



**2012/2013**

# **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 pleased to present to you the Chairman's report for the year ended 30 June 2013.

We report that we were able to achieve our revenue and profit projections, allowing us to deliver our Retirement Village, Residential Care, and Community Care continuum of care services, in accordance with our charitable objectives. RSL Care WA continues to seek ways to improve our efficiency and manage our cost base, while remaining alert to opportunities that may lead to increased revenue.

In an effort to ensure the Board is fully conversant with RSL Care WA's portfolio components and current and future developments, the Board conducted site visits to Jurien Bay and Geraldton during April 2013. The opportunity to view first-hand the completed 18 independent living units of stage 1 of the Jurien Bay Retirement Village, the partially completed Community Centre and to meet with on-site project manager and construction foreman, was extremely beneficial for Board Members. Visiting the Geraldton Retirement Village, Respite Centre, Community Care Co-ordination Office and associated staff was equally beneficial. Board Members not only gain an appreciation of the physical aspects of these sites during these visits but also witness the organisation's capacity to create communities for seniors and provide essential services to those in need, the aged and infirm in Western Australia.

The Board remains cognisant of the multifaceted regulatory framework that our business divisions operate within, and maintains an emphasis on rigorous governance standards, strategic and operational risk management and mitigation, and compliance with regulatory authorities, to ensure we meet our strategic and charitable objectives.

RSL Care WA remains well placed to meet the commercial and regulatory challenges associated with implementing the Federal Government's Aged Care Reforms now and into the future. The Board retains full confidence in the strategies and operational structures and policies in place to ensure the ongoing viability of all business divisions.

Our services – retirement living, residential care, and community care continue to perform effectively, efficiently and successfully. 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 business conditions, depressed economic conditions and regulatory change. The Board joins me in thanking them and RSL Care WA's more than 350 full-time and casual employees, for their exceptional commitment and contribution to RSL Care WA's ongoing success and those entrusted to our care.

I would like to once again thank my fellow Board Members for their unstinting support and astute advice throughout the year. In view of their increasing range of other commitments, we farewelled Kevin Cass-Ryall and Don Blair from the Board during the year and acknowledge their highly valued voluntary contribution to the governance of RSL Care WA. At the time of writing this report, replacement Board Member nominations were being considered by the Board. When making Board appointments our intention is to ensure a balance of skills, experience, independence and knowledge that allows each Board member to discharge their duties and responsibilities effectively. Selecting the best candidates is paramount in ensuring the highest standards of corporate governance are maintained for RSL Care WA.

As always, I look forward to the Board's continued support and wise counsel during the year ahead.

## KEVIN CAMPBELL, AM



## ***Managing Director & CEO Report***

The 2012/2013 reporting period has proven to be a time of expectation and in some cases, uncertainty, while awaiting the outcome of Parliamentary debate on the amendments to the Aged Care Act 1997 associated with the *Living Longer Living Better* Aged Care Reform Bills, and the introduction of the Australian Charities and Not-for-Profits Commission Act 2012. The amendments to the Aged Care Act 1997 and related legislation were passed by the Commonwealth Parliament on the 26<sup>th</sup> June 2013, and the Australian Charities and Not-for-profit Commission (ACNC) Act 2012 passed through the Commonwealth Parliament on 1 November 2012.

The Aged Care Reforms and the introduction of the ACNC present challenges and opportunities to RSL Care WA. Our stakeholders, residents, clients and staff should remain confident that RSL Care WA will continue to be governed and managed effectively, allowing us to continue to pursue our diversified business opportunities and charitable objectives, in a changing operating environment.

### **RSL Care WA Overview**

#### **806 residents and clients receive our services at any one time:**

- 233 or 29 % Residential Aged Care residents
- 331 or 41 % Independent Living Unit residents
- 150 or 18 % Home Care clients
- 87 or 11 % Veterans Home Care clients
- 5 or 1 % National Carer Respite Program

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

- 62 bed Residential Aged Care service (35% concessional); and
- 51 Independent Living Unit residents (includes 4 rental units)

#### **478 people assist RSL Care WA to achieve our charitable objectives:**

- 415 or 87 % are full time and part time employees (as at last pay period of FY 2012/13)
- 63 or 13 % are volunteers (includes Board members).

## Who was helped by our charity in FY 2012/13 ?

Elderly men and women 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
- Geraldton National Carer Respite Program
- Geraldton Budget Accommodation – Patient Assisted Travel Scheme (PATS)
- Perth Veterans Home Care Services
- Wattle Hill Lodge Bunbury (Residential Care Facility and Retirement Village – Management Services)
- Wattle Hill Lodge Bunbury – Retirement Village Redevelopment Project 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 committed to our well established 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 (2 villages), and Mandurah (2 villages). Our most recent development at Jurien Bay has nine of the first 18 independent living units in stage one occupied, while construction of the Community Centre is meeting project planning milestones and is expected to be completed during November 2013.

Twenty of the 28 ‘Grandview’ apartments at Menora Gardens Retirement Village are occupied, with deposits taken for several others. Geraldton Village, Pearson Village, Mandurah Village and Coral Estate Village continue to perform strongly, 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

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 or in necessitous circumstance access to safe and secure independent living accommodation. Home Care services and visitation services are also available when required.

This charitable activity has recently been extended to our newest Retirement Village project at Jurien Bay where four of the first eighteen units completed were allocated as rental accommodation. Demand remains high for this type of offering, with these four rental units being leased in a matter of weeks.



Jurien Bay Development – Stage 1

Thirty one units or 11 % of our Retirement Village portfolio is allocated as rental accommodation. Across the portfolio operating deficits totalling \$ 243,377 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 achieved all 44 accreditation standards during audits conducted in August 2012 which is a great credit to all staff.



Concessional residents continue to account for approximately 93 placements or 40 % of RSL Care WA's annual residential care placements in furtherance of our charitable objects.

A significant 3 year refurbishment program in the 'Howes' wing of the Menora Gardens facility was successfully completed in February 2013, with 52 ensuite bedrooms and bathrooms being completely refurbished at a cost of \$664,000.

Staff at both facilities attended training to prepare for the upgrade of the Lee Care computer based nursing program, which was successfully implemented during December 2012.

The Menora facility implemented a supervised Men's Workshop Group that provides residents with the opportunity to share not only a wide variety of tools, sometimes for the first time, but also their knowledge, experience and skills in a 'hands on' environment. This has enabled residents to maintain and retain their skills, whilst also being productive in a more active and vigorous social environment. Residents are enjoying the opportunity to create projects, and contribute to outcomes which in turn enhances their health and well-being.

This initiative has proven very successful with approximately five residents using the supervised facility each week, to make a variety of children's toys.

We welcomed Mrs Kim Sewell to RSL Care WA, appointed to the position of Manager, Residential Care for the Menora Gardens facility during August 2012. Kim has a strong background in aged care clinical nursing and has managed a number of Residential Care facilities in Western Australia.

### **Home Care**

RSL Care WA Home Care services are provided to 150 clients in Geraldton, Eastern Hills of Perth, and the North Metropolitan region of Perth. Veterans' Home Care services are provided to 87 clients in the North Metropolitan region of Perth. Both Home Care programs remain in high demand with 8 clients receiving services at either reduced rates or at no charge, due to their necessitous circumstances.

The Perth North Metropolitan and Eastern Hills operations and co-ordination centres both re-located to new office accommodation during the year, due to the growth in these business unit services and associated staff.

RSL Care WA has continued to pursue Home Care growth opportunities to metropolitan and regional areas, through the Aged Care Approval Round (ACAR) submission process. Unfortunately, of the 5,835 new Home Care places available nationally during the 2012/2013 ACAR, only 80 places were available to Western Australia. We look forward to a significant expansion of the home care packages program during the 2013/2014 ACAR in line with the key objectives of the Aged Care Reforms.

### **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 absorbing annual losses of approximately \$620,000 to provide this charitable community support, until the expiration of the lease in September 2014. In addition, RSL Care WA provides 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 \$147,000 was directed to staff training sessions during the year.

Staff numbers attending training during FY 2012/13 are as follows:

- Nationally Recognised Qualification – 14
- Externally delivered - 104
- Internally delivered<sup>1</sup> - 2504
- Induction – 211

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<sup>1</sup> Internal delivered training includes all annual mandatory training updates (exclusive of orientation), toolbox sessions and identified training needs as a result of performance development activities.



Graduates of Cert IV Frontline Management

## 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 volunteers.

For the first time RSL Care WA presented National Australia Day Council Achievement Medallions and Certificates to members of staff during an award ceremony on Friday 25 January 2013.



Australia Day Awards ceremony

RSL Care WA Senior Village Manager, Kaye Ireland, Meadow Springs Residential Care Facility Manager Helen King and the Menora Gardening and Maintenance team comprising Des Byrne, Chris Jarvis, Roy Smith, Dean Usher and Cedric Konstz 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 RSL Care WA with an opportunity to acknowledge the outstanding contributions and performance of teams and individuals.

### **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), Code of Fair Practice for Retirement Villages 2009 (WA), Land Administration Act 1997 (WA), Associations Incorporation Act 1987, Australian Charities and Not-for-Profits Commission Act 2012, Corporations Act 2001 (Cth), Fair Work Act 2009 (Cth), and the Veterans' Home Care Guidelines (Department of Veterans Affairs).



Coral Estate - Mandurah

## Acknowledgements

I would like to take this opportunity to 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 for our aged clients and those in necessitous circumstances. The staff incentive programs offered by Harvey Norman Cannington Superstore and HBF Health Insurance are also greatly appreciated.

I extend my gratitude and thanks to the management team, staff and volunteers who consistently exceed organisational expectations. Time and time again I am impressed by the professionalism, dedication, enthusiasm and optimism of those who work and volunteer at RSL Care WA. To our Chairman, Kevin Campbell AM, and fellow Directors I convey, on behalf of all staff, clients, residents and volunteers, our thanks for continually and selflessly providing their professional skills, knowledge, experience, advice and time to ensure the ongoing success of the organisation.

## KEVIN DAVIDSON, MVO, OAM



Jurien Bay



## Financial Summary 2012/2013

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

THE RSL (WA) RETIREMENT & AGED CARE ASSOCIATION (INC.)		
	2012-2013	2011-2012
	'000	'000
<b>REVENUE</b>		
Subsidies	16,470	15,067
Fees	5,542	5,110
Other Income	7,388	6,492
	29,400	26,669
<b>EXPENDITURE</b>		
Employment	15,044	13,442
Other	8,554	8,576
Depreciation	1,646	1,754
	25,244	23,772
<b>PROFIT/(LOSS) FROM ORDINARY ACTIVITIES</b>	<b>4,156</b>	<b>2,897</b>
Impairment Gain/(Loss) *	(6,233)	0
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	<b>(2,077)</b>	<b>2,897</b>
<b>ASSETS</b>		
Current & Cash	19,690	12,991
Property, Plant & Equipment	196,940	202,619
<b>TOTAL ASSETS</b>	<b>216,630</b>	<b>215,610</b>
<b>LIABILITIES</b>		
Payables	1,397	1,234
Provisions	1,345	1,172
Bonds	122,257	118,212
Borrowings	26,331	28,399
Other	6	6
<b>TOTAL LIABILITIES</b>	<b>151,336</b>	<b>149,023</b>
<b>NET ASSETS</b>	<b>65,294</b>	<b>66,587</b>

\* Note: Impairment loss relates to land holding revaluations.

## ***Board Members***

***Chairman***

***Kevin Campbell, AM***

***Deputy Chairman***

***The Hon Robert C Kucera, APM, JP***

***Director***

***The Hon Ray Halligan FIPA***

***Director***

***Geoff Martin***

***Director***

***Kevin Cass-Ryall***

***(1 July 2012 – 21 January 2013)***

***Director***

***Don Blair OAM, RFD, ED***

***(1 July 2012 – 15 May 2013)***

***Managing Director and CEO***

***Kevin Davidson, MVO, OAM***



Grandview Apartments – Menora Gardens



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