

“THE FINANCIAL REPORT”

The Financial Report

A surplus of \$39,292 was made in the 2005/2006 financial year, which was broadly in line with our budget expectations, and is an improvement on the previous year. The balance sheet shows that we have a net asset position of \$826,959, which is an increase of \$39,292 on last year. Both of these indicate that we are in a relatively healthy financial position, and reflect the strong focus on financial management that we adopt at Marillac House.

During the year renovations to the five East Brighton properties were completed at a cost of approximately \$1.46M, of which \$1.28M was funded directly by the Daughters of Charity. This significant financial contribution, together with the provision of an on-site pastoral worker, is an indication of the commitment that the Daughters of Charity make to social justice programs, and it is greatly appreciated by our residents, staff and other stakeholders.

We also gratefully acknowledge and appreciate the ongoing financial support provided by both the Department of Human Services – Victoria, and the Catholic Education Commission of Victoria, who provide the majority of our recurrent funding each year. In the current financial year these sources provided 86.7% of our total income. However, it is important to note that we only receive an increase of 2.85% in grant indexation for the year, whilst wages have increased on average by between 4 and 5%, and other essential operating costs (eg petrol, food, etc) continue to rise well in excess of this figure. This has resulted in us seeking new funding sources, and being forced to cut back on some expenditure areas. Whilst some of the cutbacks have been as a result of productivity savings, these are getting increasingly hard to find after a number of continuous years of funding being effectively eroded.

When looking forward, we need to acknowledge that our sector continues to face financial pressures from normal cost escalation, increased competition for the charity dollar, and our desire to respond to increasing demands for our services. Pressures on our financial reserves will continue and increase, so the need for prudent financial management is increasingly important.

Notwithstanding the above cost pressures, we understand that our staff and Information Technology resources continue to remain the core components in our ability to deliver high quality services in a cost efficient manner. Consequently these areas will be allocated additional resources in the budget year of 2006/07.

We look forward to meeting the challenges of the year ahead within a culture of good humour, flexibility and restraint.

The following is a summary of the financial position of Marillac House as at 30 June, 2006. Full audited accounts are available from 47 Milroy St., East Brighton for anyone who would like to inspect them.

PROFIT & LOSS REPORT

INCOME	
Grants Received	\$ 2,511,027
Client Fees	232,434
Interest	55,726
Donations	34,428
Other Income	61,687
	\$ 2,895,302

EXPENSES	
Salaries and Other Staff Related Costs	\$ 2,256,007
Client Services & Activities	154,642
Occupancy Cost	104,007
Depreciation	106,120
Other Expenses	235,234
	\$ 2,856,010

SURPLUS	\$ 39,292
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BALANCE SHEET

CURRENT ASSETS	
Cash & cash equivalents	853,332
Trade & other receivables	107,278
Other current assets	16,590
	\$ 977,200

NON CURRENT ASSETS	
Property, Plant & Equipment	341,630

TOTAL ASSETS	\$ 1,318,830
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CURRENT LIABILITIES	
Trade & other payables	281,113
Short term provisions	176,927
	\$ 458,040

NON CURRENT LIABILITIES	
Other long term provisions	33,831

TOTAL LIABILITIES	\$ 491,871
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NET ASSETS	\$ 826,959
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“THE DIRECTORS”

Directors of Marillac House Ltd

FRANCIS MOORE (joined Board 1990) is a partner in a major law firm and has 24 years’ experience as a lawyer. He has been Chairman of Marillac House Limited since it was established.

GERARD DEMPSEY (joined Board 2003) is a Chartered Accountant with experience in corporate, financial and management accounting. His background includes involvement with Board Audit Committees and corporate governance issues.

RHONDA FITCH (joined Board 2005) has been a registered psychologist since 1980, working initially in schools as an educational psychologist, and later in general private practice. Now retired from practice, Rhonda also volunteers at the Victorian Women’s Trust.

JULIE KING (joined Board 1998) holds qualifications in general nursing (RN), midwifery (RM) and community and maternal and child health, including a Diploma of Nursing Education and a Bachelor of Applied Science (Community Health). She currently teaches Child Studies in TAFE.

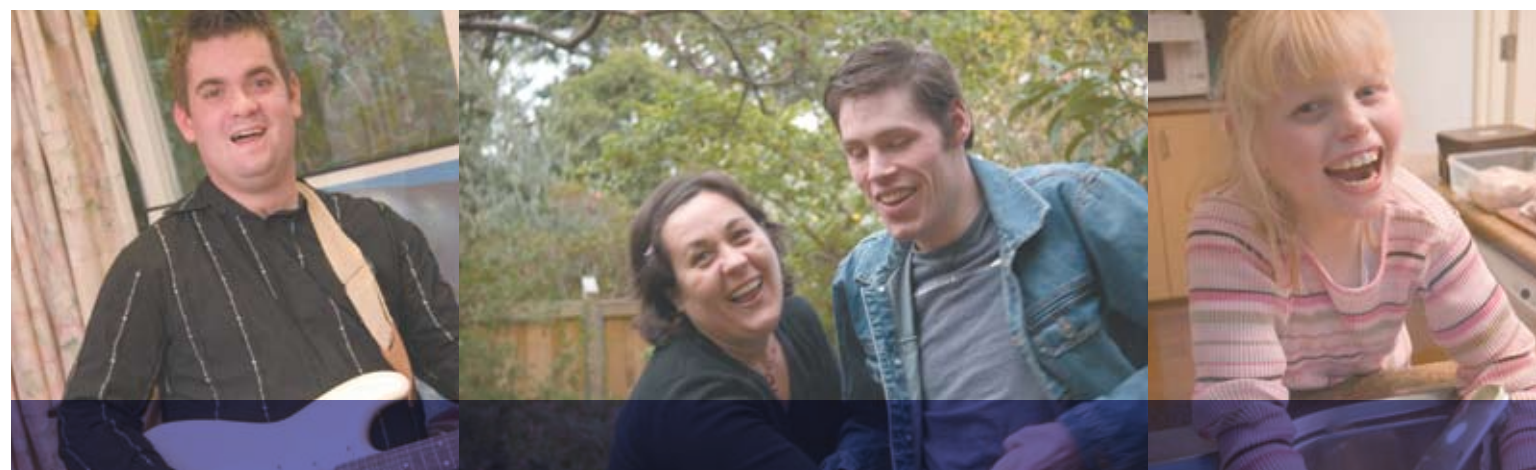
PAUL LUBY (joined Board 2002) works as a Senior Human Resources Consultant in the financial services industry, and also spends time caring for his two children. He has 20 years’ experience in a variety of Human Resource roles in the private and public sector. Paul has an Advanced

Certificate in Human Resources Operations and a Graduate Diploma in Business (HR Management).

DEBRA MCCARTHY (joined Board 2000) has qualifications as a speech pathologist and over 26 years’ experience working with young people, including seven years as Chief Executive Officer of Marillac House. Sr Debra is currently a full-time theology student and is the delegate of the Provincial on the Board of Marillac House Ltd.

DAMIEN WALSH (joined Board 2004) is a Certified Practising Accountant, holds a Business Degree and is currently undertaking a Masters in Business Administration. Damien’s experience is in the finance sector, predominantly credit unions (with areas of responsibility including Finance, Administration, Human Resources, Information Technology and Company Secretary). He is a member of the Finance Sub-Committee.

JOHANNA SNELLEMAN attends all Board meetings in her capacity as Chief Executive Officer of Marillac House Limited. Appointed in October 2000, Johanna came to the position of CEO with professional qualifications and considerable experience in the disability sector, both in Australia and overseas.



TO FIND OUT MORE ABOUT MARILLAC HOUSE, PLEASE CHECK OUR WEBSITE WWW.MARILLAC.COM.AU
TO CONTACT US, SEND AN EMAIL TO MAIL@MARILLAC.COM.AU OR CALL US ON (03) 9591 6400.



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MARILLAC HOUSE ANNUAL REPORT 2005/2006



building a bridge to the community



“CHAIRMAN’S REPORT”

Chairman’s Report

I AM PLEASED TO PROVIDE THIS REPORT ON BEHALF OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 30 JUNE 2006.

All on the Marillac House board are aware of the great privilege and responsibility we have to ensure our organisation delivers real improvements to the lives of those people who use our services.

Marillac House is a vibrant community, bringing together people with widely different skills, abilities and experiences. As a Board, we feel very keenly our role in helping guide the journey of this community, so the community gains the maximum contribution from each person, and gives each person maximum satisfaction and enjoyment.

The Board has the important responsibility of ensuring our work is carried out with a common vision, with maximum effectiveness, and with the wisest use of resources. In fulfilling this responsibility, we are supported by many people.

The Daughters of Charity provide all of us with constant personal, spiritual and practical support. On behalf of the Board, I thank Sr Margaret Armstrong, the Daughters’ representative, and her colleagues, for their thoughtfulness, strength and support during the year.

This year Sr Pauline Flynn became the new Provincial of the Daughters of Charity. Prior to her appointment Sr Pauline led a funding campaign to rebuild the Hutt Street service for homeless people in Adelaide. We have begun a very positive and productive working relationship with Sr Pauline and I look forward to it continuing for many years in the future.

I am grateful to my fellow Directors for their ongoing dedication. We seek people with outstanding personal qualities as well as varied, relevant professional experience to serve on our Board, and the Directors continue to bring all their skills and thoughtful attention to the issues and challenges facing Marillac House. This year we welcomed Rhonda Fitch to the Board. Her impressive career as a psychologist, both in education and in private practice, brings the Board a new set of skills for our decision-making.

This year, as part of our commitment to best practice in corporate governance, the Board undertook a formal self-assessment process using a tool specifically developed for non-profit organisations. The outcomes of the assessment will be progressively implemented over the remaining months of the current strategic plan.

This report for the year 2005/2006 outlines some of the major initiatives that have been undertaken in Marillac House during the past year, to give people better options and services and help them build a bridge to their communities and achieve their own, individual goals. The Board reviews, assesses and monitors all the organisation’s major projects, and we thank everyone who has contributed resources and skills to the successful completion of several projects, and the exciting launch of several new initiatives.

The expansion of flexible services under Support and Choice, the review and renaming of Marillac Community Services, the implementation of the Neighbourhood Connections housing model, the completion of our house upgrades and the start of upgrades to our units are just some of the key projects we can celebrate in the past year.

We have been able to deliver extra therapies, educational support, opportunities for community inclusion and higher quality of support to children and adolescents this year thanks to funding provided by the Catholic Education Commission of Victoria and the Federal Government’s Literacy, Numeracy and Special Learning Needs program.

Our management and staff have also spent much of their time this year working on occupational health and safety issues, in response to legislative change. Marillac House has implemented Manual Handling Assessment Programs, tools to identify risk in behavioural issues, and reporting procedures for accidents and incidents to improve risk management. WorkSafe audited Marillac House through their Community Services Project, and gave a high level of approval on all counts. Well done to everyone involved.

Our staff and management are the people who take Marillac’s vision and goals and make them a reality in the lives of the people who choose our services. On behalf of all the Directors, I offer thanks and congratulations to Chief Executive Officer Johanna Snelleman, and all our management and staff, for what they have achieved and how readily they seek new opportunities to improve our services.

We also depend on the support of many partners and donors, for resources, co-operation and assistance. We extend appreciation to the Department of Human Services for its continuing financial support, and the excellent relationships we have with its staff. While there are too many agencies and donors to mention, I do thank them all. I also specifically thank Kostka Hall, a Junior School of Xavier College, for their continuing support.

This year, like every year, we have faced many challenges and had many opportunities to celebrate success. We have met the challenges, and enjoyed the successes, with many supporters and partners. We look forward to continuing these strong relationships in the year ahead, and again, with so much wonderful support, delivering on our mission of serving from the heart those we support and those who care for them, to help all those in the Marillac community live the fullest lives possible.

Francis Moore

“CHIEF EXECUTIVE’S REPORT”

Chief Executive’s Report

WE HAVE HAD ANOTHER BUSY YEAR, FINDING NEW AND BETTER WAYS TO HELP PEOPLE BUILD BRIDGES AND MAKE CONNECTIONS THAT WILL HELP THEM REACH THE GOALS AND LIVE THE LIVES THEY CHOOSE FOR THEMSELVES.

The Support and Choice program begun last year is growing gradually. Our highest priority is making sure we offer the flexible services people want, to meet their own needs and interests. To that end we have reviewed and expanded our services, and we have restructured and renamed our previous Marillac Accommodation Support Team. The new Marillac Community Services group has added new staff, and continues to review all its activities to make sure we do things better and offer the services people want. What hasn’t changed is the team’s absolute commitment to helping people live the lives they want to, and the great achievements people we support keep making in pursuit of their goals.

Administering Support and Choice services to each individual is complex, particularly in meeting reporting requirements to the people we support, their families, and relevant agencies. We have been working on infrastructure changes to help us meet this challenge more effectively.

Marillac takes pride in pursuing new housing options that better meet the different needs of different individuals. Last year we started work on a pilot “Neighbourhood Connections” project, and this year we got that project to the point of being launched, with seven startup members, in Armadale. Neighbourhood Connections helps a selected group of people find individual and shared rental accommodation within a small local area, maintain a social network together, and support each other. A dedicated support worker is also available to the group. The first Armadale group quickly formed bonds through a variety of social activities, and has a sound basis for their ongoing life in that community.

In the coming year we aim to set up at least one more Neighbourhood Connections group – we have had requests for networks in Rosebud, Frankston and St Kilda. Access to suitable properties is a challenge for every group, and we have made an application to the new Disability Housing Trust for support on this issue.

While starting up new accommodation for different people’s needs, we also continue to offer accommodation in properties we manage. We were delighted that the long project to upgrade our five houses in East Brighton, for people needing high levels of support, was completed this year. The improvements have been welcomed by the people living in the houses, and by staff. As well as completing major changes to the houses and equipment, we were also able – with generous support from Harvey Norman – to buy new furniture.

We also began work upgrading several units we manage in Wattle Avenue, and this project will continue in the coming year.

This year we were also very grateful for support from the Department of Human Service Southern Region, and Catholic Education, for funding to undertake an important communications project. The “total communication” project we are beginning, and will continue in the year

ahead, involves a range of initiatives including specific staff training. Adults living in two of the houses we manage have complex communication needs, and we want to give them every opportunity to make and clearly communicate their choices about the life they want to live.

In the past year we have also been preparing for the next generation of quality accreditation with CQL (the US-based Council on Quality and Leadership). This accreditation focuses on how well our planning and service delivery is meeting each person’s expressed wishes. In the year ahead we will join with Wallara and Melba Services to bring CQL to Australia for our re-accreditation process.

Another issue that has kept us busy this year has been responding to changes in Victorian Occupational Health and Safety legislation. Making sure we are up to date on standards, policies, procedures and training to protect all our staff from health and safety risks, including workplace bullying, has been a huge task and I thank everyone who has been involved.

For the progress we have made in these and other areas this year, I again need to thank many people.

- Marillac’s staff have again risen to many challenges and responded with creativity, humour and dedication. We could not deliver services, let alone keep improving them, without their continuing hard work and support.

- Our Chairman and Board of Directors give great support to me and our staff, and always give generously of their time and experience to make Marillac the very best service provider we can be.

- The Daughters of Charity give us resources, personal and prayerful support every day. Sister Margaret Armstrong and all her colleagues help people who use our services directly and personally, and they also provide wonderful assistance to me and Marillac’s Board and staff.

- The more we work to help people build bridges with the community and live the lives they choose, the more we rely on strong, positive relationships with other agencies, service partners and supporters. We are all very grateful that you make our work for people easier through your co-operation and assistance.

- As always, my greatest thanks go to the people who have chosen to use our services this year, and your families. We are honoured that you choose us, and grateful for your invaluable contributions to the life of the Marillac community. Our aim is to give you support that makes your life closer each day to the life you wish for, and we appreciate having you talk to us and work with us as you pursue your goals.

Johanna Snelleman

“SERVICES”

Marillac house services building a bridge between people and their communities in 2005/2006

Giving individuals Support and Choice. People are now able to use individualised funding from the Department of Human Services to control their own support services, and get assistance that suits their specific, individual needs. We have expanded the services we offer to meet people’s different interests. These include support with recreation and community connections, personal care and access to health and medical services, and skills training and support in independent living skills like travel, budgeting, cooking, banking, cleaning and gardening.

Creation of Marillac Community Services. We restructured our MAST outreach and support services, brought in new staff, expanded the services we offer through “Support and Choice” packages, and started a major review of our services to see where we can do things better. Marillac Community Services helps people develop their own stronger links with their communities, get access to community support for training and broadening social networks, and link up with shops, real estate agents, doctors and any other service providers they want.

Started up our first Neighbourhood Connections network. Since last year we have been working on a pilot project to help people find housing in a “keyring” model, where people live near each other and get support from each other and from an experienced, dedicated worker. This year we were delighted to get the project up and running in Armadale, with

seven initial members. While people in the network looked for suitable properties to rent, either individually or shared, they also mixed together in different social settings and started forming bonds. With the Armadale network developing well, we have also started talking to people interested in setting up another Neighbourhood Connections group in Frankston.

Improving life for people living in the properties we manage.

We have continued our major project to renovate and improve the physical condition of all the properties, successfully completing the five house upgrades and starting work on upgrading several units. We were also able to secure a donation from Harvey Norman for new furniture in the houses.

At the same time we have made a range of breakthroughs in improving people’s enjoyment of life in the shared houses. With funding from the Department of Human Services Southern Region and Catholic Education, we have begun an important “total communications” project, so people with complex communication needs are able to make and clearly communicate their wishes and choices. The support of volunteers has also allowed us to expand the opportunities for people to pursue their own interests outside the houses, including visiting art exhibitions and galleries, exhibiting their own art, participating in community market days, using community reserves and parks, and travelling on public transport.



Serving from the heart since 1943