



**ODYSSEY  
HOUSE**



*'A Calm in  
the Sea of  
Addiction'*

# *Odyssey House*

## *Annual Report 2010*



## *Our History*

Odyssey House McGrath Foundation was founded in 1977 by Sydney businessman, Walter McGrath. Mr McGrath's son James had died of a heroin overdose and, as a testament to James, Walter McGrath committed himself to finding a program to help other young people who suffered from the same problems as his son.

After receiving a small grant from the NSW Department of Health, Walter travelled to the United States where he viewed several programs for the rehabilitation of drug addiction. He settled on the Odyssey House Program as one which he felt would be transferable to the Australian culture and its society.

Odyssey House opened its therapeutic doors on 30 October, 1977. From humble beginnings the program has grown and prospered. The first residents to enrol at Odyssey House in 1977 were housed in tents obtained from the army base at the Holsworthy Barracks. The residents slept on bunks made of rough-hewn timber. There were five dedicated individuals who made up the first staff contingent.

Despite protests from a few people in the local community, Odyssey House was able to overcome concerns by honest and open communication. Today, Odyssey House is a shining example of what can be accomplished through dedication, hard work and a focus on relevant service delivery.

## *Who We Are*

In 2009-2010 a sample of 63 Odyssey House residents accounted for 6456 drug free and crime free days. This amounted to a cost saving to society of \$14,190,258!



# Our Mission

Odyssey House McGrath Foundation is a not for profit organisation dedicated to the provision of a dynamic and diverse range of services to the clients who utilise our services. Our programs assist the participating individuals to overcome their drug dependencies on harmful substances by empowering them through the concept of self-help and the ability to integrate, live within and contribute to the community.

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## What We Do

Odyssey House is one of Australia's largest and most successful rehabilitation programs for alcohol and other drugs. We operate a number of programs and interventions to meet the needs of the men, women and their dependent children who utilise our services.

Odyssey House provides services through a continuum-of-care model, from medically assisted withdrawal and short- to long-term rehabilitation, through to after care.

We have had to expand and adapt our services over the past few years to meet the changing needs of our challenging client population.

Up to half of those now entering our programs for alcohol and other drug dependence also have a co-existing mental illness such as depression, anxiety, schizophrenia or bipolar disorder; this is a significant increase from 30 per cent of clients in 2006 and 10 per cent in 1999. In response, we have developed a tailored program to treat drug dependence and mental health problems simultaneously in an effort to improve treatment outcomes for these clients. This includes psychiatric evaluation as part of the admission process, appropriate medication to treat diagnosed psychiatric disorders, and an emphasis on clients understanding their mental condition to avoid relapse to mental illness or substance misuse.

Another significant trend has been the decreasing age of 'first intoxication' among clients, with the average age at which Australians first try drugs, particularly alcohol and cannabis, now 12-13 years, down from 17-19 years of age 20 to 30 years ago. This means more clients have often missed out on important educational and developmental milestones during their teenage years; when they come to Odyssey House as adults, they not only need rehabilitation to overcome their drug problem, but also 'habilitation' to learn practical life and social skills.

To better serve our indigenous clients, we have established memoranda of understanding with two prominent indigenous groups: the Tharawal Aboriginal Corporation and the Illawarra Aboriginal Medical Service. These linkages have enabled us to ensure we provide interventions that are culturally appropriate for our indigenous clients (approximately 11% of clients).

Odyssey House is, and continues to be an organisation that strives for excellence in all facets of its service delivery!



# Figures and Trends

During the 2009-2010 financial year, 634 individuals were admitted to Odyssey House's alcohol and other drugs rehabilitation programs. In total, 462 men and 172 women entered either the Withdrawal Unit or the residential rehabilitation program; this ratio of approximately 70:30 remains fairly consistent year on year. Over 2800 telephone enquiries were taken by the staff and resident crew at the Admissions and Intake Centre, who provided timely information and alcohol and other drugs assessment and referrals for community members.

The age groups of the clients entering the residential rehabilitation facilities were:

18 - 25 years	-	19%
26 - 30 years	-	28%
31 - 35 years	-	16%
36 - 40 years	-	19%
41 years and over	-	18%

Almost half (47%) of clients admitted to the Odyssey House rehabilitation programs during the past year were 18-30 years of age (down by 9.6% from last year), while 53 per cent were 31 years and over, an increase of 10 per cent over last year. This 'aging of the client population' is a continuing general trend. Of note, the highest increase (50%) was among clients 41 years and over, who comprised 18 per cent of those entering the program.

The profiles of our clients continue to illustrate the fact that drug dependence touches all strata of society. Odyssey House continues to enable these individuals to regain control of their lives and return to society as productive citizens.

During the 2009-2010 financial year, 324 individuals were admitted to the Withdrawal Unit and 310 were admitted directly into the residential rehabilitation program for treatment of their alcohol and other drug dependency. Over half (53%) of the people who completed the withdrawal program entered the residential rehabilitation program.

The principal drug of concern of clients entering residential rehabilitation throughout the year was:

ALCOHOL	38 %
OPIATES	27 %
Heroin (19%)	
Methadone (3%)	
Morphine (3%)	
Buprenorphine (2%)	
CANNABIS	17 %
AMPHETAMINE TYPE SUBSTANCES (base, speed, ice)	16 %
OTHER (including benzodiazepines and cocaine)	2 %

For the fourth consecutive year, alcohol was the most commonly nominated principal drug of concern, accounting for almost one in four admissions (38%). This is the highest figure ever recorded for alcohol at Odyssey House and represents a 46 per cent increase on last financial year, when 26 per cent of clients named alcohol as their primary concern. This trend is linked to the increased incidence of mental illness among the client population, with alcohol-related depression accounting for 39 per cent of co-existing diagnoses.

Amphetamine Type Substances fell 24 per cent from last year, which is a reflection of the reduction of use of these drugs in the general community. Also of note is the 62.5 per cent reduction in methadone being nominated as the primary drug of concern, from 8 per cent to three per cent of clients. Admissions for heroin and cannabis dependence remained fairly consistent with last year's figures.



## *At a glance*

- As part of our commitment to quality service delivery, Odyssey House engaged in a Continuous Quality Improvement (CQI) process with the Australian Council on Health Care Standards (ACHS). This included a self assessment of all our corporate, support and clinical processes and entailed the allocation of significant staff resources in preparation for our accreditation review.
- The male dormitory and dining room facilities at the Assessment and Referral Centre (ARC) were renovated. This was a long process due to the heritage status of the Centre; formerly known as Robin Hood Farm, it was one of the original land grants issued by Governor Macquarie in 1838.
- The kitchen renovations at the Assessment and Referral Centre have provided a new loading dock for the kitchen area; new freezer/refrigerator component; new stove with grill and deep fryer; new storage areas for food; and new bench tops for food preparation.
- Assessment and Referral Centre dormitory areas have had new showers installed; new toilet facilities; a disabled access toilet; new heating components; new carpet; and a new waste water management system.
- We hosted the annual Milton Luger Forum during June 2010 as part of the Alcohol and Other Drugs Council of Australia's (ADCA) National Drug Action Week. The theme was 'Looking After Your Mind' to highlight the increase in mental health problems among people dependent on alcohol and other drugs.



# Resident's Story

Tom

Tom was only two months old when his family moved from the United Kingdom to Australia. The youngest of three, "I had a traditional family upbringing, playing with my brother and sister, and going on family holidays" said Tom.

Tom managed to sustain decent grades at school, and became very active in drama and music. Though by his senior years he would start skipping school to have parties, take acid, smoke marijuana and consume copious amounts of alcohol.

By the age of 16 Tom had started injecting speed on a daily occurrence. It was at this time that Tom also tried heroin for the first time, it would however be another five years before Tom would try heroin again and it would take over his life.

Tom finished his HSC under the influence of various drugs, and then took a gap year to decide on his future.

Involved with a bad crowd, Tom began selling speed and he himself became very addicted to the drug. After going into a speed psychosis that lasted up to ten days - the next day Tom quit Speed to get his life back on track.

Taking positive steps, Tom entered the JMC Academy to focus on a Film / 3D Animation Diploma. After entering into a serious relationship with a young woman "I started taking heroin. I struggled to complete my diploma, and became more addicted to the heroin" said Tom.

Tom was finally confronted by friends who contacted his family to help.

"My family lived in Auckland at this time; my mum flew to Sydney and took me back to Auckland. I was locked in my parent's home and underwent a home 'Detox'. It was hard, and at the time I was very angry" said Tom.

Nine months later Tom moved back to Sydney, and over the next three to six months Tom simply plummeted. "I started using heroin, stealing, lying to family and friends - I was spiralling out of control" said Tom.

Over the next three years, Tom was in and out of various detox programs, but he was never really focused on his recovery. It was when Tom was arrested for 'Indictable supply offence' and was bailed to Odyssey House that things started to change.

"Initially I was just here for court, this changed very quickly. Two weeks later I wanted to be here no matter what was going to happen" said Tom.

While Tom has had a rocky road to recovery, he has completed the Odyssey House Program.

"I have rebuilt many bridges, and reconnected with my family with the assistance of the 'Better Relationships in Every Family (BRIEF) program, best of all I have rebuilt my life" says Tom.

Tom plans to continue his studies at the Australian Film and Television School, and eventually hopes to work in the film industry, and continue to be a positive influence to other people in recovery.



# Chairman's Report

In my third year as Chairman it astonishes me as to how quickly the time goes and at the same time how much has been achieved during this time.

The Board has continued to focus on improving their skills through training and support regarding governance and duties through Board development days.

The sub committees are working well with Directors either Chair or participant in at least one sub committee. These committees are as follows: Marketing and Fundraising; Nominations; Risk, Audit and Governance; Finance and Investment; and Operations.

The Board continues to concentrate its efforts on securing financial sustainability of Odyssey House by supporting key fundraising events. James and his team were involved in a number of fundraising initiatives in the past financial year which included:

- Annual Rugby Dinner
- Odyssey by the Bay - Cocktail Party
- Milton Luger Forum
- Women's Lunch
- Real Men Cook
- Pengana Goulburn to Citi Classic charity ride
- Australian Fund Managers Awards
- Odyssey House Open Day

The long awaited refurbishment at the Assessment and Referral Centre was completed with the refurbishment of the facility's dormitory, state of the art kitchen with new kitchen appliances, refrigeration and loading dock.

Disabled access to all buildings and a state of the art waste water management system.

Odyssey House held its strategic planning day in May to determine our goals for the next two years. The planning process included several Board directors, staff, senior residents, and representatives from stakeholders.

The Board continued to observe both the interest and increase in high profile stars that continued to be in headlines due to their behaviour around drug and alcohol misuse. Odyssey was, and continues to be a constant reporter about these issues on radio, television and print media reaching 33,226,676 people in the past year.

James continues his leadership task with passion and energy and continues to work tirelessly for Odyssey. To provide additional support Brendan Flynn took on the role of Chief Operating Officer to assist with the ongoing management and development of the rehabilitation program.

I wish to acknowledge all of our Board Directors who dedicate their time, knowledge and skills to be involved in such a wonderful organisation. This past year we said farewell to Chris Grubb who served over ten years on the Board and Susan Bennett who served over three years who both resigned from their positions.

We also welcomed a number of new Board Directors who bring new experiences to the Odyssey House McGrath Foundation Board of Directors:

- Natalie Archer (2010)
- Lucy Pryor (2009)
- Linda Simonsen (2009)



As Chair I will continue to recruit and develop the Board talent required to support Odyssey House. We need to ensure all aspects of the organisation are risk averse without undermining service delivery to a difficult and challenging population.

I want to express thanks and gratitude to the Board, the CEO James Pitts and staff of Odyssey and to the generous donors and supporters of Odyssey who help us continue the important journey for its residents.

Cathy Doyle  
Chairman  
Odyssey House McGrath Foundation



# Chief Executive Officer's Report

The past year has been one of challenge for all associated with Odyssey House McGrath Foundation. Following up from the aftermath of the Global Financial Crisis, Odyssey had to reduce some of its operational services due to a decrease in funding and fundraising income. For the first time in our history we were forced to make a number of positions redundant which resulted in the loss of 6 members of staff. In addition, another major gap in the staff structure was created due to the absence of the Residential Programs Manager, Susan Cordeiro, who was off on extended medical leave. These factors had a negative impact on our ability to maintain our lofty standards of service delivery. However, we made a number of adjustments to compensate for this.

We improved our operational services through a greater emphasis on staff participation at all program levels. There was a greater focus by management to acknowledge the contributions made by the staff. In order to foster better communication between different departments, we sought to reduce the lines of 'structure' within the organisation.

We streamlined the process of participation within the treatment program for residents to expedite their completion of the program. We held a number of 'Retention Forums' which were attended by staff and residents who made suggestions as to how to improve our performance and increase our ability to retain residents within the program. The initiatives of management, staff and the residents were successful in improving our ability to keep residents in the program and resulted in a greater number of people completing their rehabilitation.

Strategically we made a number of critical decisions to bolster our management structure. We secured the services of Brendan Flynn as our Chief Operating Officer (COO). Brendan had a long history of working in the not

for profit area as a senior manager, primarily within the disability sector. Prior to that he served as CEO of the Australian Institute of Sport based in Adelaide and CEO of the Australian Paralympic Committee based in Sydney. The assignment to this role assured there would be stability for the senior management team and a succession plan for the future.

We made a decision to contract Wentworth Human Resources to put in place our human resource system. This initiative was made possible through the acquisition of monies through a grant from the Federal Government's 'Emergency Assistance Program'. The program provided assistance to Not for Profit organisations where services had been adversely affected by the Global Financial Crisis. The implementation of this process ensured we would achieve best practise in this crucial area.

We held our Staff Retreat in February 2010 with invited guest speakers Larry Pierce, CEO of the Network of Alcohol and Other Drug Agencies; Andrew de Wynter of Wentworth Human Resources; and Cathy Doyle, Board Chairman, Odyssey House McGrath Foundation. Discussions took place in relation to the Federal Government's National Health and Hospitals Reform proposal and how it would effect alcohol and other drug services; the proposed human resources plan and its implementation; the role of the Board and its goals for the future; and plans for improvements within the operational parameters of the organisation.

Our Strategic Planning meeting took place three months later on May 19, 2010. There was over 40 staff in attendance, several Board members, senior residents, and representatives from the state and federal Departments of Health. The meeting was conducted by Edwina Deakin and this laid the ground work for our goals for the next 2 years.



Odyssey continued to be a prominent and articulate commentator on alcohol and other drug issues. We had 241 items of coverage across television, radio, newspapers and consumer magazines. We had an audience reach of 33,226,676 with an average impact of 3.8 out of 5.0. These included commentary from myself on a range of topics including news of Odyssey House achievements, events and activities; and success stories of residents and graduates of the program. These included regular appearances on programs such as 'Sunrise' and 'Kerri-Anne'; ABC Radio's 'Nightlife'; radio news and talkback interviews to comments on current issues, numerous metropolitan and local newspaper stories; and feature articles in magazines such as Cosmopolitan and Cleo.

We continued to be part of our local community by participating in and hosting a number of events. Our After Care program hosted 'Open Day' as part of 'Mental Health Week' this past year; the After Care program also hosted the launch of its new Relapse Prevention program with over 60 guests in attendance. Our choir performed at 'Carols by Candlelight' at Campbelltown Bicentennial Art Gallery. We were recognised for our contribution to the local community by being awarded the 'Community Contribution' award at the 2009 Macarthur Business Achievers Awards sponsored by the Macarthur Advertiser newspaper. We also made scientific paper presentations at the National Indigenous Drug and Alcohol Conference (NIDAC) held in Adelaide and at the Winter School in the Sun conference held in Brisbane.

Our fundraising efforts continued last year as a necessary adjunct to supplement the shortfall in funding from governments and other sources. We received a grant from the Network of Alcohol and Other Drug Agencies to fund our Better Relationships in Every Family (BRIEF) educational initiative. We received a grant from the

'Emergency Assistance' program which enabled us to recruit our Chief Operating Officer, contract with the human resources company and employ a compliance consultant to assist us in the preparation of our accreditation review.

Our events over the past year included 'Real Men Cook' held at bel mondo restaurant in The Rocks; the Pengana Goulburn to Citi Charity Cycling Ride; the Annual Rugby Dinner; Odyssey By The Bay – a cocktail party which was held at the home of Paul and Ros Espie; the ASX Reuters Thomson Charity Foundation Regatta, Golf Day and Dinner; and the Odyssey House Women's Luncheon all contributed to an exciting and successful fundraising year.

Our year in retrospect was one of challenge due to a number of factors beyond our control. However, issues/conflicts and problems are inevitable in business as in life. The issue is not whether they will arise, but how will we respond when they do. As was appropriate and keeping with the values and mission of Odyssey, we responded as a community of concerned individuals to ensure the welfare of our community and its members was secured. We are proud of the contribution made by the Board of Directors, the staff and the residents in bringing this task to a positive conclusion.

James A Pitts, M.A.  
Chief Executive Officer  
Odyssey House McGrath Foundation



# Working with the Community

- Odyssey House hosted over 400 guests at our annual Open Day held in October 2009. The Open Day is designed to acknowledge the great work and support of Odyssey House staff, residents and community supporters, and provide the public with an opportunity to learn more about what we do. A highlight of the day for many was the graduation ceremony to officially recognise residents who had completed the rehabilitation program, with guests being privileged to hear their moving accounts of how they had overcome dependence and rebuilt their lives.
- We established an ongoing working relationship with the University of Western Sydney's Psychology Department, providing placements for graduate psychology students interested in alcohol and other drugs work. The students may undertake discrete research projects as part of their degree requirements.
- We also hosted several fourth-year medical students from the University of Western Sydney's Medical School for placements of 6-8 weeks. This program follows our participation on the Community Consultation Committee, established to ensure the Medical School met the needs of the local community.
- Staff represented Odyssey House at several major conferences during the year. A presentation on the Cost benefits of therapeutic community drug treatment was made at the Australasian Therapeutic Communities Association Conference in Canberra in September 2009. In June 2010, we participated in the inaugural National Indigenous Drug and Alcohol Conference in Adelaide and presented a paper on the Indigenous influences that enhance therapeutic community treatment. Also in June, we presented in Brisbane at the Winter School in the Sun conference on The evolution of the therapeutic community in Australasia - From residential rehabilitation to multi-disciplinary service provision.



# Our Supporters

Odyssey House continued to receive tremendous support from individuals, corporations, private trusts, foundations and governments.

The NSW government provided funding through its Non-Government Organisations Drug and Alcohol program.

We received funding support from the federal government through its Non-Government Organisations Treatment Grants Program administered by the Department of Health and Ageing. In addition we received funding from the federal Attorney-General's Department's Proceeds of Crime Act.

## List of major supporters

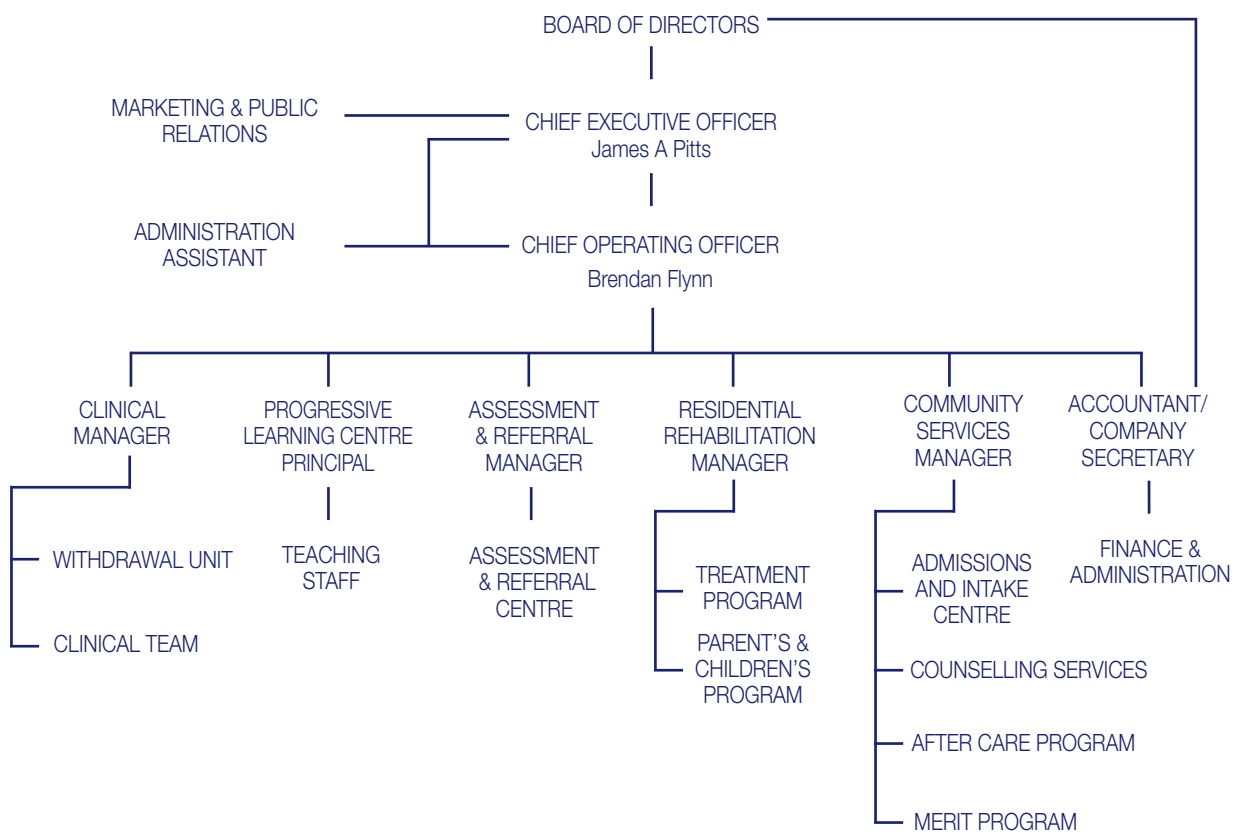
R Albert AO  
 C Anderson  
 S Anderson  
 Australian Fund Managers Awards Foundation  
 Australian Youth and Health Foundation  
 R Barry  
 A Bensen  
 J Broadbent  
 Dr W Burt  
 S Chisholm  
 Chris Cuffe Foundation  
 B Clark  
 M Coe  
 Crown International  
 J David  
 L English  
 Epirus Pty Ltd  
 P and R Espie  
 B Ferris  
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 M Freeman  
 D Golder  
 R Grant  
 M and T Green  
 C Grubb  
 A Hall

M Hawker  
 Health Services Union  
 R Hill  
 S Hindmarsh  
 HMAS Kuttabul SCAF  
 Hunt Family Foundation  
 P Hunt  
 James N Kirby Foundation  
 R James  
 W Jephcott  
 John Lamble Foundation  
 R Keldoulis  
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 R Kozcakar  
 L Levi  
 Liangrove Foundation  
 S Loane  
 W Loewenthal  
 S Malcolm  
 Mallesons Stephen Jacques  
 R Maple-Brown  
 R Massey-Greene  
 McCarroll Automotive  
 McDonalds  
 S McGuid  
 A McLnerney

G McOrist  
 M Morrow  
 D Mortimer  
 J Murphy  
 Nedigi Pty Ltd  
 Nexia Court & Co  
 M O'Sullivan  
 A Page  
 Perpetual Limited  
 G Pratt  
 B Price  
 QBE Insurance Group  
 Resnick Foundation  
 J Roche  
 A Rogers  
 J Scales  
 The Kimberley Foundation  
 The Rodney and Judith O'Neil Foundation  
 The Victor Smorgon Charitable Fund  
 Tria Investment Partners  
 H Waters  
 J Wilkinson  
 M Williams  
 Wilson Foundation  
 K Wilson



# Organisational Structure



## Our staff

The staff of Odyssey House are committed to providing quality services and care. They come from a diverse range of backgrounds, which enriches the service delivery environment.

As always, the staff are to be commended for their ability to deal with a demanding client population whose needs become greater and greater. It is the staff who are able to see through the veneer of hostility or reticence often presented by our clients, to see the potential that lies beneath that façade. They provide the consistency within the treatment environment that allows our clients to make lasting changes to overcome their dependency on alcohol and other drugs. We thank them!



# In the Media

**COCAINE**  
READ THIS before your next line

Why THE BUZZ surrounding this drug refuses to die down...

Your long-term prospects...

**Things you didn't know ABOUT COCAINE:**

1. It's not just a drug. It's a lifestyle.
2. It's not just a drug. It's a lifestyle.
3. It's not just a drug. It's a lifestyle.
4. It's not just a drug. It's a lifestyle.

Are you about to cross the line?

**Throw away your crutch**

Club together "ADDICTS OFTEN TRANSFER ONE ADDICTION TO ANOTHER"

**Business Achiever Awards - the winners**

COMMUNITY CONTRIBUTION: Odyssey House chief executive officer accepted the MacArthur Chronicle's community contribution award, saying the drug and alcohol rehabilitation organisation had been serving the community for 32 years.

**Events to cut stigma**

From left: Fred Dine, Hong Lu and Alicia Cornblath from Campbelltown's Odyssey House have organised community events for this year's Mental Health Week.

**Vital centre to celebrate at open day**

DRUG and alcohol rehabilitation centre Odyssey House's annual open day will coincide with its 32nd anniversary this year.

## Families set out

**Kate Sikora Health Reporter**

Odyssey House's annual open day... families set out...

## on Odyssey of hope

Children from the MacArthur Chronicle... on Odyssey of hope...

**It's your Christmas dollar**

Odyssey House's annual open day... It's your Christmas dollar...

**The demon drink**

It's not just heroin heading the admissions at Odyssey House... The demon drink...



# Assessment and Referral Centre

The Assessment and Referral Centre (ARC) is located at the historic Robin Hood Farm at Ingleburn - a short drive from the main residential facility - and accommodates up to 40 people during the initial assessment phase of their treatment. The four - to six-week assessment program assists staff and clients in deciding the most appropriate method of treatment for the problems of each individual. During this period a complete assessment is made of each person's medical, physical, psychological, educational and vocational history. The client develops a long and short-term treatment plan in consultation with staff and peers. At the end of the assessment, two options are available. The person may choose to enter subsequent treatment at Odyssey House, including either the residential rehabilitation program or the non-residential counselling programs, if deemed suitable. Alternatively, a referral is made to a different type of service that is deemed suitable for the individual needs of that person.

Odyssey House accepts referrals from suburban, regional and rural New South Wales and other states. Health agencies, medical professionals, parents, counsellors, court personnel, the judiciary, police and family members are just some of the people involved in referring individuals to Odyssey House. There are also many self-referred clients. Odyssey House is closely linked to professional groups like the Network of Alcohol and Other Drugs Agencies, the Australasian Therapeutic Communities Association, the World Federation of Therapeutic Communities, and the Alcohol and other Drugs Council of Australia.

## Highlights

- The facility's dormitory and kitchen/dining areas were refurbished, new kitchen appliances and refrigeration installed, and a new loading dock, bathroom and sleeping facilities constructed. Ramps were built to enable disabled access to all buildings, and a state-of-the-art waste water management system was installed.
- Staff member Stuart Balzan completed the post graduate degree in Social Health at Macquarie University. Stuart received a vocational exchange opportunity from the Rotary Club of Macarthur Sunrise to travel to Canada to observe alcohol and other drug services in that country.
- A new counsellor, Russell Bickford, was hired and Geoff Compton was given the key position of Staff on Duty.

# Assessment and Referral Centre Refurbishment





## Withdrawal Unit

The Odyssey House Withdrawal Unit is housed in a modern facility built on the grounds of Robin Hood Farm in 1999. The rural setting provides an ideal environment of privacy and comfort, which helps the men and women who are attempting to withdraw from a range of licit and illicit drugs and alcohol. The Withdrawal Unit is able to accommodate up to 13 people in need of medically supervised withdrawal. Qualified nurses staff the unit on a 24 hour basis. All clients are reviewed and assessed by a doctor to determine an appropriate withdrawal regime. The program lasts from seven to ten days and includes a social and medical assessment and an individually tailored withdrawal regime as well as supportive individual and group counselling. Participants are also taught relaxation techniques and receive educational information on relapse prevention.

- During the year, 324 people were admitted to the Withdrawal Unit: 269 people (83%) completed the withdrawal process, with 53 per cent of these transferring to the residential rehabilitation program.
- Staff morale remained high based on evaluation forms and feedback.
- An intern psychologist conducted mental health assessments on clients; those requiring early intervention were referred to the consulting psychiatrist.
- The Kessler 10 Inventory, which measures mental health, showed a positive improvement of 6.15 per cent on clients' moods.
- Focus groups were implemented to give clients in the Withdrawal Unit a good understanding of the residential rehabilitation program and what is involved in living within a therapeutic community. This acted as a catalyst for clients to transfer to the residential facility after they completed the withdrawal phase.



# Residential Program

Residents living at the main treatment facility at Eagle Vale achieve therapeutic goals by demonstrating their ability to move through the four stages of the Odyssey House program. These are:

- Level 1 - Understand and negotiate the Odyssey House system positively
- Level 2 - Organise and complete set tasks
- Level 3 - Have a responsible approach to others
- Level 4 - Be responsible for your own welfare

As residents move through the different stages, they gradually take over the day-to-day administration and running of Odyssey House. Job functions include cooking, maintaining the property, painting, gardening, driving and administrative activities. The therapeutic interventions used at Odyssey House include vocational counselling, extended group therapy specific to each level of the program, anger management groups, one-on-one counselling, cognitive behavioural therapy, domestic violence counselling, psychological services, psychiatric services, assertive skills training and sexual abuse interventions.

- Two staff were hired: Darren Rowe to supervise the kitchens and Natalie Sabic to work with the Young Adults Group and women in the assessment phase of treatment.
- A physical fitness program was instituted to enhance the health and wellbeing of the residents.
- Residents participated in a program of martial arts called White Crane, which emphasises self discipline and self responsibility.
- Attendance at Alcoholics Anonymous meetings was arranged to provide additional support for the increasing number of people who nominate alcohol as their principal drug of concern on admission.
- There was an improvement in the retention of residents and an increase in the number of people completing the program.
- A successful Family Information Day was held in May 2010.



# Parents' and Children's Program

The Parents' and Children's program at Odyssey House makes it possible for parents in the drug rehabilitation program to live with their dependent children in self-contained cottages with communal dining facilities. With residents living together as a family, the program teaches parenting skills and seeks to develop a happy, healthy, self-supporting unit that strives to break the cycle of generational drug misuse. It is a program dedicated to meeting the individual needs of the parent with their drug rehabilitation and parenting, the young child/children with their educational, emotional and physical development, and the family's wellbeing as a whole. Children are encouraged to attend the local day care facility or primary school, and are provided with supervised play and recreational activities. When parents finish their rehabilitation and they, along with staff, recognise they have achieved confidence and responsibility in the upbringing of their child, they have the option of graduating from the program.

## Highlights

- Odyssey House assisted 25 parents with 37 children over the past year, 10 of whom were under the supervision of the Department of Community Services.
- Five parents completed the parenting component of the program and moved to the re-entry phase.
- Two staff became accredited practitioners of the renowned 'Triple P - Positive Parenting Program', which teaches parents specific skills to change their children's problem behaviour through reinforcement and classic conditioning techniques.
- Children attended family activities such as going to the park, beach and family restaurants and participated in holiday activities such as outings to the Sydney Aquarium, Featherdale Wildlife Park and South Coast Beaches.
- In our Parents In Contact (PIC) component, which assists parents in the main residential program to maintain or establish contact with their children:
  - two residents graduated
  - six residents completed the PIC component
  - eight Parents in Contact transferred to the Parents' and Children's Program



# Progressive Learning Centre

The Progressive Learning Centre (PLC) is the education unit at Odyssey House. It aims to provide educational experiences which foster personal growth, enabling our clients to effectively participate in the wider community without the influence of drugs or alcohol.

The Progressive Learning Centre is registered by the NSW Department of Education and Training and is a member of The Association of Independent Schools.

Dynamic and innovative in their approach, staff at the centre teach courses in remedial English and maths, computer skills and visual arts. As well as the skills content in each subject area, teachers focus on helping clients to achieve personal growth and enhance their social skills.

The art-as-therapy component enables residents to create something they can be proud of, express their feelings and interact better with others in a non-threatening environment. Artistic activity – from woodworking and screen printing to drawing, painting and clay work – has recognised benefits for people with poor social or communication skills, low self esteem or mental health problems, which often co-exist with alcohol and other drug dependence.

Vocational guidance seminars and individual career consultations provided by the PLC greatly assist residents in the re-entry phase of the program, helping them identify what careers would be appropriate for their personality and professional growth and which ones may be relapse triggers.

Popular experiences provided by the Progressive Learning Centre include attending Sydney Theatre Company performances and Odyssey House choir performances at fundraising activities and local retirement villages.

- Students attended four plays performed by the Sydney Theatre Company during the year.
- The Odyssey House Choir, under the direction of teacher Greg Hughes, performed at the annual Rugby Dinner at the Four Seasons Hotel in March 2010 and each term at the Narellan Congregational Senior Citizens Facility. In addition they performed at our celebration of International Women's Day and Carols by Candlelight hosted by Campbelltown Council.
- The visual arts students painted a striking 8m x 2.5m mural depicting a group of indigenous Elders, which was placed in the amphitheatre of the newly refurbished Campbelltown Hospital.
- Funding from the Federal Government's Building the Education Revolution program enabled construction to start on a Covered Outdoor Learning Centre to give residents a suitable place to undertake various learning activities outdoors, hold group therapy meetings and cultural gatherings, and entertain their families during weekend visits.



## After Care Program

The Odyssey House After Care Program aims to support people, who are in recovery from alcohol and other drug problems. The After Care Program is open to individuals who have achieved their recovery through Odyssey House or other interventions. The program aims to enhance participants' skills, support networks and coping abilities to assist them in moving on with their lives and become productive members of their community without dependence on alcohol or other drugs. The educational and counselling sessions focus on implementing relapse prevention strategies and developing social and personal skills.

The After Care Program was supported in 2009-2010 by:

- The Attorney General's Department, Proceeds of Crime Funding Grant.

The Odyssey House After Care Program has accomplished many great achievements over the year. Some of the highlights include:

- To promote Drug Action Week in June 2010, After Care held the first 'Drug Free Expo' in the Macarthur area in conjunction with Lifeline, Maryfields and Drug and Alcohol Women's Network (DAWN). More than 170 people attended the event, including members of the local community and community agencies.
- A new eight-week Relapse Prevention Education Course was established after being trialled in 2009. The official launch was attended by a range of local agencies, leading to an increase in referrals.
- Housing support was included in the program in conjunction with Argyle Community Housing and Drug and Alcohol Women's Network (DAWN).

- Family Information Nights were held for families of substance users. As a result, a Family Support Program was created based on a stress-strain-coping support model.
- After Care Staff conducted a number of social outings throughout the year which allowed clients to enjoy different recreational activities without alcohol and other drugs.
- The bridging of the Odyssey House Janus Program and the After Care Program provided comprehensive and ongoing support for people with a dual diagnosis of mental illness and drug dependence.
- The After Care Program continues with its three-year evaluation, which is being conducted by Not For Profit Partnerships.
- Staff delivered 158 Relapse Prevention educational groups and 33 Life Skills groups. Topics included: communication, triggers and cravings, harm minimisation, problem solving, relationships, stress management, support and services, and budgeting. Life skills training included activities such as healthy eating and cooking workshops conducted in the newly renovated kitchen area.
- After Care Staff delivered 464 individual counselling sessions to clients during the year.



## *Counselling Services*

Odyssey House Counselling Services was our community based program which provided valuable counselling services to people with alcohol, drug and gambling problems who did not require residential care. This Odyssey House agency was regrettably closed at the end of the financial year, due to a lack of funding.

During the 2009-2010 year, Counselling Services Staff provided a range of services to the community. The majority of their work being in the area of employee assistance for Rail Corp staff and the members of the Health Services Union.

We would like to acknowledge the many years of service undertaken under the Odyssey House Counselling Services banner, by both Harrison Whitecloud and Anne Flower and wish them well in their future endeavours.



# Merit Program

The Magistrates Early Referral Into Treatment (MERIT) Program is a drug-crime diversion initiative based in Local Courts throughout NSW and aimed at breaking the drug-crime cycle. The MERIT program provides treatment to people who are charged with criminal offences and whose matters are being heard in the local court. Defendants must demonstrate illicit drug use problems and be motivated to undertake drug treatment.

Once assessed as suitable and accepted into the program, participants attend counselling and case management sessions for approximately 12 weeks, with bail conditions specifying they must attend MERIT sessions. Defendants are closely managed by the MERIT team throughout the program with the magistrate receiving regular reports on participation. Magistrates are able to consider the defendants' progress in treatment as part of their final sentencing.

Odyssey House is the first non-government organisation to oversee management of a MERIT program in a major metropolitan area. The Odyssey House MERIT team provides services to clients in the four police local area commands of Eastern Beaches, Eastern Suburbs, Rose Bay and Botany Bay. The MERIT team is based at the Odyssey House Admissions and Intake Centre in Surry Hills.

## Highlights

- Eighty clients were referred to the MERIT team in the financial year, with 79 assessed and 55 accepted; 50 clients completed the three-month program.
- Positive client outcomes have included: successfully completing TAFE courses; maintaining employment; entering detoxification units and rehabilitation programs; enthusiastically engaging in counselling and making active lifestyle changes; achieving abstinence or a significant reduction in substance use.
- The lower numbers than 2008-09 are due to two periods when there was only one staff member operating the program, and recruitment processes were being undertaken.
- MERIT clinicians continue to attend court two days a week to provide access to Aboriginal Legal Aid Service clients in addition to the designated MERIT Court day.
- MERIT clinicians continue to provide an after- hours service to cater for clients in full-time employment.
- Odyssey MERIT has continued to build and maintain solid relationships with referral services with regular communication, attendance at various meetings and ongoing research into available services in the area.



# Finance Department

The Finance Department is integral to the operation of Odyssey House and its services. The department staff includes trained accountants, bookkeepers, welfare officers and clerical personnel. The department is responsible for the processing of payroll; maintenance of personnel files; the disbursement of monies to suppliers; ordering and distribution of supplies; processing of Centrelink payments for clients in the program; maintenance of resident welfare accounts; financial participation at all Odyssey House fundraising events; receipting of all Odyssey House donations; liaison with the Odyssey House Board Finance Committee; and meeting all statutory requirements for good financial management.

- The department implemented the 'Time Target' time management system for payroll.
- An audit and review was conducted of all staff personnel files.
- Reporting mechanisms for communicating to the Finance Committee and the Board of Directors were improved.
- Our relationship with Centrelink was furthered by having their staff visit our facilities.

# Board of Directors

The Odyssey House McGrath Foundation Board of Directors plays an important role in the management of Odyssey House. The Board is committed to building and strengthening Odyssey House and represent the community as well as the residents.

These are some of the people who have helped make Odyssey House what it is today.



Natalie  
Archer

Natalie Archer is the founding Director of Bendelta. Natalie is Bendelta's Practice Leader for Partner Effectiveness Programs (PEP) and is also a Certified Master Coach with the Behavioural Coaching Institute. Natalie has been a Director of the Odyssey House McGrath Foundation since June 2010.



Ian  
Brown

Ian Brown has a Master of Arts, specialising in History, from the University of Sydney. Ian is a consultant in financial communications and has been a Director of the Odyssey House McGrath Foundation for over 18 years.



Prof Jan  
Copeland

Professor Jan Copeland is the Director of the National Cannabis Prevention & Information Centre and Assistant Director of the National Drug and Alcohol Research Centre, University of New South Wales. Jan has a PhD and a Bachelor of Science (Psychology) Honours degree. Jan has been a Director of the Odyssey House McGrath Foundation for six years.



John  
Coughlan

John Coughlan was the former Chief Executive of the Greyhound and Harness Racing Regulatory Authority. John has a Bachelor of Economics and a Diploma in Rural Accounting and is a Fellow of the Institute of Chartered Accountants. John has been a Director of Odyssey House McGrath Foundation for over four years.



Cathy  
Doyle

Cathy Doyle is Group Executive Perpetual Investments Business Services and Chief Operating officer Australian Equities for Perpetual Limited. Cathy has an MBA, Grad Dip Psychology, Grad Dip Vocational Education and Training and a Bachelor of Social Science. Cathy is Chairman of Odyssey House McGrath Foundation and has been a Director for five years.

# Board of Directors



Jonathan  
Fisk

Jonathan Fisk is a leading consultant in the IT and business process outsourcing industries. Jonathan is Deputy Chairman of Odyssey House McGrath Foundation and has been a Director for 18 years.



Tim  
Green

Tim Green is the founder and CEO of Tim Green Commercial. Tim holds a Bachelor of Commerce and has been a Director of Odyssey House for four years.



Valerie  
Hoogstad

Valerie Hoogstad is a Director at the Australian Catholic University. Valerie has a Masters degree and has been a Director of the Odyssey House McGrath Foundation for 14 years.



Richard  
Lyle

Richard Lyle is the Director of Program Standards and Chief Classification Officer for the Nine Network in Australia. Richard is the nephew of Walter McGrath, the founder of the Odyssey House McGrath Foundation, and has been a Director of the Foundation for over 19 years.



Audrey  
Page

Audrey Page is the Chairman of Audrey Page & Associates, career management specialists. Audrey has a Bachelor of Science, majoring in Psychology, and has been a Director of the Odyssey House McGrath Foundation for 18 years.

# Board of Directors



Lucy  
Pryor

Lucy Pryor is a Senior Consultant at Tria Investment Partners. Lucy holds a Bachelor of Business Degree (majoring in economics and international business) and has over 15 years financial services experience. She is a member of the Institute of Company Directors and serves on various boards and business committees. She has been a Director of the Odyssey House McGrath Foundation since 2009.



Linda  
Simonsen

Linda is the founder and Managing Director of FuturePeople Recruitment. Linda has over 12 years experience in Senior Management within the Australian Recruitment Industry. She holds tertiary qualifications in Psychology and Human Resources from the University of Sydney and is an Accredited Professional member of the Recruitment and Consulting Services Association (RCSA). Linda has been a Director of the Odyssey House McGrath Foundation since August 2009.



Sean  
Straney

Sean Straney is General Manager Distribution for St Andrew's Australia. He has a Bachelor of Arts from the University of Sydney and Post Graduate Diploma in Applied Finance from the Securities Institute of Australia. Sean has been a Director of Odyssey House McGrath Foundation for eight years.



Bianca  
Tulich

Bianca Tulich is a Senior Executive for Tulich Family Communities, a leading Aged Care Provider. She has a Bachelor of Commerce and is an ASA CPA. Bianca has been a Director of Odyssey House McGrath Foundation for four years.



Geoff  
Wilson

Geoff Wilson is Chairman of Wilson Asset Management. He has a Bachelor of Science and is a Fellow of Institute of Company Directors. Geoff has been a Director of Odyssey House McGrath Foundation for three years.

# Financial Report

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Concise Annual Report

for the Year Ended

30 June 2010

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The financial report covers Odyssey House McGrath Foundation as an individual entity. The financial report is presented in the Australian currency.

The financial report was authorised for issue by the directors on 18 October 2010. The company has the power to amend and reissue the financial report.

# Directors' Report

The directors present their report together with the financial report of Odyssey House McGrath Foundation (the 'Foundation'), for the financial year ended 30 June 2010 and the auditors' report thereon.

**1 Directors** The directors of the Foundation at any time during or since the financial year are:

- |   |  |  |  |
|---|--|--|--|
| - Natalie Nicole Archer<br>(appointed 21 June 2010)     | - John Francis Coughlan                              | - Valerie Hoogstad                                 | - Linda Simonsen (appointed<br>17 August 2009) |
| - Susan Elizabeth Bennett<br>(resigned 19 October 2009) | - Cathy Ann Doyle                                    | - Richard Damien Wilson Lyle                       | - Sean Patrick Straney                         |
| - Ian James Brown                                       | - Jonathon David Fulton Fisk                         | - Audrey Janet Page                                | - Bianca Tulich                                |
| - Jan Copeland  | - Timothy Michael Green                              | - Lucy Fiona Pryor (appointed<br>7 September 2009) | - Geoffrey James Wilson                        |
|   | - Christopher Colin Grubb<br>(resigned 13 July 2009) |  |  |

**2 Company Particulars** Odyssey House McGrath Foundation, incorporated and domiciled in Australia, is a public company limited by guarantee. The address of the registered office is:  
13a Moonstone Place EAGLE VALE NSW 2558.

**3 Company Secretary** Mrs Dawn Paterson was appointed to the position of company secretary on 5 January 1998.

## **4 Principal Activity**

The principal activity of the Foundation during the financial year was the provision of residential and non-residential drug and alcohol rehabilitation centres and a detoxification unit.

There was no significant change in the nature of this activity during the financial year.

The entity's long term objectives are to:

- be sustainable and strive for continuous improvement so as to offer the best possible outcomes for the clients requiring our assistance.

The entity's short term objectives are to:

- improve service, delivery and organisation structure.

To achieve these objectives, the entity has adopted the following strategies:

### **Service Delivery Priorities:**

- 1) Continuously improve the delivery of core business services, and measure improvements against each stated success measures.
- 2) Successfully complete the accreditation process and embed quality improvement across our organisation's operations.
- 3) Strengthen our relationships and partnerships with stakeholders, including:
  - social housing providers; and
  - employment, education and training providers including TAFE, the Aboriginal service system.

### **Organisation Priorities:**

- 4) Secure an ongoing funding base for Odyssey House's core business.
- 5) Develop and implement an electronic client database that will streamline staff access to information and support improved client service delivery.
- 6) Increase public and community awareness of Odyssey House as a successful drug and alcohol service provider, including via our publications and website.
- 7) Build a strong evidence-based culture throughout the organisation based on quality data gathering and outcome reporting.

**5 Operating and Financial Review** The Foundation continued to engage in its principal activity during the financial year. The net profit of the Foundation for the year ended 30 June 2010 was \$429,456 (2009: \$382,938).

**6 Dividends** No dividends will be paid as the payment of a dividend is forbidden by the Articles.

**7 State of Affairs** No significant changes in the state of affairs of the Foundation occurred during the financial year.

## **8 Events Subsequent to Reporting Date**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Foundation to significantly affect the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation in future financial years.

## **9 Likely Developments**

The Foundation will continue to pursue its principal activities. It is not expected that the results in future years will be adversely affected by the continuation of these operations.

Further disclosure of information regarding likely developments in the operations of the Foundation in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Foundation. Accordingly, this information has not been disclosed in this report.

## 10 Information on Directors

Directors	Qualifications	Occupation	Period as Director	Directors Meetings Attended
Natalie Nicole Archer	BA, BCom	Director	21 June 2010 to present	1 from 1
Susan Elizabeth Bennett	Bachelor of Arts	Career Management Consultant	20 Feb 2006 to 19 Oct 2009	1 from 1
Ian James Brown	MA	Business Manager	18 May 1992 to present	4 from 6
Jan Copeland	PhD, BSc(Psych) Hons, SRN, SRM	Professor & Director, National Cannabis Prevention & Information Centre, UNSW	21 Feb 2005 to present	4 from 6
John Francis Coughlan	BEd, Dip Rur.Acc (UNE), FCA, FCPA, FAIM	Director	16 Oct 2006 to present	6 from 6
Cathy Ann Doyle (Chairman)	MBA, Grad Dip Psyc, Grad Dip VET BSSc and GAICD	Group Executive People and Culture	20 Feb 2006 to present	6 from 6
Jonathon David Fulton Fisk	-	Director	13 Apr 1992 to present	1 from 6
Timothy Michael Green	BCom	CEO	20 Nov 2006 to present	5 from 6
Christopher Colin Grubb	BA, BCom	Company Director	18 May 1998 to 13 July 2009	0 from 0
Valerie Hoogstad	BA, MA	Director, Senior Lecturer	21 Oct 1996 to present	5 from 6
Richard Damien Wilson Lyle	-	Classification Officer	16 Sep 1991 to present	0 from 6
Audrey Janet Page	BS(Psych)	Executive Chairman	21 Sep 1992 to present	3 from 6
Lucy Fiona Pryor	BBus(IntBus)	Senior Consultant	7 Sep 2009 to present	5 from 5
Linda Simonsen	BA (Psych & HR)	Managing Director	17 Aug 2009 to present	4 from 5
Sean Patrick Straney	BA	Business Consultant	20 May 2002 to present	4 from 6
Bianca Tulich	BCom, ASA, CPA	Senior Executive	20 Nov 2006 to present	3 from 6
Geoffrey James Wilson	BSc	Chairman	19 May 2008 to present	1 from 6

## 11 Meetings of Directors During the Financial Year

During the financial year six meetings of directors were held.

The directors who were eligible to attend these meetings were those listed in point 10.

## 12 Environmental Regulations

The Foundation's operations are not subject to any significant environmental regulations under Australian Law.

## 13 Indemnification and Insurance of Officers and Auditors

### Indemnification

Since the end of the previous financial year, the Foundation has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Foundation.

### Insurance Premiums

During the financial year the Foundation has paid premiums in respect of directors' and officers' liability insurance contracts for the year ended 30 June 2010 and since the financial year, the Foundation has paid or agreed to pay, premiums in respect of such insurance contracts for the year ending 30 June 2011. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of the Foundation.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability insurance contracts, as such disclosure is prohibited under the terms of the contracts.

## 14 Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 32 and forms part of the directors' report for the financial year ended 30 June 2010.

**This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:**



Cathy Doyle  
Director



John Coughlan  
Director

Sydney

Dated: 18 October 2010

# Lead Auditor's Independence Declaration Under Section 307c of the Corporations Act 2001

**NEXIA COURT & CO**  
CHARTERED ACCOUNTANTS



The Board of Directors  
Odyssey House McGrath Foundation  
13a Moonstone Place  
EAGLE VALE NSW 2558

Dear Board Members

## **Auditor's Independence Declaration under section 307C of the Corporations Act 2001**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Odyssey House McGrath Foundation.

As lead audit partner for the audit of the financial statements of Odyssey House McGrath Foundation for the financial year ended 30 June 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Yours faithfully

Nexia Court & Co  
Chartered Accountants

Ian Stone  
Partner

Sydney  
Dated: 18 October 2010



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# Independent Auditors' Report



Independent Audit Report to the members of Odyssey House  
McGrath Foundation. ABN 49 001 418 257

## Report on the financial report

The accompanying concise financial report of Odyssey House McGrath Foundation which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year ended on that date, other explanatory notes 1 to 9, and the accompanying discussion and analysis on the statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, (set out on pages 34 to 43), is derived from the audited financial report of Odyssey House McGrath Foundation for the year ended 30 June 2010. We expressed an unmodified audit opinion on those financial statements in our report dated 18 October 2010.

The concise financial report does not contain all the disclosures required by Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. Reading the concise financial report is not a substitute for reading the audited financial report of Odyssey House McGrath Foundation.

## Directors' responsibility for the concise financial report

The directors of Odyssey House McGrath Foundation are responsible for preparing and presenting the concise financial report in accordance with Australian Accounting Standard AASB 1039 Concise Financial Reports.

## Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the concise 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the concise financial report.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Australian Accounting Standard AASB 1039.

Our procedures including reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe 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 independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001 would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

## Audit opinion

In our opinion, the concise financial report of Odyssey House McGrath Foundation for the financial year ended 30 June 2010 complies with Australian Accounting Standard AASB 1039 Concise Financial Reports.

Nexia Court & Co  
Chartered Accountants

Sydney

Dated: 18 October 2010

Ian Stone  
Partner



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# Directors' Declaration

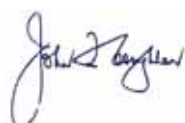
The directors of the company declare that:

- 1 in the directors' opinion, the accompanying concise financial report, of the Foundation, for the year ended 30 June 2010, set out on pages 34 to 43:
  - a has been derived from or is consistent with the full financial report for the financial year; and
  - b complies with Australian Accounting Standard AASB 1039 "Concise Financial Reports";
- 2 the internal controls exercised are appropriate and effective in accounting for all income received and applied from any of its fundraising appeals; and
- 3 the provisions of the Charitable Fundraising Act and the regulations under that Act and the conditions attaching to the authority to fundraise have been complied with.

**This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:**



Cathy Doyle  
Director



John Coughlan  
Director

*Sydney*

*Dated: 18 October 2010*

## About the Concise Financial Report

The financial statements and other specific disclosures is an extract of, and has been derived from Odyssey House McGrath Foundation full financial report for the financial year. Other information included in the concise financial report is consistent with the Foundation's full financial report.

The concise 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 Foundation as the full financial report.

A copy of the 30 June 2010 Financial Report, including the independent audit report is available, and will be sent to any interested parties without charge upon request by phoning (02) 9820 9999.

# Discussion and analysis of the Statement of Comprehensive Income

This discussion and analysis is provided to assist readers in understanding the concise financial report. The concise financial report has been derived from the full 2010 financial report of Odyssey House McGrath Foundation.

## Discussion and analysis of the Statement of Comprehensive Income

The profit for the year was \$429,456, an increase of \$46,518 on the 2009 result. This result is due to the factors explained below.

Total income increased by \$637,762, the main factors being:

- Grants increased from \$3,981,781 in 2009 to \$4,396,117 in 2010.

This was due to new government funding initiatives of approximately \$414,000, from:

- Dept of Education, Employment & Workplace Relations - Job Assistance funding; and
- Dept of Community Services - Area Assistance Scheme 2009 funding

In addition, the Odyssey House School received funding from the AIS Block Grant Authority - as part of the Building Education Revolution.

- Net fundraising income increased from \$463,549 in 2009 to \$775,595 in 2010 - a 67% increase. This was due to additional fundraising initiatives and targeted donations following the disappointing result in the previous year.

Total expenses increased by \$567,693, the main factors being:

- Salaries and on-costs increased from \$4,048,858 in 2009 to \$4,599,221 in 2010. This was due to organisational restructuring resulting in six positions being made redundant, the appointment of a Chief Operating Officer and general salary increases.

## Discussion and analysis of the Statement of Financial Position

Total assets increased by \$318,715 during 2010 to \$4,030,436, primarily as a result of the following:

- Property, plant and equipment increased by \$554,600 as a result of additional leasehold improvements including those funded by the Building Education Revolution.

Total liabilities decreased by \$110,741 during 2010 to \$2,011,441, primarily as a result of the following:

- Unexpired grants and resident welfare funds decreased by \$174,048.
- Employee benefits increased by \$121,350 due to general salary increases.
- Reduction in borrowings of \$96,750.

## Discussion and analysis of Statement of Cash Flows

The overall \$175,166 decrease in net cash during the year was due to payment for capital building works for leasehold improvements.

# Statement of Comprehensive Income

## Statement of Comprehensive Income for the Year Ended 30 June 2010

	Note	2010 \$	2009 \$
<b>Revenue</b>			
Revenue from continuing operations	3	<u>6,660,742</u>	<u>6,022,980</u>
<b>Total revenue</b>		<u>6,660,742</u>	<u>6,022,980</u>
<b>Expenses</b>			
Employee benefits expense	4	(4,599,221)	(4,048,858)
Depreciation and amortisation expenses	4	(196,302)	(197,850)
Fundraising expenses		(122,374)	(123,084)
Operating expenses		<u>(1,386,810)</u>	<u>(1,367,222)</u>
<b>Total expenses</b>		<u>(6,304,707)</u>	<u>(5,737,014)</u>
<b>Financial income</b>		<u>73,421</u>	<u>96,972</u>
<b>PROFIT BEFORE INCOME TAX</b>		<u>429,456</u>	<u>382,938</u>
Income tax expense		<u>-</u>	<u>-</u>
<b>PROFIT FOR THE YEAR</b>	5	<u><u>429,456</u></u>	<u><u>382,938</u></u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>429,456</u></u>	<u><u>382,938</u></u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

# Statement of Financial Position

## Statement of Financial Position

as at 30 June 2010

	Note	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,490,289	1,655,208
Trade and other receivables		196,912	263,685
Inventories		5,275	5,073
Prepayments		24,898	29,293
<b>TOTAL CURRENT ASSETS</b>		<u>1,717,374</u>	<u>1,953,259</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables		18,550	18,550
Property, plant and equipment		2,294,512	1,739,912
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,313,062</u>	<u>1,758,462</u>
<b>TOTAL ASSETS</b>		<u>4,030,436</u>	<u>3,711,721</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		510,673	471,966
Unexpired specific grants and resident welfare funds		639,325	813,373
Loans and borrowings		26,250	96,750
Employee benefits		544,304	419,010
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,720,552</u>	<u>1,801,099</u>
<b>NON-CURRENT LIABILITIES</b>			
Loans and borrowings		228,500	254,750
Employee benefits		62,389	66,333
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>290,889</u>	<u>321,083</u>
<b>TOTAL LIABILITIES</b>		<u>2,011,441</u>	<u>2,122,182</u>
<b>NET ASSETS</b>		<u>2,018,995</u>	<u>1,589,539</u>
<b>EQUITY</b>			
Contributed equity		15,000	15,000
Retained profits	5	2,003,995	1,574,539
<b>TOTAL EQUITY</b>		<u>2,018,995</u>	<u>1,589,539</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

# Statement of Changes in Equity

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Statement of Changes in Equity  
for the Year Ended 30 June 2010

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	Note	2010	2009
		\$	\$
<b>TOTAL EQUITY AT THE BEGINNING OF THE FINANCIAL YEAR</b>		1,589,539	1,206,601
Profit for the year	5	<u>429,456</u>	<u>382,938</u>
<b>TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR</b>		<u><u>2,018,995</u></u>	<u><u>1,589,539</u></u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

## Statement of Cash Flows

for the Year Ended 30 June 2010

	2010	2009
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	7,016,155	6,485,232
Cash paid to suppliers and employees	(6,430,340)	(5,932,610)
Interest received	73,421	96,972
Interest paid	-	-
<b>Net Cash from Operating Activities</b>	<u>659,236</u>	<u>649,594</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	33,000	8,500
Payments for property, plant and equipment	(770,652)	(369,763)
<b>Net Cash used in Investing Activities</b>	<u>(737,652)</u>	<u>(361,263)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(96,750)	(95,500)
<b>Net cash used in financing activities</b>	<u>(96,750)</u>	<u>(95,500)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(175,166)	192,831
Cash and Cash Equivalents at the Beginning of the Financial Year	<u>1,514,663</u>	<u>1,321,832</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<u><u>1,339,497</u></u>	<u><u>1,514,663</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

## Notes to the Financial Statements

for the Year Ended 30 June 2010

### 1 REPORTING ENTITY

Odyssey House McGrath Foundation (the 'Foundation') is a company domiciled in Australia. The address of the company's registered office is 13a Moonstone Place, Eagle Vale.

### 2 BASIS OF PREPARATION

#### a Statement of compliance

The concise financial report is an extract for the full financial report for the year ended 30 June 2010. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports, and the Corporations Act 2001

The financial statements, specific disclosures and other information included in the concise financial report are derived from, and are consistent with, the full financial report of Odyssey House McGrath Foundation. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Odyssey House McGrath Foundation as the full financial report. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The financial report of Odyssey House McGrath Foundation complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. The presentation currency used in this concise financial report is Australian dollars.

The financial statements were approved by the Board of Directors on 18 October 2010.

#### b Basis of measurement

The financial statements have been prepared on the historical cost basis.

#### c Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Foundation's functional currency.

#### d Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

### 3 REVENUE

	2010	2009
	\$	\$
Donations	573,137	404,980
Grants	4,396,117	3,981,781
Treatment cost and fees	983,177	1,012,252
Fundraising income	525,127	428,041
Other income	169,934	195,926
Profit on disposal of property, plant and equipment	13,250	-
	<u>6,660,742</u>	<u>6,022,980</u>

# Notes to the Financial Statements

## 4 EXPENSES

	2010 \$	2009 \$
<b>Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	67,231	68,206
Amortisation of leasehold improvements	129,071	129,644
	<u>196,302</u>	<u>197,850</u>
<b>Employee benefits expense</b>		
Wages, salaries and on-costs	4,130,861	3,701,745
Contributions to defined contribution superannuation funds	347,010	333,335
Increase in liability for employee benefits provision	121,350	13,778
	<u>4,599,221</u>	<u>4,048,858</u>
Loss on disposal of property, plant and equipment	-	654
Operating lease rental expense		
- minimum lease payments	162,013	162,045
Net expense from movement in provision for renovations	-	<u>(150,000)</u>

## 5 RETAINED PROFITS

Balance 1 July 2009	1,574,539	1,191,601
Profit for the year	429,456	382,938
	<u>2,003,995</u>	<u>1,574,539</u>
Balance 30 June 2010	<u>2,003,995</u>	<u>1,574,539</u>

## 6 DIRECTOR DISCLOSURES

### Directors

The following were non-executive directors of the Foundation at any time during the reporting period.

Natalie Nicole Archer	Jonathon David Fulton Fisk	Lucy Fiona Pryor
Susan Elizabeth Bennett	Timothy Michael Green	Linda Simonsen
Ian James Brown	Christopher Colin Grubb	Sean Patrick Straney
Jan Copeland	Valerie Hoogstad	Bianca Tulich
John Francis Coughlan	Richard Damien Wilson Lyle	Geoffrey James Wilson
Cathy Ann Doyle (Chairperson)	Audrey Janet Page	

No director of the Foundation has received any compensation from the Foundation during the year.

No director has entered into a material contract with the Foundation since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

# Notes to the Financial Statements

## 7 KEY MANAGEMENT PERSONNEL DISCLOSURES

The key management personnel of the Foundation were Mr J Pitts and Mr B Flynn.

The compensation of the specified executives, being the key management personnel of the Foundation, is set out below:

	2010	2009
	\$	\$
Short term employee benefits	289,276	283,750
Long term employee benefits	29,205	27,664
	<u>318,481</u>	<u>311,414</u>

## 8 INFORMATION AND DECLARATIONS TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991. DETAILS OF AGGREGATE GROSS INCOME AND TOTAL EXPENSES OF FUNDRAISING APPEALS

### a i Details of Aggregate Gross Income and Total Expenses of Fundraising Appeals

	2010	2009
	\$	\$
<b>Gross Proceeds from Fundraising Appeals</b>		
Corporate donations	149,200	16,000
Fundraising functions	525,127	428,041
Donations from charitable trusts and foundations	278,031	212,719
General donations	145,906	176,261
	<u>1,098,264</u>	<u>833,021</u>
<b>Fundraising Functions</b>		
Real Men Cook	37,980	38,030
Fund Managers Awards (FMA)	106,857	50,328
Donation from FMA Function	18,000	18,000
Rugby Dinner	146,628	175,649
Citi Cycling Classic	110,743	87,959
Art Union	14,000	36,500
Women's Luncheon	14,585	6,375
Directors' Luncheon	13,300	15,200
Odyssey by the Bay	34,894	-
ASX Thomson Reuters Charity Fdn Art Union	28,140	-
	<u>525,127</u>	<u>428,041</u>
<b>ii Less: Cost of Fundraising Functions</b>		
Real Men Cook Expenses	3,639	9,627
Fund Managers Awards Expenses	-	-
Rugby Dinner Expenses	94,034	99,031
Citi Cycling Classic	722	426
Art Union	-	14,000
Odyssey by the Bay	6,479	-
ASX Thomson Reuters Charity Fdn Art Union	17,500	-
	<u>122,374</u>	<u>123,084</u>
<b>Less: Cost of Other Fundraising Appeals</b>	<u>200,295</u>	<u>246,388</u>
<b>Less: Total Cost of Fundraising Appeals</b>	<u>322,669</u>	<u>369,472</u>
<b>iii Net Surplus Obtained from Fundraising Appeals</b>	<u>775,595</u>	<u>463,549</u>

# Notes to the Financial Statements

## 8 INFORMATION AND DECLARATIONS TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991. DETAILS OF AGGREGATE GROSS INCOME AND TOTAL EXPENSES OF FUNDRAISING APPEALS (Continued)

### b Fundraising Appeals Conducted During the Financial Year

The Foundation received donations from Corporate Organisations, Charitable Trusts, Foundations and the general public.

Fundraising appeals held during the year included Real Men Cook, the Rugby Dinner, Citi Cycling Classic and the Fund Managers Awards.

### c Statement Showing how Funds Received were applied to Charitable Purposes

	2010 \$	2009 \$
Net surplus obtained from fundraising appeals	<u>775,595</u>	<u>463,549</u>

This is applied to the charitable purposes in the following manner:

<ul style="list-style-type: none"> <li>To supplement Government assistance in funding the Odyssey House programmes</li> </ul>	<u>775,595</u>	<u>463,549</u>
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### d Comparisons by Monetary Figures and Percentages

	<b>2010</b> \$	%
Total cost of fundraising/gross income from fundraising	322,669/1,098,264	29
Net surplus from fundraising/gross income from fundraising	775,595/1,098,264	71
	<b>2009</b> \$	%
Total cost of fundraising/gross income from fundraising	369,472/833,021	44
Net surplus from fundraising/gross income from fundraising	463,549/833,021	56

## 9 ECONOMIC DEPENDENCY

The Foundation is dependent on government funding to maintain its current level of operations.

Odyssey House is  
dedicated to giving  
people something  
addictions like drugs,  
alcohol & gambling  
never can: a future.

**ODYSSEY  
HOUSE**



*'A Calm in  
the Sea of  
Addiction'*

Odyssey House McGrath Foundation  
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EAGLE VALE NSW 2558

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Email: [info@odysseyhouse.com.au](mailto:info@odysseyhouse.com.au)  
Website: [www.odysseyhouse.com.au](http://www.odysseyhouse.com.au)  
Authority to Fundraise: CFN 12596  
ABN: 49 001 418 257

Odyssey House McGrath Foundation  
incorporated and domiciled in Australia, is a public  
company limited by guarantee.

Donations to Odyssey House of \$2.00 and  
above are tax deductible.