

mpower inc.

since 1975

Annual Report 2018/19



our vision

**'A community inspired and empowered
by people of all ages, abilities and
differences'**

**We will focus on our vision and direct all
activities towards its achievement.**

our mission

**'Take the lead in providing quality
services that empower people to have
meaningful connections to their
communities'**

our values

**Our values underpin our organisation
and provide a framework for our practice**

Respect – Beliefs, feelings and values of
individuals are acknowledged

Empowerment – Person and family directed
services recognising individual's strengths

Quality – Professionalism and quality in
everything we do

New Learning – Encouraging personal
development and innovative thinking



Who we are

Mpower has been serving south-west Victoria as an accredited community-based agency since 1975 when a small group of families, concerned about lack of support for children with disabilities, decided to take action.

Mpower is now widely recognised for high-quality professional services demonstrating innovative, responsive and contemporary practice.

This past financial year has been a milestone with consolidation of our transition to the National Disability Insurance Scheme (NDIS) which put us into a competitive market in October 2017. Almost 2 years of operating in the new scheme sees Mpower able to review its position and fine tune systems for future continued success. This requires appropriate systems and structures for strong governance, streamlined reporting and information and robust financial management.

If success is measured by retaining clients as well as attracting new families to our services, then we can say Mpower is successfully managing 450 clients NDIS packages and servicing a total of 1192 clients across all our programs.

Our services are provided by skilled teams who work out of offices in Warrnambool, Hamilton and Portland with teachers, therapists, social/welfare workers, administration and direct support staff. This positioning of offices supports our commitment to be a locally based, family/client centred service provider. We also provide outreach programs to Camperdown, Lismore and Geelong and other regional centres.

Mpower is focused on building its sustainability in an ever-changing operating environment with evolving needs and high cost pressures.

We pride ourselves on instilling new learning which encourages personal development, innovative thinking and identifying creative solutions to challenges and change.

Mpower works closely with communities, corporate entities, councils, and governments to achieve quality community services that offer real choice and control.

Our Patron

Mr Geoff Handbury AO

Mr Geoff Handbury AO has been Patron of Mpower since 2010. Mr Handbury promotes the missions, values, aims and objectives of the organization and Mpower is delighted to have him as our Patron.

We acknowledge Mr Handbury's continued generosity in donating \$10,000 towards Mpower's cause.

Life Members

Cath Lourey
Glynis Purcell
Judy Jongebloed
Gail Horne
Phyllis McLeish
Vern Robson
Sue Henry

Board of Management



Rhys Boyle President

B.Bus

Grad. Dip. Health Service Management
Joined the board in 2015

- Member of CEO Performance and Remuneration Sub Committee
- Member of Finance and Audit Sub Committee
- Member of Quality and Risk Sub Committee



Neil Ballard Vice President

B Ec, Dip Ed

Rural Access Project Officer
– Warrnambool City Council
Joined the board in 2011

- Member of the CEO Performance Management and Remuneration Sub Committee.
- Member of the Finance and Audit Sub Committee



Kerrie Hughson Treasurer

Bachelor of Commerce (Deakin),
Member of the Institute of Chartered Accountants of Australia (ICAA)

Associate & Managing Accountant at Sinclair Wilson.
Joined the board in 2017

- Member of Finance and Audit Sub Committee
- Member of CEO Performance and Remuneration Sub Committee



David Beggs

BVsc MVS PhD FAVA

Veterinarian – Warrnambool Veterinary
Senior Lecturer, Melbourne Veterinary School
Joined the Board in 2005

- Member of the Finance & Audit Sub Committee



Helen Bayne

M.Ed. B.Comm

Cert IV in workplace training and assessment
Senior partnership broker

South West Local Learning & Employment Network
Joined the board in 2013

- Member of Quality and Risk Sub Committee



David Beard

Diploma of Management, Bachelor of Education

Secondary Teacher – Emmanuel College
Joined the board in 2013



Michele Downs

B.A. (Hons) L.L.B

Solicitor – Farrelly Legal Pty Ltd.
Joined the board in 2017

- Member of Quality and Risk Sub Committee



Adam Kempton *Retired November 2018

LL. B , B. Ec.

Lawyer, Company Director, Business
Proprietor, Not For Profit Board
Memberships
Joined the board in 1997

CEO & President's Report



Our vision is "A community inspired and empowered by people of all ages, abilities and differences". All the services we provide and the work we do is aimed at achieving this vision.

It is a pleasure to provide this report on the 2018-19 year. The year has seen us striving to provide support and services in the new paradigm of the National Disability Insurance Scheme (NDIS), at the same time growing our Community Services to better meet the demand for services supporting other vulnerable groups in the community.

Mpower's structure accommodates our two streams of service provision NDIS and Community Services. The reporting year sees us 18 months into the NDIS with many pleasing achievements, not least of which is the adjustments staff have made to operating in a new system. This is a credit to them.

We have also welcomed growth in funding from the Department of Health and Human Services (DHHS) for programs in our Community Service stream supporting carers of people of all ages, vulnerable families in the Integrated Family Services program and Targeted Care Packages, and supporting children in the Out of Home Care (OoHC) service. With changes to our structure we see OoHC as an area of future demand and growth.

We have enjoyed ongoing growth in staff numbers, providing a new look, diverse staff group including many younger people, providing shared learning opportunities as we adopt new systems and processes to increase our efficiencies, allowing us to focus on clients. We also farewelled two Executive Team members Yvette Wilkinson, Community Services Manager and Helen Conheady, Accountant and thank them for their dedicated contribution to our services and success. In their place we have welcomed Cherieanne Carmichael and Elizabeth Green to Community Services Manager and Chief Financial Officer roles respectively, adding new thinking and perspectives to our Executive Team.

Our financial outcomes tell the story of change well done; so far. We can plan for reinvestment into the organisation and its resources-, which is vital for our future sustainability.

We have moved into larger offices in Hamilton, leased a four-bedroom house for OoHC service provision, sold our residential property in Dunkeld and purchased two adjoining residential properties in Warrnambool to support our residential respite demand into the future.

The true highlight for the year is without doubt the resilience and tenacity of the staff who have pulled together and achieved continuous incremental successes in the ever-changing world of NDIS. Part of the success must be attributed to the steady, consistent efforts of Community Services staff in the background – quiet achievers, working around all the changes around them while managing their own program dynamics. A heartfelt thank you to all our staff who are responsible for the amazing services of Mpower.

Mpower's Board of volunteer Directors have provided steady guidance and leadership through the changing times. Their contribution is valued and vital to our success. Through the year our President Mr. David Beggs stepped aside from the role after seven years of excellent service in order to meet his numerous other commitments. The role has been accepted by Mr. Rhys Boyle who like David is ably supported by Mr. Neil Ballard as Vice President. To our Treasurer Ms. Kerrie Hughson, newly appointed in the role and our other members David Beard, Helen Bayne and Michele Downes our gratitude is extended.

Thanks go to our partners in the sector including members of Community South West, the Integrated Family Services and Child First consortium and our new partnership with the NDIA in Warrnambool –La Trobe Community Health and importantly the shared collaboration and support with NDIS providers. In the south west this relationship has been supportive and collegial - true to our past, making a difficult time easier for all.

CEO & President's Report

The CEO's continued membership of the State NDS Committee provides valuable links to key people and information in the disability sector.

Thanks go to our volunteer drivers who are always on hand to support our Community Transport program with positivity.

Through the year we have been grateful recipients of donations from local trusts the Geoff & Helen Handbury Foundation, in line with an annual donation commitment, and local business Midfield Meat International Pty Ltd., who are very community minded and generous. An annual donation was

also received from the William Angliss Charitable Fund which along with the other donations was directed to service development and resources. Donations support Mpower to reach our mission of quality service provision that empower people to have meaningful connections to their communities.

As we work to complete the aspirations of the current Strategic Plan we are looking forward to a bright future and further achievements with the setting of a new strategic direction in 2020.

Kerry Nelson
CEO

Rhys Boyle
President





NDIS Services

OUTCOMES & ACHIEVEMENTS

N = NEW LEARNING – as the 2018/19 year progressed we continued to learn new information about the NDIS and how to walk beside and work in partnership with our participants to build skills for achieving longed-for goals.

D = Development of systems and practice - all of the new learning meant that the teams worked hard on developing effective systems. This meant trial and sometimes error but the good-natured approach and the positive attitude of staff prevailed.

I = INDIVIDUAL OUTCOMES – the year saw many individual outcomes for participants from experiencing new activities, mastering new skills, meeting new friends, building independence and confidence to join in.

S = STORIES – there are so many happy stories to share that telling just one seems not to do justice to the year's achievements. We have been privileged to promote and share outcomes from first tastes of new foods, to first steps, first words, first signs, first overnight stay away from home, first haircut, first jocks, first meal prepared solely by the person, with all of these milestones celebrated by staff along with families.

FOCUS

Our focus for the year was to really embed the NDIS practices and principles into our everyday working life. Staff worked very hard to build their knowledge and understanding of the NDIS in order to continue to provide effective supports and programs for the

children, families and adults who have supported Mpower by accessing our programs and services. We are mindful of the stresses that the new system has brought for people and have tried very hard to help prepare and support people with disabilities and their families to access and navigate the scheme.

HIGHLIGHTS OF THE LAST YEAR

- New staff – we have been very fortunate to have recruited four new therapists in the 2018/19 year, two Occupational Therapists and two Speech Pathologists. This brings our early childhood intervention team to seventeen, including three permanent staff in our Hamilton-based team. Disability Services added to our already excellent team with new support workers and coordinators joining in and being responsible for earning some of the best feedback possible.
- New Hamilton premises – giving a real sense of presence as an agency and enough space to run programs and for our therapists to see children if needed
- New projects – providing a successful siblings project
- New programs – the School's Out program has been very well received and attended, along with new play groups and "Kids Rec" Saturday Community Access
- Growing short term accommodation programs and the welcome return of our Weekend Getaways which we now run in Warrnambool.

NDIS Services Report

STORY

The Siblings Inclusion Project

Mpower uses NDIS and Victorian State Government funding to provide support for youth and social learning groups, therapy activities, Active Oceans programs, community access and volunteering programs, and opportunities to access interesting and fun social activities for children who have disabilities. When the participants are dropped off at activities, their siblings often want to stay but cannot do so as they are not covered by funding. NDIS does not fund supports for siblings to have places in the groups.

In the January and March School holidays Mpower was able to run a successful Siblings Inclusion Project pilot thanks to the very generous funding that we received through the Southwest Community Foundation in 2018. It has long been known that the siblings of children with disabilities also have needs that should be addressed.

It is beneficial for siblings when they hear from other children who have similar experiences, it can help them feel less isolated. Siblings of children with disabilities often have to wait for attention, they may have to accompany family members to multiple appointments with medical and allied health professionals, and they often see their

siblings getting a lot of attention when they may not have the emotional maturity to respond to this. Access to support for children who have siblings with disabilities is limited. This is particularly true in rural and regional settings.

The program was implemented by the Early Childhood Intervention Team social worker using the Sibworx materials. It focused on providing a balance of therapy and recreation. Goals for the sessions included building strong links between group participants, increasing understanding of disability, identifying and managing difficult emotions and working on problem solving skills. The group were all aged between 8-10 and made good connections with each other. They all participated in play in an inclusive manner and were able to develop their own games as well as following the program provided. Several children did not want to leave at the end of the session as they had enjoyed it so much. One child said they were glad they had come as they know their sibling spent time at Mpower but they had never been here before.

This successful pilot program means that Mpower will be continuing to offer siblings support groups in the future.

Louise Jellie
NDIS Services Manager





Community Services



OUTCOMES AND ACHIEVEMENTS

It has been another busy and rewarding year in Community Services. Our Community Services program encompasses the Support for Carers Program (CSP), Integrated Family Services (IFS), Community Transport, Strengthening Parent Support Program (SPSP) and Deaf Access.

CSP

There have been significant changes to the guidelines of the CSP which became effective on 1 January 2019. The most significant change to the program is that all carers, irrespective of their age, are now eligible to access the program.

Mpower facilitates carer support groups in:

- Warrnambool;
- Portland;
- Hamilton;
- Casterton;
- Terang; and
- Coleraine

IFS

Mpower's IFS team provide child-focused and family-centered services to support vulnerable families in need. The work that the IFS team undertake to assist families is challenging but highly rewarding. It has been a very busy year for the IFS team with the number of families in the South West requiring support and assistance increasing. The team are to be commended for their dedication and perseverance.

COMMUNITY TRANSPORT

The Community Transport program is available to eligible aged people and people with a disability who have no access to transport. Volunteer drivers provide a door to door transport service. This program relies on the invaluable contributions of volunteers who provide this service to the community. A big thankyou goes out to all of our dedicated volunteers.

SPSP

SPSP is for parents and carers of children who have a disability or developmental delay. The program employs a coordinator to establish peer support groups and provide individual support and information to parents and carers to support them in their parenting role. This parenting support program provides families with opportunities to participate in peer support groups and to establish support networks with other families or carers in their local community.

DEAF ACCESS

Deaf Access has been a part of Mpower for 16 years and has enjoyed many successes and improvements in the community lives of people who are deaf and hard of hearing.

Deaf Access in 2018-2019 gained further DHHS funding to transition its activities to NDIS funding by the end of 2019. This extra funding has enabled some projects and short-term training and awareness activities to continue. Attendance at visual communication and signing training has been high with sessions being run in Hamilton, Colac, Portland and Warrnambool. Aged care talks have

Community Services

been conducted in Hamilton, Geelong, Surf Coast and Warrnambool. Help and advice to individuals and organisations has mainly been focused on how the NDIS can assist people who are deaf or hard of hearing.

HIGHLIGHTS OF THE LAST YEAR

During the year our registered carers have been provided with many opportunities for social connectedness, respite and education through a variety of activities. A particular highlight was the Carers' Christmas party, which involved a train trip to Camperdown and a superb Christmas lunch. Carers were also treated to a day trip to Melbourne where they took in the stage show Barnum.

We are very proud of the introduction of a carers support group in Portland. This group is facilitated by our carer coordinators and has provided much needed support to carers in the Portland area.

The Mpower Supporting Carers Program assists carers in their role by providing:

- Peer Support Groups to share knowledge, support and experiences
- Social activities for some time out from their caring role
- Aids and equipment for the care recipient
- Workshops and information forums
- Information and referral
- Carer support and referral to counselling
- Short term, flexible respite

The IFS and SPSP programs prides themselves on the support they provide to families who are doing it tough on many different levels. A highlight of these programs is seeing the difference that a kind word, a listening ear or a point in the right direction can make to these families.

FOCUS

The Mpower CSP team have been actively promoting the new guidelines to get the word out there that all carers are now eligible for the program. There has been a focus on reaching out to carers in rural or remote areas. No matter who you care for, taking on a caring role is a significant event that brings many challenges and rewards.

Mpower has six very capable and dedicated IFS practitioners who provide families with assistance and support. As families become more complex with an ever-increasing diverse range of needs, the time that we are required to devote to them increases. Our practitioners are dedicated to helping families reach their goals. We are focused on engagement and maintaining good service delivery outcome.

CLIENT STORY

L is an 85 year old man who cares for his wife, J, who has dementia. L attends a carer support group facilitated by Mpower Support for Carers Program and has spoken openly at meetings about increasing stress and exhaustion due to J's growing confusion.

L stated that J often becomes confused with time and requires constant reminders and prompting re time of day, meal times and taking medication. He said that she gets up frequently in the middle of the night and dresses, believing it's morning, and can become extremely upset and agitated when he tries to persuade her to go back to bed. When he's unable to do so they both get up and often begin their day at 3 or 4am. Stress and continued sleep deprivation were impacting on his ability to care for his wife and on his own physical and mental health. Despite this, L would not consider respite due to guilt and worry that J would not cope without him.

After discussions with L, the Mpower Carer Services Coordinator sourced and funded a "dementia clock" with large digital numbers displaying time of day - morning, afternoon, evening, night time, and programmable audio prompt features for mealtimes, medication and appointment reminders. The clock was delivered to L and J's home and has been very helpful in managing J's behaviour. L describes it as "wonderful", saying it has helped reduce J's anxiety and repetitive questioning and alleviated stress and conflict for them both.

L stated that the clock helps reorient J if she wakes at night, has reduced the likelihood of her wanting to get up and helps him persuade her to return to bed if she does. L said "She didn't know where she was before we got that clock. We can't say thank you enough and the support group has really helped too. We're not alone, are we?"

Cherieanne Carmichael
Community Services Manager

Snapshot

455

participants with
active NDIS plans using
Mpower

1208

hours of Early
Childhood Intervention
group sessions

3831

hours support to
Carers

8000

hours of groups for social and
community access

600+

Facebook
followers

21

new staff
appointments

support
190
carers

230

financial
intermediary
plans

5643

hours of Early Childhood supports

43

families received more than 50
hours of assistance/supports from
IFS.

15

families received between 30 to 50
hours of assistance/supports from
IFS.

35

families received between 10 to
30 hours of assistance/supports
from IFS.

Strengthening Parent Support Program assisted 7 groups of parents in organising peer support sessions.

In total **72**

parents attended education and information
sessions.

10

new parents attended a
support group.

95 Families accessed IFS supports

25%

of cases involved
non school
attendance by youth.

50%

of our cases involved
or had a history of
family violence.

32%

our cases were
drug or alcohol
related.

47%

of cases involved
concerns about child
or youth behaviour.



Our Services

NDIS SERVICES

EARLY CHILDHOOD SERVICES (ECEI) EARLY INTERVENTION SERVICES (ECEI)

ECEI aims to improve the lives of infants and children 0-7 years with a disability or developmental delay and their families through the provision of specialised early intervention support.

A range of services are provided including speech and occupational therapy, behaviour support, skill development groups, developmental assessments, key worker supports and, support to early childhood and care settings to promote access and meaningful participation.

THERAPY SUPPORTS

This program for children 7 -12 years aims to facilitate skill development in a range of domains to ensure that children are successful in obtaining outcomes and meeting goals identified by families and in the participant's plan. A range of services are provided including: speech and occupational therapy, behaviour support, social skills programs and skills-based groups.

DISABILITY PROGRAMS

These programs are designed to enable participants to take part in both Mpower activities based at Mpower house or the community and other community activities of choice, are available for families of children, young people and adults with disabilities.

The programs include:

- Kids in the Community
- Weekend Getaways
- Short Term Accommodation options
- Active Oceans
- Youth Group
- High Flyers
- School's Out
- Stepping Out
- Stepping into Independence
- Skill development groups
- Individual skill development supports

COMMUNITY SERVICES

CARER SUPPORT PROGRAM

Support for Carers program provides support, care and information to those providing unpaid care to another person who is frail aged and/or who

has dementia or someone of any age who has a disability, a mental illness of an ongoing medical condition.

INTEGRATED FAMILY SERVICES

Integrated Family Services (IFS) provides a range of supports and interventions for vulnerable children, youth and families experiencing difficulties in their family relationships and environment. IFS aims to enhance the safety, stability and development of children and adolescents by focusing on strengthening the capacity of parents to provide basic care, ensure safety and promote their child's development. Actions may include:

- counselling
- parent education
- household management
- outreach
- case management

STRENGTHENING PARENT SUPPORT PROGRAM

Strengthening Parent Support Program is for parents and carers of children from birth to 18 years who have a disability or developmental delay. The program operates to establish peer support groups and provide individual support and information to parents and carers to support them in their parenting role.

COMMUNITY TRANSPORT

Community Transport provides flexible transport arrangements for those who are disadvantaged accessing transport to allow them to attend health or community support services.

DEAF ACCESS VICTORIA

The deaf Access program assists community organisations and services to work more effectively with deaf and hard-of-hearing people by raising awareness in the local community about their needs and the problems they experience. Information relating to deafness or hearing loss is provided for deaf and hard-of-hearing people, their families or carers, services that work with deaf and hard-of-hearing people and for the general community.

OTHER

TOY LIBRARY

The special needs toy library provides information for parents and lends play materials and educational toys and equipment to facilitate the growth and development of infants and children with disabilities. Borrowing is available for people of all ages.

Staff as at 30th June, 2019

Ayesha Albarwani
Mark Barling
Gordon Bentley
Amber Boers
Rianna-Lea Bourke
Lyndy Boyle
Ruby Bradshaw
Gary Brereton
Sarah Bullen
Lisa Cameron
Cherieanne Carmichael
Katrina Carrod
Robyn Carroll
Prue Clancey
Heather Clue
Helen Conheady
Sarah Davey
Marita Dobson
Betty Dwyer
Danili Dwyer
Herlinda Eykels
Abby Fraser

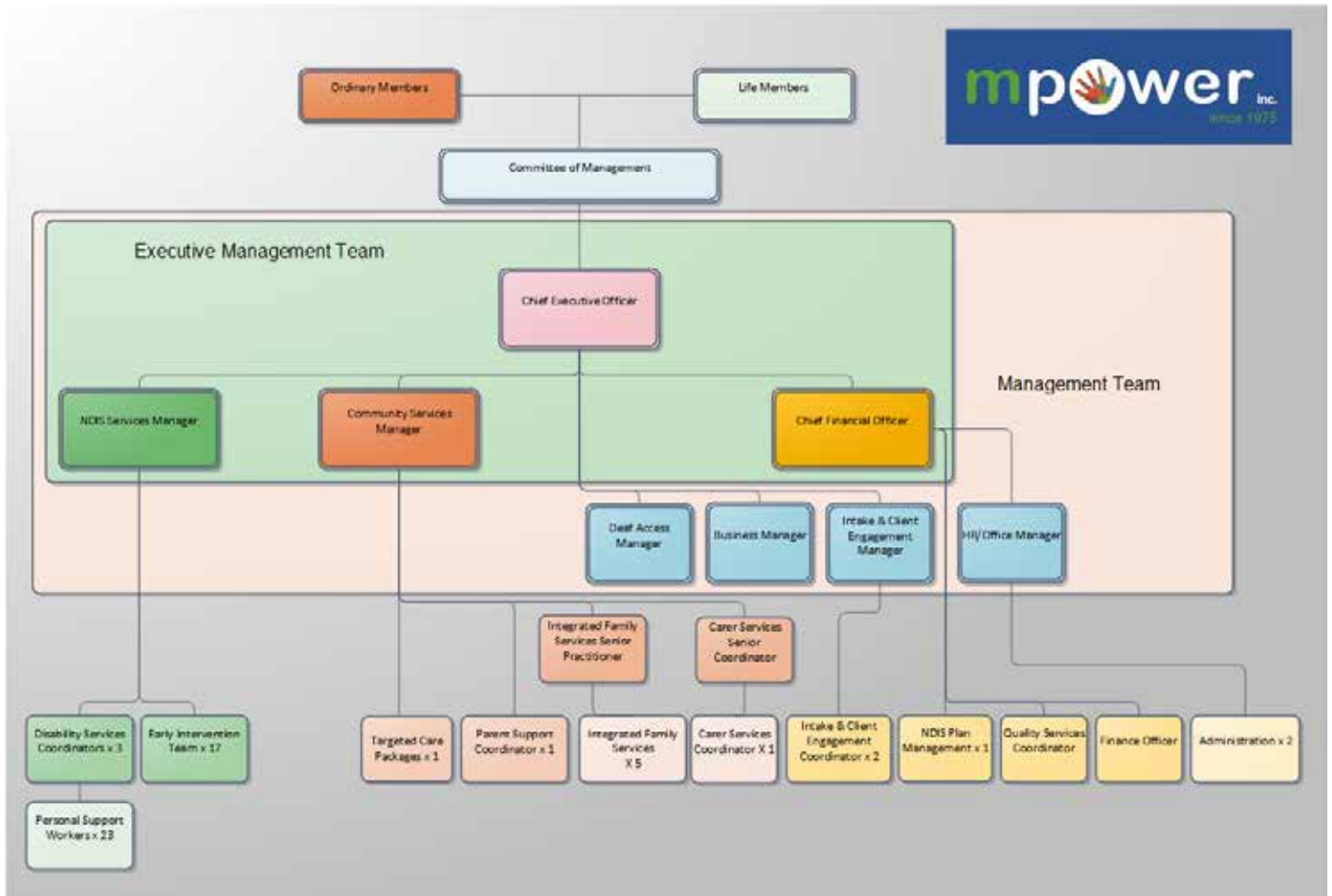
Janine Gapes
Jami Giles
Jason Gilmour
Jennifer Gleeson
Elizabeth Green
Lynda Haddow
Brydie Harman
Debbie Harman
Trent Harman
Naomi Hill
Cloe Hilliam
Megan Hol
Angela Hoskins
Catherine Howarth
Belinda Jarvis
Alice-Louise Jellie
Tracey Jennings
Matt Johnson
Kirsty Jones
Wendy Jones
Sandra Joyce
Lorraine Kane

Amanda Kearney
Gail Kent
Rachel Malady
Patrina Markey
Natalia Mendes
Dianne Mcfadden
Cheryl Mckinnon
Susan Mcnaughton
Kelly Moran
Carolyn Morton
Judi Mutsaers
Kerry Nelson
Rebecca Nevin Berger
Donna Newell
Yasmin Nurmohamed
Melissa O'keefe
Beth Parkin
Rachel Peters
Jasmin Prewett
Mitchell Reason
Nelson Reason
Thomas Reeve

James Reid
Justin Roberts
Luke Robertson
Narelle Ryan
Penny Ryan
Rachel Savery
Danielle Sheppard
David Skinner
Erica Smith
Kirsty Sutcliffe
Maria Svent
Eve Tamer
Edda Thomson
Nicky Trussler
Shona Waller
Emma Watts
Rebecca Wickenton
Yvette Wilkinson
Dionne Wilson
Sam Worden
Michael Wright
Sarah Zerbe



Organisational Structure



Volunteers

Volunteers are a highly valued and essential part of the Mpower workforce, particularly through the Community Transport and Totally Awesome Parents programs.

Mpower staff and management would like to thank all volunteers contributing throughout the year including.

Roy Clarke
Paul Hanlon
Chris Carroll





Financial Report

Mpower Inc. presents a surplus of \$523,823 for the 2018/19 financial year including a capital gain of \$145,690. The financial position of all programs improved on the prior year.

STATEMENT OF COMPREHENSIVE INCOME

Total income increased by 45% from \$4.45M to \$6.60M.

Growth in government funding from the Department of Health & Human Services was driven by new services being offered in our Out of Home Care and Targeted Care Package programs. After the full transition to the NDIS was complete, the main growth factor driving NDIS income was the expansion of Plan Management. The organisation more than doubled the number of plan managed clients serviced at the beginning of the financial year.

Full NDIS transition meant funding from the Department of Education for the Early Childhood Intervention program was finalised.

Profit on Sale of Non-current Assets of \$168,954 consists of multiple items including profit on sale of Sturgeon View Holiday House.

Two significant donations were received from The Geoff and Helen Handbury Foundation and Midfield International of \$10,000 each.

Total expenses increased by 35% from \$4.52M to \$6.08M.

The increase in total expenditure relates to the increase in total program costs. Program costs in Plan Management increased by \$1.13M in contrast to a reduction in other programs where costs were reduced. Wages increased by 15% from 2017/18 financial year which included the Social, Community Health and Disability Services Award increase of 6%.

Increased service demands and new service opportunities resulted in a total of 12 new positions across the organisation.

STATEMENT OF FINANCIAL POSITION

Net assets increased to \$4.40M, an increase of 13.5%. Strong cash reserves of \$3.49M allowed Mpower to reinvest into the business through the purchase of two properties connected to Mpower House.

The property investment of \$704K was funded with \$287K from accumulated reserves and the balance from current year surplus.

An increase of 22% in accounts receivables reflect the transition of 58% of revenue being sourced from the NDIS. Large increases in accounts payable reflect the growth in business and the outstanding settlement of property purchased in June.

Employee provisions are recognized at the future value attributable to Equal Remuneration Order of the Social Community Health and Disability Services Award, overall reducing from the prior year by 3.4%.

Elizabeth Green
Chief Financial Officer



2018-2019

Financial Statements

Mpower Inc.

ABN 39 491 685 563

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Mpower Inc.

ABN 39 491 685 563

BOARD OF MANAGEMENT REPORT FOR THE YEAR ENDED 30 JUNE 2019

The board members present the financial report of the Mpower Incorporated for the financial year ended 30 June 2019.

Board

The names of the board members throughout the year and at the date of this report are:

Rhys Boyle	President
Neil Ballard	Vice President
Kerrie Hughson	Treasurer
David Beard	
David Beggs	
Helen Bayne	
Michelle Downs	

Board members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the association during the financial year was to provide support and counselling services for Aged and Disability impacted persons.

Significant Changes in the State of Affairs

No significant change in the nature of these activities occurred during the year.

Operating Result


The result from ordinary activities for the financial year amounted to a surplus of \$523,823 (2018 - surplus \$21,651).

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

Signed in accordance with a resolution of the Board:


Mr Rhys Boyle
President


Mr Kerrie Hughson
Treasurer

Dated at Warrnambool, 3rd October 2019.

Mpower Inc.

ABN 39 491 685 563

STATEMENT OF COMPREHENSIVE INCOME**FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 \$	2018 \$
Revenue	2(a)	6,172,181	4,232,900
Other income	2(b)	259,523	298,253
Profit on sale of non-current assets		168,954	6,731
Advertising & promotion		(9,964)	(24,956)
Audit and legal charges		(20,541)	(24,520)
Bank charges		(1,166)	(1,224)
Catering		(8,653)	(6,941)
Cleaning		(13,136)	(19,080)
Consultants fees		(37,818)	(48,409)
Depreciation		(145,760)	(164,833)
Insurance		(7,118)	(6,516)
Maintenance and repairs		(136,093)	(123,895)
Motor vehicle expenses		(66,205)	(59,885)
Postage		(3,289)	(4,142)
Printing & stationary		(18,837)	(14,362)
Program costs		(1,566,739)	(508,927)
Employee Benefits		(3,895,351)	(3,379,705)
Security		(1,932)	(2,534)
Subscriptions		(19,988)	(12,777)
Sundry expenses		(66,678)	(51,506)
Telephone		(23,383)	(30,812)
Utilities		(34,184)	(31,209)
Net current year surplus		523,823	21,651
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		523,823	21,651

The accompanying notes form part of these financial accounts.

Mpower Inc.

ABN 39 491 685 563

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Notes	2019 \$	2018 \$
ASSETS			
Current assets			
Cash on hand	3	3,039,207	2,602,544
Accounts receivable	4	445,105	366,961
Other assets	5	10,545	15,353
Total current assets		3,494,857	2,984,858
Non-current assets			
Property, plant & equipment	6	2,544,933	1,900,818
Total non current assets		2,544,933	1,900,818
TOTAL ASSETS		6,039,790	4,885,676
LIABILITIES			
Current liabilities			
Accounts payable and other payables	7	946,729	264,037
Employee provisions	8	343,487	350,305
Other liabilities	9	299,904	337,760
Total current liabilities		1,590,120	952,102
Non current liabilities			
Employee provisions	8	53,841	61,568
Total Non current liabilities		53,841	61,568
TOTAL LIABILITIES		1,643,961	1,013,670
NET ASSETS		4,395,829	3,872,006
EQUITY			
Retained earnings		4,395,829	3,872,006
TOTAL EQUITY		4,395,829	3,872,006

The accompanying notes form part of these financial accounts.

Mpower Inc.

ABN 39 491 685 563

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Retained Earnings \$	Total \$
Balance at 1 July 2017	3,850,355	3,850,355
Surplus attributable to the entity	21,651	21,651
Balance at 30 June 2018	<u>3,872,006</u>	<u>3,872,006</u>
Surplus attributable to the entity	523,823	523,823
Balance at 30 June 2019	<u>4,395,829</u>	<u>4,395,829</u>

The accompanying notes form part of these financial accounts.

Mpower Inc.

ABN 39 491 685 563

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		6,298,594	4,198,095
Payments to suppliers and employees		(5,295,976)	(4,257,209)
Interest Received		54,966	57,262
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	10	1,057,584	(1,852)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		258,591	16,800
Purchase of property, plant and equipment		(879,512)	(202,994)
NET CASH (USED IN) INVESTING ACTIVITIES		(620,921)	(186,194)
NET INCREASE/(DECREASE) IN CASH HELD		436,663	(188,046)
CASH AT BEGINNING OF FINANCIAL YEAR		2,602,544	2,790,590
CASH AT END OF FINANCIAL YEAR	3	3,039,207	2,602,544

The accompanying notes form part of these financial accounts.

Mpower Inc.

ABN 39 491 685 563

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profit Commission Act 2012*. The board has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

a. Income tax

No provision for income tax has been raised as the association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997

b. Property, plant and equipment (PPE)

Assets are carried at cost less any accumulated depreciation.

The depreciable amount of all PPE, is depreciated on a straight line basis over the assets useful life commencing from the time the asset is held ready for use.

c. Accounts receivable and other receivables

Accounts receivables are recognised initially at the transaction price (i.e cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is immediately recognised in the statement of comprehensive income.

d. Accounts payable and other payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid. Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

e. Employee benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Mpower Inc.

ABN 39 491 685 563

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

f. Cash on hand

Cash and cash equivalents comprise of cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

g. Revenue and other income

Revenue is recognised when the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt. If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

h. Impairment of assets

At the end of the reporting period, the board reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the statement of comprehensive income.

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

j. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Mpower Inc.

ABN 39 491 685 563

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
Note 2: Revenue and other income		
(a) Revenue		
Department of Health and Human Services - State Government Victoria	2,220,161	2,435,407
Department of Education and Training - State Government Victoria	13,508	537,480
National Disability Insurance Scheme	3,804,670	1,027,050
Department of Social Services - Australian Government	-	125,819
Department of Health - Australian Government	133,842	107,144
	6,172,181	4,232,900
(b) Other income		
Donations	22,120	19,017
Fee for service	32,405	51,892
Interest received	54,966	60,796
Program activity fees	24,940	48,924
Sundry other income	125,092	117,624
Profit on sale of non-current assets	168,954	-
	6,600,658	4,531,153
Total revenue	6,600,658	4,531,153
Note 3: Cash on hand		
Cash on hand	1,600	1,600
Cash at bank	3,037,607	2,600,944
	3,039,207	2,602,544
Note 4: Accounts receivable		
Accounts receivable	437,585	261,360
Other receivables	7,520	105,601
	445,105	366,961
Note 5: Other assets		
Accrued income	3,535	8,730
Prepayments	7,010	6,623
	10,545	15,353

Mpower Inc.

ABN 39 491 685 563

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Note 6: Property plant & equipment		
Land		
Land at cost	826,000	503,000
Total land	826,000	503,000
Buildings		
Buildings at Valuation	1,294,993	1,406,486
Buildings at cost	372,959	*
Accumulated depreciation	(319,352)	(351,706)
Work in progress	*	2,085
Total buildings	1,348,600	1,056,865
Plant and equipment		
Plant and equipment at cost	588,819	683,067
Accumulated depreciation	(392,731)	(435,932)
Total plant and equipment	196,088	247,135
Motor vehicles		
Motor vehicles at cost	323,560	275,977
Accumulated depreciation	(149,315)	(182,159)
Total motor vehicles	174,245	93,818
Total property, plant and equipment	2,544,933	1,900,818

Mpower Inc.

ABN 39 491 685 563

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

(a) Reconciliation of the carrying amounts of each class of asset:

	Land	Buildings	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2018	503,000	1,056,865	247,134	93,819	1,900,818
Additions	328,000	372,959	27,933	150,620	879,512
Disposals	(5,000)	(57,326)	(4,984)	(22,327)	(89,637)
Depreciation		(23,898)	(73,996)	(47,866)	(145,760)
Carrying amount at 30 June 2019	826,000	1,348,600	196,087	174,246	2,544,933

	Land	Buildings	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2017	503,000	955,293	259,198	155,235	1,872,726
Additions		136,748	66,246		202,994
Disposals				(10,069)	(10,069)
Depreciation		(35,176)	(78,310)	(51,347)	(164,833)
Carrying amount at 30 June 2018	503,000	1,056,865	247,134	93,819	1,900,818

Mpower Inc.

ABN 39 491 685 563

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Note 7: Accounts payable and other payables		
Accounts payable	69,448	50,129
Accrued salaries and wages	156,429	131,883
Other payables	643,381	6,848
Statutory payables - GST and PAYG	77,471	75,177
	946,729	264,037
Note 8: Employee provisions		
Current		
Employee provisions		
Annual leave	182,431	185,478
Long service leave	144,878	149,636
Time owing in lieu	16,178	15,191
	343,487	350,305
Non-current		
Employee provisions		
Long service leave	53,841	61,568
	53,841	61,568
Note 9: Other liabilities		
Income in advance	299,904	337,760
	299,904	337,760

Mpower Inc.

ABN 39 491 685 563

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
Note 10: Cash Flow Information		
Reconciliation of cash flows from operations with net current year surplus:		
Surplus for the year	523,823	21,651
Non-cash flows in result:		
Depreciation	145,760	164,833
Impairment of non-current assets	-	-
Profit on sale of non-current assets	(168,954)	(6,731)
Changes in assets and liabilities:		
(Increase)/decrease in accounts receivable	(78,144)	(275,798)
(Increase)/decrease in other assets	4,809	(2,463)
Increase/(decrease) in accounts payable and other payables	682,691	(45,874)
(Increase)/decrease in employee provisions	(14,544)	91,944
(Increase)/decrease in other liabilities	(37,857)	50,586
Net cash used in operating activities	<u>1,057,584</u>	<u>(1,852)</u>

Note 11: Commitments

Operating lease commitments

Non-cancellable operating leases contract for but not recognised in the financial statements.

Payable - minimum lease payments:

- not later than 12 months	59,581	44,527
- between 12 months and five years	9,290	25,218
- later than five years		

Total operating lease commitments	<u>68,871</u>	<u>69,745</u>
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Note 12: Contingencies

On 15 November 2016, Mpower Inc. received funding from DHHS of \$270,000 for the redevelopment at 84 - 86 Koroit Street Warrnambool, being the Respite and Therapy Centre.

A funding deed was entered into between DHHS and Mpower Inc. with a ten year expiry date, which may require Mpower to pay DHHS their relevant interest, if the property is not utilised for its permitted use.

The entity is unaware of any contingent assets at 30 June 2019. (2018: Nil)

Note 13: Events after the reporting period

The board is not aware of any significant events since the end of the reporting period.

Mpower Inc.

ABN 39 491 685 563

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$

Note 14: Related party transactions

No related party transactions noted during the 30 June 2019 financial year. (2018: Nil)

Note 15: Retained earnings

Opening balance	3,872,006	3,850,355
Surplus for the year	523,823	21,651
Closing balance	<u>4,395,829</u>	<u>3,872,006</u>

Note 16: Entity details

The registered office of the entity is:

Mpower Inc.

71 Koroit Street

Warrnambool, Vic, 3280

Mpower Inc.

ABN 39 491 685 563



**STATEMENT BY MEMBERS OF THE BOARD
FOR THE YEAR ENDED 30 JUNE 2019**

The board has determined that the association is 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 board the financial statements :

1. Presents a true and fair view of the financial position of Mpower Incorporated as at 30 June 2019 and its performance for the year ended at that date
2. At the date of this statement, there are reasonable grounds to believe that Mpower Incorporated will be able to pay its debts as and when they fall due.

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


Mr Rhys Boyle
President
Mrs Kerrie Hughson
Treasurer

Dated at Warrnambool, 3rd October 2019.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF MPOWER INC.

Opinion

We have audited the financial report of Mpower Inc. (the entity), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting requirements of the *Associations Incorporation Reform Act (VIC) 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committees' financial reporting responsibilities under the *Associations Incorporation Reform Act (VIC) 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Associations Incorporation Reform Act (VIC) 2012* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

McLaren Hunt.

MCLAREN HUNT

AUDIT AND ASSURANCE

C.J. Kol

C.J. KOL
PARTNER

Dated at Warrnambool: 4th October 2019



Acknowledgements

Mpower acknowledge the generosity of individuals, businesses, community groups, trusts, grants and government departments who support our work to assist children and families and strengthen the community.

Federal Government

- Department of Health
- National Disability Insurance Agency

Victorian State Government

Mpower acknowledges the support of the Victorian Government

- Department of Education and Training
- Department of Health and Human Services



Key Business and Community Partners

- Darrian Office Choice
- Enhanced Resources
- Gunners Office Equipment
- McLaren Hunt
- SED Advisory
- South West Credit
- Star Printing
- Tasty Plate
- Warrnambool Toyota

Local Government

- Warrnambool City Council
- Corangamite Shire
- Glenelg Shire
- Moyne Shire
- Southern Grampians Shire
- Surf Coast Shire
- City of Greater Geelong
- Colac Otway Shire

Donors

- Geoff and Helen Handbury Foundation
- The William Angliss Charitable Fund
- Mr Vern Robson
- Mr Andrew Fisher
- Midfield Meat International Pty Ltd

Community Program Partners

- Nestles Rowing Club
- Port Fairy Yacht Club
- Warrnambool Angling Club
- Warrnambool Netball Association
- Warrnambool Surf Lifesaving Club
- South West Sport
- Bunnings
- Warrnambool Indoor Tennis
- Great Ocean Road Ten Pin Bowling
- Lyndoch Living
- Meals on Wheels
- Dennington Bowls Club
- Capital Theatre
- Active Sportz

Other Disclosures

The Carers Recognition Act 2012 promotes and values the role of people in care relationships and formally recognises the contribution that carers and people in care relationships make to the social and economic fabric of the Victorian community.

Mpower has taken all practicable measures to comply with its obligations under the Act.

Mpower has promoted the principles of the Act to people in care relationships who receive our services and to the wider community by:

- distributing printed material about the Act at community events or service points
- providing links to state government resource materials on our website
- providing digital and/or printed information about the Act to our partner organisations.

Mpower has taken all practicable measures to ensure our staff have an awareness and understanding of the care relationship principles set out in the Act by:

- developing and implementing a staff awareness strategy about the principles in the Act and what they mean for staff
- induction and training programs offered by the organisation include discussion of the Act and the statement of principles therein.

Mpower has taken all practicable measures to consider the carer relationships principles set out in the Act when setting policies and providing services by:

- reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act
- developing a satisfaction survey for distribution at assessment and review meetings, between workers, carers and those receiving care.





A community inspired and empowered by people of all ages, abilities and differences

Mpower Inc.
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Warrnambool 3280



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