



2019/2020

ANNUAL REPORT



Our Vision

Acacia Living Group is the first preference for the provision of innovative and quality residential aged care, home care, respite care and independent retirement living options to the community.

Our Mission

As a registered charity, Acacia Living Group provides accessible options across the full continuum of care and housing for the aged in the community.

Our Values

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



Chairman's Report

It was a great honour to be re-elected as Chairman of Acacia Living Group (ALG) at the November 2019 Annual General Meeting. On behalf of ALG's Board of Directors I am pleased to present my Chairman's report and the company's Annual Report for the year ended 30 June 2020.

I am proud to report that despite the turbulent and significant operational restrictions caused by the COVID-19 pandemic, ALG has continued to provide Retirement Living, Residential Care, Home Care, Respite Care, Veterans Home Care, and management services without interruption or reduction in quality and standards of service. This outcome was achieved in extremely challenging operating and economic conditions, constrained funding, and intense industry media scrutiny. The Board joins me in recognising the outstanding and sustained efforts of all staff and volunteers during this exceptionally difficult and onerous time.

Separately, we continue to monitor the work of the Royal Commission into Aged Care Quality and Safety by way of submissions, hearings, community forums, roundtable meetings with industry experts, and various operational site visits and look forward to the scheduled delivery of the final report and recommendations to the Federal Government during February 2021. We trust that the investment, time, and effort will achieve positive outcomes for both approved providers of aged care services and the elderly in our metropolitan, regional and remote communities.

In addition, we are making our best endeavours to engage constructively with the Department of Mines Industry Regulation and Safety during the WA Retirement Village legislative reform consultation process, providing two independent submission during late 2019 and early 2020. If adopted and legislated, proposed reforms released to date for consultation will have significant impacts on the operations of Retirement Villages in WA.

As always, the Board and senior management team remain committed to ensuring the best possible care, services, and outcomes for those living in our communities and in our care. In keeping with this commitment construction of a 32-bed extension to our 55 bed Meadow Springs residential care facility was completed during November 2019. Commissioning of the facility began immediately, and we are now providing additional residential care and respite bed options to the community of the Peel region.

As is evident, the Board remains focused on the pursuit, investment, and development of further opportunities to expand our accommodation and care services to the broader community. Our Strategic Plan reinforces this commitment and provides the Board, Chief Executive Officer and senior management team with a common vision and focus, with agreed goals and strategies.

We remain cognisant of the complex regulatory framework our business divisions operate within and the importance of ongoing compliance with relevant legislation. The Board is confident our governance principles, together with our strategic and operational risk management and mitigation standards are sufficiently robust and

reliable enough to ensure we will continue to meet both our strategic and charitable objectives.

Acacia Living Group continues to deliver the intended charitable service outcomes across the portfolio despite the ongoing challenges associated with the COVID-19 pandemic, Federal Government’s Aged Care Reforms, State Government Retirement Village Reforms, fiscal constraints, and depressed market conditions.

The Board joins me in thanking the Executive team, staff and volunteers for their dedication and commitment to ensuring the best possible outcomes for those entrusted to our care. During what can only be described as extraordinary circumstances associated with the COVID-19 pandemic our performance highlights the effectiveness of our executive team, guided by our Chief Executive Officer, Kevin Davidson.

My Board colleagues and I welcomed the appointment of Mr Graham Reynolds OAM to the Association’s Board for a three-year term at the November 2019 Annual General Meeting. Mr Reynolds’ professional competence and broad experience will ensure the Board continues to discharge its corporate governance responsibilities with the utmost effect.

Finally, I again applaud my Board colleagues for their selfless application, professionalism, and astute-timely advice. Their altruistic commitment, dedication and compassion continue to ensure outstanding organisational outcomes and the ongoing provision of essential services to those in need, and the aged and infirm in Western Australia.

Kevin Campbell AM



Chief Executive Officer Report

Regrettably, during the 2019/2020 reporting period the indiscriminate and uncompromising COVID-19 pandemic impacted every facet of our business operations, our residents, clients, staff, volunteers and all of their families.

The Board and senior management teams are indebted to our staff for their ongoing professional commitment to the care and wellbeing of our residents and clients, and their compassion and empathy for their colleagues during the COVID-19 pandemic.

No matter what role our team members were required to undertake they were all on the 'front line' during these extremely challenging and uncertain times.

Our collective efforts as an organisation rely heavily on their sustained individual contributions, resilience and personal sacrifices during normal operations and these attributes were stretched significantly and made extremely difficult with the demands of COVID-19.

Acting on the advice of the Commonwealth and State Departments of Health, an independent infection control consultant, and our own clinical governance team we adopted an extremely precautionary approach in all aspects of our operations. We either implemented or strengthened a range of prudent and sensible plans, policies, and procedures to safeguard our residents, their families, visitors, and staff. We acknowledged and understood that not everyone would agree with our health precautions and there would inevitably be disruption to visitors and resident routines. Unfortunately, during the pandemic we were obliged to make difficult choices and challenging decisions. At times, our staff bore the brunt of unacceptable behaviour by a minority of family members and visitors who clearly did not comprehend the gravity of the COVID-19 pandemic situation. Throughout these challenging and demanding times our staff remained calm, professional, compassionate, and measured in their responses to these events bringing great credit upon themselves and the organisation. Despite the actions of a minority, we have no doubt that most of our residents and their families greatly appreciated our staff's commitment and continued provision of the best possible care and services.

We are extremely grateful and proud of our dedicated staff.

Despite the ever changing and increasingly challenging operating environment associated with COVID-19 Acacia Living Group continued to govern and manage effectively, while continuing to actively pursue and invest in diversified business opportunities and deliver upon our charitable objectives.

Acacia Living Group Overview

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

- 265 or 28.9 % Residential Aged Care residents;
- 444 or 48.5 % Independent Living Unit residents;
- 186 or 20.3 % Home Care clients (including private clients);
- 10 or 1.0 % Veterans Home Care clients;
- 5 or 0.5 % National Carer Respite Program (130 annually);

- 5 or 0.5 % Jurien Bay Respite Clients.

Acacia Living Group also provides **full management services** to a recognised charitable organisation, Wattle Hill Care Incorporated:

- 62 bed Residential Aged Care Facility; and
- 51 Independent Living Units.

Separately, Acacia Living Group provided **financial advisory services** to a recognised charitable organisation, Quambie Park Waroona Incorporated:

- 45 bed Residential Aged Care Facility; and
- 37 Independent Living Units.

518 people assist Acacia Living Group to achieve our charitable objectives:

- 463 or 89.4 % are full time, part time, or casual employees (as at last pay period of FY 2019/2020);
- 55 or 10.6 % are volunteers (includes Board members).

Who was helped by our charity in FY 2019/20 ?

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 dependants.

Resources and Operating Locations

Acacia Living Group operates the following services in Western Australia:

- Beachlands Retirement Village, Geraldton
- Jurien Bay Retirement Village
- Coral Estate Retirement Village, Mandurah
- Mandurah Retirement Village
- Menora Gardens Retirement Village
- Pearson Retirement Village, Menora
- Jacaranda Gardens Retirement Village, Canning Vale
- Meadow Springs Residential Care Facility
- Menora Gardens Residential Care Facility
- Geraldton Home Care Services
- Jurien Bay Home Care Services
- Mandurah Home Care Services
- Perth Metropolitan Home Care Services
- South West Rural Home Care Services
- Jurien Bay Respite Centre
- Geraldton National Carer Respite Program
- Geraldton Budget Accommodation

- Veterans Home Care Services (Mid-West)
- Veterans Community Nursing Services (Wheatbelt, Southwest, Midwest, Perth 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, Employees and Volunteers remain committed to our charitable objectives:

- (1) To provide aged and infirm persons who are in needy circumstances, including but not limited to armed forces veterans and their dependants, with accommodation, care and assistance services within aged care facilities, respite centres, retirement villages, other residential facilities and by providing community care services.
- (2) In order to enable and assist the achievement and funding of the main objects stated in sub-rule (1), an incidental object is to provide aged and infirm persons who are not in needy circumstances with accommodation, care and assistance services within aged care facilities, respite centres, retirement villages, other residential facilities and by providing community care services.
- (3) To provide care and assistance of the highest standard for the aged and infirm persons.

The property and income of Acacia Living Group 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 of the Association.

Retirement Villages

Acacia Living Group Retirement Villages are located at Geraldton, Jurien Bay, Menora (two villages), Mandurah (two villages) and Canning Vale.

Retirement Village Open Days.

Open Days were conducted at the Jurien Bay, Menora Gardens, and Beachlands (Geraldton) villages during October and November 2019 with a total of 111 external visitors attending. We are grateful for the ongoing support of our village residents in the lead up to and during our Open Days. Approximately 45 village residents also attended to assist with operations ensuring the success of our Open Days. Similarly, we appreciate the support of our Board members travelling and providing on-site assistance during promotional activities. Board Director Mr Geoff Martin and Mrs Martin attended and represented the ALG Board at the Jurien Bay and Beachlands Open Days. Deputy Chairman, Mr Bob Kucera and Mrs Kucera attended and represented the ALG Board at the Menora Gardens Open Day.

The Board remains committed to providing affordable quality housing options and care services for the aged in metropolitan and regional areas offering suitable choices for those wishing to either remain living in or move to either geographic location.

We are grateful for the continued support from the City of Greater Geraldton Mayor and Council, the Shire of Dandaragan President and Council, Mr Laurie Graham MLC, Member for Agriculture, and Mr Shane Love MLA, Member for Moore, in our endeavours to provide affordable quality accommodation and care services in regional areas.

Mandurah Village, Coral Estate Village, Menora Gardens Village, Pearson Village, Beachlands Village, Jurien Bay Village, and Jacaranda Gardens Village continue to perform satisfactorily in depressed market conditions, with each village offering a variety of retirement village scheme leases or rental lease options.



Members of the Menora Gardens & Pearson Retirement Villages 90's Club – 2020

Acacia Living Group continues to provide shorter term Retirement Village accommodation on a 'rental only' basis to meet demand and assist in caring and supporting the aged. The rent payable is substantially below market rental values for similar residential properties. The 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.

Forty-three units or 11.1% of our Retirement Village portfolio is allocated as rental accommodation. Across the retirement village portfolio operating deficits totalling \$149,481 have been subsidised and absorbed by Acacia Living Group in keeping with our charitable objectives.

WA Retirement Village Legislation – Proposed Amendments.

In an effort to assist the State Government’s deliberations relating to WA Retirement Village legislative reform, Acacia Living Group provided independent and detailed submissions in response to the Department of Mines Industry Regulation and Safety’s **(Department)** first and second consultation papers, Consultation Regulatory Impact Statement 1 (CRIS 1) during October 2019 and Consultation Regulatory Impact Statement 2 (CRIS 2) during March 2020. If adopted and legislated, proposed reforms released to date for consultation will have significant impacts on the operations of Retirement Villages in WA. We look forward to the continued opportunity to engage with the Department on this important issue.

Residential Care

Residential Care Facilities at Menora Gardens (178 beds) and Meadow Springs (87 beds) continue to provide premium standards of residential care and support, while meeting regulatory compliance. Both facilities maintained compliance with all standards during scheduled and unannounced assessment inspections by the Aged Care Quality and Safety Commission (formerly the Aged Care Quality Agency) during the reporting period.

Construction of a 32 bed extension to our 55 bed Meadow Springs residential care facility was completed during November 2019. Subsequently, commissioning of the facility was successfully completed and we are now providing additional residential care and respite bed options to the community of the Peel region.

Fully supported residents account for approximately 72 placements of Acacia Living Group’s annual residential care placements in furtherance of our charitable objects.

Australian National Aged Care Classification Trial.

During July 2019 Acacia Living Group submitted an expression of interest to participate in the national trial of an alternative residential aged care funding assessment tool, called the Australian National Aged Care Classification (AN-ACC). The Menora Gardens Aged Care Facility was selected to participate in the trial. Facilities were selected based on their size, location, and specialty in order to ensure a representative sample of residential age care homes nationally. Assessments were scheduled to commence during the first quarter of 2020. Unfortunately, the trial was suspended due to the COVID-19 pandemic. We look forward to the opportunity to participate in the future.

We continue to receive positive feedback regarding the provision of care and living environment in our Menora Gardens and Meadow Springs facilities from residents, their families and visitors such as aged care accreditation standards assessors. The Board and senior management team are appreciative and proud of the professional and sustained effort our residential care teams have applied over an extended period of time to achieve such exceptional outcomes.

Home Care

The Commonwealth Home Care Packages Program provides older people who want to stay at home with access to a range of ongoing personal services, support services and clinical care that help them with their day-to-day activities.

Acacia Living Group's Home Care services are available for clients in Geraldton, Jurien Bay, North Metropolitan region of Perth, Eastern Hills region of Perth, Mandurah and the Rural South West. Intermediate (Level 3) and High Care (Level 4) care programs remain in high demand. Regrettably, wait times in excess of twelve months continue to be experienced by many clients for these levels of care to be operationalised due to congestion on the national queue. Some clients have accessed lower levels of care from Level 1 and Level 2 programs while waiting for Level 3 and Level 4 packages to become available. Despite these difficult and demanding circumstances our Home Care teams have continued to provide the best possible care and support to our clients and their families.

Veterans' Home Care (VHC) is a Department of Veterans' Affairs (**DVA**) program designed to assist eligible DVA clients who need a small amount of practical help to continue living independently in their own home. Acacia Living Group provides VHC services such as domestic assistance, personal care, safety-related home and garden maintenance and respite care to clients in the Geraldton region.

Acacia Living Group continues to pursue Home Care growth opportunities in metropolitan and regional areas in what has become a congested and strongly contested market place. Our objective remains to provide a high quality of care and service to clients while satisfying our regulatory compliance obligations.

Jurien Bay 'Turquoise Coast' Respite Centre.

During November 2019 a detailed and unsolicited Commonwealth Home Support Program (**CHSP**) funding application was sent to the Department of Health for consideration. Our application was subsequently approved during January 2020 with CHSP funding commencing from the 1st July 2020 following the cessation of WA Country Health Service funding on the 30th June 2020. We are grateful for the ongoing advice and assistance of the WA Health Grants and Network Branch of the Department of Health which was invaluable in achieving this important outcome.

Community Support

Acacia Living Group 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

Acacia Living Group has maintained its commitment to foster a culture of continuous improvement by investing in our employees and providing them with ongoing learning and

development opportunities. Approximately \$136,792 was directed to employee training sessions during the year. This figure does not include internal employee time associated with “toolbox” sessions undertaken nor on-the-job buddy shifts.

Employee numbers attending training¹ during FY 2019/20 are as follows:

- Externally delivered – 1023
- Internally delivered – 1689
- Induction – 187

Employee Recognition

Award ceremonies are held annually to recognise significant service milestones, successful completion of training courses and to acknowledge the valuable contribution of our employees and volunteers.



Australia Day Award Ceremony 2020

(L-R) Giselle Hancock (Home Care Case Manager – Eastern Hills); Nyaru Bol (Carer – Menora Gardens); Lesley Edwards (Carer – Meadow Springs); Suzanne Williams (Catering Manager – Meadow Springs); Carole Balchand (former Clinical Lead – Menora Gardens); Kevin Campbell AM (Chairman)

Acacia Living Group Chairman, Mr Kevin Campbell AM, presented National Australia Day Council Achievement Medallions and Certificates to members of staff during an award ceremony on Friday 24th January 2020.

¹ Internally delivered training includes all annual mandatory training updates, toolbox sessions and identified training needs as a result of performance development activities. Externally delivered includes modules undertaken through Altura Learning on-line education, as well as off-site attendance at training or seminars.

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

The National Australia Day Council Achievement Medallion and Certificate provide the Acacia Living Group Board and senior management team with an opportunity to acknowledge and recognise outstanding individual and team contributions in the lead up to Australia Day.

Corporate Reporting Obligations

The Board and senior management team applauded the establishment of a Royal Commission into Aged Care Quality and Safety on the 8th October 2018. We gratefully accepted the Commission's invitation of the 30th November 2018 to respond to a number of specific questions relating to our Home Care services and Residential Care Facilities and look forward to assisting the Commission further, if invited to do so, prior to the final report due date of February 2021. We are optimistic the opportunity for all operators to assist the Royal Commission with their enquiries will provide practical and informed industry advice that will assist with the formulation of recommendations to current and successive governments for the betterment of aged care services to the elderly in our community.

Acacia Living Group makes every endeavour to remain compliant with the legislative requirements of, but not limited to, the Aged Care Act 1997 (Cth), Aged Care (Accommodation Payment Security) Act 2006, 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), Goods and Services Tax 1999 (Cth), Fringe Benefits Tax Assessment Act 1986 (Cth), Superannuation Guarantee (Administration) Act 1992 (Cth), Income Tax Assessment Act 1997 (Cth), Fair Work Act 2009 (Cth), The Personal Property Securities Act 2009 (Cth), Workplace Gender Equity Act 2012, Privacy Act 1988 (Cth), Food Act 2008, Guardianship and Administration Act 1990 (WA), Occupational Safety and Health Act 1984 (WA), and the Veterans' Home Care and Veterans' Community Nursing Services Guidelines (Department of Veterans' Affairs).

Acknowledgements

I join the Chairman and Board members in acknowledging and thanking Lotterywest for their ongoing financial support of Acacia Living Group initiatives that ensure the best possible care and support for our aged clients and those in necessitous circumstances. Similarly, Programme Maintenance Services ongoing support of the Menora Gardens and Pearson Village 90's Club is greatly appreciated by our residents and their families. In the same way, the generous employee incentive programs offered by Harvey Norman Cannington Superstore and HBF Health Insurance are also highly valued by our team. Thank you to Lotterywest, Programme Maintenance Services, Harvey Norman Cannington, and HBF Health insurance for their ongoing support during challenging commercial environments.

I extend my sincere thanks to the Acacia Living Group management team, employees 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 Acacia Living Group. To our Chairman, Kevin Campbell AM, and fellow Directors, The Honourable Robert (Bob) Kucera APM, JP, Mr Geoff Martin, Ms Rae Freeman JP, Ms Cinzia Donald, and Mr Graham Reynolds OAM I convey, on behalf of all employees, clients, residents and families, and volunteers, our profound appreciation for generously providing their professional expertise, experience, patience and time to ensure the continued success of Acacia Living Group.

Kevin Davidson MVO, OAM



Financial Summary 2019/2020

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

	2019-2020	2018-2019
	'000	'000
REVENUE		
Subsidies	21,641	21,684
Fees	8,243	7,957
Other Income	5,666	1,604
	35,550	31,245
EXPENDITURE		
Employment	21,624	20,669
Impairment of Assets	-	4,411
Other	12,366	12,200
Depreciation	1,836	1,515
	35,826	38,795
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES	(276)	(7,550)
FAIR VALUE GAIN ON NET INVESTMENT ASSETS	(6,207)	(2,267)
TOTAL COMPREHENSIVE INCOME/(LOSS)	(6,483)	(9,817)
ASSETS		
Current & Cash	8,968	16,144
Property, Plant & Equipment	55,029	50,624
Investment Property	143,463	155,373
Other	1,272	1,287
TOTAL ASSETS	208,732	223,428
LIABILITIES		
Payables	2,428	2,211
Provisions	2,921	2,644
Bonds/RADs & Resident Refundable Bonds	157,753	151,696
Borrowings	26,380	31,647
Other	604	710
TOTAL LIABILITIES	190,086	188,908
NET ASSETS	18,646	34,520

Acacia Living Group Board Members

Chairman

Mr Kevin Campbell AM

Deputy Chairman

The Hon Robert Kucera APM, JP

Director

Mr Geoff Martin

Director

Ms Rae Freeman JP

Director

Ms Cinzia Donald

Director

Mr Graham Reynolds OAM

Chief Executive Officer

Mr Kevin Davidson MVO, OAM



Jurien Bay



Grandview Apartments – Menora Gardens



CORPORATE OFFICE

16 Freedman Road, MENORA WA 6050

Telephone: +61 8 9370 0200

Facsimile: +61 8 9370 2249

Email: corporate@acacialiving.com.au

Website: www.acacialiving.com.au