



2019



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NEW HORIZONS CONTINUES TO EVOLVE

Reflected in our financial report, 2019 has been a year of growth and a year of change.

Our CEO of 10 years departs, we have welcomed several new members to our executive leadership team and to support our expanding services, we have warmly welcomed numerous team members across the organisation.

Our leadership team is preparing for our long planned and imminent transformation which will put us in good stead to respond to our rapidly changing sector and customer needs. At the ready to commence, we are excited for what the next step in our future holds.

CEO'S

STATEMENT

Hello and thank you to you all for welcoming me so warmly into the role as CEO. Some of you may know me from my time on the Board at New Horizons, for those of you who don't, I'm Peter Carter.

I'd like to start by saying thank you to Judi Higgins for the big shoes she's left me. While I can't cover her contributions and efforts in detail in this brief message, I'm grateful for her selfless contribution to New Horizons over 20 years, the last 10 of which she served as CEO.

When Judi started at New Horizons, we counted our staff in dozens. Now we are well over 1,000 strong, supporting more than 4,000 people to live and participate in communities throughout the state. This is a testament to Judi's extraordinary skill, vision and personal integrity.

I had the good fortune to first meet Judi over five years ago, as Director of NSW Health's Mental Health and Drug and Alcohol branch. I'd already heard about New Horizons and the breadth of its services across mental health, aged care, disability and beyond.

I wish Judi well and look to build on her legacy with a plan to continue New Horizons' growth and success into the future.

Now, after four years on the Board, I'm blessed as CEO to lead the organisation into the next stage of our extraordinary journey.

Judi's departure falls in step with a number of leadership transitions that have happened this year, with some new executive leaders joining our team, and the exit of two layers of management by voluntary redundancy.

Some of you may be a little daunted by the magnitude and speed of these recent shifts, and I can understand that – change is unsettling. The truth is, change will continue to be a central factor in our immediate future.

The sector as a whole is working through significant transformation and I am proud to say New Horizons will be proactively shaping our own change to secure and improve our continued service to the communities we represent.

We have engaged a top tier team from Deloitte to help us drive a number of interconnected changes to the way we work, streamlining processes for efficiency and freeing up more time for our people to focus on the community we serve.

Our goal is clear: become profitable so we can serve more people in better ways; become sustainable so we can continue to do this for as long as we're needed.

I want to assure you that I am personally committed to ensuring future change for all of us will be well considered and planned, clearly communicated and inclusive in the process – in-keeping with our imperatives of wellbeing, integrity and respect.

I'm excited about what the next few months will bring as we get to know each other better and walk together on New Horizons' amazing journey.



Peter Carter, CEO

"OUR GOAL IS CLEAR: BECOME PROFITABLE SO WE CAN SERVE MORE PEOPLE IN BETTER WAYS; BECOME SUSTAINABLE SO WE CAN CONTINUE TO DO THIS FOR AS LONG AS WE'RE NEEDED."





CHAIRMAN'S STATEMENT

New Horizons is looking at a path that will accelerate its growth and renew its commitment to serving its people within a sector that is fast evolving. My message is one of hope and aspiration towards a new future, and an acknowledgment of legacy as we farewell leaders in 2019.

I'd like to echo Peter Carter's sentiment in farewelling Judi Higgins. Judi will be missed as a colleague and leader. However, we have her strong foundations to move forward with.

In saying that, we can look to the capable and experienced leadership of Peter Carter, who has been in the human services sector for almost two decades. Peter first began working for human services in 1990, when support services were heavily focused on clinical care and intervention. How things have changed since then and Peter has been there to witness the shifts and transitions – of which there were many.

The sector is not likely to settle any time soon, and I am confident that together with Peter, we can transition into new ways of working to support our viability as an organisation, and our commitment to achieving a vision of wellbeing for all.

I'd like to also share with you our recent success and achievements. We have recently been successful in purchasing two sites, 15-29 Twin Road and 31 Twin Road (Orana). The successful purchase of these sites will help support our growing workforce and service offerings, but also support our ongoing vision to contribute to happy and inclusive communities. Our ongoing presence at these locations will embed our presence within the local community and maintain ongoing partnerships with local business and opportunities in this area.

We have also successfully won a number of new tenders, allowing us to offer supported independent living, and psychological support services to new regions. To that end, we're also taking on lots of new people – frontline team members, service managers and a couple at Head Office. To all of you, welcome.

New Horizons is also preparing itself to engage in a long-term transformation with Deloitte that will support our vision to be profitable, sustainable,

and at the forefront of wellbeing services. This transformation is necessary to ensure better operations and processes, particularly as we prepare ourselves to engage with the Disability and Aged Care Royal Commissions. Others involve celebrating our growth as we introduce new people and ways of working to the organisation.

Transformations that will continue our commitment to excellent service and high ethical standards.

I am excited by the possibilities that await, especially ones that will empower and advance New Horizons to prepare for the future of human services, and have every confidence that together with our staff and leaders, we are set to achieve.

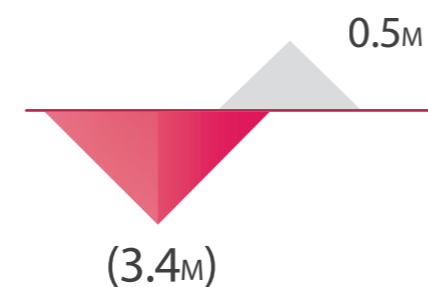
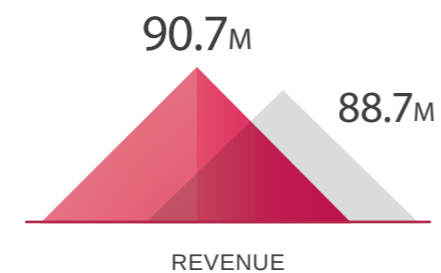
Peter Howell, Chairman

FINANCE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue	2	90,677,102	88,677,725
Employee Benefits expense		(66,645,610)	(60,930,831)
Depreciation and amortisation expense		(1,823,704)	(1,994,792)
Motor vehicle expense		(1,577,437)	(1,638,483)
Insurance expense		(2,246,200)	(2,131,198)
Property expense		(4,857,800)	(4,346,186)
Training expense		(702,189)	(843,221)
Audit, Legal and consultancy fees		(1,848,562)	(2,112,420)
Agency fees		(2,468,777)	(3,452,573)
Customer support expense		(2,734,936)	(2,998,521)
Sub-contractors expense		(5,057,630)	(4,050,221)
IT & Communication expense		(2,646,508)	(2,244,651)
Marketing expense		(80,654)	(114,819)
Other expenses		(1,339,255)	(1,368,830)
(Deficit)/Surplus before income tax expense		(3,352,160)	450,979
Income tax expense		-	-
(Deficit)/Surplus after income tax expenses for the year		(3,352,160)	450,979
Gain/(loss) on the revaluation of land and building		4,392,191	-
Total comprehensive income for the year		1,040,031	450,979

The Statement of Profit or Loss and Other Comprehensive Income above should be read in conjunction with the accompanying notes.

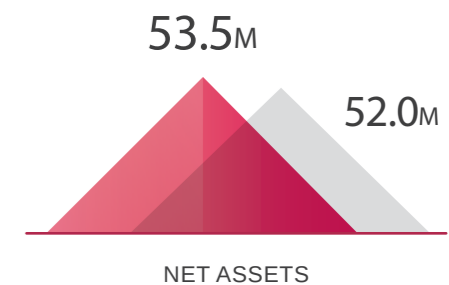
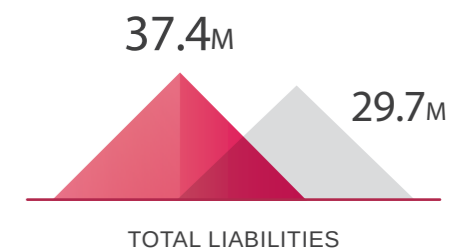
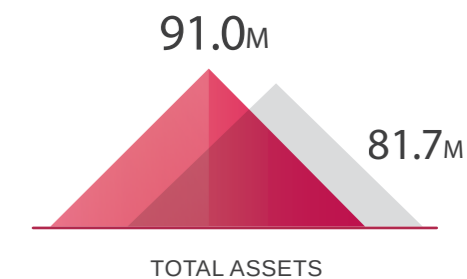


▲ 2019 ▲ 2018

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash equivalents	3	45,435,514	48,087,111
Accounts receivable and other debtors	4	5,247,443	3,856,323
Inventories	5	54,717	35,566
Financial assets	6	6,937,758	3,725,156
Other current assets	7	1,008,953	792,210
TOTAL CURRENT ASSETS		58,684,385	56,496,366
NON CURRENT ASSETS			
Property, Plant & Equipment	8	30,199,743	23,120,497
Intangible assets	9	2,066,906	2,066,906
TOTAL NON-CURRENT ASSETS		32,266,649	25,187,403
TOTAL ASSETS		90,951,034	81,683,769
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	10	17,769,958	14,269,148
Unearned revenue	11	13,439,382	9,631,310
Provisions for employee benefits	12	5,140,041	4,716,791
TOTAL CURRENT LIABILITIES		36,349,381	28,617,249
NON CURRENT LIABILITIES			
Provision for employee benefits	12	1,064,682	1,046,901
TOTAL NON CURRENT LIABILITIES		1,064,682	1,046,901
TOTAL LIABILITIES		37,414,063	29,664,150
NET ASSETS		53,536,971	52,019,619
EQUITY			
Retained Surplus		35,453,352	38,805,512
Reserves	14	17,606,298	13,214,107
Investment Reserve	15	477,321	-
TOTAL EQUITY		53,536,971	52,019,619

The Statement of Financial Position above should be read in conjunction with the accompanying notes.

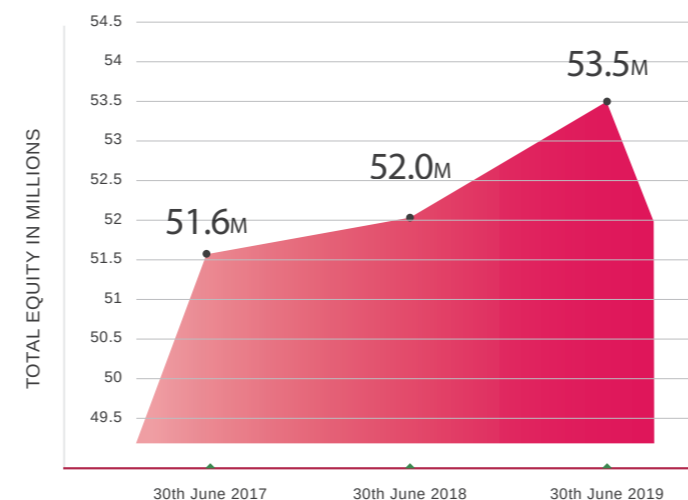


▲ 2019 ▲ 2018

FINANCE

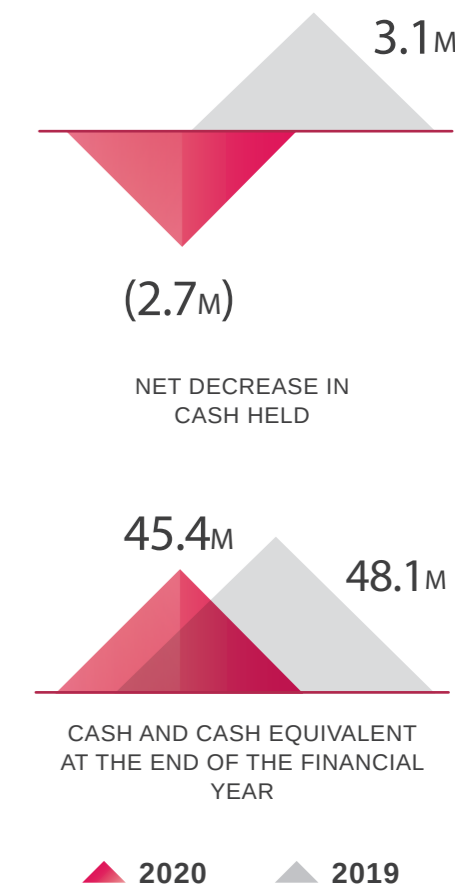
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Retained Surplus \$	Revaluation Surplus \$	Investment Reserve \$	Total Equity \$
Balance at 30 June 2017	38,143,052	13,425,588	-	51,568,640
Surplus after income tax expense for the year	450,979	-	-	450,979
Other Comprehensive Income for the year, net of tax	211,481	(211,481)	-	-
Balance at 30th June 2018	38,805,512	13,214,107	-	52,019,619
Deficit after income tax expense for the year	(3,352,160)	-	-	(3,352,160)
Capitalised investment in Accessible Living Options Inc as part of acquisition	-	-	477,321	477,321
Other Comprehensive Income for the year, net of tax	-	4,392,191	-	4,392,191
Balance at 30th June 2019	35,453,352	17,606,298	477,321	53,536,971



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
Cash flow from operating activities:		
Receipts of grants & other receipts	95,282,792	88,431,409
Payments to suppliers and employees	(93,042,884)	(86,174,953)
Interest Received	1,278,050	1,177,514
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,517,958	3,433,970
Cash flow from investing activities:		
Proceeds from financial assets-net	(2,464,414)	336,618
Purchase for property, plant & equipment	(4,369,869)	(739,611)
Proceeds from acquisition of Accessible Living Options Inc.	566,325	-
Proceeds from property, plant & equipment	98,403	83,924
NET CASH PROVIDED BY INVESTING ACTIVITIES	(6,169,555)	(319,069)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENT	(2,651,597)	3,114,901
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE FINANCIAL YEAR	48,087,111	44,972,210
CASH AND CASH EQUIVALENT AT THE END OF THE FINANCIAL YEAR	45,435,514	48,087,111



THANK YOU

We would like to thank all employees partners and customers for your continued contribution to our success in 2019.



newhorizons[®]
wellbeing. done well.