

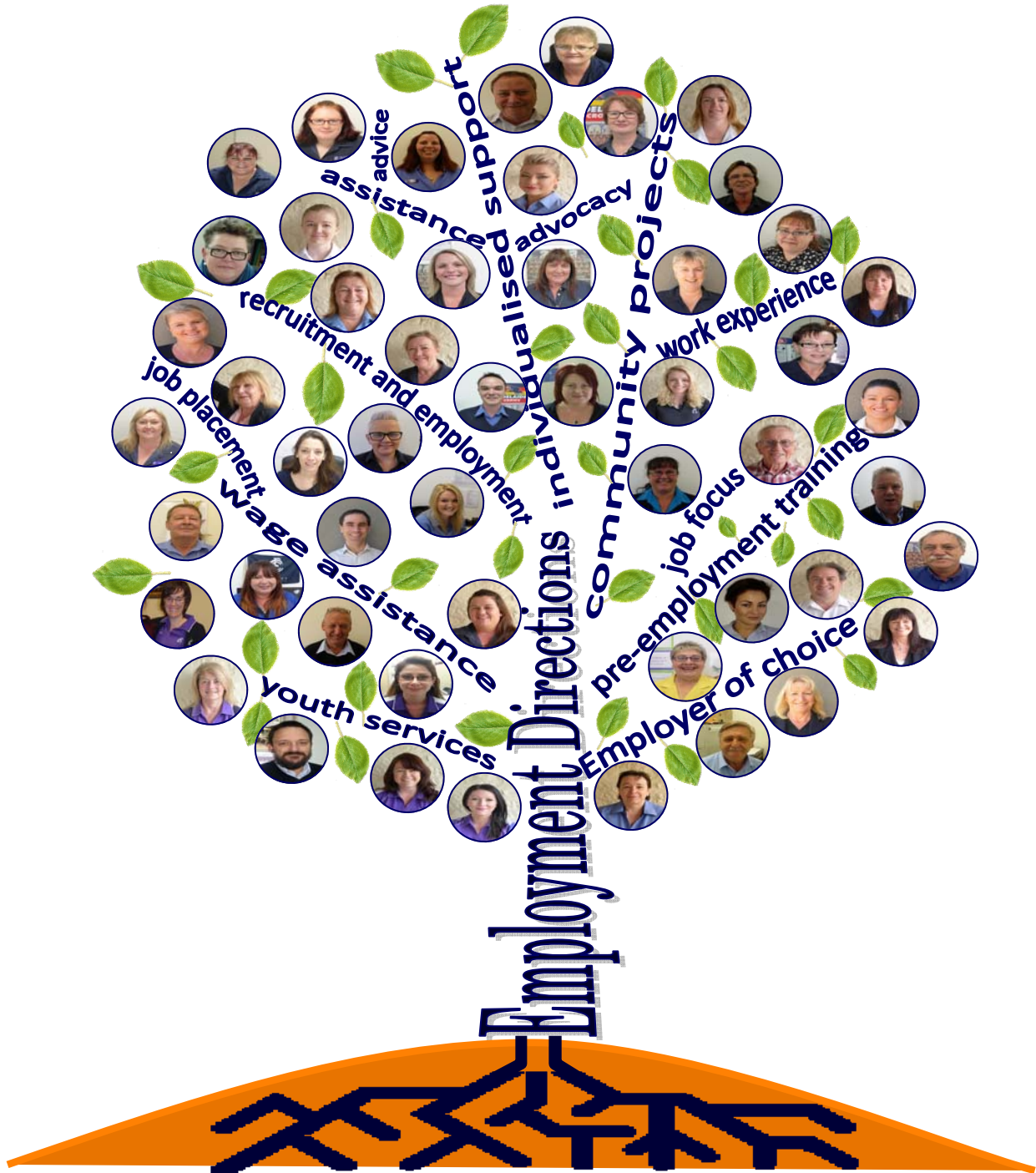


Employment
Training
Recruitment Solutions

putting people first



Staehr Street Incorporated trading as Employment Directions Annual Report 2013



Our People Are Our Success



Putting People First





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Employment Directions started in 1978 as a small Barossa Valley based organisation delivering the Community Youth Support Scheme to disadvantaged youth in the community. Over the last 30 years we have changed, grown and developed to an organisation delivering State and Federally funded Government employment, youth and training programs to jobseekers and disadvantaged members of the Gawler, Barossa Valley, Mid North, Yorke Peninsula and Port Pirie regions.

Purpose

Employment Directions will:

- Provide a range of quality services to the community to assist people to gain and maintain employment;
- Respond to the needs of highly disadvantaged people in the local Labour market; and
- Operate in a financially sustainable manner.

In addition to meeting all contractual requirements Employment Directions seeks to aid the highly disadvantaged who do not receive the services they need in the community. We are morally obligated to utilise Government funding and program funding wisely and prudently for their benefit.

Values

Employment Directions will work with the local community to meet its needs while ensuring every interaction values the individual. It will do this by displaying the following values:

- Ethical, Honest, Transparent, Respectful
- Innovative, Flexible, Responsive, Professional

Our Strengths

- Professional and committed employees
- Exemplary reputation
- Community base
- Relationships with Employers
- Networks and connections

Barossa

(Head Office)

16 Staehr Street
(PO Box 198)
NURIOOTPA SA 5355

Clare

189 Main North Road
(PO Box 79)
CLARE SA 5453
Phone: (08) 8841 3800

Gawler

24a Adelaide Road
(PO Box 2039)
GAWLER SA 5118
Phone: (08) 8523 8200

Kadina

Office 3
10 Taylor Street
KADINA SA 5554
Phone (08) 8821 6500

Peterborough

60 Queen Street
PETERBOROUGH SA 5422
Phone: (08) 8651 2980

Port Pirie

52 Florence Street
PORT PIRIE SA 5540
Phone: (08) 8633 9300

THE BOARD

David Evans (Chair), David Perry, Dick Milner, Tim Kroehn, Penny Johnson, Peter Orvad, Tristan Watson

SENIOR MANAGEMENT

Rhia Vines (CEO), Geoff Brand (Employment/Youth Services Manager—Kadina, Port Pirie, Peterborough), Helen Wood (Human Resources), Peter Orvad (CWC), Sheryl Pawley (Deputy CEO, Employment/Youth Services Manager— Clare, Gawler, Nuriootpa), Steve Mardle (Finance Manager)

CORPORATE SERVICES

Cy Ann Neuendorf, Kahla Abley

SITE MANAGERS & PROGRAM COORDINATORS

Anthea Elworthy, Michelle Brown, Paul Chapman, Cathy Dyer, Graham Gulin, Belinda Schilling, Emma Stephens

JSA CONSULTANTS

Andrew Quin, Ashleigh Bussenschutt, Carolyn O'Callaghan, Charisse Peterson, Claire Bradley, Courtney Wood, Dawn Robinson, Deborah Hawke, Del Chadburn, Gemma McLean, Greg Dalton, Jeremy Stanway, Julie O'Connor, Karen Ryder, Karen Simmons, Kelly Gerschwitz, Kerry Caputo, Laura Menzel, Lyn Burgess, Megan Evans, Michelle Brown, Natasha Boxall, Peter Williams, Robyn Kennedy, Ruth Whittle, Scott Salvatore, Timothy Trudgen, Victoria Tamke, Wendy Turner, Yana Zanette.

VACANCY BROKERS

Tiffany Corfield (Coordinator), Brenton Clarke, Dawn Robinson, Helen Glen, John Boon, Rachael Morrison, Sandra Gordon, Zoie Ashman

YOUTH CONSULTANTS

Alex Herewane, Alison Auld, Cy Ann Neuendorf, Donna Neuendorf, Francesca Martin-Bizzai, Kirstie Barr, Madelaine Bizzai, Matthew Goodfellow, Rachel Fritz, Tracey Thompson, Stephanie Bishop

PROGRAM ADMINISTRATION

Ann Marie Orvad, Ashleigh Bussenschutt, Chantel Brown, Julie Doudle, Kerry Evered, Madeline Humbler, Ros Catford, Samantha Crawford, Selina Postill

TRAINING & SA WORKS

Anne Bridge, Claire Bradley, Joanne Ruddy, Yana Zanette, Kevin Pawley

FINANCE

Karen Steed, Sandra Boundy

WORK FOR THE DOLE

Edwin Aylett, Ray James, Robert Harrison,

CLEANING AND MAINTENANCE

Chris Forbes (Volunteer), Jeanette Forbes, Joylene Parr, Robert Burgess



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It is my privilege to report on Staehr Street Incorporated trading as Employment Directions (“Employment Directions”) for the financial year ended on the 30th of June 2013.

As this is being written the Government of the United States of America cannot agree about either the budget or the debt ceiling.

It appears, from here, that elements of the Republican Party are prepared to play Russian roulette with the revolver full to make a political point and that for the rest of the Republican Party (the majority) remaining in office is more important than Government.

The risks for the world economy (including us) are enormous and the hubris is breathtaking. Anyone who can see opportunity for social transformation in a catastrophe of their own making has lost sight of the purpose of Government. It has clearly eluded them that this is the worst possible thing they could be doing at this particular point in history, fundamentally threatening the largest economy in the world after the last financial catastrophe, which took place what seems like only minutes ago, and from which recovery is by no means complete. The range of possible outcomes cannot be calculated and this into a world financial system itself still reeling from recent events carries some danger for all of us.

I write this against a background of a recent change of Federal Government. The views of the new Government on the subject of employment services have yet to be vouchsafed to us. Since they told us nothing while in opposition it is probably unreasonable to expect an early comprehensive statement of their intentions.

The new Government has inherited two years of contractual arrangements and I expect it may be 18 months before the new framework is announced unless of course they respond to the avalanche of complaint about the impossibility of generating reasonable returns under the current arrangements. This applies to not for profit organisations such as ourselves and, probably more seriously, to for-profit entities.

Our costs are low, our staffing is at a level where we have concerns about caseloads for individual case managers and on the face of it, we are working miracles operating the number of sites over the area we operate if you consider what the costs would be if we had one site and the same workload.

The previous Government seemed to have lost sight of the fact that Australia consists of more than eight major cities. This is odd when it is considered that the previous Government required two independent members from regional areas to keep it in power. The new Government will have to be reminded regularly that they are there to govern for people outside cities as well as those in Sydney and Melbourne. They will have to understand that there is a cost in delivering services broadly.

The work that we do is of fundamental importance. It carries with it a certain cost. We exist because for many years the people who have constituted this organisation from time to time have agreed with the proposition that the work is more important than profit and that the people we help are worth the cost of the financial struggle to help them.

We understand that there is a price to pay for our country living beyond its means, simply because it could. We cannot help but note that Government led in this area. That our economy is not being spoken of in the same way as those of Greece and Spain and Italy is simply a matter of good fortune and largely thanks to China.



We understand that it was politically convenient for the Government to pretend that the faster part of our two speed economy was the whole economy but the reality is that since the global financial crisis there have been people struggling (most of us) and the miners (the rest).

We understand the now pervasive rhetoric of Government that costs must be contained – that more must be done with less.

But we also understand that Government could not afford to do this work efficiently itself, at the time it was first contracted out and now certainly could not. If the Government had to pay full price for all of the work which is done by not-for-profit and volunteer organisations Australia, as we understand it, would stop. The work must be done, the work must be paid for, the organisations doing the work need equipment which needs to be replaced from time to time and communications and facilities all of which attract a cost - this is a simple proposition, why is it so hard to understand?

The new Government, ideology aside, has the opportunity to determine where money is spent, where value is truly obtained, and to allocate accordingly. The sector of which we are a part needs a review of its funding in order to survive.

The year

The year began with staff struggling to adjust to the large number of changes to the systems. The cost of these changes, and coping with them, and the increasing incidence of direct regulation, is all unfunded.

As usual, commencements did not match the information provided at the time of the tender. At the same time the labour market tightened and placements and outcomes became more difficult.

Late in 2012 we were informed that a quality management system would have to be implemented. While complex, expensive, and time-consuming to implement (and unfunded) it has proved at least two things, firstly, that the organisation contains within it people who are able to find an ability to achieve over and above what seems the limit of daily capacity. We are grateful for them. Secondly it proved that the quality system itself was a good idea and will lead to streamlining of a lot of operations which will hopefully pay off in reduced complexity and resultant stress.

We already knew that there were some very capable people in the organization and we thank them for this further achievement.

Close to the end of the financial year the youth team moved from Second Street Nuriootpa to the Staehr Street office. This should result in some pleasing efficiencies in supervision and administration.

BASIS OF THIS REPORT

I will report against the Review Policy for the Board and the Organisation which has been in operation for some years.

The report broadly reflects a commencement year for the principal contract, the process of adaptation to the new arrangements, and the usual change and adjustment as the reality of operation in the new circumstances, and the changing economic circumstances, alters from time to time.



REVENUE AND FINANCIAL PERFORMANCE

It is unfortunate to have to report a deficit for this year.

However there were significant operational reasons for the deficit. They have already been mentioned and are concerned largely with the tightening of the labour market and variable jobseeker flows. There were also unfunded expenses such as the quality management system.

There has been significant effort put into ensuring appropriate cash flow for the organization. The board has spent considerable time on it and plans are now in place. It may be that the basis upon which we budget will need to be reviewed.

STAKEHOLDERS CUSTOMERS REPUTATION VISION

DEEWR

Our organisation has at its heart the precepts of fairness and fair dealing, respect, and a scrupulous honesty.

Notwithstanding the erosion of these precepts elsewhere this organisation has resolved to continue to operate in a scrupulous and fair and respectful manner.

The increased audit activity by the Department has shown, among other things, that these values have routinely informed our approach to the moral dimension of contractual relationships.

THE BOARD

There has been considerable change in the Board in the last 12 months.

Dick Milner has joined the board and has brought with him considerable relevant experience of which we have the benefit.

Peter Orvad after retiring from Employment Directions in February 2013 has now joined the board and we all look forward to his assistance in the strategic management of the organization and taking advantage of his direct involvement.

The members of the present Board have continued to assist the organisation despite business pressures, family pressures, and significant life events and I thank them for their efforts on behalf of the organisation.

The Board has benefited again this year from visits from senior members of the organisation in leadership positions in various programs, and with special expertise. We thank them.

Apart from the fundamental financial aspects of the organisation the Board has been concerned with governance of the organisation, a review of the auditor for the organisation, a review of the Constitution, and continues the consideration of possibilities for diversification.



STRATEGIC PRIORITIES AND VALUES

The board is aware of the narrowness of its partner base. The board has long recognised that diversification is desirable.

The organisation is blessed with people possessing a broad range of skills. The organisation quickly moves to adapt to changes in our circumstances. This depth of skills is to be both fostered and safeguarded.

RISKS

I have addressed the question of risks earlier in this report.

PROGRESS ON ACTIONS

Human Resources Management and Financial Management continue in their usual competent and efficient way under respectively Helen Wood and Steve Mardle.

RELEVANCE OF PLAN

The Board continues the process of reviewing the plan and is now concerned with possibilities for diversification and alternate income streams.

ISSUES ARISING

None not already mentioned.

CONCLUSION

The Board wishes to thank: –

Rhia Vines for her technical ability, her facility in communication and her understated leadership;

Sheryl Pawley and the senior managers for their efficiency and adaptability in times of change and, in particular Geoff Brand for his work with the Quality System;

All of you for your efficiency and support of the goals of the organisation and all of you for doing the work which is necessary, under the various pressures the circumstances and the work impose in a way which does the organisation great credit.

David Evans
Chairman
October 2013



In previous years I have highlighted changes or events impacting on our business – whether planned by us or enforced by contractual obligations - which have been a one off and have afforded us a lead time to plan and prepare for them. When I started to write the 2012 -2013 report, I realised that throughout this year we were faced with ongoing and consistent influences on our business that were both financially and operationally significant in addition to being labour intensive.

The year started with a reduction in fees in Job Services Australia which coincided with an increased requirement in evidential paperwork for claiming fees. Not only did this mean additional hours for ED staff, but also increased the level of frustration felt amongst employers regarding the ongoing and constant paperwork they were required to undertake to verify a client’s employment. In some instances, there was a refusal to sign due to the nature of the paperwork, in other cases employers were asking for a payment to undertake this. Either way — despite the fact that clients' were working full time - if we did not have the necessary paperwork signed, we were unable to claim a fee which also impacted on our income.

Unemployment levels rose and available vacancies and job opportunities in all regions reduced dramatically. The outcome of this is a reduction in outcome fees and yet an increase in required staffing to assist the higher number of clients who were attending due to either reduced hours, redundancies or lack of work. This was followed by a contractual system upgrade that increased the amount of data input required by consultants and an intense amount of training to be undertaken by all staff regarding these.

As a JSA provider we were subject to five claim audits throughout the year. The evidence requirements for these are enormous and in total required at least 16 weeks of staffing hours to complete. DEEWR also at this time announced that providers were required to have an accredited Quality Management System in place if they wished to tender for future business. The organisation entered a DEEWR initiated pilot program and commenced our accreditation process in May.

With the reductions in our funding, increases in operating costs and changes in State and Federal priorities, the organisation had to make some economic decisions of our own. Avenues that were previously open to resource additional programs, such as SA Works, were no longer available due to changes in State funding and we needed to look at our expenditure which has never been over ambitious anyway. In May we made the move to close our dedicated youth site and incorporate the services into our head office location. We have streamlined some staffing and, where possible, have achieved staffing reductions through natural attrition. Dual roles have also occurred and I highlight the exceptional work being done by Graham Gulin in his dual site manager role.

All of which has meant that as a provider of Employment and Youth services we faced a tough year financially - as you will see from our accounts. To this end we are no different to any other JSA provider and the indications are this shows no signs of improving until the contract changes in 2015. Despite this our sites maintained their Star Ratings for JSA in a very competitive market and our youth services continued to provide



a quality and individualised service to young people in the Barossa, Mid North, Port Pirie and Yorke regions.

Throughout the year we were also unfortunate to have over a third of our staff leave the organisation. Having one person leave takes at least 4 weeks of recruitment, a minimum 6 months of training and induction and causes disruption at sites. Having 19 people leave is a continual, labour intensive process and my hat goes off to Helen and all the respective managers who spent a lot of time interviewing, selecting and training new staff. Some really great people left us this year for personal or logistical reasons including Senior Manager Peter Orvad who was an icon in the world of Community Work and Work for the Dole. As always though, we have had some really great people join or take on other roles, including Michelle Brown who has picked up where Peter left off and is continuing with great work in Community Services and Work Experience.

At a provider meeting in Adelaide I commented on the fact that with increased red tape, paperwork requirements for appointments that are so labour intensive and shoestring budgets, people who want to work at a JSA provider so they can make a difference are no longer afforded the time or opportunity to do so.

Despite all I have mentioned above, our staff continue to make a difference to not only individuals but to the communities in which we operate. It takes a special type of person to work in the industry we do and that is why we this years AGM report photos highlight the staff who work at Employment Directions.

Our continued success is founded on the commitment, skills and expertise of much valued staff across the organisation and thanks go to everyone for their ongoing dedication, incredibly hard work and commitment in achieving what we do.

For me, the support that not only I but the whole organisation receive from the Senior Management Team is second to none and I want to thank Helen, Geoff, Peter, Sheryl and Steve for their individual knowledge, skills and daily contribution. Thanks also to Cy Ann who, while new in her role, has provided support that has proved to be so beneficial.

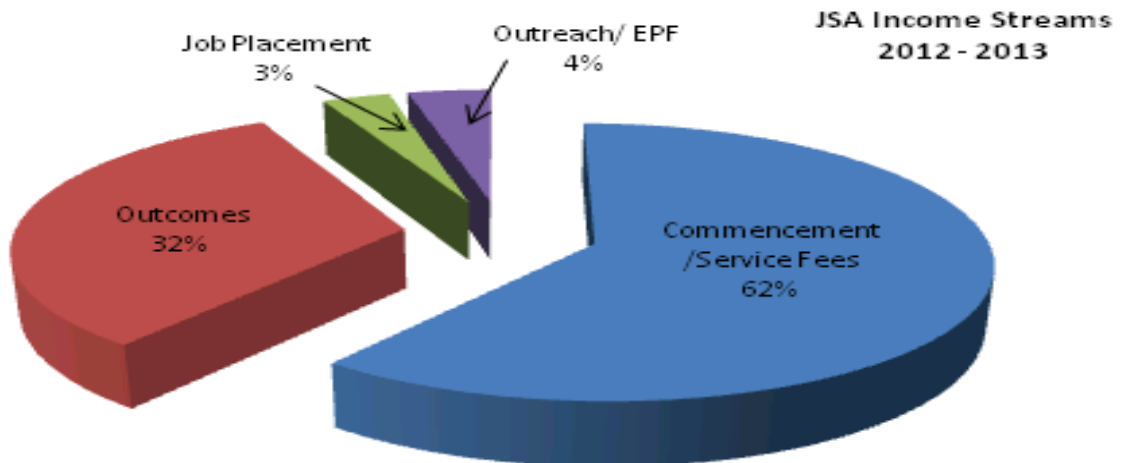
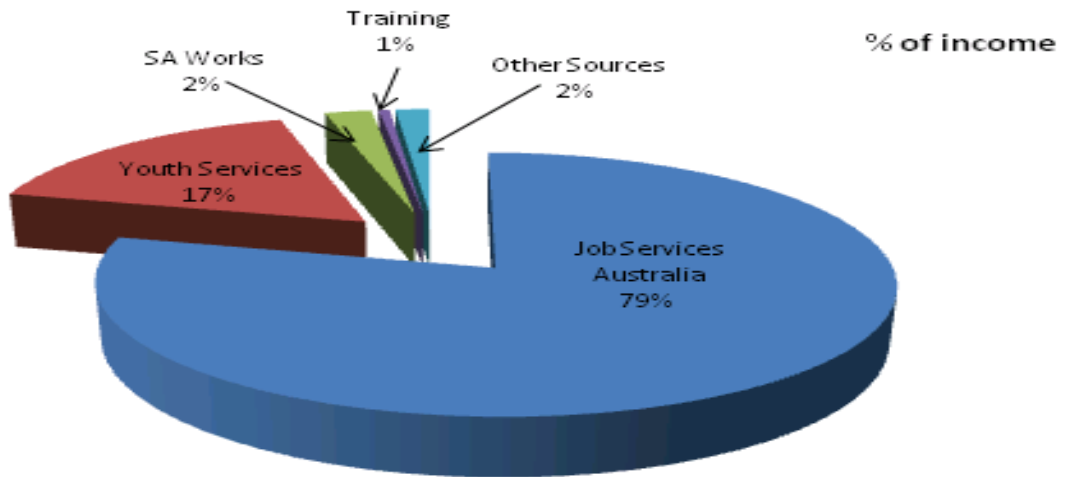
I would also like to acknowledge the ongoing commitment of the Employment Directions Board of Management providing effective governance and leadership to the organisation. The time, commitment and knowledge that the Board bring to governing our organisation on voluntary basis, is greatly appreciated.

We await to see what the new Governments framework for their employment and youth services will bring, as Employment Directions have always been ready to face new challenges and will continue to do so. However one thing is certain and that is if Employment Directions and other providers are to continue to provide a quality service, the funding needs to reflect this. I am also certain that all staff at Employment Directions will adapt to the changes and continue to show the resilience they have for so many years.

Rhia Vines
Chief Executive Officer



Funding Sources



FUNDING SOURCES/STAFFING ALLOCATION



This annual report seeks to provide an overview of the Human Resource activity and to capture the achievements and activities undertaken over the past year.

Human Resources endeavours to maintain strong links between all staff, providing a foundation to ensuring the ongoing health and welfare of the organisation. The partnership between Human Resources, Senior Management and staff is significant to the successful application of the HR role, which would not function well if the HR principles and practices were not embraced by staff. My observations are that the majority of staff clearly embrace best HR practices and this is evidenced in feedback, input, job satisfaction of staff, training and professional development, staff reviews, professional conduct of staff and staff retention.

This year Employment Directions have rolled with many changes and have again been resilient in adapting to situations which have been presented to us. It is always a pleasure to reflect back over the year to affirm that we are strong in our commitment to deliver services and are committed to work effectively within our local communities and internally upholding the strong culture of Employment Directions.

We have demonstrated our successful history and in order to secure our future we will continue to :

- Maximise our resources and nurture and enhance our relationships
- Have a clear vision for Employment Directions now and its future
- Ensure that we plan for the future through solid leadership, applying good work and business practices, stay financially sound, invest in our people and maintain our financial viability
- Be prepared to effect change in the best interest of the organisation and its people

The following are some of the reflections and activities of the past year.

Staff Movement

We have experienced an unusually high turnover of staff with most movement occurring between December 2012 and March 2013, and totalling nineteen during the twelve month period, with the primary reasons being relocation, retirement or changes in personal circumstances. We acknowledge the staff who have left the organisation and thank them for their contribution while we welcomed the new staff who are settling well into their roles.

Other internal staff movement has occurred due to an employee at Kadina relocating to take up a role at the Gawler office. The Kadina role was filled internally and the Program Administration role was back filled with a traineeship. The Port Pirie Site Manager is working across two sites covering the Site Manager role vacated at the Kadina office.

Training / Professional Development

Child Safe Training is a mandatory qualification undertaken by staff who work with or will potentially work with young persons and / or their families. This training was undertaken by 34 staff during the period. Eight employees are undertaking the Employment Services Certificates 1V and four employees are currently undertaking the Youth Work Certificate 1V. One new employee finalised the Diploma of Management. Congratulations to these staff who are willing participants in gaining the accreditation and enhancing their professional development.

Quality Assurance

Employment Directions have progressed through a variety of phases in our quest to become nationally accredited with the ISO 9001:2008 Quality Assurance accreditation system. This has been an extremely time consuming, however very valuable process and we look forward to the benefits this will bring to the organisation.



Work Health and Safety

The Work Health and Safety laws were broadened to include each State and Territory and the Commonwealth in January 2013, and Employment Directions has made minor adjustments to reflect the changes and continue to have an ongoing commitment to ensure that we operate in a safe workplace. The Committee meets quarterly to address any areas of concern, report activity occurring during the period, undertake audits and report the findings to the committee for ongoing improvement or to effect change. It is a credit to the Health and Safety site representatives who manage the Work Health and Safety at each of the respective sites. We have two First Aiders at each site coupled with two Fire Wardens who are responsible for the management of first aid or other emergency situations, should they arise at work.

These representatives are to be commended as they all undertake this additional commitment over and above the duties of their roles and I extend my sincere thanks to them in acknowledgement of the time and energy dedicated to maintaining a healthy and safe workplace.

The Fair Work Act

Guides employment contracts and workplace conditions and drives employer responsibility to ensure that employees are not disadvantaged in the workplace. We at Employment Directions aim to provide a fair and flexible workplace and strive to be an Employer of Choice, viewed as such not only by our current and past staff but to be positively viewed within our local communities as being a fair employer with a sound reputation. We have been a viable and reliable organisation working within our local communities since 1978. During this time we have delivered a variety of services, building a sound reputation with our stakeholders. We are strongly committed to continue in this vain and in order to achieve this we rely heavily on our staff who make up a large contingent of “people” making things work!

We also depend on the Board who willingly volunteer their time and contribute to an organisation that they believe in.

It is fair to say that we would not enjoy our longevity if these people were not contributing factors in our success. They are recognised with a great deal of appreciation for the work they do and the commitment to Employment Directions that they demonstrate.

The outstanding contribution of our CEO Rhia Vines and the Senior Managers is acknowledged without question. The Senior Management Team consists of five since the retirement of Peter Orvad in February of this year.

I thank one and all for your contribution over the year as it seems that this industry is one of continuing turbulence and uncertainty but one which is rewarding and strong due to the people working within it.

I sincerely thank you - one and all for “all that you do”

Helen Wood
Human Resource Manager



Job Services Australia is an ever changing industry; 2012-2013 being the first year of the Employment Services Contract 2012-2015 extension. The contract is a roll over of the 2009-2012 Contract which provided no financial increase to service fees, commencement fees or claim fees. With all cost associated with operating and providing these services increasing each year, there has been no financial increase to the current Employment Services Contract since it commenced in July 2009. To the contrary, income received for Skills Assessment and Intensive Activity phase were reduced with payments extended from 3 months to 6 months reducing the number of eligible participants; Outcome fee payments were reduced at the same time. Add to this expense is yearly CPI Wage increases and utility prices. The increase in costs aligned with the decrease in income from the reduction in fees has contributed to the tough financial position of many Providers; there is significant impact in maintaining yearly budget targets and in sustaining the acceptable performance level to retain and tender for ongoing business allocation.

There is the question as to why continue with providing Job Services Australia contracts now and into the future. The answer is simple, it is because Employment Direction is dedicated to the local community we serve and has an obligation to help and support those who are disadvantaged and less fortunate. Providing assistance to address barriers and personal issues with the objective to obtain any sustainable employment for the individual is an achievement in itself; Employment Direction is responsible for this role and is the predominate reason we have a dedicated workforce who work extremely hard in difficult circumstances to achieve these outcomes for those within our community that need help. The 'People with a Disability' Specialist Contract in the Kadina/Clare ESA which was reallocated to Employment Directions in May 2012 is a great example of the work and dedication that is provided to all those disadvantaged participants with some excellent results to date.

The current economic climate, unemployment environment and tough local labour markets has placed pressure on the performance and yearly budgets. Kadina returned an end of year surplus of \$55,500, this was under budget predictions; Port Pirie site was a \$66,900 deficit. While there is a concern with the results there was a notable decrease in job vacancies and reluctance by business and employers to employ new staff. This is no better illustrated by a large local engineering company in the Kadina area who retrenched all their casual employees following the Christmas shutdown. These employees expected to return to work but instead found themselves unemployed. This trend by employers has been repeated throughout both ESA's. Notwithstanding all these trends and circumstances it remains extremely important to focus on the future for Employment Directions particularly in what we can do and can control to increase the results both financially and with performance ratings.

The next 12 months will require a super effort to meet the challenge ahead with increasing demands and renewed contractual monitoring and compliance from DEEWR. Despite this demand there must be a deliberate focus on improving our financial status and to sustain a performance rating level that will provide an opportunity to tender for future business. Not only is there an obligation to the community and services provided to them but also to the staff employed by Employment Direction, many of whom have dedicated and invested a major part of their working life; they merit consideration in Employment Directions capacity to offer ongoing employment and the opportunity to continue the exceptional work they do. Just as important is to remain confident in our ability to perform as an organisation within this industry and support all staff in a positive environment. This confidence and attitude comes from strong leadership combined with the commitment and approach from each individual to achieve and conform to the mission and values of Employment Directions; they must be respected without question.



This year saw the introduction of a Quality Management System for Employment Direction. The accreditation will be a compulsory requirement for any future tender for JSA business. A substantial amount of work was completed to gain accreditation with the internationally recognize standards ISO 9001; 2008. Personally I would like to acknowledge the huge commitment and extra work load from Rhia in establishing the QMS and the great help given by Sheryl in writing the draft copy of the QMS Manual. This was the starting point towards accreditation and both are to be congratulated.

Caseload numbers at both Kadina and Port Pirie did increase in the later months of the 2012-13 financial year, this was more evident at Kadina with both the 'General' Contract and the 'People with a Disability' Specialist Contract. There was a sizeable increase in numbers at the Outreach Services provided via the Yorketown Site increasing that work load. This required a reallocation of caseloads and an extra part time Consultant position at Kadina.

Kadina Site

Site Manager Graham Gulin

Staff Vacancy Broker – John Boon
 Program Administration – Sam Crawford
 Employment Consultants (F/T) - Greg Dalton; Megan Evans; Peter Williams
 Employment Consultants (P/T) - Charisse Peterson; Wendy Turner; Ashleigh Bussenschutt

Outreach Sites Maitland – Monday (Wendy Turner) / Yorketown – Tuesday, Wednesday, Thursday (Greg Dalton) / Point Pearce – Second Tuesday (Wendy Turner)

ESA Star Rating 30th June 2013—3 Stars – 'General' and 3 Stars – 'People with Disability'



*Back Row L-R. John Boon, Megan Evans, Greg Dalton, Geoff Brand
 Front Row L-R. Ashleigh Bussenschutt, Charisse Peterson, Sam Crawford, Wendy Turner, Peter Williams*



Port Pirie

Site Manager Graham Gulin

Staff Vacancy Brokers – Brenton Clarke; Zoie Ashman
Program Administration – Chantell Brown (2days); Kerry Evered (3 days)
Employment Consultants - (F/T)Robyn Kennedy; Andrew Quin; Kerry Caputo

Outreach Site Gladstone – 1st and 3rd Tuesday (Andrew Quin)

Peterborough

Staff Consultant (Part Time) Ruth Whittle

ESA Star Rating 30th June 2011 3 Stars



*Back Row L-R. Brenton Clarke, Kerry Caputo, Andrew Quin
Front Row L-R. Robyn Kennedy, Zoie Ashman, Kerry Evered*



Ruth Whittle



Graham Gulin

Thank you to the Senior Management Team for their support throughout the year it is very much appreciated; to the Chairperson and Board for their ongoing commitment to Employment Direction. Special thanks to the CEO Rhia for the understanding, knowledge and guidance she has provided to everyone. Finally thank you to the Site Managers for their contribution, support and commitment they have shown to their teams and Employment Directions. I acknowledge all the hard work that has been done throughout the year by all staff and look forward to the future.

Geoff Brand

Employment Services Manager
Port Pirie, Peterborough and Kadina



Employment Directions operates in a very competitive and challenging industry and 2012 – 2013 proved to be all of that. We have and will continue to have a key focus on customer service to all our stakeholders’ and be an active member within our communities. Building on previous networks and relationships to improve our business is always paramount, as we continually look for any new strategies, which may give us a marketing edge.

In this year Employment Directions has continued to deliver services consistent with our values and purpose. The major challenge was to meet operational targets and budget but due to the Global Economic downturn and other complex factors which impact on achieving a successful outcome, this did not occur. A change in the contract for Job Placement has affected the number of eligible participants which ultimately affects our outcomes and financial position.

Like all employers Employment Directions faces the challenges of a tightening labour market. The specific site information is detailed below;

Gawler

Site Manager – Cathy Dyer - 7 employees

Milestone ending the 30th June 2013 achieved 3 stars

Gawler have a large caseload fluctuating between 650 – 700 participants with a Psychologist attend on site weekly to help assist participants in addressing their barriers. Gawler has developed new relationships with the Gawler Business group, new employers and networks and building a presence in the community. Our focus in the upcoming year is to build relationships with new industry developing in the area.



Back Row L-R. Natasha Boxall, Helen Glen, Julie O'Connor, Dawn Robinson
Front Row L-R. Julie Doodle, Cathy Dyer, Vikki Tamke



Michelle Brown



Cy Ann Neuendorf

Clare

Site Manager – Paul Chapman - 5 staff members

Milestone ending the 30th June 2013 achieved 4 stars

The employment opportunities in Clare are mainly derived from individual employers and recurring business vacancies. We maintained our strong relationships in the viticulture industry. Statistics show a downturn in the amount of participants placed this year. We made one pruning course available, which is well under the number of courses offered in previous years. Due to the various impactors and various changes in the way the viticulture industry harvests and prunes its crops it has been predicted that there will not be many long term outcomes.



Clare continue to maintain very strong links with the local community. Outreach to Eudunda, Balaklava and Burra occurs two days a week. Clare continues to be the service provider for the Skills in the Regions Career Development program, to which is successful in obtaining the targets required

Matthew Goodfellow is the Youth Consultant for the ICAN program, working with schools delivering youth services to the Mid North ,Ardrossan, and Port Pirie.. Employment Directions is working in conjunction with ARO and Wakefield Council facilitating a Certificate II in Horticulture which is also benefiting the local community.



L-R. Tiffany Corfield, Ros Catford, Claire Bradley, Sheryl Pawley, Paul Chapman



Matthew Goodfellow



Jodi Jacka

Nuriootpa

Site Manager - Anthea Elworthy. 6 employees
Milestone ending the 30th June 2013 achieved 3 stars.
Outreach to Kapunda 2 days a week

Nuriootpa run weekly internal job ready workshops to assist the participants in their pathway to employment, education and have an attending Psychologist attend on site weekly to help assist participants in addressing their barriers. The employment opportunities in Nuriootpa are mainly derived from individual employers and the site continues to maintain very strong links with the local community.



Emma Stephens

Back Row L-R. Courtney Wood, Sandra Boundy, Steve Mardle, Kelly Gerschwitz, Karen Steed, Sandra Gordon

Middle Row L-R. Helen Wood, Rhia Vines, Carolyn O'Callaghan, Karen Ryder, Lena Williams, Chris Forbes

Front Row L-R. Anthea Elworthy, Francesca Martin-Bizzai, Madelaine Bizzai, Rachel Fritz



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The demands on Employment Service providers continues to grow in all facets of service delivery. The 'red tape' in service delivery increased again, and all staff are to be applauded for their commitment, to take on change and work to stringent timeframes with compliance being a high priority. Meeting all of the compliance standards requires immense dedicated time from our Employment Consultants.

Through new contractual requirement from DEEWR, all JSA providers need to have a Nationally Accredited QMS in place, to tender for future Employment Services contracts. This has resulted in Employment Directions progressing towards accreditation of ISO 9001: 2008.

The Gawler, Nuriootpa and Clare sites have worked tirelessly throughout this period and although we have experienced many peaks and troughs this does not diminish the ongoing hard work undertaken during this period. We maintained our relationships with many businesses in the area and are constantly developing ongoing business connections, both large and small within our local communities. In order to raise our profile and strengthen partnerships we actively market Employment Directions activities and business opportunities. This occurs through direct marketing, attending meetings and forums, one to one approaches to business, becoming members of committees, just to mention a few. This activity is undertaken to create awareness of the work we do, to promote our business and to pave the way for opportunities for our clients.

Our future challenges in Employment Services includes maintaining and improving our performance, through the delivery of a high quality service, contractual compliance, maintaining and expanding our local business networks, remaining viable while we have no CPI increase from DEEWR until 2015. The objective is to maintain the level of performance, to tender for future contracts and to keep in line with the National Average of providers.

Our staff have worked tirelessly in a very challenging industry which will only continue to focus on compliance and red tape. The assistance given to participants is individually tailored to meet their needs by staff that are truly committed and passionate to make a difference both for participants and for Employment Directions. The Employment Consultants provide assistance to the participants, in a pathway to employment. This may mean trying to assist in transport, addressing mental health issues, vocational and non vocational and many more. The input that an Employment Consultant endures does not always reflect the outcome of the sites performance. The staff remain one of our most important assets of our company. The outcome of the Federal election could also result in changes which are not yet forthcoming.

Finally I would like to acknowledge, congratulate and thank the Board for their time and contribution, our CEO Rhia Vines for her valued skills, guidance, knowledge and support, leading us through some challenging times. HR for being there always, Senior Managers and Site Managers for their continued support, loyalty, hard work and commitment.

Sheryl Pawley

Employment Services Manager
Clare and Gawler ESA



This has been a very busy and exciting year for our team. We've continued to work with young people as participants of the Youth Connections programs and the Flexible Learning Options enrolment initiative. We've also seen an expansion of our activities to include running engagement activities out at Father's Farm in Tanunda.

Youth Connections

Funded by the Department of Employment, Education and Workplace Relations and commenced in 2010 the Youth Connections program supports young people who are disengaged or at risk of disengaging from education. Our role is to support them to reconnect with education and training pathways to support their transition in to sustainable employment. Youth Connections is a National program and Employment Directions have been contracted to offer services in the Town Gawler, Barossa, Light Regional and Mallala District Council areas. Youth Connections employs an individual case management approach to support young people to overcome their barriers to engagement such as mental health, literacy and numeracy or substance misuse. We then aim to connect them with either schooling or tertiary education pathways leading in to the career pathway of their choice. We have achieved great success with the program during the 2012 calendar year with outcomes being achieved for 137 young people. We have continued the excellent work with this program and to the end of the 2012/13 financial year in order to reach our end of calendar year targets. The Youth Connections program has had a contract extension to continue working with young people to the end of the 2014 calendar year which is excellent news for this highly successful program.

Flexible Learning Options (FLO)

FLO is a flexible school enrolment strategy implemented for young people in South Australian public schools. It is funded by the Department of Education and Child Development's Innovative Community Action Networks. Young people enrolled as FLO students at their High School receive support through case management to connect with accredited flexible education pathways and assistance to address their barriers to engaging in education. Employment Directions delivers FLO case management and Flexible Learning Programs in the Barossa, Yorke and Mid North Regions. In the 2012 calendar year we provided case management services to 58 young people across our regions and are currently working with 57 to the end of 2013. Successful outcomes for FLO include: re-engagement with school, commencement in to an accredited training course, social and emotional achievements (addressing substance misuse, literacy issues, mental health). Case managers are creative and innovative about gaining recognition and reward for young people for any learning that they do to ensure that they are able to feel a sense of achievement and self worth in return for the work that they do.

Father's Farm

This year has seen the Youth Team expand out our services to include structured engagement activities at Father's Farm in Tanunda. In partnership with Lutheran Community Care and funded by the ICAN Community Partnership Grants initiative the programs at Father's Farm give young people learning and engagement opportunities not available anywhere else in the Barossa. Programs run at the Farm include: Getting Your L's, Lookin Good Feelin Good, Life Skills and Fitness. The programs aim to develop self esteem, confidence, resilience and social skills as well as employability skills such as communication, negotiation, planning and teamwork. At the time of writing this report 209 young people had participated in activity at Father's Farm.



Staeher Street Incorporated
Minutes of the Annual General Meeting

Tuesday 23rd October 2012
Cafe Nova
19 Murray Street, Gawler

Meeting declared open at 8:00am

Attendance:

Board Members: David Evans, David Perry, Tim Kroehn, Tristan Watson

Staff: Geoff Brand, Sheryl Pawley, Helen Wood, Steve Mardle, Cathy Dyer, Anthea Elworthy, Paul Chapman, Graham Gulin, Belinda Schilling, Kirstie Barr, Maddie Humbler, Michelle Brown, Rachael Morrison, Sandra Boundy, Lyn Burgess, Rob Burgess, Kahla Abley, Rhia Vines

Community: David Pedler (Light Electoral Office), Ro Forgan (Lutheran Community Care), Diane Fraser (Town of Gawler), Anne Moroney (Regional Development Australia), Margaret Harris (Barossa Council), Brian Sambell (Mayor of Gawler), Brian Thom (Town of Gawler)

2 Apologies: Nick Hatley (Trinity College), Robyn Richter (Lutheran Community Care), Gavan Cramer (Faith Lutheran College), Tony Piccolo (Light Electorate Office), Des Ellis (Light Regional Council), Steven Badman (McMahon Services), Dianne Schwartz (Clare and Gilbert Valley's Council), Ivan Venning (MP), Allan Aughey (Clare and Gilbert Valley's Council), Brian Hurn (Barossa Council), Jodie Gregg-Smith (Northern Country ICAN), Maria Koba (DECS), Peter Orvad (Employment Directions), Cy Ann Neuendorf (Employment Directions), Karen Steed (Employment Directions), Penny Johnston (Board Member), Heather Bitter (DECS)

3 Welcome

David Evans opened the Annual General Meeting of Employment Directions for 2012 and welcomes those attending. David acknowledged members of the community who attended; David Pedler in apology for MP Tony Piccolo and Councillors Brian Sambell, Brian Thom and Diane Fraser. Unfortunately some community members could not join us today, they include MP Ivan Venning, Mayor Brian Hurn and Regional ICAN Manager Maria Koba.

David briefly explained that Employment Directions is a community based not-for-profit organisation delivering Employment Services to communities in the Gawler, Barossa, Mid North, Yorke Peninsula and Port Pirie regions. We also deliver services to various outreach locations and have a funded Youth Service in the Gawler and Barossa regions. With a turnover over 4 million per year, we are equipped to assist job seekers, employers and communities.

Rhia Vines welcomed all attending the Annual General Meeting of Employment Directions for 2012 and the traditional land acknowledgement.

We acknowledge that we are meeting on the traditional lands of the Kurna people. We recognise and respect their cultural heritage, beliefs and relationship with the land and acknowledge that they are of continuing importance to the Kurna people living today.



4 Minutes of the Previous Meeting

Moved Tristan Watson, seconded David Perry that the minutes of the Annual General Meeting of Employment Directions held on 25th October 2011 be accepted with all in favour.

Carried

5 Business Arising

5.1 Election of Board Members

Rhia welcomed any new volunteers to participate in the board with all nominations being considered. The Board Members were elected to the Board for a 2 year term at the 2010 AGM. This means they will need to stand down this year and re-nominate if they wish. Rhia asked each Board Member if they would like to be re-elected and continue on the board of Employment Directions until 2014. David Evans, David Perry, Tristan Watson and Tim Kroehn nominated for another 2 years and with all in favour their nominations were accepted. Penny Johnston was absent but had advised prior to the meeting that she wished to be renominated.

6 Reports

6.1.1 Chairperson's Report

A charitable view of the contents of all of those reports would suggest that this report should be entitled "managing the current crisis in an ongoing sea of crises". Perhaps it is naive to suggest that a year without crisis, a year of consolidation, and a year without significant external pressure would be good for the organisation.

It appears that we have become very good at managing crisis, it appears we have an organisation which is light on its feet and flexible and composed of people who must give more of themselves that it might reasonably be expected that they would, or we would have come to a crashing halt years ago. This is, in some reasonably significant respects, miraculous.

One answer for us, to some of this, is the answer given by an athlete who was extremely competent in a particular field. When asked how they controlled their fear, or nervousness, or anxieties about competition in a large arena they said that they set about controlling the things that they could control and allocating little or no attention to the things that they couldn't

Everyone involved is to be congratulated not just that we have survived but that we have prospered to a modest degree, that we have helped many people in many different ways, and that we remain close to the communities we serve.

The Board wishes to thank everyone in the organisation for their splendid efforts in this past year and in particular Rhia Vines for her calm and inclusive leadership, the senior managers for their efficiency and adaptability in times of change, the members of the organisation, the administrators for their efficiency and support and also the operators for their most significant effort.



6.1.2 Chief Executive Officer's Report

I have had the privilege of attending 5 AGM or reporting meetings over the last fortnight. While all very organizations and very different meetings, they all had something in common. They were all not for profit and all reliant upon Government funding, grants, tenders and contributions to achieve their goals. Despite the variances in operations and staff, they were all trying to do the same thing in different ways - which is to provide infrastructure, opportunities – both socially and economically – and support for our communities and individuals who live in them. As do we.

One of the goals we set last year was to secure our contract to deliver JSA service for the next 3 years. In order to do this, we had to achieve a certain level of performance measured against a national standard. And I am pleased to say we did, at all of our sites and locations. But not only was it achieved, we were also offered additional business in Kadina / Clare from a provider that was not performing. Not only was the recognition most appreciated, but this business was working with specialist clients – that is clients with a disability.

Our second major goal was for our Youth services. At this time last year we had recently opened our dedicated youth space in Nuriootpa, and were keen to make this a place where young people could receive holistic support. Is it working – yes it is. Not only do we undertake our Youth Connections contract, but we were also successful last year in becoming a preferred provider for the Department of Education and Child Development to deliver case management in schools. For this there was no learning curve – we were told one day we were approved, and the next that we had 21 young people in schools ready to be commenced.

Nothing can prepare you for the heart wrenching journeys that some of these young people are facing and the multitude of barriers. Issues ranging from poverty, violence abuse, substance abuse and a high degree of social isolation and mental health issues. My hat goes off to all our youth consultants for the work they do with these young people every single day. It is amazing and as for our youth centre, I will pass on a comment made by a high school principal who said it that the opening of the centre was one of the best things that have happened in the Barossa.

I would like to thank the board for their commitment to not only the organisation but to our communities. Special thanks to John Banfield, over 10 years on the board and has been invaluable in his assistance and guidance. We wish him well.

We are all faced with employment downturn, a decrease in funding and ever increasing red tape and paperwork while at the same time being monitored by funding partners who are not based in the regional and remote communities in which we operate. However all these organizations including ourselves have one big thing in common, and that is the amazing personnel both paid and volunteer that we have on board.

What are we hoping to achieve next year? Obviously an increase in performance and consolidation of our work with people with Disabilities. We aim to collaborate with other organizations to assist in improving emergency accommodation, mental health services and support networks in our communities. Not an easy task but one that can be achieved if we all work together.

Thank you for coming.



7 Appointment of Auditor

We normally re-appoint our current auditor, however this year we will be contacting various auditors to request if they can provide a service to us. The re-appointment of the Auditor will commence shortly. We will be looking for someone unique who ideally has had some experience in this industry or an understanding of the JSA contract.

Carried

8 Any other business

Councillor Brian Sambell spoke before the meeting and enquired what assistance we can offer to young people. He explained a young person who committed graffiti has offered to volunteer for the Council and help clean up other graffiti around the town. Brian advised the Council are unsure about taking the lad on however said the Lions Club in Gawler have been a great mentor for young people. Brian said he was hoping that Employment Directions may offer this to those who need it the most.

Rhia thanked Brian for his enquiry and explained that Employment Directions have a joint initiative with Lutheran Community Care at Father's Farm, Tanunda. The aim of this project is to work one of one with young people and offer ongoing support and mentoring to ensure they feel comfortable talking to someone and grasp an understanding of what they want to achieve in their life. Rhia advised Brian that Father's Farm maybe a suitable option of the young person who committed the graffiti.

9 Close

Being no further business the Annual General Meeting was declared closed at 8:31am.



STATEMENT BY COMMITTEE OF MANAGEMENT

The Committee 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 Committee:

- 1 The financial report presents fairly, in all material aspects, the financial position of Staehr Street Inc as at 30 June 2013 and its performance for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

In accordance with section 35(5) of the Associations Incorporations Act, 1985, the members of the committee of Staehr Street Inc T/As Employment Directions hereby states that during the financial year ended 30 June 2013:

- (a)
 - (i) no officer of Staehr Street Inc T/As Employment Directions;
 - (ii) no firm of which an officer is a member; and
 - (iii) no body corporate in which an officer has a substantial financial interest;

has or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and Staehr Street Inc T/As Employment Directions.

- (b) no officer of Staehr Street Inc T/As Employment Directions has received directly or indirectly from Staehr Street Inc T/As Employment Directions any payment or other benefit of a pecuniary value other than those who are employees and remunerated under normal commercial terms.

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



Signature

04/10/13
Date

DAVID LUKE EVANS
Name
CHAIRPERSON



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF STAEHR STREET INC TRADING AS EMPLOYMENT
DIRECTIONS**

We have audited the accompanying financial report, being a special purpose financial report, of Staehr Street Inc trading as Employment Directions (the "Association"), which comprises the statement of financial position as at 30 June 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes to the financial report and the statement by the Committee of Management.

Responsibility of the Committee of Management for the financial report

The Committee of Management of the Association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial report, which form part of the financial report, are appropriate to meet the requirements of the Association Incorporation Act 1985 (SA) and the needs of the Members. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion the financial report of Staehr Street Inc trading as Employment Directions presents fairly, in all material respects, the Association's financial position as at 30 June 2013 and of its performance and cash flows for the year then ended in accordance with the accounting policies described in Note 1.

Material uncertainty regarding continuation as a going concern

Without qualifying our opinion, we draw attention to Note 4 in the financial report which indicates that the Association incurred a net loss of \$267,760 during the year ended 30 June 2013 and, as of that date, the Association's current liabilities exceeded its total assets by \$668,263. These conditions, along with other matters as set forth in Note 4, indicate the existence of a material uncertainty which may cast significant doubt about the Association's ability to continue as a going concern and therefore, the Association may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.



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Basis of accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee of Management's financial reporting responsibilities under the Association Incorporations Act (SA) 1985. As a result, the financial report may not be suitable for another purpose.

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GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Director – Audit & Assurance

Adelaide, 4 October 2013



STAEHR STREET INC.
T/AS EMPLOYMENT DIRECTIONS
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
<u>CURRENT ASSETS</u>			
Cash on Hand		2,200	2,268
Cash at Bank		22,932	96,669
Receivables		122,927	159,310
Prepayments		124,584	202,082
Accrued Income		58,537	75,048
<i>Total Current Assets</i>		<u>331,180</u>	<u>535,377</u>
<u>PROPERTY, PLANT AND EQUIPMENT</u>			
Building at Cost		1,407,858	1,407,858
Less Provision for Depreciation		(118,658)	(92,348)
Building Improvements at Cost		622,106	622,106
Less Provision for Depreciation		(69,413)	(58,134)
Plant & Equipment at Valuation July 2000		28,163	28,163
Less Provision for Depreciation		(26,148)	(25,762)
Plant & Equipment at Cost		456,789	441,903
Less Provision for Depreciation		(351,479)	(329,085)
Leased Plant & Equipment		92,083	92,083
Less Provision for Depreciation		(92,083)	(92,083)
Motor Vehicles at Cost		456,663	459,921
Less Provision for Depreciation		(178,976)	(116,001)
Computer Network at Cost		289,488	286,289
Less Provision for Depreciation		(252,599)	(237,218)
Telephone System at Cost		89,615	89,615
Less Provision for Depreciation		(80,000)	(75,879)
<i>Total Property, Plant and Equipment</i>		<u>2,273,409</u>	<u>2,401,428</u>
TOTAL ASSETS		<u>2,604,589</u>	<u>2,936,805</u>
<u>CURRENT LIABILITIES</u>			
Payables		52,445	111,682
Accrued Expenses		104,579	104,706
Income Received in Advance		105,723	-
Leave Provisions		504,494	488,654
GST		83,619	49,716
Equipment Loan Finance	3(a)	80,243	149,952
Building Mortgage		68,340	66,082
<i>Total Current Liabilities</i>		<u>999,443</u>	<u>970,792</u>
<u>NON-CURRENT LIABILITIES</u>			
Equipment Loan Finance	3(a)	16,859	43,858
Building Mortgage		675,464	743,276
Leave Provisions		30,180	28,476
<i>Total Non-Current Liabilities</i>		<u>722,503</u>	<u>815,610</u>
TOTAL LIABILITIES		<u>1,721,946</u>	<u>1,786,402</u>
NET ASSETS		<u>882,643</u>	<u>1,150,403</u>
<u>MEMBERS' FUNDS</u>			
Opening Accumulated Funds		1,039,262	1,201,207
Deficit for the Year		(267,760)	(161,945)
		<u>771,502</u>	<u>1,039,262</u>
General Reserve		52,087	52,087
Asset Revaluation Reserve		59,054	59,054
TOTAL MEMBERS' FUNDS		<u>882,643</u>	<u>1,150,403</u>



STAEHR STREET INC.
T/AS EMPLOYMENT DIRECTIONS
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Note	2012 \$	2011 \$
<u>CURRENT ASSETS</u>			
Cash on Hand		2,268	1,900
Cash at Bank		96,669	716,813
Receivables		159,310	86,151
Prepayments		202,082	119,391
Accrued Income		75,048	16,020
<i>Total Current Assets</i>		<u>535,377</u>	<u>940,275</u>
<u>PROPERTY, PLANT AND EQUIPMENT</u>			
Building at Valuation		-	150,000
Less Provision for Depreciation		-	(33,466)
Building at Cost		1,407,858	719,468
Less Provision for Depreciation		(92,348)	(74,867)
Building Improvements at Cost		622,106	622,106
Less Provision for Depreciation		(58,134)	(46,624)
Plant & Equipment at Valuation July 2000		28,163	28,163
Less Provision for Depreciation		(25,762)	(25,295)
Plant & Equipment at Cost		441,903	428,285
Less Provision for Depreciation		(329,085)	(306,047)
Leased Plant & Equipment		92,083	92,083
Less Provision for Depreciation		(92,083)	(91,993)
Motor Vehicles at Cost		459,921	430,149
Less Provision for Depreciation		(116,001)	(166,885)
Computer Network at Cost		286,289	278,519
Less Provision for Depreciation		(237,218)	(218,123)
Telephone System at Cost		89,615	89,615
Less Provision for Depreciation		(75,879)	(69,992)
<i>Total Property, Plant and Equipment</i>		<u>2,401,428</u>	<u>1,805,096</u>
TOTAL ASSETS		<u>2,936,805</u>	<u>2,745,371</u>
<u>CURRENT LIABILITIES</u>			
Payables		111,682	220,444
Accrued Expenses		104,706	104,526
Income Received in Advance		-	61,000
Lease Liability	2(a)	-	127
Leave Provisions		488,654	408,937
GST		49,716	78,943
Mortgage Finance	2(a)	149,952	126,412
Equipment Loan Finance	2(a)	-	-
Building Mortgage		66,082	29,333
<i>Total Current Liabilities</i>		<u>970,792</u>	<u>1,029,722</u>
<u>NON-CURRENT LIABILITIES</u>			
Lease Liability	2(a)	-	-
Mortgage Finance	2(a)	43,858	22,267
Building Mortgage		743,276	324,190
Leave Provisions		28,476	56,844
<i>Total Non-Current Liabilities</i>		<u>815,610</u>	<u>403,301</u>
TOTAL LIABILITIES		<u>1,786,402</u>	<u>1,433,023</u>
NET ASSETS		<u>1,150,403</u>	<u>1,312,348</u>
<u>MEMBERS' FUNDS</u>			
Opening Accumulated Funds	3	1,201,207	639,020
Surplus for the Year		(161,945)	562,187
	3	<u>1,039,262</u>	<u>1,201,207</u>
General Reserve		52,087	52,087
Asset Revaluation Reserve		59,054	59,054
TOTAL MEMBERS' FUNDS		<u>1,150,403</u>	<u>1,312,348</u>



**STAEHR STREET INC.
T/AS EMPLOYMENT DIRECTIONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
Operating Income		4,182,257	3,970,880
Operating Grant Receipts		333,884	438,847
Payments to Suppliers & Employees		(4,302,333)	(4,600,000)
Interest Received		1,726	1,436
Finance Costs		(63,716)	(44,234)
<i>Net Cash Inflow/(Outflow) from Operating Activities</i>	2	<u>151,818</u>	<u>(233,071)</u>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
Building Purchases		-	(688,390)
Fixed Asset Purchases		(14,886)	(13,618)
Motor Vehicle Purchases		(45,276)	(177,765)
Computer Network Purchase		(3,199)	(7,770)
<i>Net Cash Inflow/(Outflow) from Investing Activities</i>		<u>(63,361)</u>	<u>(887,543)</u>
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
Repayment of Finance Leases		-	(128)
Repayment of Equipment Loans		(96,708)	45,131
Repayment of Building Mortgage		(65,554)	455,835
<i>Net Cash Inflow/(Outflow) from Financing Activities</i>		<u>(162,262)</u>	<u>500,838</u>
<i>Net Increase/(Decrease) in Cash Held</i>		<u>(73,805)</u>	<u>(619,776)</u>
Cash at the beginning of the financial year		98,937	718,713
Cash at the end of the financial year	1	<u>25,132</u>	<u>98,937</u>

CASH FLOW NOTES

1. Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at bank. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows :-

	2013 \$	2012 \$
Cash at Bank	22,932	96,669
Cash on Hand	2,200	2,268
	<u>25,132</u>	<u>98,937</u>

2. Reconciliation of Net Cash flow from Activities to Surplus :-

	2013 \$	2012 \$
Operating Surplus	(267,760)	(161,945)
Cash Flows excluded from Operating Surplus		
Interest Paid	-	1
Non Cash Flows In Operating Surplus		
Depreciation / Amortisation	191,379	177,007
Loss on sale	-	114,203
Changes in Assets & Liabilities		
(Increase)/Decrease in Receivables	36,383	(73,158)
(Increase)/Decrease in Prepayments	77,498	(82,691)
(Increase)/Decrease in Accrued Income	16,511	(59,028)
Increase/(Decrease) in Payables	(59,237)	(108,762)
Increase/(Decrease) in Accrued Expenses	(127)	180
Increase/(Decrease) in Income Received in Advance	105,723	(61,000)
Increase/(Decrease) in Provisions	17,544	51,349
Increase/(Decrease) in GST	33,904	(29,227)
Net Cash Inflow from Operating Activities	<u>151,818</u>	<u>(233,071)</u>



STAEHR STREET INC.
T/AS EMPLOYMENT DIRECTIONS
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2013

	Accumulated Funds \$	General & Revaluation Reserves \$	Total \$
Balance at 1 July 2011	1,201,207	111,141	1,312,348
Total Comprehensive Income for the Year	(161,945)	-	(161,945)
Balance at 30 June 2012	1,039,262	111,141	1,150,403
Total Comprehensive Income for the Year	(267,760)	-	(267,760)
Balance at 30 June 2013	771,502	111,141	882,643



STAEHR STREET INC.
T/AS EMPLOYMENT DIRECTIONS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2013

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (SA) 1985.

The Committee of Management has determined that the association is not a reporting entity.

The financial report has been prepared on an accrual basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Income Tax
The association is specifically exempt from paying income tax under section 50-5 of the Income Tax Assessment Act.

(b) Property, Plant and Equipment
Freehold land and buildings are brought to account at cost or at independent or Board valuation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
<i>Plant & Equipment</i>	<i>15% - 30%</i>
<i>Leased Plant & Equipment</i>	<i>20%</i>

(c) Leases
Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are amortised on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(d) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statements are shown inclusive of GST.



T/AS EMPLOYMENT DIRECTIONS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2013

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(e) Employee Benefits

Amounts that are expected to be paid out to employees in respect of their pro-rata entitlements to long service leave and annual leave are accrued annually at current pay rates in accordance with various applicable State and Federal Awards. The Committee has resolved that a nominal provision for sick leave of \$5,000 be accrued.

The present value of non-current employee benefits has not been calculated as the difference between nominal value and present value is considered to be immaterial.

The policy on non current long service leave entitlements is to accrue on the basis of 70% of liability for service between 3 ½ and 5 years and 85% between 5 and 7 years.

(f) Impairment of Assets

At each reporting date, the entity reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

(g) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Interest revenue is recognised using the effective interest rate method.

Grant income is recognised when the entity obtains control over the funds which is generally at the time of receipt.

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

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

(i) Adoption of New and Revised Accounting Standards

In the current year the Entity has adopted all of the new and revised Australian Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. There have been no changes to the 2012 comparatives to those presented in the 30 June 2013 financial statements.

Note 2: **ECONOMIC DEPENDENCY**

The extent to which Staehr Street Inc will be able to continue the provision of services is dependant on government policy. The entity continues to be reliant on government funding for a significant portion of it's operations.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2013

Note 3: LEASING COMMITMENTS

(a) Finance Leases

Finance leases are capitalised in the accounts in accordance with the accounting policies defined in Note 1 (c).

	2013	2012
Payable	\$	\$
▪ Not later than one year	83,420	160,827
▪ Later than one year but not later than two years	17,811	45,106
▪ Later than two years but not later than five years	-	-
Minimum lease payments	101,231	205,933
Less future finance charges	4,129	12,123
Total lease liability	<u>97,102</u>	<u>193,810</u>

(b) Other Leases

	2013	2012
Payable	\$	\$
▪ Not later than one year	61,600	71,628
▪ Later than one year but not later than two years	60,126	39,576
▪ Later than two years but not later than five years	35,571	30,987
	<u>157,297</u>	<u>142,191</u>

Note 4: GOING CONCERN

The financial report has been prepared on the basis of a going concern.

The entity has incurred an operating deficit of \$267,760 for the 12 months ended 30 June 2013 (on total income of \$3,851,527) and at that time had a current asset deficiency of \$668,263 (Non-current asset surplus of \$1,550,906). The board continue to monitor economic circumstances and are working on a number of strategies to address the current working capital deficiency including the potential for securing additional short term borrowings and/or realisation of property if required.

The entity continues to be reliant on the continued financial support of its financiers for the provision of overdraft facilities, the return to profitability of the business operations and/or the realisation of assets for continued operations and the provision of working capital.

If these sources of funding are not forthcoming, the going concern basis may not be appropriate, with the result that the entity may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and in amounts different from those stated in the financial report.

No allowance for such circumstances has been made in the financial report.