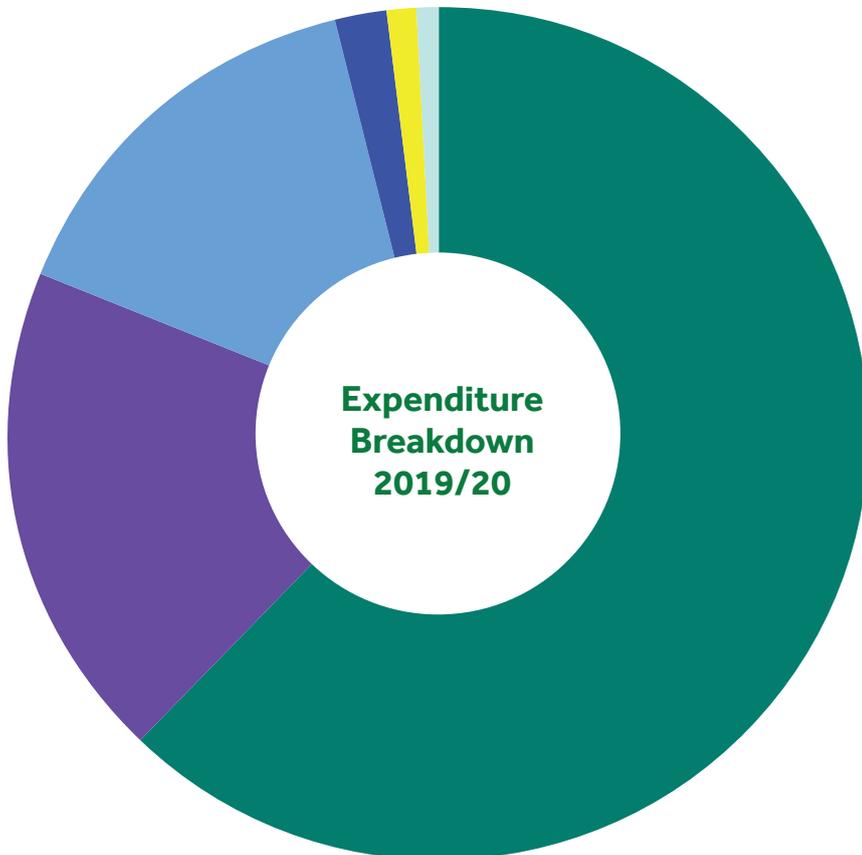
EQUITY

Reserves	8,573,318	8,409,694
Accumulated Surpluses	2,537,662	(156,136)
TOTAL EQUITY	11,110,980	8,253,558

This concise financial report is an extract from the financial report; the financial statements and specific disclosures included in this concise financial report have been derived from the financial report; this concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investment activities of the entities as the financial report; and further financial information can be obtained from the financial report and the financial report is available, free of charge, on request.



- Federal Government 14%
- NDIS 32%
- Business Income 32%
- Client Income 3%
- Other Income 19.1%



- Employee Benefit Expenses 67%
- Cost Of Sales 14%
- Other Expenses 13%
- Depreciation 3%
- Repairs and Maintenance 1%
- Occupancy expenses 1%

Board Members



Dallas Isaacs

Chair

Jeanette Furmedge

Deputy Chair

Murray Coulthard

Chair, Knoxbrooke Enterprises and
Knoxbrooke Inc. Board Member

Colin Higgins

Knoxbrooke Board Member

Peter Francis

Knoxbrooke Board Member

Pat Dalton

Knoxbrooke Board Member

Keith Nam

Knoxbrooke Chair
(Retired, March 2020)

Ron Barbaroux

Knoxbrooke Board Member and
Knoxbrooke Enterprises Board Member

Ray Hollis

Knoxbrooke Enterprises Board Member



Management Team

Kristian Dauncey

Chief Executive Officer

Leanne Conrad

Chief Financial Officer

Scott Buckland

Executive General Manager Social Enterprises

Janelle Ghent

People and Culture Manager

Anne Bavington

Quality and Performance Manager

Gai Campbell

Regional Manager Outer East

Claire Cutler

Regional Manager West Gippsland

Our Values

Respect

We treat all people with respect, dignity, honesty and equality.

Inclusion

We act to include all people with a disability and their families using our services and promote their best interests.

Continuous Improvement

We continuously measure our activities to ensure that the needs of people with disabilities and their families are met through improved outcomes.

Accountability

We behave in a manner that is open and accountable, vigorously thorough, fair and ethical.

Culture

We provide an inclusive supportive environment to inspire people of all abilities to realise their full potential.

Head Office

Level 1, 68 Charter Street
Ringwood 3134
03 9758 3666

Our Locations

Ringwood Achieve

L1 68 Charter Street, Ringwood
03 9758 3666

Ferntree Gully Achieve

88 Station Street, Ferntree Gully
03 9758 3666

Knoxbrooke Outsource

21 Clancy Road,
Mount Evelyn
03 9736 4984

Yarra View Nursery

136 York Road,
Mount Evelyn
03 9737 0400

Yarra View Garden Centre

136 York Road,
Mount Evelyn
03 9737 0851

Tyson House

Base of the 1,000 Steps, Mount
Dandenong Tourist Road,
Ferntree Gully
03 9758 3666

Mawarra

70 Albert Street, Warragul
03 5624 3400

Mawarra Seniors Program

4 George Street, Warragul
03 5624 3400

Mawarra Young Adults Program

136 Normanby Street,
Warragul
03 5624 3400

Jigsaw Industries

9 Ryan Court,
Warragul
03 5624 3437

Opportunity Shop Sorting Centre

14 June Court,
Warragul
03 5623 6433

Opportunity Shop

40 Palmerson Street,
Warragul
03 9622 0937



/Knoxbrooke

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