# Disability Without Limits

C2A

2025 Annual Report

# Joint Chair and CEO Report

## Tim Crowe and Steven Johnston

As forecasted in last year's Annual report, we anticipated strong headwinds in FY25 and we got them.

Whilst we continued to develop our organisational capabilities, our financial position deteriorated on the back of a $676,792 loss from ongoing operations, and a $486,773 loss from the closure of our Brunswick timber furniture manufacturing site.

Despite this unpalatable financial performance, the Board and Management have been heartened by the further development of our organisation as indicated by:

- Strong staff engagement scores from both supported employees and the rest of the team
- Positive feedback from our Community clients
- Improvements made to our Traralgon site
- The implementation of Scoro to manage our commercial contracts

As advised last year, the removal of NDIS transitional payments and added cost burden arising from the inclusion of Supported Employees and Support Office staff in the Portable Long Service Leave scheme, have negatively impacted on both our income and cost of doing business, in addition to underlying inflationary pressures.

We have remained focused on delivering our strategic agenda:

## Customer growth

- increase our number of day service participants across existing sites and introduce community to new sites. *In FY25 our participant numbers declined from 164 to 161 – a net reduction of 3.*
- increase our number of Supported Employees by pursuing profitable new business opportunities with less dependence on weather. *In FY25 our Supported Employee numbers declined by 13 from 168 to 155. NB: we lost 17 Supported Employees with the closure of Brunswick and grew other sites by 4.*

## Process Improvement

- Leverage SupportAbility to reduce our system complexity and eliminate manual processes. *We had replaced or eliminated 33 out of 35 identified processes by the end of FY25 and we introduced the Scoro system to assist with commercial customer management.*
- Invest in making our community facilities attractive to existing and new participants. *Our Traralgon site was given a facelift during FY25.*

## Become an Employer of Choice

- Keep quality people. *Average tenure for our Supported Employees was an impressive 13.4 years whilst the remainder of the team finished at 4.6 years.*
- Recruit the best candidates. *Our target was for 85% of new hires to remain employed beyond probation and we fell just short at 80%.*

## Build our Financial Resilience

- Make an operating surplus to enable reinvestment. *Unfortunately, our operating cash flow was -$137,447 versus a +$276,244 in FY24.*
- Maintain healthy liquidity. *We had access to direct cash and liquid investments of $1.5 million at June 30.*
- Grow charitable donations. *Structural adjustments at our Traralgon site reduced our overall return from Opportunity Shops, however our Mildura store achieved record results.*

We would like to recognise the significant contributions made by our important stakeholders:

## C2A Board (who are all volunteers)

**Ongoing directors**

- Marc DiGenova who has been a director since 2018 and chairs our Finance & Audit Committee
- Con Tsoukas who brings a wealth of marketing and IT skills to the table
- Iain Spear who brings management, governance and lived experience to the board.
- Ella Joyce who works in the disability sector and brings a clinical governance lens to discussions.
- Benjamin Hill who works in the fast-moving consumer goods sector and provides a brand and strategic focus.

**Incoming directors**

- Kristan Dooley who brings considerable corporate governance expertise to the board.
- Matthew Duckham who is an IT professor with a special interest in AI.

## C2A Leadership Team

The team is on the road to high performance:

- Marcela Mandarino – People & Culture Manager
- Terry Pieper – Sales & Marketing Manager
- Mary Anne Morison – Finance Manager
- Darian Doutch – Quality, Clinical & Risk Manager
- Sally Thorpe – Operations Manager

## C2A Staff

The board and leadership team wish to acknowledge the outstanding contribution made by all team members across the 2024-25 financial year. Our staff do a wonderful job of enriching the lives of our community clients and the supported employees who choose to spend their days with us, and we cannot succeed without their outstanding contributions both individually and collectively.

## C2A Volunteers

We are most fortunate to have volunteers assist us with our operations with the most significant number involved in our 4 opportunity shops. We cannot thank them enough for their tireless efforts in collecting, sorting and merchandising donations for sale.

## C2A Customers

We are also fortunate to have the support of many commercial customers who not only understand the social procurement framework, but appreciate the quality of work that we do for them across garden maintenance, recycling, house cleaning, emergency vehicle washing, and building site cleans.

## Participants

And finally, to all our wonderful clients who choose to spend their time with us. We thank you for choosing C2A as your trusted partner in life. You bring immeasurable joy to the people around you and we feel privileged to share in the experience.

# Creating a fresh dynamic brand

Connecting2Australia (C2A) has evolved its brand identity and name, to help make the connection to the people we support and represent. We don't connect to Australia; we connect to the abilities and capabilities of our wonderful clients and supported employees.

C2A now stands for Connecting2Ability.

We retain our C2A identity as well as strengthening our positioning statement 'Disability without limits' in one simple design.

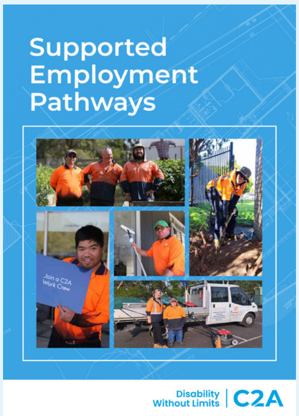
No matter the audience, the combination and layout of the new C2A logo and positioning statement will not only help build brand awareness, but it will also reinforce who we are and what we stand for. There are no limits.

Disability Without Limits | C2A

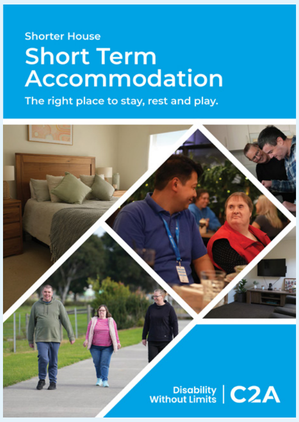
Disability Without Limits | C2A

Disability Without Limits C2A

Disability Without Limits C2A





# Community Report

2024-5 was a year of continued progress for our disability support services.

Our Community Programs are now available through 5 sites: Frankston, Mornington, Traralgon, Wonthaggi and Bendigo with some tailored programs offered in Thomastown and Seaford. All sites are focused on delivering programs that bring positive impact to an increasingly discerning client base.

During the year we:

- Refreshed our Traralgon site to make it more welcoming and modern.
- Expanded our range of out-of-hours group sessions and tailored one-to-one programs including mix & mingles, dinners, shows, excursions and other activities that were taken up by participants with great enthusiasm.
- Made significant repairs to the Mornington site to improve access for clients.
- Continued to develop program outlines that were shared across each of our sites to establish best practice approaches to achieving participant's goals.
- Traralgon and Mt Eliza expanded their community participant engagement through our respective Opportunity Shops.
- Continued showcasing our disability programs on social media, to raise awareness, build a supportive community and encourage more participation.
- Continued to train our staff on how to provide the very best care to our participants with complex support needs.



In 2025-26 the organisation will continue to invest in making our Community centres welcoming and attractive to both current and potential clients. Our ultimate goal is to significantly increase the number of participants who entrust us to help them live the life of their choice. Some of our primary initiatives are:

- Mildura will be introducing a day services program in 2026 (delayed from 2025) to complement our thriving supported employment business and Opportunity Shop at this site.
- Managing NDIS budgets in an increasingly complex system.

# Supported Employment

Revenues were flat in 2024-25.

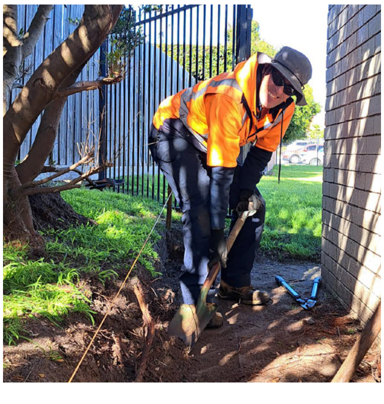
The organisation made the unfortunate decision to close the Brunswick Timber Furniture making business in March of 2025 after sustaining heavy losses across the 5 years of ownership. This decision will enable the team to increase focus on the remaining business streams: garden maintenance, recycling, fleet washing and other labour hire activities.

We also introduced Scoro to help Business Managers to deliver optimal outcomes to our commercial customers. Scoro helps us to manage contacts and contracts; schedule, quote and then bill our customers.

In 2025-26 we will continue to seek out new business opportunities that are less weather dependent and ensure that the business we do is worth doing. Other initiatives include:

- Trialling battery powered gardening equipment to reduce our carbon footprint.
- Determining ways to employ People With Disability in our support activities.
- Evaluating how to create pathways to open employment.
- Developing new income streams.

The way that we approach supported employment is a key differentiator for C2A.

# Social Enterprise Commercial Growth

C2A is a Social Traders Certified and People & Planet First Verified Social Enterprise. C2A provides a range of commercially sound services that meet the Victorian Government's Social Procurement Framework criteria.

The Framework provides a platform where Social and Disability Enterprises can compete and secure Victorian Contracts on an equal playing field. It provides criteria and measures where organisations can use their buying power to generate social value above and beyond the value of the goods or services being procured.

Social Procurement is C2A's strategic approach to growth and increased profitability as well as capitalising on our long term business relationships in:

- Grounds & Garden Maintenance
- Landscaping Services
- Commercial/Builder Clean Ups
- Recycling Services
- Mobile On-site Fleet Vehicle Cleaning

## Commercial Partnerships

**Lend Lease: Frankston Hospital** Grounds & garden maintenance & carpark cleaning.

**Programmed: Dulux** Corporate grounds & garden maintenance.

**Melbourne Airport Business Park** Grounds maintenance of Australia's largest business park, spanning in excess of 500 hectares.

**eWastec** Disassemble and recycle TV components and computer parts.

**Heidelberg Materials: Wollert Landfill** Litter control of surrounds of the landfill facility.

**Northern & Eastern Metro Police** On site vehicle washing & cleaning.

**CITY Holdings: Goodstart Early Learning Kindergarten** Centre playground & garden maintenance.

**Homes Victoria: Regional & Metro** Grounds, complex & garden maintenance.

**Eastern Freeway – Burke to Tram: Laing O'Rourke** Grounds maintenance & worksite cleaning.

**Suburban Connect : Clarinda** On site vehicle washing & cleaning.

# Opportunity Shops

2024-25 was a year of significant change for our 4 Opportunity Shops.

Whilst revenue was in line with previous year, we adjusted the business model to include paid staff, disability support workers (DSW), supported employees and community clients. As a consequence of greater inclusion, contribution fell by some 19.6%.

- Traralgon has undergone a significant transformation adjusting from a 100% volunteer model to a hybrid model of paid staff, DSWs, community clients and volunteers. The next evolution will be the addition of supported employees.
- Mildura experienced a 17.3% increase in income and a 69.5% increase in contribution making it the new jewel in our retail crown.
- Wonthaggi held its own in a tight retail market.
- Mt Eliza underwent a significant makeover with growth expected to follow.

Given the tight financial constraints imposed under the NDIS funding regime, the surpluses generated through the Op Shops are vital to fund our capital purchases such as replacement IT, vehicles, equipment, and property improvements.

In 2025-26 we will continue to support our teams to grow their revenues by taking true local ownership of their stores.

- We will bring pricing policies into line across the stores
- A consistent promotional program will be implemented
- Supported employees will become a bigger part of the staffing mix

We take this opportunity to recognise the enormous contribution that our volunteers have made to the success of these stores, plus other contributions across specialist programs such as woodworking.

# Shorter House Respite & Short-Term Accommodation

Shorter House in Traralgon not only contributes to our financial health, it also continues to provide much needed support for people with disability, their families and carers.

We completed our third year of participation in the Victorian Government funded Support for Carers programme, providing carers with the opportunity to rest and recharge.

With continuing upgrades in equipment and facilities, combined with a new marketing approach, we expect Shorter House to experience even higher demand in the years to come.

# Financial Statements

# Treasurer’s Report

## Marc Di Genova

For the Year Ended 30 June 2025

## Executive Summary

The 2024–25 financial year presented ongoing challenges for our organisation, reflected in our operational performance and financial results. Despite these difficulties, our balance sheet remains strong, and we are taking decisive steps to secure our future.

## Financial Performance

- **Net Deficit:** Our operations continued to run at a net deficit, with losses increasing by $95,381 compared to FY24. The total comprehensive loss rose from $(581,817) in FY24 to $(1,283,527) in FY25, significantly impacted by the closure of the Brunswick operation, which cost $(486,773).
- **Balance Sheet:** Our net asset position at year-end was $14,677,534, a decrease of $(1,283,527) from the prior year. Much of the proceeds from asset sales in late FY22 were used to fund ongoing operational losses and the Brunswick closure.
- **Asset Management:** The organisation has elected to sell the Frankston support office to generate funds for investment in revenue generating assets and to ensure ongoing liquidity.

## Key Factors Affecting Results

- Closure of Brunswick operation.
- Flat sales and reduced profitability in our Opportunity Shops.
- Increased operating costs due to the expansion of portable long service leave recipients.
- Reductions in funding.
- Flat participant numbers and commercial income.

## Strategic Outlook

While our strategic priorities have not yet delivered the expected financial results, the Board is actively considering options to achieve improved outcomes. We remain confident that the new initiatives will position the organisation for future success.

## Closing Remarks

Despite a challenging year, our organisation is taking proactive steps to address financial pressures and invest in sustainable growth. We appreciate the ongoing support of our members and community as we navigate these changes.

# Directors' Report

## 30 June 2025

The directors present their report on Connecting2Australia for the financial year ended 30 June 2025.

**Directors**

The names of the directors in office at any time during, or since the end of, the year are:

| Names | Position | Appointed | Resigned |
|---|---|---|---|
| Tim Crowe | Chair | 1/07/2012 | |
| Gordon Frankland | Deputy Chair | 1/07/2011 | 26/11/2024 |
| Marc Di Genova | Treasurer | 25/10/2018 | |
| Lisa Charter | | 25/08/2020 | 26/11/2024 |
| Iain Spear | | 27/04/2023 | |
| Con Tsoukas | | 31/01/2023 | |
| Ella Joyce | | 30/07/2024 | |
| Ben Hill | | 27/08/2024 | |

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

**Principal Activities, Objectives and Strategies**

The Company offers a wide range of programs for adults and youths living with a disability and/or disadvantage, focussing on integration into the workforce and/or community through development, training and support.

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the Company. At 30 June 2025, the total amount that members of the Company are liable to contribute if the Company is wound up is $150 (2024: $170).

The Company commenced trading on 1 July 2012 with the acquisition of the business, assets and liabilities of Woorinyan Incorporated.

The Company's strategies will be driven by the Strategic Plan with a focus on customer growth (Participant and Commercial), process improvement (systems), people (staff retention and recruitment), and financial sustainability.

**Review of operations**

In the 2025 financial year the organisation focused on increasing revenues in core businesses, driving operational efficiencies through the implementation of new technologies to manage our clients and commercial customers, and vacating the unprofitable Brunswick Timber Furniture manufacturing business.

The gross impact of the Brunswick site closure was $486,773 including the cost of redundancies, make good at the site, and operating losses for the year.

It should also be noted that Directors have elected to sell the Support Office site at 362-364 Nepean Highway Frankston to enable investment of those funds into revenue generating assets. This transaction will conclude on 26 March 2027 and generate $4 million (a loss of $245,000 against book value).

It is the opinion of the Directors that the results of the Company's operations during the year were not substantially affected by any item, transaction, or event of a material and unusual nature, other than those noted above.

# Directors' Report

## 30 June 2025

### Meetings of directors

The names of each person who has been a Director during the year and to the date of this report are listed below. During the financial year 11 meetings of Directors were held and the attendance by each Director is listed below:

| | Directors' Meetings | | Finance and Audit Subcommittee | | Governance subcommittee | | Mergers, Acquisitions & Property subcommittee | |
|---|---|---|---|---|---|---|---|---|
| | Number eligible to attend | Number attended | Number eligible to attend | Number attended | Number eligible to attend | Number attended | Number eligible to attend | Number attended |
| Tim Crowe | 11 | 10 | 2 | 1 | 4 | 4 | 2 | 2 |
| Gordon Frankland | 5 | 5 | - | - | - | - | 1 | 1 |
| Marc Di Genova | 11 | 7 | 4 | 3 | - | - | - | - |
| Lisa Charter | 5 | 4 | - | - | - | - | - | - |
| Iain Spear | 11 | 10 | 4 | 4 | 4 | 4 | - | - |
| Con Tsoukas | 11 | 9 | - | - | - | - | - | - |
| Ella Joyce | 11 | 10 | - | - | 4 | 4 | - | - |
| Ben Hill | 10 | 10 | - | - | - | - | - | - |

Except as disclosed in Note 21, no Director has an interest in any contract or proposed contract with the Company declared since the last Director's Report, and Directors do not receive any remuneration from the Company.

### Operating result

The net deficit of the Company for the financial year from continuing operations was ($750,489) (2024: $580,411).

The net cash from operating activities for the financial year was ($137,447) (2024: Inflow of $276,244).

### State of affairs

Other than the matters described above in Review of Operations, there have been no other significant changes in the state of affairs of the Company during the financial year.

### Events after the reporting date

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

### Likely developments

The likely future developments in the operations of the Company are the continuation of the principal activities set out in this report.

# Directors' Report

## 30 June 2025

**Environmental regulations**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

**Auditors independence declaration**

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* is set out on the following page.

Signed in accordance with a resolution of the Board of Directors:

Chair/Director: ..............................................................
Tim Crowe

Treasurer/Director: ..............................................................
Marc Di Genova

Dated 30 September 2025

# Auditors’ Report

## 30 June 2025

### Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Connecting2Australia

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

(i) No contraventions of the independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit, and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

ACCRU MELBOURNE (AUDIT) PTY LTD

A N Samadi
Director

30 September 2025

# Statement of Profit or Loss and Other Comprehensive Income

## For the Year Ended 30 June 2025


## Statement of Profit or Loss and Other Comprehensive Income

### For the Year Ended 30 June 2025


| | 2025 | 2024 |
|---|---|---|
| | $ | $ |
| Revenue | **15,467,928** | 15,698,941 |
| | | |
| Community Connections | **(5,877,780)** | (5,332,276) |
| Respite | **(64,874)** | (85,358) |
| Retail connections | **(590,974)** | (551,043) |
| Work connections | **(6,559,429)** | (7,380,380) |
| Support office | **(3,125,360)** | (2,930,295) |
| **Total Expenditures** | **(16,218,417)** | (16,279,352) |
| **Surplus/(deficit) from operations** | **(750,489)** | (580,411) |
| Profit/(loss) from discontinued operations | **(486,773)** | - |
| Loss on disposal of assets | **(32,619)** | (4,323) |
| Profit on disposal of assets | **24,525** | 11,753 |
| **Surplus/(deficit) for the year** | **(1,245,356)** | (572,981) |
| **Other comprehensive income** | | |
| **Items that will not be reclassified subsequently to profit or loss** | | |
| Fair value revaluation of financial assets | **(38,171)** | (8,836) |
| **Total comprehensive income/(loss) for the year** | **(1,283,527)** | (581,817) |

# Statement of Financial Position

## As At 30 June 2025

| | 2025 | 2024 |
|---|---|---|
| | $ | $ |
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | **669,693** | 688,617 |
| Trade and other receivables | **1,475,704** | 1,489,206 |
| Inventories | **-** | 11,453 |
| Financial assets | **989,219** | 1,875,851 |
| Other assets | **98,354** | 101,726 |
| TOTAL CURRENT ASSETS | **3,232,970** | 4,166,853 |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | **15,539,079** | 15,758,822 |
| Right-of-use assets | **1,433,743** | 1,164,298 |
| TOTAL NON-CURRENT ASSETS | **16,972,822** | 16,923,120 |
| TOTAL ASSETS | **20,205,792** | 21,089,973 |
| **LIABILITIES** | | |
| CURRENT LIABILITIES | | |
| Trade and other payables | **1,184,305** | 1,044,469 |
| Lease liabilities | **283,048** | 249,833 |
| Employee benefits | **1,792,240** | 1,785,121 |
| Other liabilities | **61,683** | 35,004 |
| TOTAL CURRENT LIABILITIES | **3,321,276** | 3,114,427 |
| NON-CURRENT LIABILITIES | | |
| Borrowings | **777,798** | 831,408 |
| Lease liabilities | **1,207,541** | 960,676 |
| Employee benefits | **221,643** | 222,401 |
| TOTAL NON-CURRENT LIABILITIES | **2,206,982** | 2,014,485 |
| TOTAL LIABILITIES | **5,528,258** | 5,128,912 |
| NET ASSETS | **14,677,534** | 15,961,061 |
| **EQUITY** | | |
| Financial asset reserve | **(79,860)** | (41,689) |
| Asset revaluation reserve | **4,039,378** | 4,039,378 |
| Retained earnings | **10,718,016** | 11,963,372 |
| TOTAL EQUITY | **14,677,534** | 15,961,061 |

Business for good

Verified

Quality Management · ISO 9001
Global-Mark.com.au®

OHS Management System · ISO 45001
Global-Mark.com.au®

Environmental Management · ISO14001
Global-Mark.com.au®

Global-Mark Triple Certification

# Credibility matters

Established in 1953, C2A makes the connection between individualised support and meaningful employment for people with disability living across Regional Victoria and metropolitan Melbourne.

The enduring commitment and professional contribution of our people, underpinned by strict quality standards and certifications, make the difference.

From community engagement to supported employment, progressive individualised support programs cater to meet the everchanging needs and goals of our wonderful clients.

There are no limits.

Disability Without Limits | C2A