



2015/2016

ANNUAL REPORT



Our Vision

RSL Care WA is the first preference for the provision of innovative quality community and residential aged care and independent retirement living options to the general community, including ex-service men and women and their dependents in Western Australia.

Our Mission

As a registered charity, RSL Care WA provides accessible options across the full continuum of care for the aged in the general community, including ex-service men and women and their dependents.

Our Values

Caring, Trust, Respect, Openness, Integrity, Fairness and Compassion.



Chairman's Report

I am delighted to present the Chairman's report for the year ended 30 June 2016.

RSL Care WA continues to provide our Retirement Village, Residential Care, Community Care and Respite range of services, in accord with our charitable and benevolent objectives.

Our Jurien Bay Retirement Village stage two development has progressed in accordance with our strategic planning and the support of the Shire of Dandaragan Council and Executive Team. Three exhibition independent living units were completed and furnished for our December 2015 stage two opening day. The open day was a great success and since that time four additional units have been sold with potential resident interest remaining strong. Our success in securing 12 Community Care packages in the Wheatbelt aged care planning region during the 2015 Aged Care Approval Round (ACAR) has provided us with the opportunity to provide care into the Jurien Bay and surrounding community and within our retirement village. The Board has again provided approval and committed to the pursuit and development of further opportunities to expand our accommodation and care services to Jurien Bay and surrounding region.

Construction of the Geraldton Retirement Village Community Centre is complete and providing the recreational and social amenity we had envisaged during the planning and development stages. We acknowledge the generosity and support of Lotterywest for providing grant funding to furnish the Centre now being utilised by our residents, their families and friends. The multi-purpose room adjoining the respite centre has also been refurbished and a new roof completed which compliments the office extensions completed last year. The Board has provided approval for the exploration and development of options for the further improvement of the retirement village to compliment the recently completed capital works.

The Board remains cognisant of the multifaceted regulatory framework our business divisions operate within and the importance of ongoing compliance with governing authorities. We remain confident our governance principles, together with our strategic and operational risk management and mitigation principles are sufficiently strong and reliable enough to ensure we will continue to meet both our strategic and charitable objectives.

RSL Care WA continues to deliver the intended charitable service outcomes across the portfolio despite the ongoing challenges associated with the Federal Government's Aged Care Reforms and Budgetary pressures.

RSL Care WA's end of financial year results again highlight the effectiveness of our Management team, guided by our Managing Director and Chief Executive Officer, Kevin Davidson, during challenging commercial conditions, and time of substantial regulatory and budgetary challenges. The Board joins me in thanking the Management Team and RSL Care WA's more than 400 full-time and casual employees, for their outstanding commitment and contribution to RSL Care WA's ongoing success and those entrusted to our care.

My Board colleagues and I whole heartedly welcomed the re-appointment of Mr Bob Kucera and Mr Geoff Martin to the Association's Board for further three year terms at the December 2015 Annual General Meeting. Mr Kucera and Mr Martin's highly valued experience and commitment to the Association will ensure the Board continues to discharge its corporate governance responsibilities with the utmost effect. We also acknowledge the valuable contribution of Mr Bruce McHarrie to the Association's Board during his tenure from July 2013 to December 2015. We wish Bruce every success in his future endeavours.

The legal dispute with the Returned and Services League (WA Branch) over the ownership of our retirement villages and aged care facilities continued during the reporting period. Nevertheless, at the time of writing this report the matter has been resolved. The dispute has had no impact on the day-to-day running of RSL Care WA's villages and facilities. RSL Care WA's top priority continues to be the welfare of our residents and we will continue to provide the highest quality services, support and care to our constituents.

Once again, I thank my Board colleagues for their professionalism, enduring commitment, leadership, support and astute advice throughout the past year ensuring the best possible organisational outcomes and the ongoing provision of essential services to those in need and the aged and infirm in Western Australia.

KEVIN CAMPBELL, AM

Managing Director & CEO Report

The 2015/2016 reporting period continued to provide opportunities and challenges associated with the implementation of the Living Longer Living Better Aged Care reforms. The significant reform challenges coupled with Federal Government cuts to aged care funding and the implementation of consumer directed care in the community care environment have necessitated the continued detailed attention of the Board and senior management teams across a range of strategic, operational and tactical issues.

Federal Government continued cuts to the Aged Care Funding Instrument (ACFI) that determines and delivers the level of subsidy income for individual persons in residential care will continue to present challenges in the provision and accessibility of care to the frail and elderly. Through our national industry memberships we have continued to support calls for a genuine consultative review of funding arrangements being undertaken by government; including the provision of evidence to support reductions to aged care funding arrangements.

Once again, the professionalism, experience and commitment of RSL Care WA's dedicated team have enabled the organisation to meet reform milestones without any diminution of service provision or quality standards.

We believe our residents, clients and staff have benefited from RSL Care WA's demonstrated ability to govern and manage effectively in a changing operating environment, while continuing to actively pursue diversified business opportunities and deliver upon our charitable objectives.

RSL Care WA Overview

874 residents and clients may receive our services at any one time:

- 233 or 27% Residential Aged Care residents;
- 353 or 40% Independent Living Unit residents;
- 230 or 26% Home Care clients;
- 53 or 6% Veterans Home Care clients;
- 5 or 1% National Carer Respite Program (82 annually).

RSL Care WA also provides full management services to another charitable organisation, Wattle Hill Care Incorporated:

- 62 bed Residential Aged Care service;

- 51 Independent Living Unit residents.

494 people assist RSL Care WA to achieve our charitable objectives:

- 417 or 85% are full time and part time employees (as at last pay period of FY 2015/16);
- 77 or 15 % are volunteers (includes Board members).

Who was helped by our charity in FY 2015/16?

Elderly women and men from the general community, people from diverse cultural and linguistic backgrounds, people at risk of homelessness, people with disabilities, people with chronic or terminal illness, people who are financially and/or socially disadvantaged, people who live in rural or remote locations, people from an Indigenous background, veterans and their dependents.

Resources and Operating Locations

RSL Care WA operates the following services in Western Australia:

- Coral Estate Retirement Village
- Geraldton Retirement Village
- Jurien Bay Retirement Village
- Mandurah Retirement Village
- Menora Gardens Retirement Village
- Pearson Retirement Village
- Meadow Springs Residential Care Facility
- Menora Gardens Residential Care Facility
- Eastern Hills Lesmurdie Home Care Services
- Geraldton Home Care Services
- Perth North Metropolitan Home Care Services
- South West Rural Home Care Services
- Geraldton National Carer Respite Program
- Geraldton Budget Accommodation
- Veterans Home Care Services, (Metro North, Metro East and Mid-West)
- Veterans Community Nursing Services (Wheatbelt, Southwest, Midwest, North Metro, East Metro)
- Wattle Hill Care Bunbury (Residential Care Facility and Retirement Village – Management Services)

Key and Charitable Activities

Charitable Objectives

The following outline of our key and charitable activities provides an insight as to how these activities assist us achieve our charitable objectives. The Board, Management Team, Staff and Volunteers remain dedicated to our time-honoured charitable objectives:

- (a) To provide and operate facilities for the aged and infirm in Western Australia, including for veterans and their dependants, and for persons in necessitous circumstances; and
- (b) To provide care and assistance of the highest standard for aged and infirm persons.

The property and income of RSL Care WA is applied solely towards the promotion of our charitable objects and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to Members.

Retirement Villages

RSL Care WA Retirement Villages are located at Geraldton, Jurien Bay, Menora (two villages), and Mandurah (two villages).

Construction of the new Geraldton Retirement Village Community Centre and carpark has been successfully completed. The centre has been furnished thanks to the generosity of a Lotterywest grant and village residents, their families and friends are now enjoying this outstanding social and recreational addition to the Village. The new roof and refurbishment of the respite centre multi-purpose room has also been completed transforming the area to a more vibrant user-friendly resource for our clients.

Stage 2 construction of the Jurien Bay Retirement Village commenced during the year with the completion and furnishing of three exhibition independent living units in time for the December 2015 village open day. The open day was a great success with approximately 100 guests touring the village and since that time four additional units have been sold with potential resident interest remaining strong. Our success in securing 12 Community Care packages in the Wheatbelt aged care planning region during the 2015 Aged Care Approval Round (ACAR) has provided us with the opportunity to provide care into the Jurien Bay and surrounding community

and within our retirement village. The Board has provided approval and committed to the pursuit and development of further opportunities to expand our accommodation and care services to the Jurien Bay and surrounding region. Subsequently, RSL Care WA has applied for a one-off grant through the WA Country Health Service, Southern Inland Health Initiative (SIHI) Stream 6 Residential Aged Care and Dementia Investment Program to assist with seed funding and refurbishing of the former Central West Coast Senior Citizens building for use as a day and overnight respite centre. If approved the grant funding will assist us in our endeavours to support older people to age within their regional communities.

Mandurah Village and Coral Estate Village, Menora Gardens Village, Pearson Village, Geraldton Village, continue to perform very well, with each village operating at capacity for a variety of independent living unit lease for life or rental lease options.



Members of the Menora Gardens & Pearson Retirement Villages 90's Club - 2016

For over a decade, RSL Care WA has recognised the demand for flexible shorter term Retirement Village accommodation being provided on a 'rental only' basis, to assist in caring and supporting the aged. The rent payable in these instances is substantially below market rental values for similar residential properties. These leasing terms provide members of the general community experiencing poverty, distress, disadvantage, financial hardship, social isolation, loneliness or in necessitous circumstance access to safe and secure independent living accommodation. Home Care services and visitation services are also available when required.



Jurien Bay

Thirty four units or approximately 10 % of our Retirement Village portfolio is allocated as rental accommodation. Across the retirement village portfolio operating deficits totalling \$88,801 have been subsidised and absorbed by RSL Care WA in keeping with our charitable objectives.

Residential Care

Residential Care Facilities at Menora Gardens (178 beds) and Meadow Springs (55 beds) continue to operate at capacity, providing premium standards of residential care, while meeting regulatory compliance. Both facilities maintained compliance with all standards during scheduled and unannounced assessment inspections by the Australian Aged Care Quality Agency during the reporting period.

Fully supported residents account for approximately 59 placements or 34% of RSL Care WA's annual residential care placements in furtherance of our charitable objects.

We continue to receive positive feedback regarding the environment in all areas of Menora Gardens and Meadow Springs from residents, their families and also visitors to the facilities such as aged care accreditation standards assessors.

ClientCare, the last of the financial and management modules was successfully rolled out in 2015/2016, replacing iSoft billing that has served RSL Care WA well since 2002. CareSystem, with a fully integrated suite made up of PayCare, AssetCare, CrediCare, LegiCare, BondCare, RosCare and ClientCare is now in place to serve the organisation for many years.

Home Care

RSL Care WA Home Care services are available for 230 clients in Geraldton, Eastern Hills of Perth, North Metropolitan region of Perth and the Rural South West. Veterans' Home Care services are provided to 63 clients in the North Metropolitan, East Metropolitan regions of Perth as well as in the Mid-West in Geraldton. Intermediate (Level 3) and High Care (Level 4) programs remain in high demand while income testing arrangements have led to a reduction in take up rates for Level 1 and Level 2 programs.

In keeping with the Federal Governments continued reform of the aged care sector and stated recognition that many older Australians wish to remain in their own home for as long as possible, RSL Care WA continued to pursue Home Care growth opportunities in metropolitan and regional areas through the Aged Care Approval Round (ACAR) submission process.

RSL Care WA was successful in securing an additional 31 Home Care packages in the Aged Care Planning Regions of Metro East (10), Metro North (12), and Mid-West (9) bringing our home care package numbers to Metro East (80), Metro North (42), Mid-West (67). We were delighted to also be successful in securing 12 intermediate care (level 3) Home Care packages for a new service in the Wheatbelt region. Our Co-ordinator, Ms Sarah Munns was appointed in June 2016 and is working from the Jurien Bay retirement village community centre office. During the establishment of this service Ms Munns is visiting key stakeholders in the Wheatbelt Community to ensure market awareness of this new service and to establish working relationships.

RSL Care WA now has a total of 230 community care packages available across the East and North metropolitan areas, Mid-West, Rural South West, and Wheatbelt.

RSL Care WA is acutely aware that the Consumer Directed Home Care sector will effectively be deregulated from 27 February 2017. This deregulated market will see consumers being assessed and subsequently approved for a level of home care (Level 1, 2, 3 or 4). They will then be able to receive that care from their choice of provider. Home Care service providers will no longer be allocated specific numbers of home care packages and government funding will go to the Provider designated by the consumer.

RSL Care WA staff have planned for the deregulated consumer directed home care sector and believe we are well placed to compete in the market

while maintaining a high quality of care and service to clients and satisfy our regulatory compliance obligations.

Department of Veterans Affairs (DVA), Community Nursing Services

RSL Care WA executed an Agreement with DVA for the provision of Community Nursing Services on the 21st March 2016. Areas covered by the Agreement include Wheatbelt, Southwest, Midwest, North Metro, East Metro. This will increase RACA's service provision to Veterans beyond the current Veterans Home Care (VHC) service. VHC provides entitled persons a small amount of practical help to continue living independently in their own home. Services include Domestic Assistance, Personal Care, Respite Care, and safety-related Home and Garden Maintenance. VHC is not designed to meet complex or high-level care needs. Community Nursing Services provide clinical nursing and/or personal care services in an entitled person's home by registered and enrolled nurses and support staff.

Community Support

During the reporting period, RSL Care WA continued to provide a three year peppercorn lease (\$1.10 per annum) for a commercial building to the Returned & Services League Branch of Western Australia. The building is tenanted by the Mandurah RSL Sub Branch, and used for social and welfare activities to assist Returned Service Men and Women and their dependents.

RSL Care WA is currently absorbing annual losses of approximately \$130,000 to provide this charitable community support. In addition, RSL Care WA continues to provide meeting room facilities free of charge to the Mount Lawley-Inglewood RSL Sub Branch Committee and members, and the WA Aged Sailors, Soldiers and Airmen's Relief Fund Trustees monthly meetings.

Training and Development

RSL Care WA continued its commitment to provide employees with ongoing learning and development opportunities. Approximately \$190,500 was directed to staff training sessions during the year. This figure does not include internal staff time associated with "tool box" sessions undertaken nor on-the-job buddy shifts.

Staff numbers attending training¹ during FY 2015/16 are as follows:

¹ Internally delivered training includes all annual mandatory training updates and identified training needs as a result of performance development activities. Externally delivered includes modules undertaken through the Aged Care Channel on-line learning programmes.

- Externally delivered – 164
- Internally delivered - 3242
- Induction – 218

Staff Recognition

Award ceremonies continue to be held during the year to recognise significant service milestones, successful completion of training courses and to acknowledge the valuable contribution of our staff and volunteers.

RSL Care WA Chairman, Mr Kevin Campbell AM, presented National Australia Day Council Achievement Medallions and Certificates to members of staff during an award ceremony on Friday 22 January 2016.



Australia Day Awards ceremony

Back (L-R) – Annette Bailey, Gemma Watson, Barry Collins, Kathy Jarvis, Olga Munoz Baeza, Hendrika Coombs, Jan Gillam, Violet Shields, Irja Mortezaei.
Front (L-R) – Nancy Wells, Cheryl Salado, Paula Riley, Carol Myers.

Recipients were awarded Australia Day Council Medallions and Certificates in recognition of their sustained outstanding service to residents of Retirement Villages, Residential Care Facilities and to their colleagues.

The National Australia Day Council Achievement Medallions and Certificate provide the RSL Care WA Board and management team with an opportunity to acknowledge and recognise outstanding individual and team contributions in the lead up to Australia Day.

Corporate Reporting Obligations

RSL Care WA remains compliant with the regulatory and mandatory reporting requirements of the Aged Care Act 1997, Retirement Village Act 1992 (WA), Retirement Villages Regulations 1992, Fair Trading (Retirement Villages Code) Regulations 2015 (WA), Land Administration Act 1997 (WA), Associations Incorporation Act 1987, Australian Charities and Not-for-Profits Commission (Consequential and Transitional) Act 2012, Corporations Act 2001 (Cth), Fair Work Act 2009 (Cth), and the Veterans' Home Care and Veterans' Community Nursing Services Guidelines (Department of Veterans Affairs).



Acknowledgements

We acknowledge Lotterywest, The ANZAC Day Trust, and The Western Australian Aged Sailors, Soldiers and Airmen's Relief Fund, for their ongoing financial support of RSL Care WA initiatives that ensure the best possible support and outcomes for our aged clients and those in necessitous circumstances. Programme Maintenance Services ongoing support of the Menora Gardens and Pearson Village 90's Club is greatly appreciated. The staff incentive programs offered by Harvey Norman Cannington Superstore and HBF Health Insurance are also highly valued.

I extend my sincere thanks to the RSL Care WA management team, staff and our committed volunteers who continue to deliver outcomes well beyond all possible expectations. The Board and I are truly indebted and grateful for the professionalism, loyalty, dedication, enthusiasm and optimism demonstrated by those who work and volunteer at RSL Care WA. To our Chairman, Kevin Campbell AM, and fellow Directors, The Honourable Bob Kucera APM, JP, The Honourable Ray Halligan FIPA, Geoff Martin, Rae Freeman JP, and past Director Bruce McHarrie FCA, I convey, on behalf of all staff, clients, residents and volunteers, our deep appreciation for generously providing their professional expertise, experience, patience and time to ensure the continued success of RSL Care WA.

KEVIN DAVIDSON, MVO, OAM



Jurien Bay

Financial Summary 2015/2016

These figures are an extract of the audited annual accounts which have been produced in accordance with the Australian Accounting Standards.

	2015-2016	2014-2015
	'000	'000
REVENUE		
Subsidies	18,829	17,962
Fees	6,402	6,191
Other Income	5,536	6,064
	30,767	30,217
EXPENDITURE		
Employment	17,504	16,920
Other	10,532	9,886
Depreciation	1,262	1,311
	29,298	28,117
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES	1,469	2,100
TOTAL COMPREHENSIVE INCOME/(LOSS)	1,469	2,100
ASSETS		
Current & Cash	44,309	38,972
Property, Plant & Equipment	193,774	193,612
TOTAL ASSETS	238,083	232,584
LIABILITIES		
Payables	2,144	2,325
Provisions	1,663	1,539
Bonds	143,983	137,477
Borrowings	19,472	21,873
Other	539	557
TOTAL LIABILITIES	167,801	163,771
NET ASSETS	70,282	68,813

RACA Board Members

Chairman

Mr Kevin Campbell, AM

Deputy Chairman

The Hon Robert C Kucera, APM, JP

Director

The Hon Ray Halligan FIPA

Director

Mr Geoff Martin

Director

Mr Rae Freeman, JP

Director

Mr Bruce McHarrie, FCA
(Resignation effective 1 December 2015)

Managing Director and CEO
Mr Kevin Davidson, MVO, OAM



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