



2013/2014

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 2014.

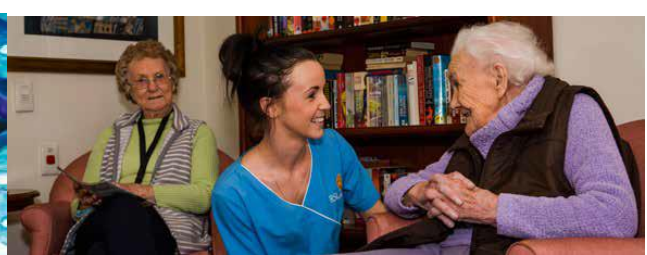
Once again, I am pleased to report that we were able to achieve our revenue and profit projections, allowing us to deliver our Retirement Village, Residential Care, and Community Care continuum of care services, in accordance with our charitable objectives.

The completion of the Jurien Bay Retirement Village Community Centre has provided not only a significant amenity for the village residents but also facilities and services for the Central West Coast Senior Citizens. Planning for stage 2 of the village is under way with every effort being made to explore options to ensure we provide cost competitive, quality, independent living options to our constituents.

During the reporting period the Board provided approval for the construction of extensions to the Geraldton Respite Centre and Community Care Co-ordination Office and the construction of the Geraldton Retirement Village Community Centre. The office extensions are required in response to the lack of suitable office accommodation for our growing Community Care staff numbers while the Community Centre will provide the Retirement Village residents with greater amenities to utilise and share with their fellow residents, friends and families.

Board Members look forward to the commencement of the Geraldton Retirement Village building projects and finalisation of our Jurien Bay Retirement Village due diligence process to ensure the best possible outcomes and the ongoing provision of essential services to those in need and the aged and infirm in Western Australia.

The Board remains cognisant of the complex regulatory structure 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.



The Board reiterates previous advice that 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 continues to retain full confidence in the strategies and operational structures and policies in place to ensure the ongoing viability of all business divisions.

Once again, our retirement living, residential care, and community care operations continue to out-perform expectations. 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 400 full-time and casual employees, for their exceptional commitment and contribution to RSL Care WA's ongoing success and those entrusted to our care.

We welcomed Ms Rae Kean and Mr Bruce McHarrie as they took up their appointments to the Association's Board during the year. Both Rae and Bruce provide the Board with an ongoing balance of skills, experience, independence, diversity and knowledge that will ensure the Board continues to discharge its corporate governance responsibilities effectively. Rae and Bruce have proven to be invaluable additions to the Association's Board and I look forward to working with them into the future.

A legal dispute with the Returned and Services League (WA Branch) over the ownership of our retirement villages and aged care facilities was an unwelcome distraction toward the end of the reporting period. Fortunately, the legal dispute will have no impact on the day-to-day running of RSL Care WA's villages and facilities. RSL Care WA's top priority has always been the welfare of our residents and we will continue to provide the highest quality services, support and care to our constituents. We are working with our legal teams to resolve the dispute in a prudent manner.

I would like to once again thank my fellow Board Members for their professionalism, enduring commitment, support and astute advice throughout the past year and look forward with optimism to the challenges of the coming year.

KEVIN CAMPBELL, AM

Managing Director & CEO Report

As expected the 2013/2014 reporting period provided both opportunities and challenges associated with the implementation of the *Living Longer Living Better* Aged Care reforms. Through the diligence, determination and commitment of RSL Care WA's team we have continued to meet all of the Aged Care reform implementation timeline milestones without any diminution of service provision or quality standards. In addition, RSL Care WA has continued to work closely with our legal practitioners to ensure Resident Lease documentation and operational compliance with the first stage of amendments to the Retirement Villages Act 1992 (the Act), the Retirement Villages Regulations 1992 and the Fair Trading Regulations (the Code).

Once again, our stakeholders, 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

823 residents and clients receive our services at any one time:

- 233 or 28 % Residential Aged Care residents
- 348 or 42 % Independent Living Unit residents
- 150 or 18 % Home Care clients
- 82 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 Care Incorporated:

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

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

- 439 or 85 % are full time and part time employees (as at last pay period of FY 2013/14)
- 77 or 15 % are volunteers (includes Board members).

Who was helped by our charity in FY 2013/14?

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
- Geraldton National Carer Respite Program
- Geraldton Budget Accommodation
- Veterans Home Care Services, (Metro North, Metro East and Mid-West)
- Wattle Hill Care Bunbury (Residential Care Facility and Retirement Village – Management Services)
- Wattle Hill Care 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 (two villages), and Mandurah (two villages).

During the reporting period the Board provided approval for the construction of extensions to the Geraldton Respite Centre and Community Care Co-ordination Office and the construction of the Geraldton Retirement Village Community Centre. The office extensions are in response to the lack of suitable office accommodation for our growing Community Care staff numbers while the new Community Centre will provide the Retirement Village residents with greater amenities to utilise and share with their fellow residents, friends and families.

The completion of our Jurien Bay Retirement Village Community Centre has provided not only a substantial amenity for the village residents but also facilities and services for the Central West Coast Senior Citizens. Planning for stage 2 of the village is in progress with significant effort being made to explore opportunities to ensure we provide cost competitive, quality, and innovative independent living options for the entire community.

Menora Gardens Village, Pearson Village, Geraldton Village, Mandurah Village and Coral Estate 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

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 Development – Stage 1

Thirty two units or approximately 11 % of our Retirement Village portfolio is allocated as rental accommodation. Across the portfolio operating deficits totalling \$345,686 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.

Concessional residents account for approximately 66 placements or 36 % of RSL Care WA's annual residential care placements in furtherance of our charitable objects.

In the reporting year further refurbishment in the 'Howes' wing of Menora Gardens facility was completed. This refurbishment was undertaken to provide a more appropriate physical environment for 52 residents with a principle diagnosis of dementia who need a safe and secure living environment.

As part of the Organisation's finance and management reporting system upgrade, a new payroll and rostering system was successfully rolled out. The new payroll system has resulted in savings of one working day per fortnight for payroll and also reduced the time taken in rostering, checking and completing the fortnightly timesheets by half.

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, East Metropolitan regions of Perth as well as in the Mid-West in Geraldton. All Home Care programs remain in high demand with 39 clients receiving services at either reduced rates or at no charge, due to their necessitous circumstances.

In keeping with the Federal Government's 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 continues to pursue Home Care growth opportunities in metropolitan and regional areas through the

Aged Care Approval Round (ACAR) submission process. The 2014 ACAR increased the number of home care places available to be delivered on a Consumer Directed Care basis nationally to 6,653. RSL Care WA made detailed submissions for home care places in the Aged Care Planning Regions of Wheatbelt (Shire of Dandaragan - 17), Rural South West (Shires of Collie, Bridgetown-Greenbushes, Manjimup, Nannup, and the City of Bunbury - 40), Metropolitan – North (Joondalup, Wanneroo - 45), and Mid-West (Chapman Valley, Greenough and Geraldton - 30) and at the time of writing is awaiting a determination on our application.

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 \$155,000 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 \$163,000 was directed to staff training sessions during the year. This figure does not include internal staff time associated with aspects of staff training. In the reporting year a review of the methods of training delivery was undertaken and the Home Care Division introduced on-line training for staff through the Aged Care Channel. This strategy supported staff to access self-directed learning modules for mandatory training.

Staff numbers attending training during FY 2013/14 are as follows:

- Nationally Recognised Qualification – 6
- Externally delivered - 256
- Internally delivered¹ -2678
- Induction –207

¹ 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. Externally delivered includes modules undertaken through the Aged Care Channel on-line learning programmes.



Certificate IV Awards ceremony

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.

Following the inaugural presentations in 2013, RSL Care WA presented National Australia Day Council Achievement Medallions and Certificates to members of staff during an award ceremony on Friday 24 January 2014.



Australia Day Awards ceremony

Ken Hamilton, Dianna Hooper, Kathleen Jarvis, Arlene Norris, Tracy Pines and Pearl Portlock received individual awards while the Geraldton Respite Services Group received the Team award. Ms Kerry Devlin accepted the award on behalf of the Geraldton team. Recipients were awarded Australia Day Council Medallions and Certificates in recognition of their sustained outstanding service to residents of Retirement Villages, Residential Care Facilities, Home Care clients, Respite Services clients 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 the outstanding contributions and performance of teams and individuals to our clients and operations.

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 2014 (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).



Acknowledgements

Once again, 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.

Without reservation, I extend my sincere appreciation and acknowledgement to the RSL Care WA management team, staff and committed volunteers who unfailingly surpass all expectations. The Board and I continue to be impressed by the professionalism, loyalty, dedication, enthusiasm and optimism of those who work and volunteer at RSL Care WA. To our Chairman, Kevin Campbell AM, and fellow Directors I again convey, on behalf of all staff, clients, residents and volunteers, our profound appreciation for generously providing their professional expertise, experience, patience and time to ensure the ongoing success of RSL Care WA.

KEVIN DAVIDSON, MVO, OAM



Jurien Bay

Financial Summary 2013/2014

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

	2013-2014	2012-2013
	'000	'000
REVENUE		
Subsidies	17,235	16,470
Fees	5,825	5,542
Other Income	6,310	7,388
	29,370	29,400
EXPENDITURE		
Employment	15,683	15,044
Other	8,993	8,554
Depreciation	1,431	1,646
	26,107	25,244
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES	3,263	4,156
Impairment Gain/(Loss) *	(1,843)	(6,233)
TOTAL COMPREHENSIVE INCOME/(LOSS)	1,420	(2,077)
ASSETS		
Current & Cash	28,902	19,690
Property, Plant & Equipment	196,409	196,940
TOTAL ASSETS	225,311	216,630
LIABILITIES		
Payables	1,484	1,397
Provisions	1,326	1,345
Bonds	131,355	122,257
Borrowings	24,158	26,331
Other	274	6
TOTAL LIABILITIES	158,597	151,336
NET ASSETS	66,714	65,294

* Note: Impairment loss relates to Jurien Bay Retirement Village.

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

Rae Kean, JP

Director

Bruce McHarrie, FCA

Managing Director and CEO

Kevin Davidson, MVO, OAM



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