



Bedford
Changing Lives

Annual Report
2015/16

 **Bedford™**
Changing Lives

We care more.

BB

I chose to work at Bedford because I wanted a job that made a difference. I really like working closely with people and finding those moments where people shine.

Ruth Mansaray



We embrace diversity.

BB

We are so proud of our vibrant community. Bedford embraces all ages, ethnicities, interests, backgrounds and ambitions.

Lorna Bugden
General Manager

Pictured: Malyka Uy



Bedford Values

We are Bedford



We work harder



We care more



We are
trustworthy
honest and
authentic



We laugh often



We live
for our
customers



We are always
looking for a
better way



We are a
big family



We think
and act
commercially



We embrace
diversity



We believe
in **real work**
and **real**
experience



We are
resilient
and **flexible**

Annual Report 2015/16



04	BEDFORD SUPPORTERS	19	BEDFORD AND THE COMMUNITY	31	BEDFORD BUSINESS OPERATIONS 2015/16
04	Patron	19	Corporate Events	32	APG Horticulture
04	Vice Patrons	19	Lotteries	34	Hospitality
04	Honorary Life Governor	19	Volunteers	36	Manufacturing
05	Honorary Life Members	19	Family Network	38	Packaging
05	Women's Auxiliary Life Members	20	Phoenix Cup	40	Social Enterprises
07	HIGHLIGHTS OF OUR YEAR	20	Bedford Bingo	42	Board of Directors
07	Bedford Big Battle 2015	20	Women's Auxiliary	44	Executive Team
07	Years of Service	20	Drakes Supermarkets	47	FINANCIAL REPORT 2015/16
07	Phoenix Cup	22	Years of Service	48	Corporate Governance Statement
07	Awards Day	23	Employee Representative Committee	49	Summary Financial Report
07	Drakes Supermarkets Charity Show Bag Morning Tea	23	Ambassadors	50	Financial Commentary
07	Bedford Big BBQ	25	DISABILITY SUPPORT SERVICES	55	Notes and Statement
09	CHAIRMAN'S FOREWORD	25	Accredited Training	56	Auditor's Letter
13	CHIEF EXECUTIVE'S REPORT	26	Vocational and Lifestyle Training	57	THANK YOU
16	OUR BRAND STORY	28	School to Work Transition Program		
		28	Residential Services		
		29	Day Options		

Bedford Supporters

Patron

His Excellency The Honorable
Hieu Van Le AO
Governor of South Australia

Vice Patrons

Mr RD Hill-Ling AO †
The Hon R G Matheson AM QC
Mr JA Uhrig AC
Mr M Evans

Honorary Life Governor

Mr GM Reid MBE †



Honorary Life Members

Mrs ER Atwell
Mr G Bethune
Dr AB Black OAM
Ms A Bolkus
Mrs CM Brown
Ms VK Bryant
Mr AW Burnell
Mr EM Byrt
Mr M Chappel
Mr BL Cornish OAM
Mrs R Davison
Miss G Dickson
Mr R Domaschenz
Mr MD Downer
Mr JF Dunkley
Mr C Dunsford, AM
Mrs L Fuss
Mr JC Goodall
Mrs S Hateley
Mrs A Heyworth
Mr RD Hill-Ling AO †
Mr M Hughes
Mr KF Kelly AM
Mrs B King
Dr NH Kirby
Mr D Knight
Mrs ED Kosmala OAM
Mrs S Kuchta
Mr S Leibhardt
Mrs J MacFarlane

Mr M Makrid
Mrs MD Marshall
Mr BP Martin AO
The Hon RG Matheson AM QC
Mrs BD Morish
Mrs BC Mudge
Sister M O'Connell
Mr HD O'Connor AM
Mrs F Packham
Mrs H Pitt
Mrs N Pullen
Mrs TM Pye
Mr AB Robins OAM
Mr KC Rogers OAM
Mrs M Shannon AM OAM
Mrs E Shaw
Mr A Somerville
MR GM Soper
Mr WJ Stamm AM
Mr RJ Styling AFSM OAM
Mr I Terry
Mrs M Terry
Mrs A Tiddy
Mr JBL Tucker
Mr JA Uhrig AC
Mrs J Von Stanke
Mrs F White
Mr PG White
Mrs F Whyte

Women's Auxiliary Life Members

Mrs A Day
Mrs M Hayward
Mrs C Heard
Mrs K McCurdie
Mrs J Songster
Mrs P Wagner

We live for our customers.

BB

My supervisors are easy to get along with and teach me lots of new things. I have a lot of friends in the workplace as well. I'm at Bedford five days a week and I like the hours I work and I'm proud of the skills I have learnt.

Nathan McKenzie



Highlights of our year



Our 2015/16 financial year was jam-packed full of memorable moments. From our annual fundraising events to recognising the amazing commitment and passion of our employees and staff, there were many reasons to celebrate:

Bedford Big Battle 2015

Corporate Adelaide put their knowledge to the test while enjoying good food, wine and company at the 2015 Bedford Big Battle quiz night.



Years of Service

Bedford staff and employees were acknowledged for their years of service to Bedford on International Day of People with Disability on 3 December.



Phoenix Cup

Dozens of keen soccer players took to the field to contest the 2015 Phoenix Cup held at the Modbury Jets Soccer Club.



Awards Day

To celebrate the end of the financial year, Bedford held its annual Awards Day recognising the outstanding achievements of our employees.

Drakes Supermarkets Charity Show Bag Morning Tea

As a Drakes charity partner, Bedford took part in the Drakes Charity Show Bag Morning Tea held at Kooyonga earlier this year to help celebrate the success of this unique fundraising initiative.



Bedford Big BBQ

One of the key events on the Bedford calendar, the 2016 Big BBQ was a great success and raised funds for the Bedford Buddies program.



A sustainable organisation.

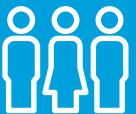
BB

Considerable preparation has been invested to ensure Bedford is financially resilient, adequately resourced and capable of evolving its service offering to fit the new model.

Ray Grigg
Chairman
Bedford



Chairman's Foreword



I am honoured to once again present Bedford's Annual Report.

In my twelve years of involvement with the Bedford Board, I have witnessed many changes to our operating environment and this year has been no exception. The imminent roll out of the NDIS will see disability service providers compete in an open, uncapped and highly competitive market and the sector is undergoing rapid and momentous transformation in response.

I am proud to report that Bedford has utilised its significant expertise and resources to build a sustainable organisation poised to maximise this opportunity. Considerable preparation has been invested to ensure Bedford is financially resilient, adequately resourced and capable of evolving its service offering to fit the new model. Our focus remains the same; to promote individual choice and control to empower people with disability and we believe the NDIS will enable us to support more people, in more ways.

The results over the past year are very pleasing. Sound fiscal management and strong performance from the business units, including a number of new and extended contracts, resulted in a net profit of \$1.8M; exceeding forecast and further strengthening our financial position. The Board is satisfied that commercial activities have been managed efficiently whilst maintaining the high level of service provision upon which our reputation is based.

Our commercial relationships continue to grow, with our Bedford Furniture products now sold in 325 Bunnings stores across New Zealand and Australia and our new partnership with Renewal SA contributing to what was an exceptional year for APG, our grounds maintenance and landscaping business. Additional noteworthy Packaging contracts include those with Qatar Airlines, Thomas Foods International and The New Royal Adelaide Hospital; a reflection of the strong commercial brands with which Bedford is affiliated.

A Federal grant from the Department of Infrastructure and Regional Development resulted in a major capital investment in the Mount Gambier Timber Processing site. Matched dollar for dollar by Bedford, the \$1M upgrade will enhance production by 40 percent and enable the employment of a further 21 people in this regional area, a rewarding story in what is a generally declining Australian manufacturing industry.

It is also pleasing to note a remarkable year for professional development; ensuring the skills and competency of our valued workforce. Bedford's annual leadership program, Integro, was this year offered to twice as many members of staff to ensure cultural consistency following the Bedford Phoenix amalgamation. The successful implementation of other new initiatives, including the Bedford Change Leaders program and an Awards and Recognition program were all well supported by the Board.

Bedford's commitment to safety was reinforced, with the achievement of AS4801 standards across the previous Phoenix sites and an exceptional 20 percent reduction in lost time injuries is also to be applauded. An extensive risk management review was undertaken to mitigate threats given the rapidly changing profile of the organisation, incorporating external auditing from KPMG as well as internal review.

The Board participated enthusiastically in our second Board Strategic Planning Day in February, taking the opportunity to reflect on key decisions made over the previous five years, financial performance and progress against the Strategic Plan. From this, decisions were made about our growth strategy, NDIS readiness and optimal organisational architecture.



Accordingly, the Bedford Board and Executive team made a decision to assess the Bedford accommodation portfolio and determine how best to meet the support needs of people in independent living. It was agreed that Bedford should focus on core service areas that are relevant, specialised and profitable and we consequently entered into an agreement with Unity Housing to manage the tenancy and property maintenance needs of our portfolio. Unity Housing boasts a reputation as one of the most trusted social housing providers in Australia and as a not-for-profit, shares a likeminded emphasis on service provision, not profits.

Bedford remains reliant on the support of many bodies, including government, commercial clients, sponsors and individuals.



I thank, once again, our Patron, His Excellency the Honorable Hieu Van Le AO, Governor of South Australia, for his support. The Federal Government is acknowledged for its indispensable funding of our employment programs and I also thank the State Government of South Australia for continued funding toward our Day Options and Accommodation Service, and the Department of State Development for funding our Abilities for All training initiative. We also thank the Minister for Disabilities, The Honourable Leesa Vlahos MP, for her notable commitment to disability advocacy in South Australia and interest in our activities.

Gratitude must be extended to the many commercial customers who support Bedford by purchasing our goods and services and the generous corporate sponsors who provide substantial donations toward our events and activities. We also recognise the many individual volunteers who donate time to Bedford, our lottery buyers, sponsors, event attendees and the extraordinary individuals who leave a lasting legacy to Bedford through their bequests.

This year we also thank Bill Griggs AM ASM, for his years of dedicated service to the Phoenix and Bedford Boards. The valued contribution provided by Bill to Phoenix whilst maintaining other notable commitments was remarkable. We also give thanks to the Bedford ambassadors, Amanda Blair, Faye Packham and Jack Hombsch for their passionate promotion of Bedford's activities and their ongoing support.

"Gratitude must be extended to the many commercial customers who support Bedford by purchasing our goods and services and the generous corporate sponsors who provide substantial donations toward our events and activities. We also recognise the many individual volunteers who donate time to Bedford, our lottery buyers, sponsors, event attendees and the extraordinary individuals who leave a lasting legacy to Bedford through their bequests."



It is with a heavy heart that we farewell our Vice Patron Mr Hill-Ling AO, who passed away in November 2015. Bob's genuine care and concern over the many years of support for Bedford was exceptional and we are indebted.

I am truly grateful to all Board members and sub-committee members for their ongoing contributions and extend congratulations to our tireless executive team and indeed all Bedford staff, who have shown such dedication to Bedford over the year. I also thank Sally Powell for her drive and direction. Guiding an organisation as important as Bedford in a period of such significant change requires remarkable acumen and I am confident Bedford will continue to thrive under her leadership.

It remains a great motivator to meet individuals whose lives have been enhanced by Bedford and I am often reminded that the reason for Bedford's existence is also our most important input; the contribution of the extraordinary, inspiring and diverse people with disability in our extended community.

I continue to feel honoured to be the Chairman of such a vital and progressive organisation.

Raymond G Grigg
Chairman, Bedford

Diverse support.

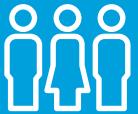
BB

Bedford has enhanced the lives of many people with disability over the year while maintaining the tailored and individual focus critical to providing enduring benefit to people's lives.

Sally Powell
Chief Executive
Bedford



Chief Executive's Report



It is a pleasure to once again present the Annual Report for the Bedford Group in this my fifth year as Chief Executive Officer.

Bedford has continued to make a vital contribution to the community, providing the outstanding and life changing support to people with disability for which it is renowned. Our presence across the state now reaches some 19 sites, including eight regional locations from Mount Gambier to Port Lincoln and our activities in New South Wales also continue to expand. Our diverse support encompasses employment, training, day options and exceptional day-to-day life skills and vocational development. Bedford has enhanced the lives of many people with disability over the year while maintaining the tailored and individual focus critical to providing enduring benefit to people's lives.

National Disability Insurance Scheme

In keeping with our values, Bedford has focussed on evolving our offering and 'finding a better way' to support people with disability in our community. In particular, we have focused on readying ourselves for the National Disability Insurance Scheme as it is poised to roll out for adults in South Australia; a transformation which Bedford has embraced enthusiastically from conception. This year we welcomed the signing of the bilateral COAG agreements in NSW and SA, signifying concrete rollout frameworks and a beacon for people with disability in these states.

Valuable lessons have been gleaned from our Silverwater site in New South Wales as we have assisted employees to obtain NDIS plans and transition successfully into the scheme. Other NDIS readiness preparation includes the creation of an active NDIS Expert Panel, comprising varied representatives across the staff group who developed a thorough understanding of all facets of the scheme as it unfolds. From this, Bedford has kept abreast of NDIS developments and has introduced tools to provide the best support for our workforce and beyond, including exciting pilot programs that will enable us to expand and tailor our supports to suit the new model.

"Our businesses continue to provide the vital revenue required to sustain our support activities, with the twofold benefit of creating authentic work experiences and career progression in a competitive commercial environment."

Bedford initiated an ambitious NDIS workshop program, rolling out some 180 information sessions across the state for people with disability and their families to understand the NDIS, the supports that will be available and how Bedford can help with the transition.

Personally I have also remained active in the NDIS arena, including my appointment as Chair of a newly formed national committee, the NDS BuyAbility campaign, to highlight and promote the importance of employment for people with disability. This body was conceived to address the important and often undervalued role of employment in the disability sector, an especially pertinent issue in the context of the NDIS. Other commitments include my involvement as Chair of the NDS SA Employment Committee, and membership of the NDS NSW Employment Committee; NDS National Committee on Supported Employment and the NDS SA State Committee.

Importantly, Bedford has also invested significantly in operational upgrades as we enter this more commercial era; injecting more than \$500K to provide much needed refurbishment across numerous sites and committing to a further \$500K over the ensuing year.

Activities

Our businesses continue to provide the vital revenue required to sustain our support activities, with the twofold benefit of creating authentic work experiences and career progression in a competitive commercial environment. In addition to reliable ongoing activities, a number of new contracts were won over the period and contributed to our strong result; including a partnership providing sterile packaging services to the New Royal Adelaide Hospital, new timber cutting services



to Claytons Kitchens and new grounds maintenance services to Renewal SA.

Combined with our fundraising activities and bequests, it was rewarding to report a net profit over the period of \$1.8M, significantly above budget and a notable achievement given the operating environment and investment in people and infrastructure.

We had an especially productive year refining our internal systems, including a new general ledger system, new client information database and the establishment of a comprehensive risk register. The Board has embraced our revised WHS Strategic Plan and we were pleased to have achieved AS4801 Accreditation

over the previous Phoenix sites, ensuring our steadfast commitment to safety is implemented across each and every one of our sites.

In June we announced an exciting partnership with Unity Housing, who will take on the tenancy management of our accommodation portfolio. This decision was made by the Board in recognition of the changing landscape of our business; the more time we spend managing tenancy terms and activities, the fewer specialised services Bedford can offer supporting people to live independently. An extensive search was undertaken to find a like-minded organisation and we were reassured to reach an agreement with Unity; a South Australian based not-for-profit organisation specialising in housing people on low income.

Our strong brand presence has been reaffirmed over the period, with the second phase of our website implemented and the refreshment of our internal and external brand collateral. We also focussed on the development of our new Brand Story, reflecting our evolving service offering and how we reference our services to the broader community.

Events

In January this year we moved our Bedford Big BBQ to the new quarters of the Convention Centre, providing a stunning environment to celebrate our activities and engage with our many corporate supporters. A remarkable \$90,000 was raised toward our unfunded activities and programs. Our ever popular Big Battle quiz night at the National Wine Centre of Australia also contributed vital funds and I once again thank our sponsors and supporters who make both of these events so successful.



Our Graduation at the Thebarton Community Centre in September showcased Bedford's remarkable Abilities for All Training program, providing tailored certificate-level training to 165 people with disability. We are always especially proud to recognise the hard work and commitment of our trainees and hear the individual stories of empowerment and change. I acknowledge the Department of State Development for their ongoing and vital financial support of our training.

Thank you

I would like to take this opportunity to thank every member of the Bedford family – our staff, employees, volunteers, sponsors and commercial partners, for their commitment to Bedford and our activities. It is as a collective we create true impact and the sense of community of which we are so proud.

We remain thankful for the often unrecognised support from many generous businesses, families and friends who help with sponsorships, contracts, donations and bequests.

Our volunteers, donors and sponsors, Family Network members, Honorary Life Members, Vice Patrons and business customers continue to support us and we could not maintain our life changing support without this assistance.

I must acknowledge The Honourable Leesa Vlahos MP, Minister for Disabilities for her remarkable dedication and visibility across the sector. Leesa's genuine commitment to the sector is clear, and we thank her for her time spent visiting our sites and support at media events over the period.

I thank once again Faye Packham, Amanda Blair and Jack Hombsch for their contribution as Bedford Ambassadors. Jack's regular visits to our sites genuinely add to morale and Amanda's support at our events is invaluable. Faye provides the crucial link between our decisions and the families they impact and we are grateful for her time, passion and unwavering support.

My gratitude is extended to our hardworking Chairman, Ray Grigg and Deputy Chairman, Greg Connor, for their

remarkable efforts and direction in guiding the Board. Likewise, all of our committed Board members must be recognised for their time and expertise, and we are truly grateful for this generosity and dedication. I thank the resilient and invaluable executive team and all Bedford staff who go above and beyond every day to deliver outstanding support and services. Bedford is a large and diverse organisation that is only successful due to the efforts of many and for that I am most grateful.

We end the year in a strong position, of which I am very proud. I remain committed to positioning Bedford to best meet the evolving needs of the sector, and those of the people we exist to support.



Sally Powell
Chief Executive, Bedford

Our Brand Story

Bedford changes the lives of people with disability by building capacity, independence and wellbeing.



We do this by providing meaningful employment in a range of settings, with the personalised support to maintain it.



We offer exceptional tailored training to meet individual needs and goals, in the workplace and at home.



We help build healthy relationships within the community and pride ourselves on providing hands on support to plan all areas of your life.



Above all, we promote individual choice and control to empower people with disability to live fulfilled and happy lives.

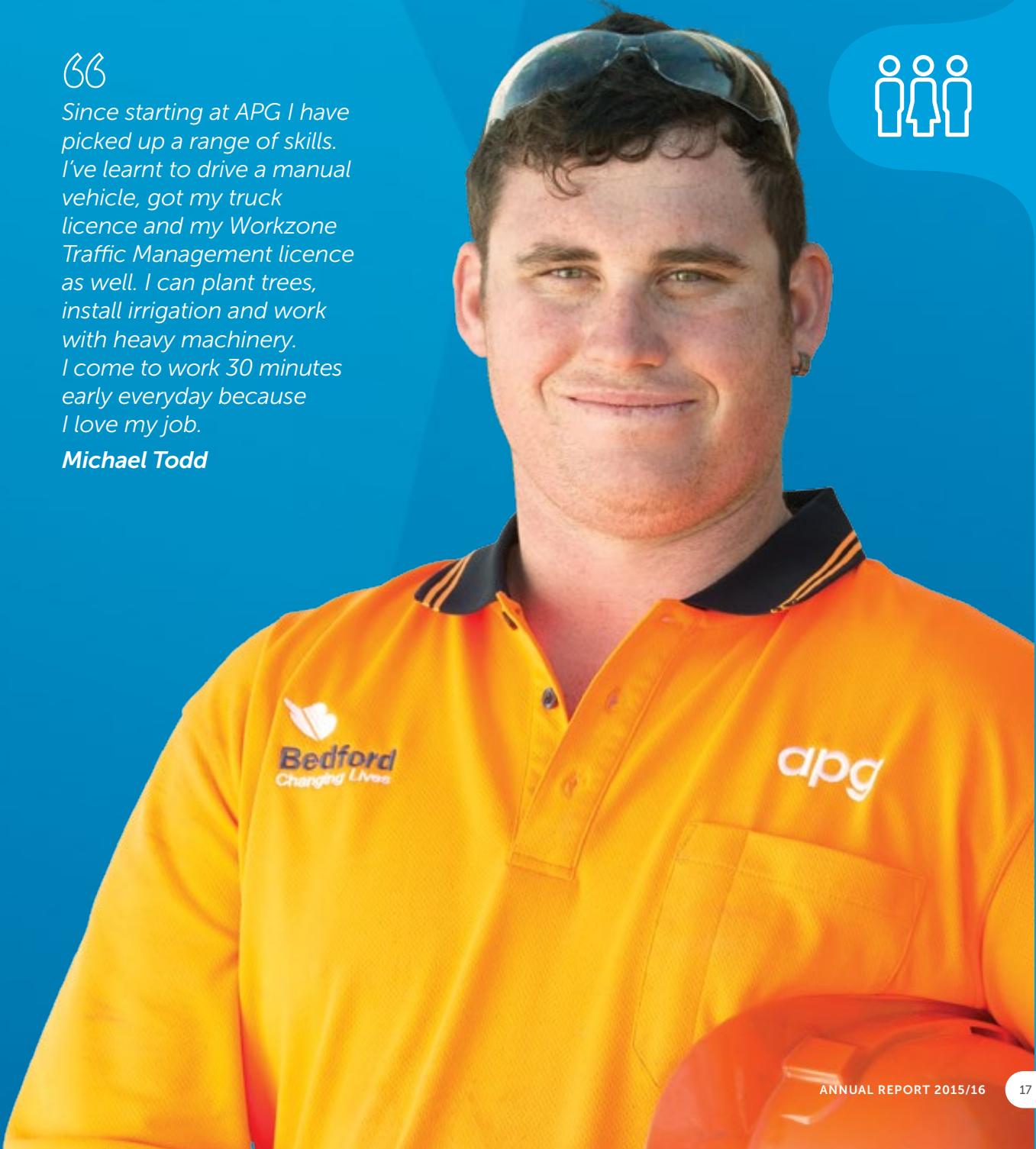


We are **resilient** and **flexible**.

66

Since starting at APG I have picked up a range of skills. I've learnt to drive a manual vehicle, got my truck licence and my Workzone Traffic Management licence as well. I can plant trees, install irrigation and work with heavy machinery. I come to work 30 minutes early everyday because I love my job.

Michael Todd





We laugh often.

BB

Here at Bedford I learn lots of new things every day, everyone is friendly and we have a lot of fun.

I have made a lot of friends here, we all have.

Jacqui Goumas

Bedford
Changing Lives

Bedford and the Community

Every contribution, large or small, helps us change lives. The support to our Bedford Community extends far and wide, from our individual volunteers to our lottery buyers, corporate partners, sponsors and generous benefactors.



Corporate Events

Bedford's Big Battle and Big BBQ continued as our primary fundraising events, providing a fun and relaxed environment to engage our supporters and contribute essential revenue to our non-funded activities.

The Big Battle quiz night once again drew a lively crowd at the National Wine Centre of Australia to fight it out for the winner's trophy with Orix victorious on the night. Our Big BBQ this year moved to the spectacular new hall of the Convention Centre, drawing a record crowd and raising a remarkable \$90K towards our vital programs.

These events would not succeed without the generosity of our longstanding major supporters, with ORIX Australia the major sponsor of the Big Battle and NAB our key sponsor of the Big BBQ. We also give thanks to Optus, the National Wine Centre of Australia, RACV Salary Solutions, Holidays of Australia, The Good Guys, Pro Paint n Panel, Scene Change and Contango Asset Management Limited.

Lotteries

The four annual Bedford lotteries continued to receive vital community support and contribute important revenue. While the lotteries faced a dynamic and increasingly challenging fundraising environment, they retained the ongoing support of a loyal base of regular buyers.

This year, Bedford also maintained Phoenix Connect, a lottery and telesales service run by Phoenix prior to the amalgamation and differing substantially in format. Unlike Bedford Lotteries, the Phoenix Connect business provides an external contracted lottery and telesales service as well as a Phoenix branded lottery offering.

Both lottery services continue to provide financial support toward Bedford's unfunded support activities while also raising brand awareness through broad community engagement.

While lotteries face an evolving and challenging operating environment, Bedford recognises the opportunity to review the structure of the two lotteries and utilise the strongest elements of both to potentially create a new lottery and service offering.

Volunteers

Bedford has benefited from the ongoing support from NAB, Deloitte, Westpac, Treasury Wine Estate and Sacred Heart College, who each send volunteers to provide hands on help in our busiest periods. We remain very grateful for this generous donation of resources. We also thank the numerous individual volunteers who donate their time and skills in various roles and at our events.

Family Network

We are fortunate to enjoy the support and direction of a large group of active family members and carers. We recognise the importance of a forum for communication, especially in light of rapid changes to disability services as the NDIS rolls out. In response, Bedford expanded the Family Network offering, providing meetings in Elizabeth as well as Panorama and also initiated an extensive NDIS Workshop series across all sites.

We once again thank the members of the Family Network for their attendance and contributions over the year.



Phoenix Cup

The annual Phoenix Cup remained the premier soccer tournament for people with disability, with the event attracting some 11 participating teams and a large crowd of supporters. Bedford extends gratitude to the Modbury Jets for hosting and running the 2015 event.

Bedford Bingo

Bedford Bingo continued to provide an important contribution to the fundraising mix and expand community awareness of Bedford. Attendees enjoy the lively atmosphere and reliable catering provided by our hospitality team and Bedford remains committed to delivering this service.

Women's Auxiliary

The Women's Auxiliary remains a highly valued contributor, having directly funded a number of significant initiatives for the Phoenix Society and now supporting disability services through Bedford. The Auxiliary continued to offer their highly successful Bridge Day, Movie Night and Morning Tea and donated the significant revenue in entirety to Bedford. We extend thanks to all who participate in these events and look forward to further strengthening ties.

Drakes Supermarkets

Bedford benefitted once again from the generous support of Roger and Wendy Drake, of Drakes Supermarkets. Bedford is a recipient of the Drakes Charity Show Bag and this year received some \$20K in donations through this program. Additionally, Bedford benefits from significant packaging contracts for the supermarket which are primarily processed through our Torrensville site.

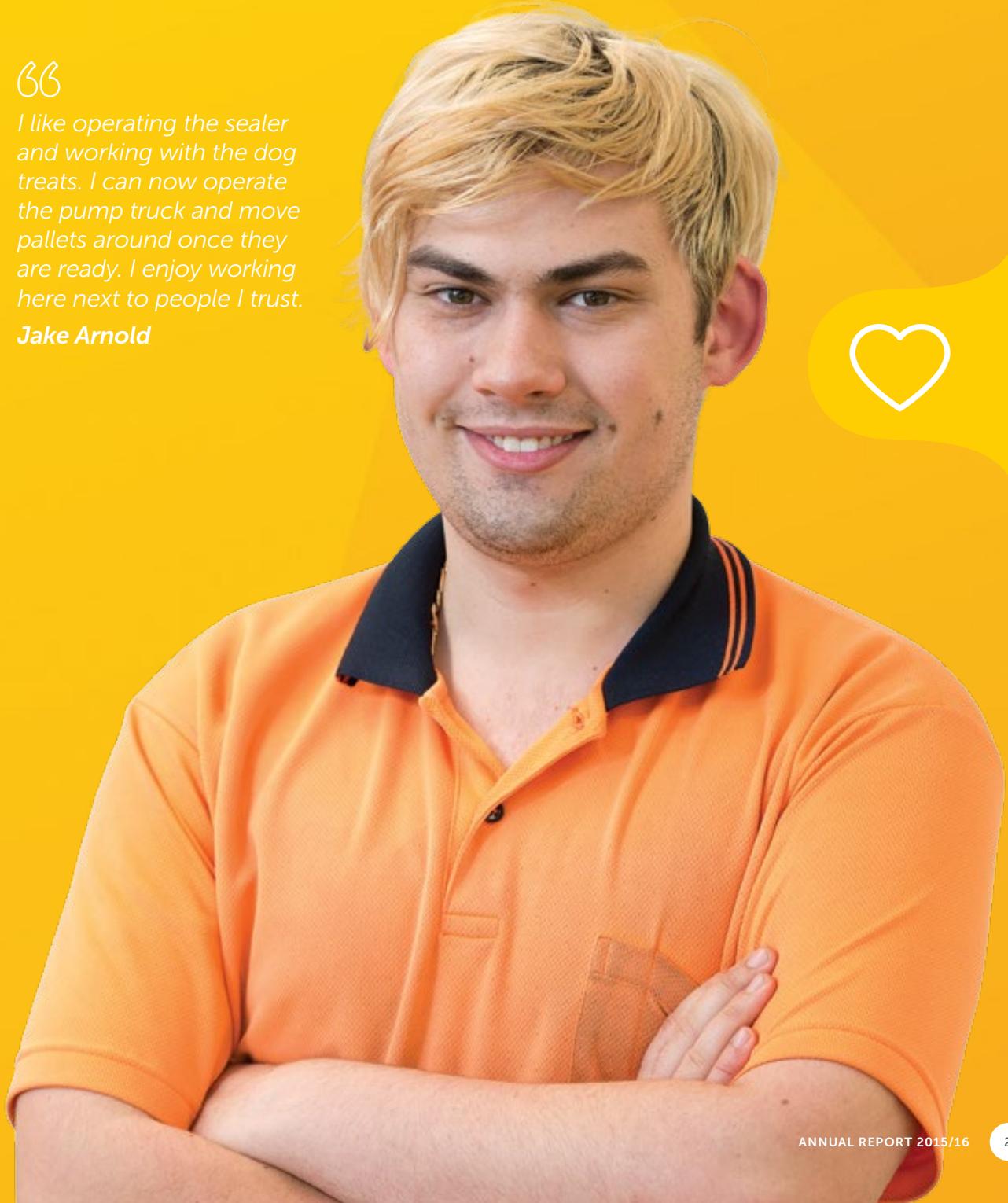


We are **trustworthy, honest** and **authentic.**

66

I like operating the sealer and working with the dog treats. I can now operate the pump truck and move pallets around once they are ready. I enjoy working here next to people I trust.

Jake Arnold



Years of Service

Bedford is proud to celebrate with our long-serving staff and employees as they reach important milestones of employment. On the International Day of People with Disability we celebrated the loyalty of employees and recognised those with 10-45 Years of Service.

Congratulations to all Years of Service recipients again for such extraordinary commitment.



10 Years of Service

Christopher Antic	Megan Lethbridge
Bronwyn Bartlett	Timothy Levett
Janice Berwick	Peter Lyons
Kevin Butler	Catherine MacDonald
Owen Carne	Luke Martin
Paola Cassar	Gavin Martin
Ryan Clarke	Kimberly McMillan
Stanley Cleary	Brian Meaney
Keith Cleggett	Jeremy Meyer
Edward Dibben	Fiona Millard
Wayne Doe	Tyne Milstead
Catherine Doecke	Michal Minnie-Ruesseler
Lee Dreyer	William Moyle
Lisa Drouin	Larry Napolitano
Richard Edwards	Michael Need
Lorrae Faulkner	Anthony Nelson
Phillip Filippou	Deborah Nicholson
Zilvia Fisher	Andre Rex
Mark Fisher	Kingsley Smith
Timothy Francis	Rosanna Spyropoulos
John Gorrie	Phyllis Squire
Joseph Hadchity	Stephen Tregenza
Jennifer Hart	Ivan-Cornelius
Andrew Herewane	Van De Belt
Owen Hocking	Andrew Wallis
Christopher Holland	Benjamin Waters
Robert Johnson	Dru Watson
Alice Kearvell	Andrew Weaver
Sean Kuric	Travis White
Janet Lawrence	Anne Williams
Stuart Lee	Lee Willshire

20 Years of Service

Neil Ashman	Angela Brennan
Shane Bampton	Lorna Bugden
Craig Bocock	Julie Chomel
Tara-Lee Bowering	Jarrod Clarkin
Luke Martin	Wayne Brown
Gavin Martin	Paul Bujak
Kimberly McMillan	Patricia Burness
Brian Meaney	John Byrnes
Jeremy Meyer	Eric Denison
Fiona Millard	Anthony Dixon
Tyne Milstead	Rita Feleppa
Michal Minnie-Ruesseler	Nicholas Fuller
William Moyle	Marion Hammet
Larry Napolitano	Jared Henneker
Justin Hill	David MacFarlane
Michael Need	Christopher Mavrokokki
Anthony Nelson	Trevor Kennedy
Deborah Nicholson	David McDonald
Andre Rex	David Lawn
Kingsley Smith	Bryan Mahony
Rosanna Spyropoulos	Glynn McKenzie
Phyllis Squire	Hannah Munday
Stephen Tregenza	Christopher Nelson
Ivan-Cornelius	Ian O'Brian
Van De Belt	Gemma Partridge
Andrew Wallis	Steven Saler
Benjamin Waters	Charlie Schaber
Dru Watson	Heidi Smith
Andrew Weaver	Scott Thompson

25 Years of Service

Matthew Roodhouse	Gerard McDonald
Michael Trivanovic	Simon Muldoon
Gary Whitty	Peter Regnier
Arjan Winter	Matthew Roodhouse
Mentino Zeoli	Christopher Squires
Shane Symons	Michael Trivanovic
Nicholas Urbon	Katherine Ring
Kenneth Werner	Christopher Squires

30 Years of Service

Tracy Argent	Raymond Kleyer
Phillipa Axford	Mary Mercer
Leigh Brabyn	Josephine Munari
Allan Brett	Mark Penezic
Margaret Brittain	Michael Reed
Daryl Chant	Grantley Richards
Christopher Clarke	Katherine Ring
Joan Clarke	Christopher Squires
David Haddrick	Shane Symons
Philip Hughes	Nicholas Urbon
Paul Jarrett	Gary Whitty
John Johnson	Arjan Winter
Paul Jarrett	Mentino Zeoli

35 Years of Service

Deborah Bates	Barry Williams
Craig Bates	Stefan Hudoba
Kevin Brice	Vijay Kulshrestha
Jeffrey Brown	Andrew Mason
Dean Elix	Robert McMahon
Cameron Hall	Timothy Miller
John Hansford	Sharon Morris
Stefan Hudoba	Helen Pearce
Vijay Kulshrestha	Mario Petersson
Michael Treleaven	Michael Nottage
Barry Williams	Glenn Tamblyn

40 Years of Service

Debra Adcock
Vicki Bryant
Michael Nottage
Glenn Tamblyn
Annette Williams

45 Years of Service

Kaye Clifford
Bill Clifford
Michael Dunn

Employee Representative Committee

We thank the commitment of the Employee Representative Committee (ERC) who meet regularly to discuss events, concerns and improvements.

Jess Barrett	Alan Henschke	Alex Melis	Toby Sutherland
Melissa Bierman	Sarah Hobbs	John Miller	Wayne Taylor
Peter Bryne	David Hughes	Renaldo Montin	Kymberly Tutty
Allan Carlyon	Vanessa Jelic	Andrew Norman	Robert Turner
Stuart Carthew	Stacey Jesson	Shaun Osmond	Ben Waters
Glenda Curtin	Candice Lundie	Lauren Quinlan	Ron Young
Barbara Edward	Andrew Mason	Cameron Richards	
Jenny Hart	Amber McCubbin	Shannon Sommers	

Ambassadors

We also thank the dedicated people who take the time to share our stories and promote our activities.

Port Adelaide player Jack Hombsch established his popularity at our various sites and remained an active advocate for

disability issues. Bedford is very grateful to Amanda Blair for her panache as MC at our numerous events, and Faye Packham remained a vital and active member of our broad family. To all three ambassadors, we extend our gratitude.

Faye Packham



Jack Hombsch



Amanda Blair

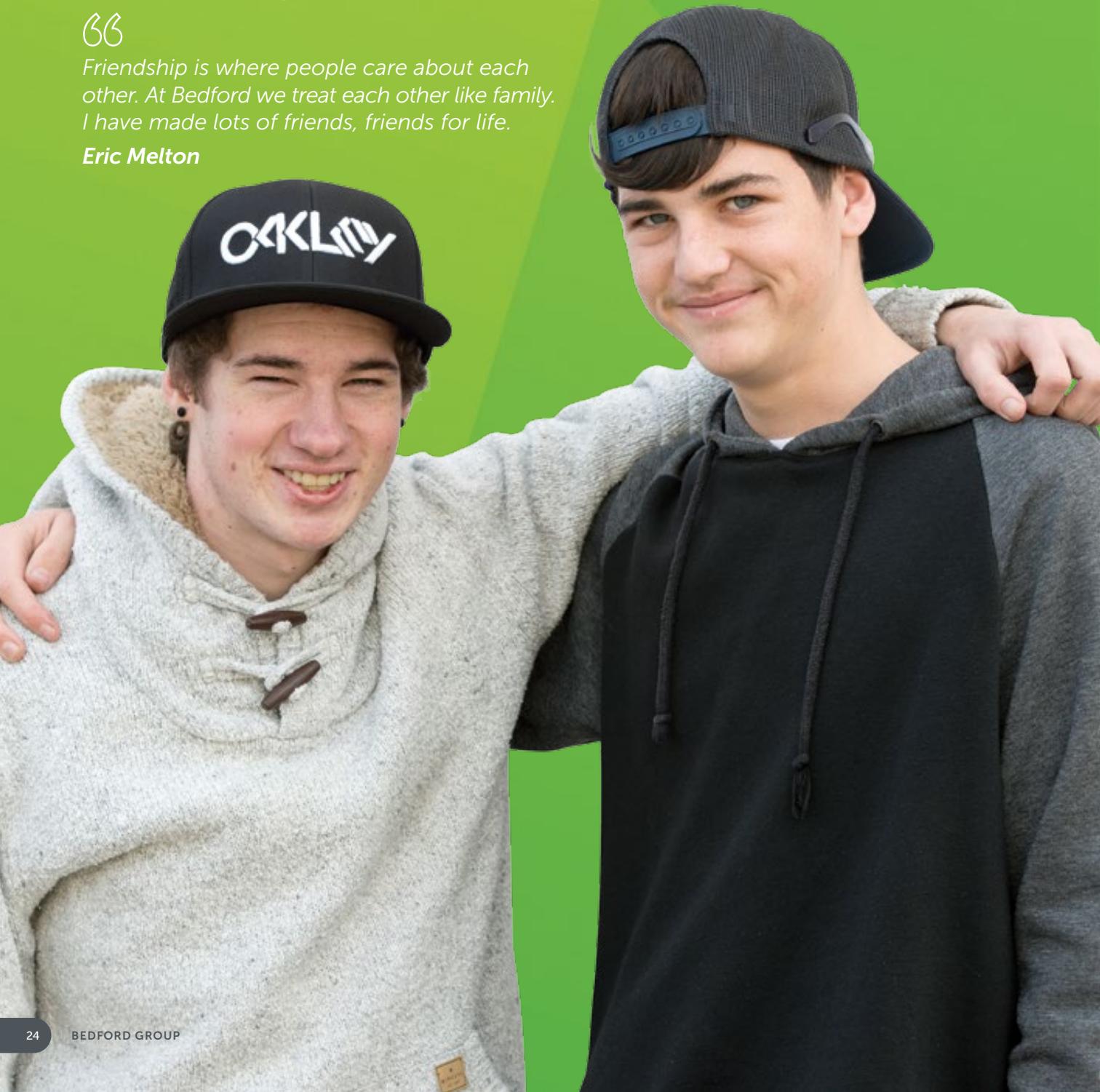


We are a big family.

66

Friendship is where people care about each other. At Bedford we treat each other like family. I have made lots of friends, friends for life.

Eric Melton



Disability Support Services

Bedford offers an impressive suite of support services over and above our employment provision – from school to work transition through to vocational training, day options and residential services.

Our team keeps our support tailored to meet individual needs while providing a dynamic offering; we are actively evolving our diverse support services to expand and grow as the NDIS unfolds in South Australia.

Accredited Training

Bedford continued to refine the exceptional suite of training courses delivered to employees, members and residents across our sites. As a Registered Training Organisation, we are again able to deliver outstanding accredited certificate-level courses as well as diverse non-accredited courses in a range of areas.

Bedford provided in excess of 3,000 hours of accredited training to 165 participants, with delivery offered as formal in-class lessons, tailored mentoring and hands-on employment assistance. Accredited certificates were offered through the Abilities for All program in Landscaping, Information and Digital Media and Individual Support (Disability), with nearly 120 successful graduates receiving Certificates and another 32 obtaining Statements of Achievement.

Abilities for All courses were offered in Torrensville, Taperoo and Noarlunga;

we thank the Taperoo Community Centre and Workskil for use of their facilities and our ongoing partnership.

Bedford once again recognises the Department of State Development for its vital ongoing financial support as well as the many committed students who find the time and dedication to complete training. We also acknowledge 4Life, Minda Adult Learning Centre, Lutheran Disability Services and the Endeavour Foundation who provide training services towards our Certificate III in Individual Support.

The annual Bedford Graduation Ceremony remains one of the most uplifting events in the calendar; enhanced by the genuine stories of achievement and success delivered through our accredited training offering. This year 110 graduates were recognised for their hard work at the ceremony held in July 2016. We are also proud to recognise the 30 students who gained employment as a direct outcome of their accredited training qualifications.



Vocational and Lifestyle Training

Bedford has built on a wealth of experience and over the years refined a practical selection of non-accredited courses, including useful lifestyle training to enhance the skills and lives of our community as well as on the job vocational support.

The unique range of courses is delivered on a weekly basis across our sites, with experienced trainers offering sessions in comfortable in-house settings.

Remarkably, Bedford delivered nearly 6,000 hours of tailored training, with courses over the period including:

- WHS inductions and refreshers
- First on scene
- Garden safety
- Relationships and friendships at work
- Sexual harassment and bullying awareness
- Cyber bullying safety
- Happy Not Snappy
- Learner's permit theory
- Becoming a leading hand

- Safety representative
- Working on a committee
- Lockout and tagout
- Machine guarding
- HACCP
- Kitchen safety
- Being supervised
- Dress and hygiene
- Manual handling
- Equal opportunity
- Forklift driver theory
- Team building
- Social skills
- Essential job skills

Bedford's commitment to training and personal development is further reflected by the provision of extensive staff training, with leadership and development courses as well as practical vocational courses offered to staff participants.

Development of a suite of NDIS ready training courses, is also well underway, with a number of exciting pilot programs developed and tested over the period.



We always look for a better way.

BB

I really like it here. I've been here 18 months and work full time. I've actually seen a lot of change, we have different products and are working better. It's interesting.

Sarah Hobbs





School to Work Transition Program

The Bedford School to Work Transition Program continued to offer a specialised work experience program, this year providing services for high school aged students with disability. Participants from 32 schools across metropolitan Adelaide experienced working in a range of roles across manufacturing, hospitality and packaging and also received relevant vocational training to build job ready skills.

The program was offered to both individuals and school groups and was tailored to meet both curriculum requirements and individual needs. Work experience students attended for one day a week over a period of one or two terms and the program was also designed to meet South Australian Certificate of Education (SACE) curriculum criteria. Of the 250 participants over the period, Bedford was pleased to offer ongoing employment to more than 30 students across our businesses.

Residential Services

Bedford continued to meet community demand for independent living and residential support for people with disability across South Australia.

In June 2016, an exciting partnership was announced with Unity Housing, a not-for-profit organisation specialising in the provision of low cost housing for people with disability, homelessness or disadvantage.

The decision to engage Unity was made in recognition of the changing operating landscape, with the NDIS creating an increasingly competitive arena for disability services. By partnering with Unity, Bedford is able to focus on enhancing specialised core services in employment, training and day options while Unity absorb the day-to-day tenancy management of the accommodation portfolio.

It was highly reassuring to reach the agreement with Unity and we are proud to report that 70 residents at Balyana and the further 68 living in our community-based properties are guaranteed a 'home for life' as long as they meet the conditions of their tenancy. Residents will also continue to receive the same levels of lifestyle support from Bedford, with the same staff.

Over the year, activities at Balyana were focused on assisting residents who do not have family or regular recreational connections to participate independently in community activities. This included the instigation of 1:1 recreation and community inclusion support for residents in this bracket. Bedford was able to work with each resident to develop recreation plans with tangible outcomes to meet individual goals and enhance independence.

Day Options

Bedford Day Options has built a reputation for exceptional services for people with moderate to high support needs and has enjoyed an encouraging year of growth and positive feedback. Services are provided in Adelaide, Wallaroo, Port Pirie and Port Lincoln; with the primary purpose of developing independence and life skills for members.

Bedford Day Options places significant emphasis on community engagement, with members participating in a wide range of recreational, lifestyle, sporting and cultural activities to provide enriching experiences on a daily basis.

Programs are established to provide flexible choices for participants and offer

the best possible support, training and opportunities to learn and develop. Member's needs are primary, with activity programs determined by member goals and measured by the development and maintenance of practical life skills, social skills, independent decision making and participation in community life.

We continue to focus on preparation for the NDIS through our provision of outcome based activities that are engaging, flexible and challenging. Staff, members and families have also participated in NDIS workshops and receive regular feedback and communication about the NDIS rollout and its impact on Day Options services.



Programs are established to provide flexible choices for participants and offer the best possible support, training and opportunities to learn and develop.



We think and act commercially.

BB

I started working on a production line but worked my way into an admin role. Bedford recognised my strengths – I am good with detail and being organised. Through Bedford I learnt new skills. I completed a Certificate II in Manufacturing and I got my forklift licence, something I'm very proud of!

Andrew Norman



Bedford Business Operations 2015/16

Businesses: APG Horticulture

Adelaide Property and Gardens, APG, is Bedford's landscaping and horticultural maintenance service, employing 140 people with disability across 11 sites in metropolitan Adelaide, Mount Gambier, Millicent, Port Lincoln, Port Pirie and Kadina.

APG has built on 30 years of experience to offer a wide range of services, from landscaping, broad acre mowing, weed control and revegetation.



APG operates from 11 key sites across SA

Highlights

APG enjoyed another strong year, with the expansion of contracts across the business. In the northern region, APG continued to support construction works at Playford Alive and installed a number of streetscapes within the Lend Lease development at Blakes Crossing. In the south, APG planted some 1,200 street trees for the City of Onkaparinga and provided grounds maintenance services at Seaford Rise.



30 years experience

APG continues to provide ongoing training to all employees to ensure high safety standards are met and personal interests are catered for. In addition, improvement in the training abilities of supervisors has led to a higher quality of training provided to employees across all sites. Bedford remains proud of the tangible and transferable skills offered to employees through its APG services.

Investment in plant and equipment increased operational capacity, including the purchase of an eight tonne truck and excavator along with two purpose built water tankers. These provide valuable skills for employees, adding to those learnt operating various machines and vehicles, laying irrigation and general horticultural awareness.

Feedback from clients remained positive over the year, buoyed by a reduction in lost time injuries and the maintenance of consistent service quality.



Employing 140 people with disability

Businesses: Hospitality

Bedford Hospitality provides exceptional skills and training in food preparation, cooking and food service to its 40 employees. Anchored by two large commercial kitchens, the service provides meals and refreshments for residents at the Balyana residential facility, the Balyana Conference Centre and hundreds of employees based at Panorama.

In addition, our catering service delivers to various corporate clients and the legendary Bedford Bickies are made in bulk and also distributed across Adelaide.



**More than 550
meals prepared and
served daily**

Highlights

This year, Hospitality increased its focus on providing skills and experiences for employees. Bedford provides a unique and exceptional range of hospitality skills, from barista training through to large scale catering, menu management and cash handling. These are highly transferable skills which build confidence and provide real benefit to people's lives.



40 employees across three sites

Food services were extended to Torrensville, with a medium sized café established to provide meals to employees while building relevant hospitality skills. Bedford anticipates this successful model will be extended across other sites, providing both healthy meal options and further skills to employees.

External catering services were maintained over the year, with RAA remaining an ongoing client for functions as large as 500 people. Demand for Bedford Bickies grew, with more than three tonnes sold to funeral parlours across Adelaide and a new gluten free biscuit added to the range.

The focus on skills development for employees led to a broadening of the training scope to include a financial literacy program, balanced meal planning and an increased focus on identifying each individual's goals. In addition, employees have been encouraged to make their own recipe choices and adaptations, leading to more creative menu options across the hospitality offering.



Over three tonnes of 'Bedford Bickies' sold over the year

Businesses: Manufacturing

Bedford Manufacturing employs more than 260 people across six sites in Adelaide, Mount Gambier, Port Pirie and Kadina and provides four distinct services. Bedford Furniture produces ready to assemble melamine products sold through Bunnings stores across Australia and New Zealand. Contract Cutting supplies cut melamine to kitchen and wardrobe retailers.

Mt Gambier produces componentry for Bedford Furniture as well as undertaking timber processing and milling for the building industry. Port Pirie and Kadina produce timber products for promotional lines, including those for Bunnings Australia.



**260 employees in
six locations across
South Australia**

Highlights

Bedford Manufacturing experienced another positive year, expanding its product range and maintaining excellent employee engagement and morale.

The extension of storage facilities into Bedford's Pooraka site enhanced delivery logistics, as did the engagement of a third party distribution provider, Help Enterprises, to support Bedford Furniture stock delivery in Queensland and New South Wales Bunnings stores.



Significant capital upgrades were provided across the business, including an investment in excess of \$1M at the Mount Gambier site. Co-funded by Bedford and a grant from the Commonwealth Department of Infrastructure and Regional Development, the improvement incorporates a new timber moulder, warehouse and safety upgrade and will result in an additional 21 full time jobs in the South East.



Bedford Furniture products are now sold in 325 Bunnings stores in Australia and New Zealand



\$1M upgrade to Mount Gambier timber processing facilities

Bedford Manufacturing continued to stay abreast of international trends and refined its importing program of hardware and componentry from China and Malaysia. The business also maintained an unwavering commitment to safety, with AS4801 standards achieved at the Gepps Cross site during the year.

Community engagement activities included family days across the sites and welcoming participants from a Work for the Dole scheme to Panorama. Manufacturing continues to provide real work opportunities for employees by building relevant and transferable vocational skills.

Businesses: Packaging

Bedford Packaging delivers commercial and light assembly services to a broad mix of notable national and global companies. Providing employment to 700 people with disability, Bedford Packaging operates from eight locations in South Australia and New South Wales.



**More than
12.5 million items
packaged this year**

Highlights

Packaging processed more than 15,000 jobs to create approximately 12.5 million individual packaged items. The increase in scope following the amalgamation has positioned Bedford to maximise opportunities and respond more rapidly to customer requirements.

The business expanded its solid client base to include Thomas Farm Kitchen and the new Royal Adelaide Hospital, with the establishment of a medical grade sterile room in Torrensville leading



Over 700 employees and eight locations across SA and NSW

to significant additional jobs to complete the contract. Preparation and packaging of food and pharmaceutical products continues to grow, utilising the HACCP approved clean rooms at the Torrensville, Pooraka and Panorama sites.

Packaging again took on the Royal Adelaide Show showbag packing, collating more than 280,000 bags across Adelaide. This activity remains a major highlight for our employees and we also enjoy the engagement with our NAB staff volunteers who help us annually with this project.

Bedford Packaging also thank volunteers from Deloitte, Westpac, Treasury Wines and Sacred Heart Secondary School for their help during the year.

Our site in Silverwater in NSW continues to grow, this year expanding contracts significantly with Coca Cola Amatil and Beam Suntory. Silverwater has also provided important learnings for our NDIS transition process, having become our first operational NDIS site, hosting pilot support programs and having transitioned a number of employees successfully into the scheme.



280,000 showbags packed for the Royal Adelaide Show

Businesses: Social Enterprises

Bedford operates a number of social enterprises employing people with disability in diverse businesses located in Whyalla, Port Lincoln and Millicent.



Highlights

Social Enterprises provide diverse laundry, packaging and cleaning services across SA

Bedford Whyalla experienced a difficult year, with major client Arrium going into receivership and the city experiencing a general decline. However, the business continued to offer a great service to its 50 employees in a range of activities including packaging, grounds maintenance, and commercial embroidery. Workflows have been consistently steadier with the site benefiting from packaging work from national accounts and the introduction of regular Clipsal packaging, leading to a much busier shop floor.



Other new initiatives include the re-cording of laundry bags for Spotless, sewing of calico seed bags for PIRSA and other seed companies and the provision of new Bedford uniforms to all employees and staff. The grounds maintenance team have continued contracts with Whyalla City Council and have extended its scope of service. Packaging have also continued to pack hardware kits for Bunnings flat pack furniture and have refurbished the stores area to accommodate this activity.



Over 50 employees across regional South Australia

Bedford Port Lincoln maintained local services including grounds maintenance, landscaping, cleaning and packaging to local businesses and government. Highlights include a refurbishment to the lunchroom and offices at the Coronation Place site and new grounds maintenance contracts with Port Lincoln Airport, Impact Fertilisers and Port Lincoln Marine Science Centre. The team also continued the assembly of octopus traps for the local fishing industry.

Activities in Millicent expanded over the year, with the commercial laundering business experiencing extra demand due to the closure of the town's other laundromat service. The public laundromat facility continued to offer a vital local service and the Millicent team were pleased to have met budget and maintained excellent services including ongoing social activities for its employees.

Board of Directors

The directors present their report together with the financial report of Bedford Group Limited, for the financial year ended 30 June 2016 and the auditor's report thereon.



Ray Grigg

Chairman

Mayor, Town of Walkerville;
Non-Executive Director, RAA, Retired
Senior Executive, General Motors

Bedford Committees: Chair, Corporate
Governance; Chair, Remuneration

Other: Fellow, Society of Automotive
Engineers, International and Australasia;
Australian Institute of Company Directors;
Australian Institute of Management



Greg Connor JP

Deputy Chairman

Consultant and Director, VUCA Pty Ltd;
Principal Consultant, Greg Connor
and Associates

Bedford Committees: Chair, Audit
and Risk; NDIS Working Group;
Remuneration; Corporate Governance

Other: Senior Fellow, Financial Services
Institute of Australia; Fellow, Australian
Institute of Company Directors; Fellow
and Life Member, AIM SA; Graduate
Diploma in Business Administration;
Bachelor of Education



Samantha Hellams

Principal Advisor, Legal and Risk, Enterprise
Risk Management Solutions

Bedford Committees: Audit and Risk

Other: Master of Business Administration;
Bachelor of Law; Bachelor of Arts; Graduate
Certificate, Legal Practice; Graduate
Australian Institute of Company Directors



Mal Hyde AO

Consultant; Former Commissioner
of Police

Bedford Committees: Audit and Risk;
Chair, NDIS Working Group

Other: Fellow, Australian Institute of
Company Directors; Fellow, Institute
of Public Administration Australia;
Master of Business Administration;
Bachelor of Law (Hons)



Richard Hockney

Director, Richard Hockney and Associates

Bedford Committees: Chair, Investment

Other: Advanced Management Program,
Harvard Business School; Graduate
Diploma in Applied Finance & Investment;
Bachelor of Business



Donald McGurk

Managing Director and CEO, Codan Limited

Bedford Committees: Investment

Other: Master of Business Administration;
Higher National Certificate, Mechanical
Engineering

**Hon Lynette Breuer JP**

Mayor, City of Whyalla; Retired Member of the South Australian House of Assembly and Speaker of the House
Bedford Committees: NDIS Working Group

**Teresa Colliver JP**

Financial and Commercial General Manager, Adtrans National Truck Division
Bedford Committees: Investment
Other: Fellow, CPA Australia; Bachelor of Business (Accountancy)

**Dr Bill Griggs AM, ASM**

Director, Trauma Services, Royal Adelaide Hospital; Senior Consultant, MedSTAR Emergency Medical Retrieval – SA Ambulance Service; State Controller (Health and Medical), Department of Health and Ageing

Bedford Committees: Remuneration

Other: Fellow of the Australian and New Zealand College of Anaesthetists; Fellow of the Joint Faculty of Intensive Care Medicine; Fellow of the Australian Institute of Company Directors; MB BS, Medical Degree; Post Graduate Diploma Advanced Medicine, Aerospace Medicine, Aeromedical Evacuation; Master Business Administration; Doctor of the University (honoris causa), Medicine and Business

Retired November 2015

**Stephen Hains**

Deputy Chancellor, Flinders University
Bedford Committees: Audit and Risk
Other: Fellow, Australian Institute of Company Directors; Life Fellow, Australian Planning Institute; Fellow, Local Government Managers Association; Master of Philosophy in Urban Design and Regional Planning; Bachelor of Arts (Hons – Economics)

Executive Team



Sally Powell

Chief Executive

Bedford Committees:
Audit and Risk;
Corporate Governance;
Remuneration; NDIS
Working Group; Investment

Other:

Graduate Diploma in Human
Resource Management;
Bachelor of Arts (Psychology);
Graduate Australian Institute
of Company Directors



Steve Jones

Chief Operating Officer

Other:
Master of Business
Administration



Tom Sexton

Chief Financial Officer

Bedford Committees:
Audit and Risk; Investment

Other:

Member, Institute of
Chartered Accountants,
Australia and New Zealand;
Bachelor of Accountancy;
Master of Business
Administration; Graduate
Australian Institute of
Company Directors



Marnie Brokenshire

Chief Human
Resources Officer

Bedford Committees:
NDIS Working Group;
Remuneration

Other:

Graduate Diploma Human
Resources and Industrial
Relations; Graduate Certificate
Change Management (AGSM);
Certificate Governance
Practice (GIA); Graduate
Australian Institute of
Company Directors

We work harder.

BB

I've been at Bedford for over 13 years. I've learnt a range of skills such as loading the trucks and keeping the warehouse under control and organised. I enjoy it here at Bedford because I can work independently.

Mark Collett



We believe in real work and real experiences.

BB

I'm proud of the work we offer and the real skills we help build.

We see our employee's confidence grow and their engagement with work follows from this.

Chris Collingwood

General Manager APG

Pictured: Andrew Locky



Bedford Financial Report 2015/16

Corporate Governance Statement

The Bedford Board is committed to the principles of corporate governance in terms of responsibility, self regulation, prudent management of funds and commitment to best practice in all areas. The Board's commitment to good governance is evidenced through the Bedford Corporate Governance Charter. This Charter is to be read in conjunction with the Constitution which states the legal capacity and powers of Bedford as an incorporated body.

The Corporate Governance Charter details the various roles and responsibilities of the Bedford Board and Senior Management, as well as a Code of Conduct which is to be observed by all Officers of Bedford.

The Board consists of up to 10 elected members, all of whom are non-executive and volunteer their services. Members are elected to provide an appropriate mix of skills and experience and retire according to the Rules of the Association. The Board is responsible for setting strategic direction for the organisation, accepting budgets and monitoring achievement of objectives and goals.

Responsibility for the daily running of the Association is delegated to the Chief Executive, who reports directly and regularly to the Board.

Sub-committees assist the Board to perform its duties. Membership of these sub-committees is reviewed annually. The memberships shown on page 42-44 of this Report reflect those at 30 June 2016.

The sub-committees include Corporate Governance, Remuneration, Audit and Risk, Investment and the NDIS Working Group. Board Members represent an integral part of each of these committees, with the remaining members comprising past Board Members, representatives of Bedford Management and external representatives as and when required.

The Corporate Governance Committee ensures that internal and external relationships are effectively managed and that sound governance principles are applied to all facets of Bedford's operations.

Functions of this Committee include:

- Considering and recommending changes to Board membership in line with the Rules of the Association, ensuring an effective and appropriate mix of skills.
- Establishing and monitoring of procedures to protect the organisation's ethical standards.

The Remuneration Committee's role is to oversee and approve the organisation's remuneration policies and practices. The role of the Audit and Risk Committee is to assist the Board in fulfilling its oversight responsibilities for the financial reporting process, risk management functions, the system of internal control, the audit process, and the organisation's process for monitoring compliance with laws and regulations and the code of conduct.

The Investment Committee's role is to invest and manage funds, in line with established policies and guidelines, to secure Bedford's operations for future generations of people living with disability.

The role of the NDIS Working Group is to ensure that Bedford is prepared for the introduction of the National Disability Insurance Scheme. The NDIS working Group was established in May 2014 to develop and monitor a strategic direction for Bedford as it prepares itself for the NDIS.

Ethical Standards

Bedford is committed to maintaining the highest ethical standards. The Board and Management also demonstrate a strong commitment to the health and safety of employees and the wider community, as well as social equity, quality and environmentally sound work practices. All Board members, staff and employees are expected to act, at all times, with the utmost integrity to enhance the reputation and performance of the organisation.

Environmental Policy Statement

Bedford cares for the environment and strives for continual improvement in environmental practices. The Environment Policy reflects Bedford's commitment to protect the environment and conserve natural resources.

Privacy Policy Statement

Bedford values support from the community and is committed to ensuring the privacy of the personal information that is entrusted to the organisation. The respect for privacy forms part of the ongoing trust the organisation wishes to maintain with stakeholders.

Summary Financial Report



The financial statements and other specific disclosures are extracts of, and have been derived from, the Group's full financial report for the financial year. Other information included in the summary financial report is consistent with the Group's full financial report.

The summary financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

For the year ended 30 June 2016

REVENUE FROM ALL SOURCES

	2012 (\$'000s)	2013 (\$'000s)	2014 (\$'000s)	2015 (\$'000s)	2016 (\$'000s)
Sales	32,988	33,674	35,567	41,223	46,214
Fundraising & Investments	4,586	3,822	3,571	7,861	7,181
Fee for Service - Government Grants	14,722	9,684	10,141	12,972	16,061
Revenue from Discontinued Operations (Fee for Service)	-	3,758	1,911	-	-
Total	52,296	50,938	51,190	62,056	69,456

Financial Commentary

Commentary on Bedford Phoenix Incorporated's Financial Statements for 2016

The following details are provided to better assist the interpretation of the financial accounts. Please note, additional financial information can be obtained from the full financial report, which is available, free of charge, on request from Bedford Phoenix Incorporated (the Association).

The 2016 financial year was the first full year of operation of the Association as an amalgamated entity. During this period, the Association aligned many of its policies and procedures across the wider Group, including the expansion of AS4801 accreditation to the Torrensville, Gepps Cross and Elizabeth sites. In addition, the Group realised synergies from operating as a consolidated business, with the introduction of a functional business structure and a reduced overhead base.

Annual revenue from manufacturing sales increased significantly, largely due to increased demand from interstate customers, in line with strong housing approval activity in Victoria. This increase in activity was largely met by operations at the Mount Gambier site, with approval granted for further expansion of that

site, jointly funded by the Federal Government through the National Stronger Regions Fund. The 2016 year was one of consolidation for the New Zealand operations, which reported increased revenue.

The increase in revenue from the rendering of services, primarily reflects reporting a full year of packaging operations from the former Phoenix Society sites. Despite the continuing competitive local market for re-packing work, the Association has been successful generating new work, with an increased focus on the national customer base. Whilst revenue from the Adelaide Property and Gardens business was in line with prior year, an increase in responsive works and improvements in operational efficiency resulted in a surplus for that business unit.

Notably, revenue from Bequests declined, following an abnormally large bequest in the prior year of \$2.5M.

The Net Assets of the Association increased marginally during the year to \$58.2M, with the benefits of the operating surplus, partially offset by a decline in the market value of investments.

During the year, the Association revised its Investment Policy, adopting a more balanced portfolio, to safeguard the longer term interest of the Group.

The Group's negative Net Cashflow for the year of \$1.3M, included capital expenditure of \$2.2M.

With the commencement of the National Disability Insurance Scheme (NDIS) on 1 July 2016, much of the Group's strategic focus for the year was NDIS readiness. Specific activity included information workshops for families, implementation of a new Client Information Management System and registration as a provider with the National Disability Insurance Agency. These initiatives have positioned the Group to meet the needs of those living with disability, in an evolving regulatory environment.

The financial performance of the Group for the year, reinforces its position as a leader in the sector. The generation of surplus, whilst continuing to enhance the lives of those living with disability, reflects a sustainable and pro-active business, willing and capable of meeting the challenges of the NDIS now and into the future.

Consolidated Statement of Profit and Loss and Other Comprehensive Income

	2016	2015
	\$	\$
OPERATIONS		
Revenue from sale of goods	21,419,462	18,234,610
Revenue from rendering of services	24,370,830	22,557,361
Revenue from fundraising and lotteries	5,365,682	3,608,489
Revenue from bequests	672,685	2,760,006
Total revenue	51,828,659	47,160,466
OPERATIONS – OTHER INCOME		
Gain on sale of property, plant and vehicles	68,823	222,188
Fee for Service - Federal and State grants	16,060,600	12,972,469
Other income	354,750	208,646
Total other income	16,484,173	13,403,303
OPERATIONS – EXPENSES		
Materials and consumables used	(20,274,396)	(17,201,705)
Staff and employee expenses	(31,058,747)	(27,210,903)
Depreciation expense	(1,986,440)	(2,014,090)
Distribution expense	(4,004,858)	(3,320,000)
Occupancy, IT, building and plant maintenance	(5,969,819)	(4,717,050)
Other expenses	(4,321,239)	(4,009,074)
Total expenses	(67,615,499)	(58,472,821)
Results from operating activities		
Financial income	1,142,880	1,492,178
Financial expenses	(1,286)	(9,390)
Net financial income	1,141,594	1,482,788
Profit for the year	1,838,927	3,573,735
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss:		
Net change in fair value of financial assets classified as fair value through other comprehensive income	(1,634,116)	(911,715)
Other comprehensive income for the period	(1,634,116)	(911,715)
Total comprehensive income for the period	204,811	2,662,020

The notes on page 55 are an integral part of this consolidated summary financial report.

Consolidated Statement of Financial Position

	2016	2015
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	2,351,898	3,677,208
Trade and other receivables	8,473,111	8,733,916
Inventories	4,582,381	3,888,324
Financial assets	10,792,528	5,213,338
Total current assets	26,199,918	21,512,786
Non-current assets		
Financial assets	11,623,831	16,085,192
Property, plant and vehicles	30,108,291	29,854,770
Total non-current assets	41,732,122	45,939,962
Total assets	67,932,040	67,452,748
LIABILITIES		
Current liabilities		
Trade and other payables	4,321,799	4,036,221
Employee benefits	4,763,201	4,876,478
Lease liability	42,481	92,889
Total current liabilities	9,127,481	9,005,588
Non-current liabilities		
Employee benefits	645,266	453,715
Lease liability	5,563	44,526
Total non-current liabilities	650,829	498,241
Total liabilities	9,778,310	9,503,829
Net assets	58,153,730	57,948,919
EQUITY		
Association funds		
Reserves	13,432,880	15,066,996
Accumulated funds	44,720,850	42,881,923
Total equity	58,153,730	57,948,919

The notes on page 55 are an integral part of this consolidated summary financial report.

Consolidated Statement of changes in equity

	Fair Value Reserve \$	Other Reserves \$	Accumulated Funds \$	Total Equity \$
Balance as at 1 July 2014	3,354,328	-	39,308,188	42,662,516
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				
Profit for the year	-	-	3,573,735	3,573,735
Attributable to Amalgamation*	-	12,624,383	-	12,624,383
<i>Other comprehensive income</i>				
Net change in fair value of financial assets classified as fair value through other comprehensive income	(911,715)	-	-	(911,715)
Balance as at 30 June 2015	2,442,613	12,624,383	42,881,923	57,948,919
Balance as at 1 July 2015	2,442,613	12,624,383	42,881,923	57,948,919
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				
Profit for the year	-	-	1,838,927	1,838,927
<i>Other comprehensive income</i>				
Net change in fair value of financial assets classified as fair value through other comprehensive income	(1,634,116)	-	-	(1,634,116)
Balance as at 30 June 2016	808,497	12,624,383	44,720,850	58,153,730

The notes on page 55 are an integral part of this consolidated summary financial report.

*In accordance with AASB 3 'Business Combinations', Bedford was deemed to have acquired Phoenix at the date of acquisition. The assets and liabilities of Phoenix were recognised in the consolidated accounts at fair value, being \$12,624,383, as at 31 December 2014.

Consolidated Statement of cash flows

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts in the course of trading operations	56,948,682	48,469,926
Cash payments in the course of trading operations	(72,742,476)	(64,444,335)
Net cash used in the course of trading operations	(15,793,794)	(15,974,409)
Fee for Service - Federal and State grants	17,666,660	14,269,716
Bequests	672,685	279,830
Net cash from operating activities	2,545,551	(1,424,863)
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	672,018	916,215
Interest received	213,997	214,221
Imputation credits received	256,865	361,742
Proceeds from sale of shares	4,095,667	2,709,224
Proceeds from sale of property, plant and vehicles	83,472	715,780
Payments for property, plant and vehicles	(2,245,987)	(570,566)
Cash received from amalgamation	-	416,661
Acquisition of financial assets	(6,856,236)	(2,158,199)
Net cash (used in)/from investing activities	(3,780,204)	2,605,078
Cash flows from financing activities		
Finance lease payments	(89,371)	(205,293)
Interest paid	(1,286)	(9,390)
Net cash from/(used in) financing activities	(90,657)	(214,683)
Net (decrease)/increase in cash and cash equivalents	(1,325,309)	965,523
Cash and cash equivalents at 1 July	3,677,208	2,711,676
Cash and cash equivalents at 30 June	2,351,899	3,677,208

The notes on page 55 are an integral part of this consolidated summary financial report.

Notes and Statement



Notes to the summary financial report

1. Basis Of Preparation Of Summary Financial Report

The summary financial report has been prepared based on the Group's full financial reports. Other information included in the summary financial report is consistent with the Group's full financial report. The summary financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The financial report is prepared on the historical cost basis except that financial instruments classified as available-for-sale are stated at their fair value.

A full description of the accounting policies adopted by the Group may be found in the Group's full financial report.

The presentation currency is Australian dollars.

Statement by the Board

In the opinion of the Board of Bedford Phoenix Incorporated, the attached summary financial report for the financial year ended 30 June 2016 set out on pages 49 to 54 has been derived from or is consistent with the full financial report for the financial year.

Dated at Adelaide this 21st day of October 2016.

Signed in accordance with a resolution of the Board.

Handwritten signature of R G Grigg.

R G Grigg

Handwritten signature of G Connor.

G Connor



Report of the independent auditor on the summary financial statements to the members of Bedford Phoenix Incorporated

The accompanying summary financial statements, which comprises the Consolidated Summary Statement of Financial Position as at 30 June 2016, the Consolidated Summary Statement of Profit or Loss and Other Comprehensive Income, Consolidated Summary Statement of Changes in Equity and Consolidated Summary Statement of Cash Flows for the year then ended, related note 1 and the Statement By the Board are derived from the audited financial report of Bedford Phoenix Incorporated for the year ended 30 June 2016. We expressed an unmodified auditor's opinion on that financial report in our report dated 21 October 2016.

The summary financial statements do not contain all the disclosures required by the Australian Accounting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial report of Bedford Phoenix Incorporated.

Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of a summary of the audited financial report on the basis described in Note 1.

Auditor's responsibility

Our responsibility is to express an opinion on the summary financial statements derived from the audited financial report of Bedford Phoenix Incorporated based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

Auditor's opinion

In our opinion, the summary financial statements derived from the audited financial report of Bedford Phoenix Incorporated for the year ended 30 June 2016 are consistent, in all material respects, with that audited financial report, on the basis described in Note 1.

KPMG
Paul Cenko
[Signature]
Partner

Adelaide

21 October 2016

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

Thank You

SPONSORS

Contango Asset Management Limited
Holidays of Australia
NAB
National Wine Centre
Optus
ORIX Australia
Pro Paint 'n Panel
RACV Salary Solutions
Scene Change
The Good Guys

BEQUESTS

We acknowledge the wonderful individuals who have left a lasting legacy to Bedford and remain truly grateful for this generosity.

SUPPORTERS

Adelaide Wool Company
Ameropa Australia
APC
Arrium/Onesteel
Aussiefast
Australian Executor Trustees
Beyond Bank
Big A Op Shop
BL Shipway
Brian Vaughton
Bunnings
Camerons Transport
Carter Holt Harvey
Catapult Wealth
Clean Advice
Compliant Fire
Copper Coast Council
Department for Communities and Social Inclusion
Department for Education and Training (Commonwealth)
Department of Social Services
Department of State Development
District Council of Lower Eyre Peninsula
DK Quarries
Drake Supermarkets
Elizabeth Civic Centre
Ernst & Young
Foodbank
Foodland
G Force
Gabbets Machinery

Gallagher Bassett
Grahams Jewellers
Harris Scarfe
Help Enterprises
HESTAA
Jardine Lloyd Thompson
Kensington Financial Services
KPMG
Kirton Point Primary School
Kuhne Nagel
Laminex
Le Fevre Community Stadium
Leader Distributors
Leda Machinery
Lincoln Tree Control
Lions Club of Whyalla
Mainfreight
Maxima
Meals on Wheels SA
Minter Ellison
Mitcham City Council
Nyrstar
OzHarvest
Pernod Ricard Wines
Port Lincoln City Council
Port Lincoln Health Service
Port Lincoln Lions Club
Port Lincoln McDonalds
Port Lincoln Primary School
Port Lincoln Tuna Processors
Port Pirie Council
Quilters Guild of SA

Repatriation General Hospital
Rotary Club of Adelaide
Rotary Club of Brownhill Creek
Rotary Club of Mitcham
SA Premium Octopus
Sarin Group Properties
Shanti Sound
Shiels Jewellers
Statewide Super
Surteco
Taperoo Community Centre
Telstra
The Coopers Foundation
The Copper Coast Council
The Lang Foundation
The Liberian Community of SA
The Peppertree Café
The Willis Group
Therapeutic Dog Services Inc.
Timberlink
Tony's Tuna International
Toop & Toop Real Estate
Trade Maintenance Direct
Unity Housing Company
Veolia
Visy
Wallis Cinema
Westlands Hotel
Whyalla City Council
Women's Auxiliary Incorporated
Woodcroft Morphett Vale Neighborhood Centre
Wyatt Trust

-  bedfordgroup.com.au
-  (08) 8275 0211
-  facebook.com/BedfordGroup
-  twitter.com/BedfordGroup
-  youtube.com/ThisIsBedfordGroup
-  instagram.com/BedfordGroup
-  linkedin.com/company/bedford

