



RSL CARE SA

# ANNUAL REPORT 2013/2014



RSL CARE SA

## OUR MISSION

**RSL Care SA provides accommodation, personalised care and support for the benefit of the ex-service and wider community of South Australia.**

### ABOUT US

RSL Care SA is a proud not for profit charitable care provider serving the ex-service and wider community for almost 100 years, celebrating our centenary in 2015.

Whilst being a separate entity, we have close ties to RSL-SA. We are part of the same family, sharing a common ethos of caring for the health and wellbeing of our mates.

We offer a number of options for residential aged care, retirement living and affordable housing in various locations throughout South Australia.

Our mission is to support veterans, their dependents and the the broader Australian community through a range of integrated retirement living and aged care services.

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RSL CARE SA

### *Residential Aged Care*

*War Veterans' Home, Myrtle Bank*

*RSL Villas, Angle Park*

### *Retirement Living*

*Glengowrie, Marion and Myrtle Bank*

### *Community Housing*

*Angle Park, Campbelltown, Clovelly Park and Wallaroo*



## CHAIRMAN'S REPORT

I am pleased to present the Chairman's report of RSL Care SA. I commence by giving recognition to Jock Statton as immediate past Chairman along with current and past board members for fostering a sound organisation which has now commenced a phase of selective growth consistent with the charter of RSL Care SA. This growth enables the purpose of RSL Care SA to be available to more of its target client group - current and former defence force members and their families as well as the general community.

2013/14 was a year of solid performance on all fronts. Care and support was provided to over 200 residents at any one time in various accommodation options. Support to contemporary veterans was also provided via financial grants to organisations such as RSL-SA and Soldier On that support this group. Several growth initiatives are underway and management capability to effectively manage a growing operation was increased. The financial outcome was a surplus of \$2.07m which is similar to the underlying result of the previous financial year despite increased expenditure associated with growth initiatives and investment in governance capability. However, I also emphasise that RSL Care SA is a "Not for Profit" organisation that uses its assets to achieve our altruistic objectives. The Board and management must be commercially responsible in order to achieve those values driven objectives. Further, the very nature of our operations is capital intensive so surpluses must be accumulated over multiple years in order to finance the redevelopment and sustainment of physical assets requiring "lumpy" expenditure in some years.

During 2013/14 the Board committed to the following growth initiatives:

- The acquisition of the Sturt Village and Hamilton Retirement Village providing an increase of 67 retirement units. RSL Care SA took ownership on the 1st July 2014 of these villages and I am pleased to report a smooth transition. The Board welcomes the residents of the two villages to the RSL Care SA "family". It is pleasing that the many residents that I have spoken to have all indicated that they are pleased that RSL Care SA is the new owner. Many of the residents have a service background or are closely related to those who have.
- The War Veterans' Home Retirement Village will be expanded by two new 3 bedroom villas to be built in Glenrowan Avenue. The planning application is awaiting Council approval and it is expected building works should be underway by the time of the AGM and completed in the next financial year.

- The Glenrowan development is a consequence of the Board formulating a spatial masterplan for the WWH site. This plan provides a framework for the redevelopment of residential age care facilities already on the site and the expansion of retirement living options. Work will probably not commence for 3 - 5 years as there is much detailed planning to be completed including assessments made of the implications of aged care reforms introduced by Government in July 2014. This is an example of the "lumpy" capital expenditure requirements referred to earlier.
- The Board has agreed to acquire the Warmington Square community housing village at Wallaroo, subject to agreeing an acceptable purchase price. The acquisition would underpin the subsequent expansion on the adjoining vacant land at Wallaroo either in the form of more affordable/community housing or low entry cost retirement housing. It would also pave the way for replacement or redevelopment of the "Darby & Joan" cottages that have been at Wallaroo since the 1960's. It will also address several matters from the original development of more than 10 years ago that were not completed by Housing SA under the joint venture agreement with RSL-SA.
- We intend to seek additional bed licences to expand the RSL Villas.
- A key strategic objective of the Board is to become a provider of Home Care services to our residents in retirement villages and community housing, as well as clients living in the family home. Services will be of various types depending on client needs and will include private "fee for service", government funded home care packages, DVA home care and former Home and Community Care (HACC) packages. An application for home care packages has been made as part of the government's 2014 allocation process. We await the outcome with key interest acknowledging that competition for such packages is extremely competitive.

Australia has a new cohort of service men and women who are veterans of recent Defence Force deployments. It is an unfortunate reality of deployments of any era that some face difficulty on their return to Australia and it can be expected that these numbers will increase. Society appears to have learnt from history and is taking a more proactive approach to helping veterans and their families. RSL Care SA, in conjunction with RSL-SA are part of the support networks for this cohort. That is part of our altruistic charter and reflects the values of RSL Care SA and RSL-

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SA. In many ways RSL Care SA has gone back to its origins when we began assisting young veterans from WWI (and less young from the Boer War). Rather than replicate services that may be available from other support organisations, RSL Care SAs assistance to this cohort is largely through funding support to these organisations although we are exploring whether we may have a direct role in service delivery in the form of accommodation which has been our core business since our inception.

In the year just gone RSL Care SA has provided the following support:

- A three year funding commitment to RSL-SA to increase welfare officer staffing
- Funding to the RSL-SA to enable them to support Soldier On, an emerging organisation that has a specific aim of assisting younger veterans. RSL Care SA has strong relationships with this organisation as they do good work and we are keen that their ties with the RSL networks are strong. Included in this annual report is an extract of a speech given by Bronson Horan, a former service man badly injured in an explosion in Afghanistan. Bronson is a key participant in the establishment of Soldier On in SA. His words provide an excellent insight to society's obligation to assist veterans of all conflicts and this continues to be our charter.
- Funding support to Trojans Trek, an organisation that conducts programs for veterans in the Flinders Ranges aimed at helping them address the issues they are dealing with. These programs are conducted by Veterans of earlier conflicts for veterans of recent conflicts. Our funds will be used to enable Trojans Trek to conduct their first exercise specifically for female veterans which reflects the demographics of today's defence force.
- Sponsoring initiatives such as the production of "A Long Way Home" which was a national initiative to help raise awareness of the difficulties facing some veterans.
- We have also assisted the Mason family. Both parents are currently serving RAAF personnel. Their son Joshua was born with cerebral palsy and we, along with other agencies, have provided financial assistance for Joshua to receive new treatments in the USA. It is heart warming to hear from his parents of his continued progress.
- A number of veterans find themselves without good and stable accommodation. In conjunction with other agencies we provide temporary housing assistance for these former service personnel.

We are exploring whether there is a role for RSL Care SA in providing longer term accommodation for younger veterans.

Previous annual reports have referred to the 20 strategic objectives the Board has adopted for the period 2012 - 2015. The focus in the initial years following the merger of RSL-SA operations into the WWH to form RSL Care SA was to effect the merger, consolidate operations and introduce upgraded business practices that are a pre-requisite foundation for long term sustainability in an increasingly complicated and regulated operating environment. It is very pleasing that in the 2013/14 year our focus was able to shift to using the foundations to grow the organisation in aspects consistent with our objects. The journey towards some of these objectives is not complete but are making good progress.

I take this opportunity to acknowledge the staff and management for their achievements. None of what RSL Care SA stands for can be achieved without their contributions. Their tasks are often not easy but they go about their roles of assisting residents, responding to the changing environment and building for the future with professionalism, good humour and dedication.

About 7 years ago the Board of the then WWH, with the collaboration of the board of RSL-SA, embarked on a journey to reposition what is now RSL Care SA as an organisation able to provide good service and support to ex-service personnel and their families and to the general community for another 100 years. The progress made to date has been great but the journey will never be over as there will be new places to go and some places to revisit.

Lastly, I give recognition to the role that Jock Statton, John Spencer and Michael Mummery have had in this journey. All have been associated with RSL-SA for many years and all have been board members of RSL Care SA. The Board was very pleased to award all three with life membership of RSL Care SA.

I also thank Board members for their ongoing contribution, counsel and company. As volunteers they give freely of their time to ensure RSL Care SA has good governance. We are becoming a sizeable and complex organisation which places increased responsibility on the Board.

*David Everitt*



# CEO'S REPORT

2013/14 has been a year of growth and expansion after the two years following the merger dominated by consolidating governance, care and business practices to get fundamental practices “fit for purpose” for the future. I am pleased with the progress to date and look forward to continued growth in our areas of interest.

## Services

Our dominant activity is residential aged care. We provide 24 x 7 care to 150 residents in very good facilities over 2 sites through the services of 154 staff (101 full time equivalent) plus agency staff and a good proportion of the time of 11.5 fte corporate staff. The overriding feedback from residents and their families through our satisfaction surveys is very positive with high levels of satisfaction reported by both residents and families however the feedback also identifies some aspects to be considered for improvement which we are responding to. Our services are subject to accreditation by the Aged Care Standards and Accreditation Agency Ltd which includes periodical assessment contacts by the Agency, the outcomes of which show we are fulfilling requirements under the Act. Residential aged care is a highly regulated sector not without complications and challenges, but it is also a source of great satisfaction and reward for our staff and volunteers. I recognise and appreciate the efforts of Anne Richards (Director of Care), Jane McLeay (Residential Care Manager – WVH) and Shaun Pawson (Manager, Hospitality and Facilities) in ensuring in their respective areas of responsibility that our operations are up to date with contemporary practice and compliant with obligations. I also recognise the contribution of Marie Whitehead to RSL Villas over many years as the Residential Care Manager. Marie retired in late 2013 and we wish her well for the future. We welcome Leona Markham as Marie's successor from February 2014. I also extend thanks to Graham Nybo OAM for his outstanding service and dedication as patron of RSL Villas.

Retirement Living is also an important component of our services with high occupancy being maintained. Resident feedback is positive however, as with residential care, there are areas for enhancement. It is an activity that is growing in size with negotiations during the first half of 2014 concluding with the acquisition of two retirement villages at Glengowrie (Hamilton Retirement Village) and Marion (Sturt Village) from 1 July 2014. This increases our retirement living offering by 67 units to the 23 units already at Myrtle Bank (and soon to be increased). It is our intention to increase our service offering to our retirement villages following a resident survey completed during the year to find out more about resident expectations and wishes.

Housing is the other component of our service offering with 46 units across four sites with considerations underway for expansion. As with retirement living we intend to increase service offerings to these residents, particularly home care, and have undertaken a survey of residents to find out more about them and their expectations.

## Contemporary Veterans

As the Chairman indicated in his report, the circumstance of the emerging cohort of contemporary veterans is of relevance to RSL Care SA and RSL-SA. That relevance is expected to continue. Rather than replicate services already provided by other support agencies, RSL Care SA is working with those agencies mainly by making financial grants that assist them in their work and have close links with them so we can monitor the situation. A big part of our core business is the provision of various types of accommodation – that is how RSL Care SA started – so we are monitoring the extent of need that exists so that it can be considered in future planning. The support we are providing is making a positive difference.

Included in this report is an extract of a speech from Bronson Horan at the opening of facilities for Soldier On, an organisation dedicated to assisting contemporary veterans. Bronson is veteran who was severely injured in Afghanistan and his words help explain the connection between RSL Care SA and this new group of veterans.

## Growth Initiatives

I will not replicate the projects underway that the Chairman has already highlighted but it is worth noting that the sale of the property at Semaphore which had been vacant for several years took effect in 2013/14 with \$2.325m received in October 2013. The revenue from this sale will help finance the capital initiatives now underway with plans for Wallaroo, a key example of adapting and upgrading assets to meet changing circumstances.

A major strategic initiative is to become a provider of home care which will complement existing retirement living and other housing offerings as well as a connection to a new group of veterans and others who seek assistance in their family home. It is also in line with the government's clear policy position of encouraging people to remain at home where possible. RSL Care SA supports that policy position but also recognises that “home” includes retirement village and other housing options we offer. Residents can have the benefits and safety that comes with living within a community that watches out for each other and still have access to support services that otherwise may have previously required admission

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to a low care residential care facility. Our aim is to provide home care services through a variety of mechanisms including on a private fee for service basis and DVA home care amongst others. This initiative will take time to gather momentum as various approvals are required that are often not easily achieved, but the Board has committed funding over the next two years in support of this medium term initiative.

The acquisition of the retirement villages at Marion and Glengowrie is a very significant step that increases the footprint of RSL Care SA and offers another set of accommodation options in the mid-price range of retirement villages. It will also necessitate new business practices to properly serve a group of residents that are physically separate from our core operations. Initial experiences have been positive with very favourable feedback from residents about RSL Care SA as the new owners. I look forward to a very enjoyable and rewarding association.

## Workforce Issues

RSL Care SA can not do what it does without the contribution of our committed staff and volunteers that are often not duly recognised. They are the ones who have the positive influence on the daily life of our residents. In April we held what will be an annual event to recognise years of service. There were 62 staff recognised for a total of 453 years of service, with Christine Schilling recognised for 28 years of service to residents of the WVH. The event was very well attended by staff from both sites. Similar recognition was given to the services of a growing band of volunteers including the presentation of an RSL Care SA polo shirt to underline their volunteer role.

Following some clear feedback from staff climate surveys at both of our residential care sites, the board and senior management have been keen to empower “grass roots” staff to define the behaviours they want to experience in the work place and those they don't. Several workshops involving a cross section of staff were held to define these behaviours with the outcome becoming known as “Our Team Standards” which were endorsed by the Board without change. The promotion of the expected behaviours was also led by the staff themselves with Nick Atkins in particular delivering some powerful reasons for people to be treated with due respect. The workplace is the better because of these efforts.

## Financial

The finance statements are provided elsewhere in the annual report but it is appropriate that I comment on the following key points:

a. A surplus of \$2.07m was achieved which exceeded budget.

b. The underlying result, after adjusting 2013/14 and 2012/13 for items such as gain on release of ILU's, profit on asset sales, and DMF revenues (which are volatile) was comparable with the prior year. However this result includes:

- Approximately \$300k investment in growth initiatives that will generate revenue in future years
- Grants and sponsorship of contemporary veteran activities - \$75k
- A deliberate increased investment in asset sustainment to the order of \$100k
- Increased level of donations and bequests which is offset by an expense accrual as a provision for donated funds to be available in the future for their intended purpose. Approx \$50k.

c. Revenue growth from government subsidies and supplements underpin the financial outcome.

d. RSL Care SA is a not for profit organisation, however a surplus accumulated in most years is required in some years to enable expenditure not only on altruistic objectives but to finance major capital expenses - such as the intended expansion of RSL Villas and redevelopment of the WVH.

## The Future

An annual report by default must describe the year just gone. However the year just gone is also about positioning for the future and the Board and Executive would not be doing their job if they didn't look forward. The growth initiatives underway have been described but there are other factors that the organisation is adapting for. The aged care reforms that took effect from 1 July is but one example and the early indications are that we are adapting effectively. An increased competitive environment is another. The Board defined some years ago objectives for the period out to 2015 and management is delivering on them. The board and executive has commenced on defining the strategic objectives for the period 2016 - 2021 which is a healthy forward looking approach for any organisation.

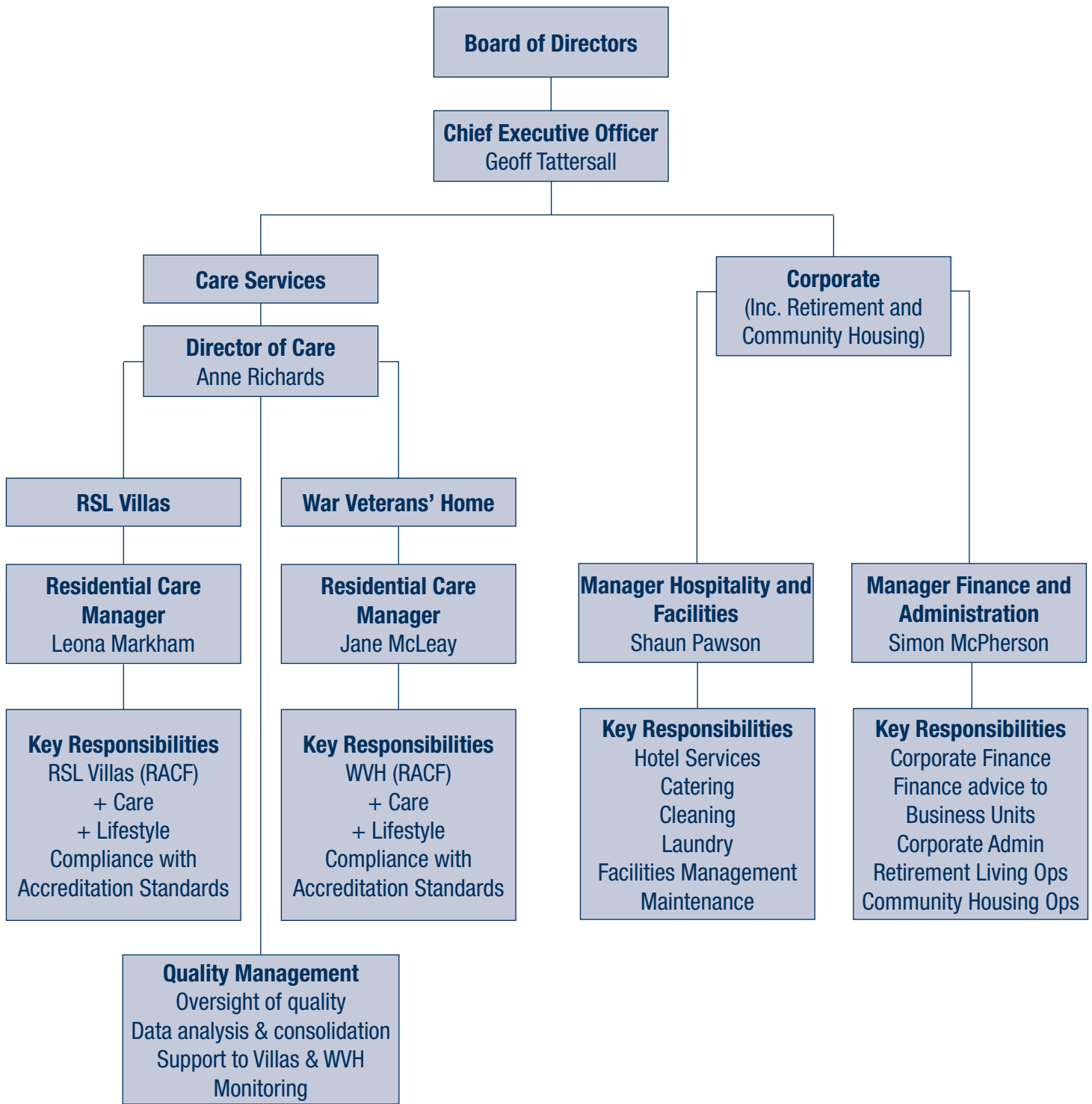
In conclusion I thank all staff and volunteers for the support they provide to residents on a daily basis, my senior management colleagues for their support, advice, initiative and good will and the Board for their vision and for their confidence in allowing management to get on with business.

*Geoff Tattersall*





# CORPORATE STRUCTURE



## Almost a century of caring for veterans

2015 will not only see the centenary of the ANZACs, but also the centenary of the formation of RSL Care SA.

With the outbreak of the Great War in 1914, the Peace Day League was formed in August 1915, with the object being for the establishment and maintenance of a soldiers home for the care and recuperation of returned servicemen. In May of 1916, the organisers agreed to change the name to the Soldiers' Home League. By the end of 1916, enough funds had been raised to enable The Soldiers' Home League to purchase the homestead known as "Myrtle Bank" on Ferguson Avenue.

The 'Soldiers' Home' was officially opened on the 24th March 1917. There were five wards of four beds, and three more on the veranda, with a potential for more to be housed in tents. After many transformations of both purpose and structure, the organisation changed its name to the War Veterans' Home, Myrtle Bank on the 21st of November 1957.

On the 1st of January 2012, the aged care and accommodation operations of RSL-SA Branch were merged with The War Veterans' Home, Myrtle Bank, which changed its name to RSL Care South Australia Inc. (trading as RSL Care SA).

2015 will celebrate the centenary of RSL Care SA and 2017 the centenary of The War Veterans' Home, Myrtle Bank.





# BOARD OF DIRECTORS



Back L-R: Dennis Chamberlain; Elizabeth Clare; Robin Turner; Julia Sweeney; Geoff Tattersall (CEO)  
 Front L-R: Peter Krajc; Loretta Byers (Deputy Chair); David White. Absent: David Everitt (Chair). Michael Bendyk resigned May 2014

# LIFE MEMBERSHIP

Life Membership has been awarded to Jock Statton AM, John Spencer OAM RFD and Michael Mummery OAM in recognition of their outstanding services to RSL Care SA. Jock, John and Michael have had extensive involvement with RSL-SA, service to the veteran community, and all were instrumental in facilitating the merger of RSL-SA and the War Veterans' Home, Myrtle Bank to form RSL Care SA.

# OUR PEOPLE

## Our Team Standards



The quality of our staff underpins the quality of care we provide

RSL Care SA management empowered staff to develop a program to promote the attitudes and behaviours encouraged in our workplace. Staff took the lead and developed a set of standards to ensure that RSL Care SA continues to be a great place to work and an employer of choice.

We have implemented coordinated recruitment processes for nurses, carers and hospitality services staff. Along with our ongoing development of staff and training, places us in a good position to attract and retain quality people with the right experience and values.

A special event for all RSL Care SA staff was held in April to recognise and acknowledge all staff and present awards of appreciation to a number of employees for their dedication and years of service to the organisation.

Volunteers are enormously important to RSL Care SA. An appreciation lunch was held in May to thank them for their time, efforts and positive contributions that continue to enhance the lives of many of our residents and staff on a daily basis.



**Vale Gordon Steer**

Gordon enlisted in the Royal Australian Navy in 1944 and served in the Pacific during World War II.

He was a tireless volunteer and valuable friend of RSL Care SA. Gordon came to the RSL Villas through Veteran Affairs to help a resident when they first opened in 1997. Gordon stayed and became part of the Villas family.

Gordon was the primary organiser of the Villas Anzac Day and Remembrance Day services. He liaised with St Patrick's school so that the significance and history of the services was not forgotten. He always made sure the children participated in some special way.

He was instrumental in the park adjacent to the Villas becoming a memorial to the veteran community. This park is enjoyed by RSL Villas residents and the local community, and would never have happened without Gordon's tireless efforts.

This and numerous other commitments led to Gordon being awarded a Westwood Community Award for his service and dedication to the local community. He was also to receive a Pride of Australia medal after being nominated for his volunteering, contributions to the community, veterans and RSL Villas.

RSL Villas held a very special place in Gordon's heart, his presence and counselling skills enhanced the lives of both staff and residents on a daily basis. He was a man of great honesty and strength, and will be sadly missed.

*Lest We Forget*



# SUPPORT FOR VETERANS...

RSL Care SA's mission of caring for the ex-service community continues to gain strength and momentum. Not only do we continue to improve levels of care and services for our residents, but we have also focussed on providing support for contemporary veterans through ex-service organisations in the community. Not all veterans are in need of help, but some are and experience says there will be more as they age.

Bronson Horan's address at the opening of the Soldier On Pilot Re-Integration Shop Front in 2013 reinforces the reasons why RSL Care SA is contributing in various ways to the contemporary veteran community and to Soldier On.

Here is an extract from Bronson's address.

"1786 days ago the lives of two families were changed forever. It was on that night almost five years ago that a brilliant young man, LT Michael Fussel was killed in action in the Mirimbad Valley of Afghanistan.

When Michael was killed, I was wounded. I was blown through the air, by the horrible explosion of an Improvised Explosive Device. My physical wounds included a loss of the use of the right side of my body, impairment of all five of my senses, teeth, cracked vertebrae, and of course a Traumatic Brain Injury.

The two families that were affected are here today, my family and that of LT Michael Fussel. The effect of that day has left unseen scars on both families. The horrible loss of a son is a pain I cannot fathom, being the father of three boys. My family lost a dad and husband that went to war a fit and capable warrior and came back a physically and emotionally broken man. Both families suffered.

But I would remind the great people standing before me today that I said **BROKEN not BEATEN**. Both families are not beaten, yes we suffer, stumble and fall but we always stand back up and push on with life.

How do we do it? Well it takes a community to raise a child and turn him or her into a warrior, it also takes a community to assist that same warrior along their road to recovery, particularly our generation of wounded veterans.

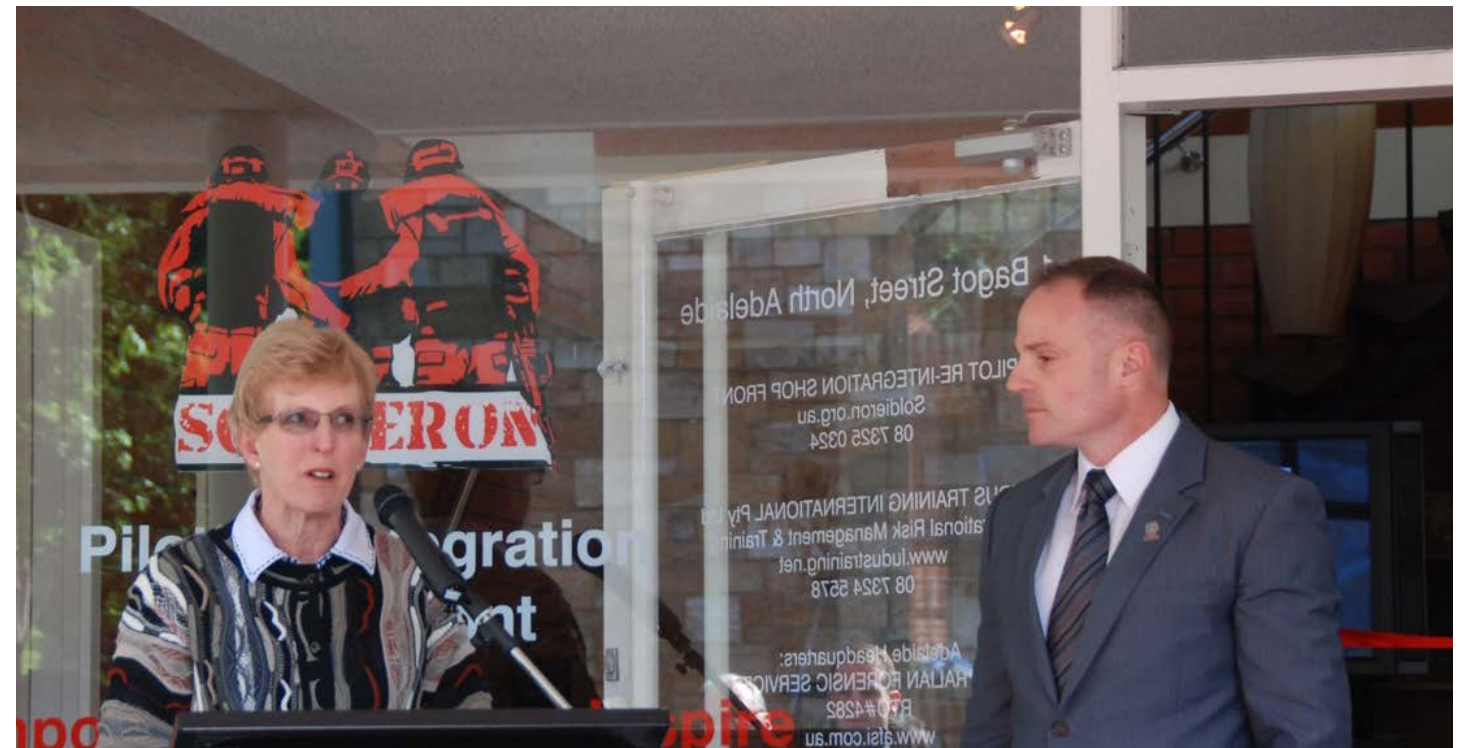
Soldier On is about Australians coming together to show their support for physically and physiologically wounded; we will always have their backs. It is about giving those who have served our country the dignity they deserve and the chance to do and be whatever they choose.

Soldier On inspires Australia's wounded to overcome obstacles in their lives, and supports those to rise to meet a personal challenge.

Soldier On empower our wounded through education and employment. Ensuring their sacrifices do not extend past the Battle Field. Our E3 program is an example of empowering the wounded. Empowering through Education and Employment. Meaningful employment and engagement in society is the key to rehabilitation and wellness.

Re-Integration is an important term for me and others in the contemporary veteran cohort, wounded or not. Our nation has been at war, operations, and peacekeeping missions for over 10 years now, yet the broader Australian society does not have a sense that this is a nation at war. This national lack of conscious makes it very difficult for men and women who have returned from operation whether protecting our borders (Navy and Air Force) or coming home from Iraq and Afghanistan to re-integrate back into society at large.

I challenge all of you here today to remember the mistakes



Madeline Fussel and Bronson Horan at the launch of the Soldier On pilot re-integration shop front

of the Vietnam War. Lets get on the front foot when it comes to our returning veterans, let's use our combined efforts to re-integrate our brave brothers and sisters back into the community and back into life.

I personally, do not want to be picking up the pieces of a generation of warriors two decades and two wars from now, when we find a whole group of Airmen, Sailors, and Soldiers entering into aged care facilities 20 years before their time due to alcohol induced dementia, or to be misrepresented in numbers within the Criminal Justice system.

My two last points will be this.

The modern wounded veteran does not always look like me, it often looks more like my wife. My wife has deployed on Active Service twice, the mother of three. If you met her on the streets of Adelaide you would have no idea that she has defended her country in two different theatres of war. The point is, we must as a community understand that female veterans need our help and we must be very careful not to forget their sacrifices on the battlefields, seas, or high above us in the air.

Lastly, families. The unintentional consequence of war is the traumatic affect it has on families. In many cases the partners become the care givers of the wounded member. I struggle daily to soften the impact of my physical and mental wounds on my three boys and lovely wife. There are organisations that

can assist in this struggle and we argue that Soldier On can be a great conduit for those services.

We are a community that can make a real and lasting difference to others. In the gathering before me, I look at great men and women who have been carrying that torch of service to veterans for generations. RSL-SA, RSL Care SA, Legacy, Trojans Trek, RAR Associations, TPI House, Vietnam Veterans Associations, and other fine organisations. I applaud their works, and the quiet guidance they have given me on my service journey.

Thank you all for your support."

*Bronson Horan, Soldier On*





# ...YOUNG AND OLD

As a not for profit care provider RSL Care SA reinvests funds generated into activities supporting the service and ex-service community, their families and the wider community.

We have provided support to Soldier On, assisting those who have been injured either physically or emotionally from their service, through our links with RSL-SA.

Staff of RSL Care SA 'walked a mile' for the Hutt Street Centre and continue to work with the Hutt Street Centre to gain better insights into the extent of homelessness within the veteran community.

The Sydney State Theatre and Australian Defence Force's production of 'The Long Way Home' in April again saw RSL Care SA partner with RSL-SA to support and raise awareness of both physical and mental health issues facing those in the Defence Force who have served Australia's interests in the war in Afghanistan.

RSL Care SA provided support for the Trojan's Trek program which takes ex-service personnel into the Flinders Ranges to help them deal with a range of issues in their lives and assist them to return to a normal life.

Along with other agencies, RSL Care SA provided financial assistance to current serving members of the RAAF to enable them to take their young son overseas for a three week intensive therapy program and medical treatments.

These initiatives help us fulfil our altruistic objectives.



Joshua Mason with parents Narelle and Adam Mason



Tim Loch and Odile Le Clezio in Sydney Theatre Company and the Australian Defence Force's The Long Way Home. Photo courtesy: Lisa Tomasetti

# ACTIVE & ENGAGED LIFESTYLE

Studies have confirmed the health benefits of being socially engaged and active in body and mind. RSL Care SA facilitates a wide range of activities and events that provide residents with opportunities to interact, share experiences and engage with each other.

A variety of tastes are catered for with options including low impact exercises, mini golf, bowls, bingo, quiz's, pet therapy, art therapy and concerts.

Resident committees play a significant role in reviewing and developing activities and outings to engage a wide group of participants and greater opportunities to socialise.

Encouraging open discussions and gaining better insights of individual needs has been achieved through lifestyle staff regularly joining residents for a meal. The benefits from these engaging social interactions have built stronger relationships and support networks as well as new activities being introduced for residents.

As a veteran focussed organisation, events such as ANZAC Day and Remembrance Day have special significance for many of our residents. Many significant military anniversaries are recognised with commemoration services throughout the year with a variety of resident participation.



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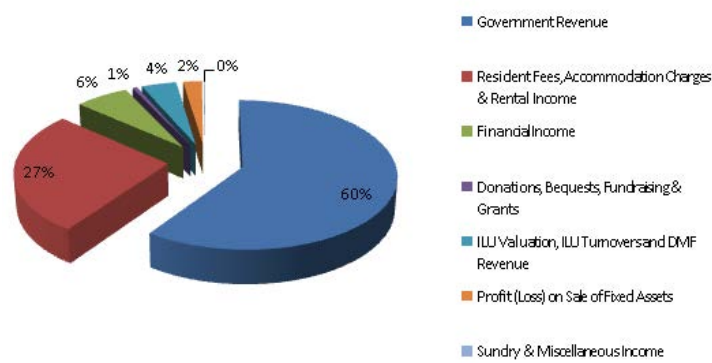


# FINANCE

## Financial Performance

The 2013/14 financial year saw another solid financial performance by RSL Care SA, with a profit of \$2.1m. There was an increase in revenue as a result of the annual revaluation of the Retirement Village (\$0.6m) and profit on sale of Semaphore (\$0.3m). After these there was improvement in the underlying financial position (\$1.1m in 2014 from \$1.0m in 2013), largely attributable to continual advances in processes to realise increased government funding based on resident need in residential aged care, despite increased investment in planning and preparation for potential growth initiatives including the acquisition of two retirement villages, Home Care, building of independent living units on Glenrowan Avenue, increasing housing at Wallaroo, expansion at RSL Villas and spatial master planning for the War Veterans' Home. We have also increased our contribution towards our altruistic objectives by providing support to Soldier On, Trojans Trek, the Mason family and support for various ex-service related initiatives and fundraising activities. There continues to be increased investment in information technology and asset sustainment.

### What we earned

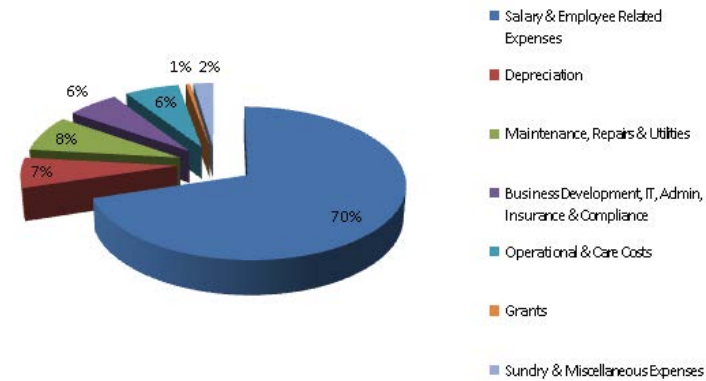


Revenue	2014	2013
Government Revenue	\$8,573,181	\$7,630,937
Resident Fees, Accommodation Charges and Rental Income	\$3,831,751	\$3,700,056
Financial Income	\$922,789	\$1,004,456
Donations, Bequests, Fundraising and Grants	\$81,997	\$22,991
ILU Valuation, ILU Turnovers and DMF Revenue	\$600,176	\$1,156,894
Profit (Loss) on Sale of Fixed Assets	\$323,590	\$-624
Sundry and Miscellaneous Income	\$19,814	\$17,275
<b>Total</b>	<b>\$14,353,299</b>	<b>\$13,531,985</b>

The sustained financial performance is as a result of combined organisational effort. Strong leadership and governance from the CEO, AFG (Audit, Finance & Governance Committee) and the Board have set the framework and expectation. There has been a fantastic team effort by dedicated staff under the guidance of the leadership group. Management continue to have responsible, prudential financial management practices.

Our financial management framework is sound, and we are constantly improving and enhancing this as well as our financial and management information.

### What we spent



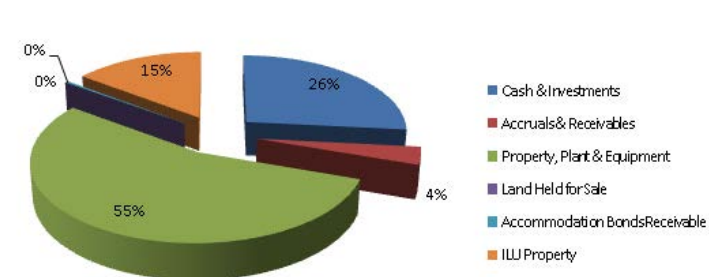
Expenses	2014	2013
Salary and Employee Related Expenses	\$8,633,647	\$8,106,671
Depreciation	\$804,239	\$787,349
Maintenance, Repairs & Utilities	\$963,604	\$882,855
Business Development, IT, Admin, Insurance and Compliance	\$751,245	\$561,480
Operational and Care Costs	\$785,984	\$779,414
Grants	\$65,750	\$0
Sundry and Miscellaneous Expenses	\$286,979	\$303,544
<b>Total</b>	<b>\$12,291,448</b>	<b>\$11,421,313</b>

# FINANCE

## Financial Position

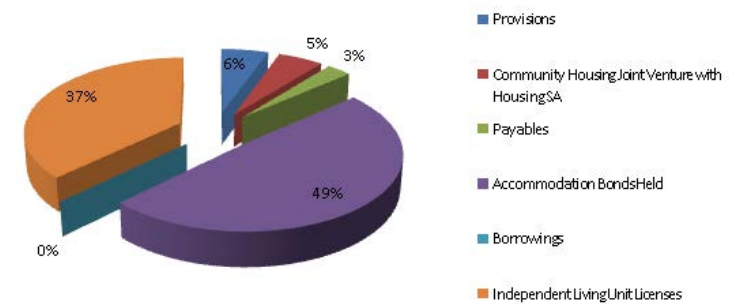
Net assets increased by \$2.1m. Cash and investments increased by \$2.6m. Land at Semaphore (\$2.0m) was sold in October 2013 (proceeds of \$2.325m). The revaluation of the Retirement Village realised an increase of \$0.6m in investment property, and an offsetting \$0.4m in ILU licences. Accommodation bonds decreased by \$0.5m – the total value of accommodation bonds are held in cash and term deposits. Accruals & Receivables increased by \$2.1m, largely due to a deposit paid for the acquisition of two retirement villages (Sturt and Hamilton).

### What we own



Assets	2014	2013
Cash & Investments	\$23,146,657	\$20,573,246
Accruals & Receivables	\$3,164,116	\$1,057,241
Property, Plant & Equipment	\$47,609,329	\$48,291,490
Land Held for Sale	\$0	\$2,000,000
Accommodation Bonds Receivable	\$322,690	\$1,046,703
ILU Property	\$12,725,821	\$12,120,789
<b>Total</b>	<b>\$86,968,613</b>	<b>\$85,089,470</b>

### What we owe



Liabilities	2014	2013
Provisions	\$1,397,412	\$1,537,196
Community Housing Joint Venture with Housing SA	\$1,354,500	\$1,354,500
Payables	\$735,517	\$804,976
Accommodation Bonds Held	\$12,527,595	\$12,990,213
Borrowings	\$0	\$0
Independent Living Unit Licenses	\$9,481,501	\$9,000,645
<b>Total</b>	<b>\$25,496,525</b>	<b>\$25,687,530</b>

All prudential requirements for accommodation bonds as legislated were met, and RSL Care SA has ample cash to meet its liquidity needs. The licence to occupy residence in the Retirement Village is reflected as a liability, however generally each liability is discharged and a new liability instated at time of turnover (sale of licence).

## Financial Compliance

All legislated reporting requirements were met, and all statutory payments were made within the mandated timeframes. RSL Care SA received an unqualified audit report from BDO Audit Partnership (SA). Full copies of our financial statements are available to the Association members, current and prospective residents upon their request.

## Financial Outlook

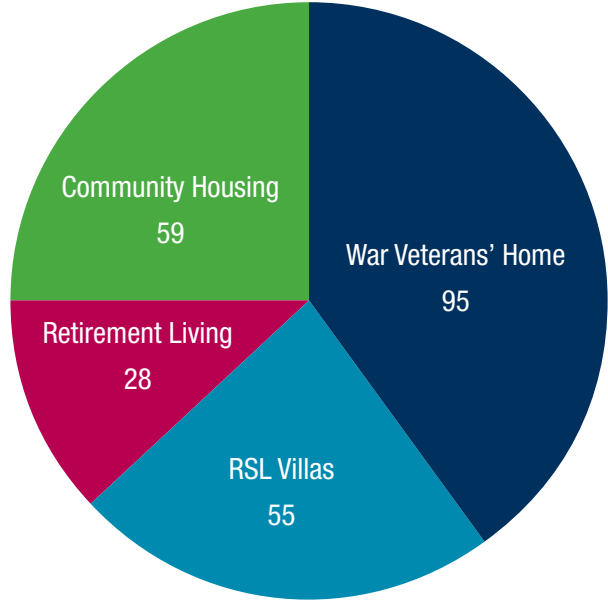
We are planning to continue to invest in our growth and altruistic objectives in 2014/15, and realise returns from our investments in retirement living. We anticipate maintaining our strong underlying financial performance. There will continue to be substantial investment in business development as RSL Care SA endeavours to meet its strategic objectives, in particular growth to enable us to provide more quality services to more veterans and the wider community. The financial impact of the aged care reforms is unlikely to be fully understood until late in the financial year, once the internal and external processes are refined and fully operational. Early indications are a likely increase in lump sums, as well as an increase in accommodation charge revenue. The challenge for us and the aged care industry is to be able to use these funds to maintain and improve our aged care facilities rather than just meet our increasing costs of service provision.

*Simon McPherson*

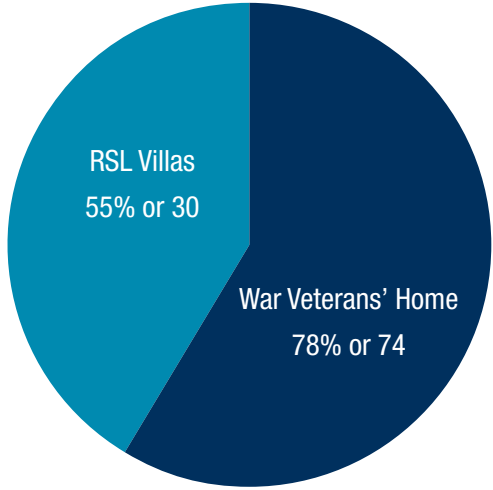
MANAGER, FINANCE & ADMINISTRATION

# KEY STATISTICS

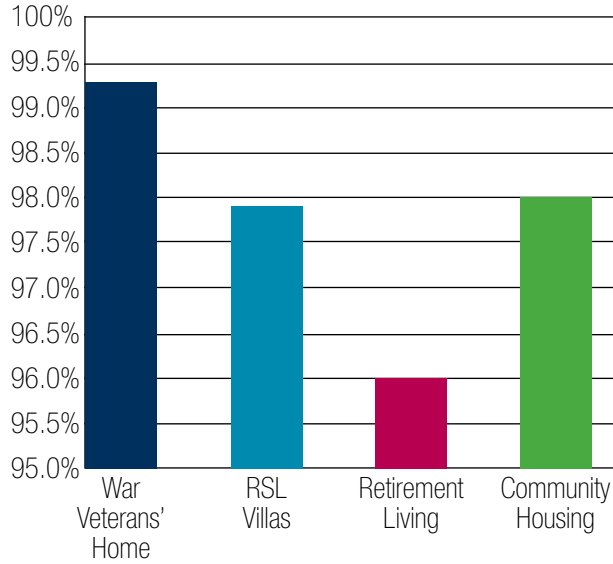
## Residents/Clients



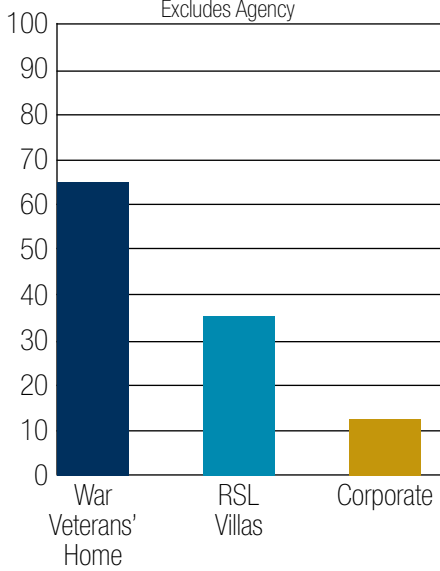
## DVA Card Holders



## Occupancy



## Workforce - FTE



Residential Aged Care	WVH	RSLV
High Care	85%	89%
Low Care	15%	11%
Supported Ratio	41%	50%
Residents with a Bond	51%	25%
Average Bond	\$214,147	\$169,972



RSL CARE SA





**RSL CARE SA**

**[www.rslcaresa.com.au](http://www.rslcaresa.com.au)**

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