



supported tenancy accommodation and respite

ANNUAL REPORT 2010-2011



People with disabilities living life to the full

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Supported Tenancy Accommodation and Respite (STAR) Tasmania

STAR Tasmania provides accommodation, respite and individualised contract support for people with disabilities in Southern Tasmania.

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Vision, Mission, Values

Our Vision

Innovation, energy and consistency in the pursuit of service excellence

Our Mission

To collaboratively promote and support full life opportunities for people with disabilities

Our Values

At STAR we believe that all individuals make a difference. We value respect, professionalism and commitment.

Respect

What this means to us:

- > Punctuality and courtesy
- > Being supportive and cooperative
- > Listening to and considering the opinions of others

Professionalism

We demonstrate this through:

- > Honesty and integrity
- > Accountability and transparency
- > Providing and being open to feedback

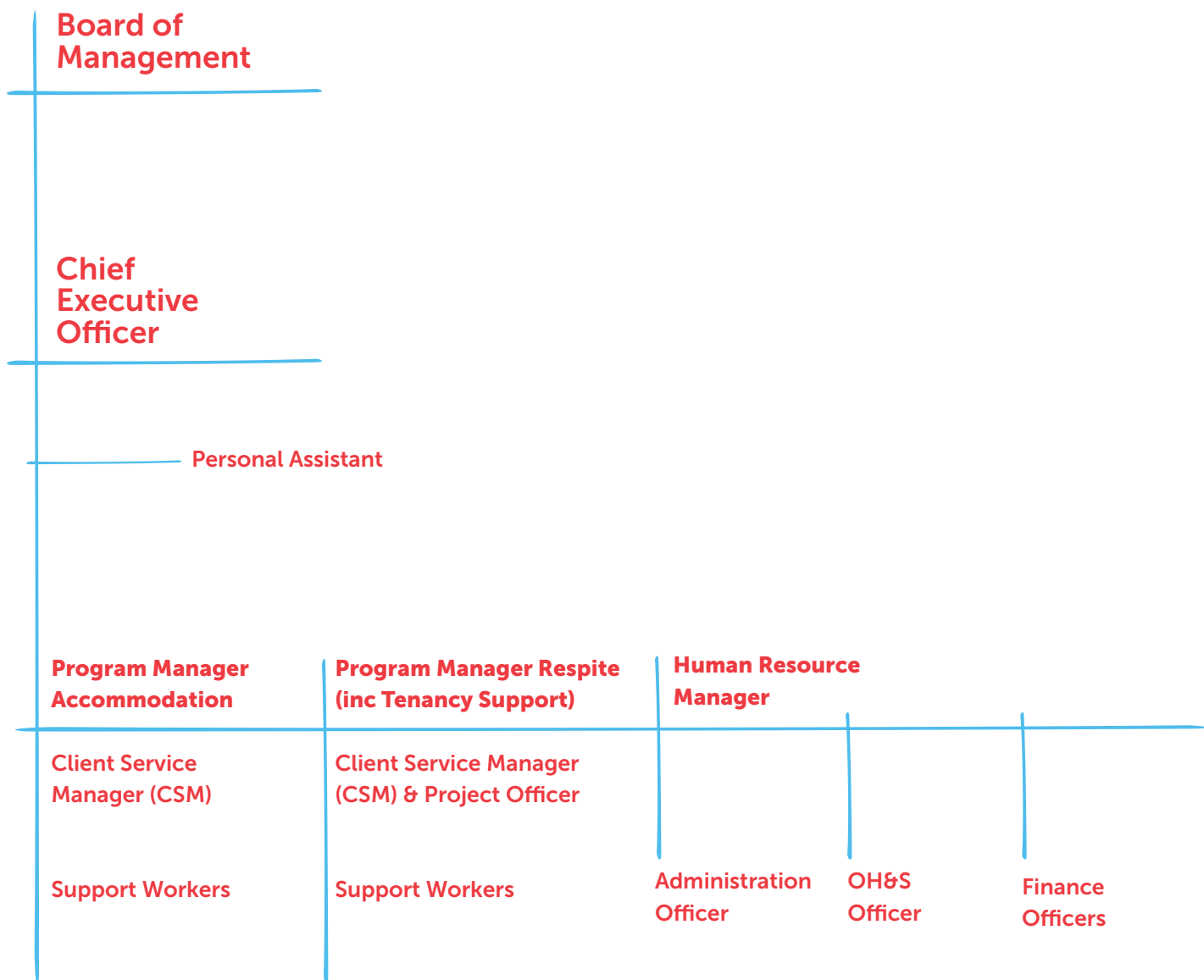
Commitment

We show this by:

- > Being reliable and adaptable
- > Following through on what we say
- > Striving for continuous improvement



Organisational Structure



Chair Annual Report



I can honestly say it has been a pleasure to be the Chair of STAR Tasmania for the past year. The professionalism of staff and board has been second to none and we are indeed fortunate to have the level of skills throughout the organisation that currently exists.

I would like to thank all staff for their resilience in the face of ongoing change and whilst the primary goal of STAR has been consolidation rather than expansion, we have had to respond to opportunities in order to remain a viable entity as market forces would dictate.

STAR is now known as a key player in the disability sector and this has come about from the hard work of dedicated staff and board members.

I would particularly like to thank our senior management team, Lena in Accommodation Services, Robert in Human Resources, Darryleen for Respite Services and for stepping up to the CEO role in Rhonda's absence and of course to Rhonda for her continued dedicated service as CEO for STAR.

I would also like to thank the Board who have worked tirelessly throughout the year in a voluntary basis. We are fortunate to have a board with a broad skill set, something we have worked hard to develop. We currently have members from the legal, humanities, financial and consumer sectors which makes for robust decision making.

The board do not just turn up for a monthly meeting and then go home. I would like to thank the members of the two primary sub committees, the financial sub committee whose existence has been vital to successful financial

governance and the Governance sub committee overseeing ongoing policy development.

The board have participated in a new strategic plan which is in the final stages of sign off. The new strategic plan will focus on various programs with the senior managers taking responsibility for the development of the business plan going forward.

The last year has seen the development of the two new respite services for adults and children which has been a dramatic change for the organisation into an area vital for the communities and families. Respite is a critical service that supports families to provide ongoing care for their family member and goes some way to relieving burnout in the carer population.

The path to respite has been reasonably seamless, brought about by the leadership of senior management and the dedication of staff. I thank you all for that.

Moving forward, the board are acutely aware that we need to embrace change as the need arises. Staff need to be offered appropriate professional development as do the board in order to ensure that all levels of the organisation are evolving best practice.

STAR has gained a reputation for being a premium provider of services to residents and respite consumers and I am excited to look toward 2012 knowing that its reputation will continue to be developed in that way.

Peter Nelson
Chair

BOARD MEMBERS

Peter Nelson
Chairperson

Garth Stevens
Deputy Chair

Kane Salter
Treasurer

Jacinta Leahy
Secretary

Michael Sims
Director

Maria Flynn
Director

Kim Baumeler
Director

Jason Browne
Director

Lyndall Johnson
Director

Jan Dunsby
– resigned March 2011
Director

Kyle Somann-Crawford
– resigned September 2010
Director

CEO Annual Report

Whilst Rhonda McLaughlin, (CEO) is on leave it is my great pleasure to report on the organisation's exceptional growth and outcomes over last financial year of 2010 / 2011.

Governance and Leadership

During the year the Board positions remained largely unchanged except for the resignations of two board members. Kyle Somann-Crawford, (General Board Member for Supported Housing Inc and then STAR) decided to not re-nominate for the board at the September board meeting. Jan Dunsby, (General Board Member with Star prior to the 2009 merger and then general board member with STAR) resigned March 2011.

A new Strategic Plan was required for the organisation and the board engaged facilitator Graham Flower from Hexagon Consulting to carry out interviews and workshops with senior managers, including Client Service Managers and the Board of STAR. The CEO and Program Managers consulted with families and staff and other stakeholders of STAR. The new strategic plan focuses on the period from June 2011 until June 2014 and includes goals under the areas of:

- Accommodation;
- Tenancy Support;
- Respite;
- System and Process; and
- Leadership and culture.

The plan will also form the basis of the operational business plan from which the Board and the CEO will develop and manage the affairs of the organisation.

A Risk Audit facilitated by consultant, Graham Lawrence from GMAZ was also completed. Graham was engaged to undertake a comprehensive audit of STAR's business identifying areas of risk through:

1. Conducting interviews with board members, the CEO and the senior management team;
2. Conducting interviews with major stakeholders;
3. Completing a detailed review of the business processes, policies and governance;
4. Conducting a half day workshop with management to present the outcomes and explore risk opportunities and controls under a risk register and control plan.

A comprehensive report and risk register was presented to STAR with a strategic and operational risk identified within each option. These streams will expand the current risk register and include:

- Property Protection;
- Information Security;
- Crisis Management;
- Human Resources;
- Occupational Health and Safety;
- Environmental;
- Governance and Leadership;
- Financial Sustainability;
- Legal and Legislative Liability; and
- Quality Services.

Financial Sustainability and Growth

In June 2011 Ray Sund, Payroll Consultant retired his business after



many years working in the sector. This opened the opportunity for STAR to consider the options for internal or external completion of the payroll and financial affairs of the organisation. The decision was made to do this internally which has generated efficiencies and cost savings. STAR wishes Ray the very best for his future endeavors and retirement.

The most significant growth that has happened for STAR since the last AGM has been the successful request for proposal (tender) for the Children and Adults Respite Centre's. The Children's Centre caters for 5-18 year old people with a disability and was officially opened on the 2nd August 2010 by the then Premier, David Bartlett.

The Adult Centre caters for adults with a disability from 18-65 years and it was officially opened on March 7th 2011 by Cassy O'Connor, Minister for Disability Services. The site from which both centre's run also has a third unit which STAR is using for office space for Respite Client Service Managers and it also has two other bedrooms that are regularly used for Emergency Respite for people with a disability of any age.

The Respite Service caters for around 160 children and adults and is always in demand especially on the weekends. The Respite Service has complimented the suite of services managed by STAR and although it is generally still a new service it has proven to be a very successful transition from the government sector to STAR. A huge

thank you to all those involved in the respite tender and successful acquisition of the service.

The Tenancy Support Program has seen little growth over the year with the organisation providing support to two more clients requiring ongoing flexible respite. Over the last year we have been very cautious in taking on new clients due to the amount of change and growth in the other areas of the service and our willingness to not compromise the services we offer. However in the new Strategic Plan it was identified that this is a new growth area for STAR and one that will be highly concentrated on in the next financial year.

We continue to hold a Memorandum of Understanding with Nexus and Cosmos to work closely together to share resources and information that will result in better services for our clients.

Structure Systems and Process

This year we have been reviewing options for a software package to manage client information and as such have engaged a IT specialist to develop a new client data base and respite booking system. This is still a work in progress however we believe when completed we will have a highly specialised IT system that we will be able to share with other services to offset some of the costs and resources.

With the successful tender of the Respite Service there were also significant changes to the structure of the organisation. You will find the new structure as at June 2011 on page 4 of the annual report.

The senior management team have been steadily working through and reviewing all the policy and procedures in the organisation to incorporate the respite model of service. We now have a comprehensive and

fully accessible set of policies and procedure for the Accommodation and Respite Programs as well as the usual HR, OH&S and Financial Management Policy and Procedures. In the coming year we will spend time focusing on the Tenancy Support Policy and Procedures so that we can facilitate more growth in that area.

Quality Assurance and Client Satisfaction

Last year saw the introduction of the governments new Quality Assurance Framework. Very broadly, this is an assessment that is carried out over three years with an in depth assessment in a particular area every six months. STAR have reported back on three of the Quality and Safety areas and we have received feedback from government that we exceed expectations. The three areas met are Safe Environment, Consumer Focus and Workforce Development.

Culture and Service Development

With the growth of the service it was identified that there was an opportunity to re-group and take a look at how the organisation has been focused over the past year and where we needed to enhance our service delivery and staff satisfaction. To help us to do identify this we engaged consultancy service - Shirlaws.

Shirlaws is a firm of expert business coaches who help managers and business owners develop strategy, improve their profit and cash flow, build their team and achieve their vision.

A series of interviews were conducted with all office staff in the first instance. A second round of group interviews were conducted with support workers from the Accommodation and Respite Programs at the Bellerive Yacht Club. From the interviews, it was clear that STAR is considered a great place to work and seen as doing meaningful and important work.

Recommendations from Shirlaws included the following areas of work:

- Create shared values;
- Improve communication skills;
- Simplify the organisational structure;
- Support Client Service Manager's;
- Create consistency between houses;
- Provide more targeted training; and
- Strengthen HR capability.

We have been working on a number of initiatives to address the recommendations above and the main priority at this time is defining the vision and values of the organisation. Whilst our vision "People with disabilities living life to the full" will remain unchanged our values are seen as broad and uninspiring. We are currently working on a more inclusive set of values with all stakeholders in the organisation.

At the end of this report it is important to recognise the people that make STAR the best service it can be and that is our clients, families and staff. Thank you for your inspiration and enthusiasm to STAR and thank you for your generous time and support that goes into making STAR one of the leaders in service delivery in this sector. Thanks also to the tireless Board of Management who give their time each month to ensure we have sound management and financial governance of the organisation. We look forward to the another great year!

Darryleen Wiggins

Acting CEO



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

DECLARATION BY OFFICERS

As stated in the basis of accounting policy included in the financial statements, Supported Tenancy Accommodation and Respite Tasmania Incorporated is not a reporting entity and this is a special purpose financial report. This report has been prepared in accordance with the accounting principles and methods prescribed by Accounting Standards and other mandatory professional reporting and statutory requirements.

The Officers of Supported Tenancy Accommodation and Respite Tasmania Incorporated declare that the financial statements and notes:

- (a) comply with applicable accounting standards
- (b) give a true and fair view of Supported Tenancy Accommodation and Respite Tasmania Incorporated's financial position as at 30th June, 2011 and of its performance for the year ended on that date.

In the Officers' opinion:

- (c) there are reasonable grounds to believe Supported Tenancy Accommodation and Respite Tasmania Incorporated will be able to pay its debts as and when they become due and payable.



P Nelson
CHAIRPERSON



R McLaughlin
PUBLIC OFFICER

Dated: 28 October 2011

BALANCE SHEET
AS AT 30 JUNE 2010

	Notes	2011	2010
Current Assets			
Cash at Bank		258,539	54,877
Cash on Hand		1,450	950
Investments		1,170,306	1,299,895
Debtors		91,498	76,292
Accrued Income		0	0
Prepaid Expenses	2	11,724	19,972
Total Current Assets		1,533,517	1,451,986
Non Current Assets			
Leasehold Improvements	3	5,634	5,782
Motor Vehicles	3	392,421	389,197
Office Equipment	3	134,505	38,539
Other Equipment	3	40,164	37,993
Borrowing Expenses		485	615
Total Non Current Assets		573,208	472,126
Total Assets		\$2,106,726	\$1,924,111
Current Liabilities			
Creditors & Accrued Expenses		118,164	95,908
GST Liabilities	4	165,790	112,604
PAYG Withholding		106,840	57,882
Salary Packaging Liability		10,228	11,574
Accrued Salaries	5	215,254	138,931
Asset Purchases	10	63,458	117,069
Provision for Annual Leave	6	384,409	271,219
Provision for Sick Leave	7	49,170	41,905
Provision for Long Service Leave	8	190,174	227,770
Client Unexpended Recoveries	11	137,106	98,349
Total Current Liabilities		1,440,593	1,173,210
Non Current Liabilities			
Asset Purchases	10	71,431	99,500
Provision for Long Service Leave	8	61,132	67,552
Total Non Current Liabilities		132,563	167,052
Total Liabilities		\$1,573,156	\$1,340,263
NET ASSETS		\$533,569	\$583,849
Equity			
Accumulated Funds		583,849	541,076
Surplus/(Deficit) for Year		(50,279)	42,772
TOTAL EQUITY		\$533,569	\$583,849

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011	2010
Income			
State Grants (CIP) for Group Homes	9	5,573,514	5,262,978
State Grants (CIP) for Group Home Clients		131,740	121,942
State Grants (CIP) for Respite		1,025,189	0
State Grants (CIP) One Off		194,456	0
Australian Government Training Subsidies		61,000	29,370
Contributions for Support in Community		162,983	109,922
Group Clients' Personal Contributions		62,494	0
Bank Interest		112,618	72,591
Refunds of Workers Compensation		35,584	52,801
Community Contributions		1,000	600
Contracted Support		281,564	422,908
Other Receipts		20,421	3,380
Total Income		\$7,662,563	\$6,076,493
Less Expenditure			
Salaries & Allowances		5,746,069	4,597,192
Other Employment Costs		934,145	642,146
Contracted Support (External)		7,054	38,716
Occupancy Costs for Administration		100,958	73,608
Group Home Costs		0	4,331
Vehicle Expenses		72,177	78,149
Computer Costs		37,958	19,383
Other Equipment Costs		44,775	34,564
Respite Expenses		147,087	0
Community Based Support		1,593	0
Supplies and Consumables		82,323	55,506
Telecommunications		37,555	28,472
Other Operating Costs		116,800	161,425
Insurances		256,533	197,469
Depreciation		127,815	102,761
Total Expenditure		\$7,712,842	\$6,033,720
Surplus/(Deficit)		\$(50,279)	\$42,772

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. BASIS OF FINANCIAL REPORTING

The Board of Management has determined that the Association is not a reporting entity within the meaning of Statement of Accounting Concepts – “Definition of the Reporting Entity” issued by the Professional Australian Accounting Bodies. It has further determined to prepare a special purpose financial report annually based on accrual accounting principles and comprising a Balance Sheet and an Income Statement.

The policies used in preparing this special purpose financial report are, in the opinion of the Board, consistent with the Association’s Constitution and are appropriate to the needs of Members. These policies are described in the following notes. The notes also provide additional information relating to certain transactions and balances.

2. PREPAID EXPENSES

This current asset represents insurance premiums paid in advance and certain other obligations in respect of which prepayment is normally expected.

3. NON-CURRENT ASSETS

The Association does not own real estate. Offices occupied for administration purposes are leased while group homes in which 41 clients reside are rented from Housing Tasmania.

Twenty motor vehicles and numerous units of office equipment, predominantly computers, costing \$1,000 or more are owned and their written down values disclosed in the Balance Sheet.

The following is a summary of the cost of the owned assets and accumulated depreciation calculated on a mixed basis of Prime Cost and Diminishing Value annually for Motor Vehicles, Office Equipment and Other Equipment respectively:

	Motor Vehicles	Office Equipment	Other Equipment
Cost Price	\$ 775,888	\$ 201,385	\$ 164,050
Accumulated Depreciation	\$ 383,467	\$ 66,880	\$ 123,886
Written Down Value	\$ 392,421	\$ 134,505	\$ 40,164

Leasehold Improvements totaling \$ 5,930 are amortised as per the building allowance rate of 2.50% on a Prime Cost basis, with the written down value being \$ 5,634 as at 30th June, 2011.

4. GOODS AND SERVICES TAX (GST)

Although the Association is an Income Tax-Exempt Charitable Entity, it is registered for GST. The GST Liabilities shown in the Balance Sheet are the net of GST collected and entitlements to Input Tax Credits for the quarter ended 30 June.



5. ACCRUED SALARIES

The amount accrued reflects the salaries expense for the proportion of working days occurring prior to 30 June in the first pay period ending immediately after the end of the financial year.

6. PROVISION FOR ANNUAL LEAVE

A liability for Annual Leave exists only for employees who are not paid at loaded (by 20%) rates of pay in lieu of annual and sickness leave and public holiday pay. The Liability has been calculated on balances of annual leave at 30 June at pay rates at that date with on-costs for superannuation and workers compensation premiums and annual leave loading of 17.5%.

7. PROVISION FOR SICK LEAVE

A small provision is made for abnormal Sick Leave equivalent to 25% of unused leave at 30 June at pay rates at that date.

8. PROVISION FOR LONG SERVICE LEAVE

A pro rata entitlement to Long Service Leave arises after an employee completes 10 years continuous service. A conditional entitlement emerges after 7 years upon retirement from work or resignation under specific circumstances.

The liability disclosed in the Statement of Financial Position is based on those employees with more than 10 years service as a current liability, and those with less than 10 years service as a non-current liability.

9. GRANTS FOR GROUP HOMES

This is the main category of revenue and is based on a 3 year Service Agreement with the Department of Health and Human Services and extends from 1 July 2010 to 30 June 2013. It is subject to annual indexation and occasional supplementation for specific conditions which may arise.

10. ASSET PURCHASES

The Association has purchased a number of vehicles throughout the year as the operating leases of vehicles expire, under an Asset Purchase arrangement. The liabilities are split between current and non-current, the current amount reflecting twelve (12) months of payments.

11. CLIENT UNEXPENDED RECOVERIES

The association charges clients an agreed amount on a monthly basis for accommodation services provided, including provisions. This generates a surplus over the year which is held on behalf of the clients to fund future improvements in the facilities provided.

COMMITTEE'S STATEMENT

The committee has determined that the association is a not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee, the attached financial report:

1. Presents a true and fair view of the financial position of Star Tasmania Inc. as at 30 June 2010 and its performance for the period 1 July 2010 to 30 June 2011.
2. At the date of this statement, there are reasonable grounds to believe that Supported Tenancy Accommodation and Respite Tasmania Inc. will be able to pay its debts as when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and behalf of the Committee by:



P Nelson
CHAIRPERSON



K Salter
TREASURER

Dated: 28 October 2011



**Supported Tenancy
Accommodation and Respite
(STAR) Tasmania**

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