



RSL CARE SA

ANNUAL REPORT 2014/2015

CELEBRATING 100 YEARS
1915 - 2015

*Minutes of meeting Held at May Club on Tuesday
1st April at 8pm.*

Present. - Hon. J.H. Cooke, in the Chair.

*Mesdames, Isaacs, Wedles, Beaven, Kelly, Ward,
Williamson, Russell and Miss Knowles.*

*Messrs. Wedles, Dumas, Mandeville, Rogers, Jungow,
Col. Bruce Weir D.S.O. and Rev. S.H. Fernie and Secy.
Cylogau were received from Mrs. A. W. Hill, J.H.
Cooke, and Messrs. W. Mahan, R.H. Smith, and
Graebner.*

*~~Two~~ Minutes of last meeting were read and
confirmed.*

Various Correspondence was read and dealt with.

*It was resolved the Secy. supply a list of all
- be supplied to State War Council, but that it was desired
buttons, ~~to retain~~ ^{to retain} the Brick Button and that of
the Home.*

*Nation's Report - Moved by Rev. Jungow and 2nd
by Mr. Sommerich that the Report be adopted.*

- Carried.

PEACE DAY LEAGUE.

COLLECTION FOR A SOLDIERS' HOME.

The Peace-Day League, the object of which is to provide a home for incapacitated soldiers, and particularly to care for the worst cases, held a brick and button day in the streets of Adelaide on Friday. As the organisation has a membership of about 400 to draw upon, and, in addition the members of various other patriotic bodies offered their services, there was no lack of enthusiastic lady collectors.

The hon. organiser (Mrs W. C. Wedler) stated in explanation of the effort, "We especially wish it to be known that the league has no connection whatever with any association opposing military service and advocating or striving for peace now and at any price. We only desire to see peace come with absolute victory for the Allied cause, and when Kaiserism is crushed. Some confusion unfortunately appears to have arisen in this matter. We call ourselves the Peace Day League because it is our intention to make a great appeal on the anniversary of peace day every year for the support of the home. The president (Hon. J. H. Cooke, M.L.C.) is in communication with the Federal authorities on the question of a site. It is hoped that five acres of ground will be secured. Of course, for an institution of the kind a considerable sum of money will be required, and it cannot be built in a day. Corresponding movements are on foot in some of the other States. In Victoria it is intended at Caulfield to provide a home for 2,000 men, and South Australia ought not to be behind. Many men have gone to the war who have not a brick in any wall of their own. They have gone to fight for our homes, and it is our bounden duty to find a home for them if they are incapable of work when the war is over. The Premier (Hon. C. Vaughan) is patron of the league, and Messrs. Rogers and Shearer, of the State Audit Office, are hon. treasurer and hon. auditor respectively. Mr. A. R. Fuller is hon. secretary, and Miss Ward is secretary of the sewing circle."

The buttons sold by the league, with an appropriate design and lettering in red, blue, and gold, were distinctly artistic. The chief novelties offered by the collectors were tiny bricks tied with ribbons, and a "Trick the Kaiser cannot do - separate red, white, and blue." They reported that excellent business was being done.

At Bowman's Arcade at 5 p.m. the Premier explained the objects of the league to a large crowd, and announced that anyone subscribing a guinea had the right to hand in the name of a child, to be affixed on a shield to one of the bricks used in the building. He called upon 22 children who had inscribed bricks to present, and they individually offered them to the president. Mr. Cooke said he had never had so many bricks shied at him before, but after seeing the names on the shields he realised that they obtained a splendid contribution of inscribed stock. Senator Shannon sold by auction the foundation-stone slab, which was purchased by Mr. E. Ellis. Cornerstone slabs were also auctioned and purchased respectively by Mr. F. W. Smallacombe and Senator Shannon.

As the result of the day's operations over £600 was obtained.

At Port Adelaide the sum of £83 19/3 was raised.

PEACE DAY LEAGUE.

COLLECTION FOR A SOLDIERS' HOME

The Peace-Day League, the object of which is to provide a home for incapacitated soldiers, and particularly to care for the worst cases, held a brick and button day in the streets of Adelaide on Friday. As the organisation has a membership of about 400 to draw upon, and, in addition the members of various other patriotic bodies offered their services, there was no lack of enthusiastic lady collectors.

The Hon. organiser (Mrs W. C. Wedler) stated in explanation of the effort. "We especially wish it to be known that the league has no connection whatever with any association opposing military service and advocating or striving for peace now and at any price. We only desire to see peace come with absolute victory for the Allied cause, and when Kaiserism is crushed. Some confusion unfortunately appears to have arisen in this matter. We call ourselves the Peace Day League because it is our intention to make a great appeal on the anniversary of peace day every year for the support of the home.

The president (Hon. J. H. Cooke, M.L.C.) is in communication with the Federal authorities on the question of a site. It is hoped that five acres of ground will be secured. Of course, for an institution of the kind a considerable sum of money will be required, and it cannot be built in a day. Corresponding movements are on foot in some of the other States. In Victoria it is intended at Caulfield to provide a home for 2000 men, and South Australia ought not to be behind. Many men have gone to the war who have not a brick in any wall of their own. They have gone to fight for our homes, and it is our bounden duty to find a home for them if they are incapable of work when the war is over. The Premier (Hon. C. Vaughan) is patron of the league, and Messrs. Rogers and Shearer, of the State Audit Office, are Hon. treasurer and Hon. auditor respectively. Mr A. R. Fuller is Hon. secretary, and Miss Ward is secretary of the sewing circle."

The buttons sold by the league, with an appropriate design and lettering in red, blue, and gold, were distinctly artistic. The chief novelties offered by the collectors were tiny bricks tied with ribbons, and a "Trick the Kaiser cannot do - separate red, white, and blue." They reported that excellent business was being done.

At Bowman's Arcade at 5 p.m. the Premier explained the objects of the league to a large crowd, and announced that anyone subscribing a guinea had the right to hand in the name of a child, to be affixed on a shield to one of the bricks used in the building. He called upon 22 children who had inscribed bricks to present, and they individually offered them to the president. Mr. Cooke said he had never had so many bricks shied at him before, but after seeing the names on the shields he realised that they obtained a splendid contribution of inscribed stock. Senator Shannon sold by auction the foundation-stone slab, which was purchased by Mr. E. Ellis. Cornerstone slabs were also auctioned and purchased respectively by Mr. F. W. Smallacombe and Senator Shannon.

As the result of the day's operations over £600 was obtained.

At Port Adelaide the sum of £83 19/3 was raised.



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 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.

CONTENTS

Our Mission and About Us	1
Chairman's Report	2
Outgoing CEO's Report	6
Corporate Structure	9
Board of Directors	10
CEO Report	11
Residential Aged Care	12
Staff Recognition	13
Financial Position	14
Financial Performance	15
Key Statistics	16

CHAIRMAN'S REPORT

David Everitt



I am very pleased in this time of the Centenary of ANZAC to present the Chairman's report in the 100th Annual Report of what is now RSL Care SA. This year also marks the centenary of the origins of RSL Care SA (and also the RSL in SA).

I thank and acknowledge Sir Eric Neal AC CVO who accepted the Board's invitation to become Patron of RSL Care SA. Sir Eric has demonstrated his interest and support of the ex-service community over many years and the Board is grateful for him extending that support to RSL Care SA.

As reported in previous reports the Board has a deliberate strategy to reposition RSL Care SA, and be suitably equipped to provide services and support to ex-service personnel and their families and to the general community for another 100 years. By 2013/14 repositioning was well advanced following the consolidation of operations transferred from RSL SA, and the redesign of management practices necessary to support the consolidation and to provide the foundation for future growth. Targeted growth became a reality in 2014/15 in the following areas.

- Ownership of the Sturt and Hamilton retirement villages took effect from 1st July 2014 providing an additional 67 retirement units at a total cost of \$3.5m (about half paid in 2013/14). Both sites have contributed to the financial health of RSL Care SA through re-leasing of vacant units and unit turnover. Another benefit is that the acquisitions provide more accommodation options for our target client group.
- Two new retirement units built at the Myrtle Bank site at a cost of just under \$1m also broaden our range of accommodation options on offer. Both of those units were presold prior to completion and although the sale of one of them subsequently fell through due to changed family circumstances, it is expected new tenants will be signed up in the near future.
- In line with the spatial master plan for the redevelopment of the Myrtle

Bank site, several properties adjacent to the War Veterans Home were acquired during the year at a cost of just over \$3m. Planning is progressing to the level of detail required for decisions on design features and affordability.

- In June 2015, an offer was made to the SA Government to acquire their interest in the Joint Venture with RSL Care SA (our interest was transferred from RSL SA at the time of the merger) that created the Warmington Square Community Housing Village at Wallaroo. This offer was made following a decision by the village residents to be "taken over" by RSL Care SA and avoid the logistical burden that comes with operating under community housing legislation. Government has since accepted the offer of \$380k to acquire the 7 units that make up the village and we are finalising the details for the acquisition. Our offer to government was based on a commitment to continue to use the 7 units for affordable housing, and the existing rental framework. The acquisition unlocks the site to enable further affordable housing options at Wallaroo utilising the vacant land on the site. Should this be successful, the Darby and Joan Cottages, which are approaching their "use by" dates, could be replaced. Our vision is to establish an integrated community targeting ex-service personnel and their partners offering various accommodation options and where residents are supported by each other and the RSL networks. Access to the local aged care services located across the road will be facilitated. This initiative will "pay its own way" but is not intended to provide a truly commercial outcome as it is part of our altruistic charter.
- Agreement in principal has also been reached with Westside Housing to "take over" the Darby and Joan Cottages at Clovelly Park. These cottages also operate in the onerous community housing legislation under the umbrella of RSL Care SA Community Housing Association (formerly RSL Poppy Day Trust Housing Association). Westside

It was in August 1915 that a community group convened by Mr and Mrs Wedler of Malvern was formed to raise funds to establish a home for physically and psychologically injured soldiers returning from Gallipoli. Fundraising efforts by The Soldiers' Home League were quickly successful, and combined with financial support provided by the Lutheran War Relief Fund, the Myrtle Bank homestead was able to be acquired. It was officially opened as the "Soldiers' Home" in March 1917 by Colonel Stanley Price Weir (Commanding Officer of the 10th Battalion, AIF, at the landing of Gallipoli). 100 years on RSL Care SA continues the fundamental purpose for which it was formed including assistance to young men and women dealing with the consequences of their military service.

Housing has managed the Cottages on behalf of the Association for many years. It is evident that the Government's intent is to limit the number of community housing operators to those with a sufficiently large volume of housing units. The Board took a strategic decision to exit from a direct involvement in this form of affordable housing, and avoid the administrative burden of the legislation. The agreement with Westside Housing involves the RSL Care SA "brand" continuing to be visible at Clovelly Park and Westside Housing providing an additional 10 units for ex-service personnel at locations yet to be decided.

- Our intent to expand the number of residential aged care beds at RSL Villas was not achieved as additional bed licences were not on offer by the federal government in the last Aged Care Allocation Round (ACAR). However expansion remains our long term objective.
- Our intent to enter the home care market by gaining licenced home care packages through the ACAR round was unsuccessful. The ACAR process is extremely competitive with 18 applicants for every package on offer, making it very difficult for new operators such as RSL Care SA to enter the market. However accessing home care by our retirement living and affordable housing residents remains an objective and in the meantime management is looking to achieve this capability using existing providers that share similar values to RSL Care SA. As a consequence of these initiatives RSL Care SA now provides accommodation and other support to about 300 residents at any one time in various accommodation options and has plans for further expansion in accordance with our charter.

We also maintain focus on existing operations of which residential aged care is the main component with 150 residents. Earlier this year both the WWH and RSL Villas underwent their 3 yearly Accreditation survey by the Australian Aged Care Quality Agency. Both sites were again found

compliant with all 44 expected outcomes of the Standards and have been accredited for another 3 years. This is the expected result but the effort involved in achieving and maintaining standards in a highly regulated industry should not be underestimated. The Board acknowledges the good work of staff and management in maintaining the expected outcomes.

RSL Care SA has strong links with RSL SA. That association was reinforced by the merger of RSL SA accommodation options to the War Veterans Home to form RSL Care SA in 2012. Since then the collaboration between the two linked organisations has expanded.

RSL Care SAs altruistic objectives include support to contemporary veterans but we tend to do so through other organisations such as RSL SA rather than replicate similar services. Grants continue to be made to RSL SA for this purpose.

Initiatives with RSL SA are in progress to help reduce homelessness amongst service personnel that find themselves in difficulty for various reasons. Further comment on this initiative is elsewhere in this report but I highlight the commitment is not only as an intervention for those already homeless but also as a proactive preventative measure for those at risk of homelessness and the consequences that can follow.

RSL Care SA has also contributed to the RSL Virtual War Memorial as it is an important part of commemorating the history of service to the nation by Australian Defence Force members past and present.

Of particular financial significance in 2014/15 is that RSL Care SA made a prepayment of the annual licence fee paid to RSL SA for the use of the RSL "brand" in perpetuity. As the annual fee of \$236k no longer applies, this is a sound commercial outcome for RSL Care SA. RSL SA similarly benefited as it assisted them to acquire an asset with an income stream that supports their altruistic objectives which also tend to overlap with those of RSL Care SA.

Meeting held at May Club at 7.15 pm.
 on 7th May 1918. of Sub Committee the
 Eligibility of Sumateo at the Home
 Present. Mr. R. H. Smith, Mayor of Port
 Adelaide in the Chair -
 Messrs. - Widdler, Budge, Land,
 Kelly and Miss Knowles -
 Messrs. Rogers, Widdler, Graebner, Col.
 Weir D.S.O. & Secretary -
 Resolved that when any Sumateo's
 earnings and pension - the sum
 total of which is, or exceeds £3

Sadly, I recognise the passing of two individuals who have had much to do with the RSL Villas over the years. John Bailey, former State President of RSL SA, had an important role in establishing RSL Villas at Angle Park. He passed away at RSL Villas on 26th February 2015. Gordon Steer was a stalwart of RSL Villas as a volunteer in a variety of ways over many years. He passed away in August 2014. Both had a significant and positive impact on RSL Villas and have left a lasting legacy.

Lest We Forget.

It was satisfying that outdoor amenities at the RSL Villas and the War Veterans Home were upgraded during 2014/15. An area at RSL Villas adjacent to the Memory Support Unit was developed into a sensory garden and walking trail designed to contribute to the well being of residents. These works were partially funded by the Knight family in memory of their mother who passed away at the War Veterans Home. The Knight Villa at RSL Villas already honours their father, Harry Knight DSM, who served on the HMAS Perth and became a Japanese prisoner of war until repatriated to Australia at war's end. The works were also partly funded from a legacy given to RSL SA some years ago by the parents of Private Neil Engelhart who died on the Sandakan death marches as a POW in World War II. A plaque in his memory is located in the garden. The Alexandra Park is the "front yard" of the WVH and is so named in recognition of the extensive financial support provided to the WVH by RSL branches located on the Fleurieu Peninsula. Although a pleasant, peaceful area, it required upgrading to improve resident access and provide an outdoor entertainment area. New landscaping has a theme that includes plants that reflect the countries in which Australian Defence Force members have served (this was an initiative of the contractors - Programmed). A descendant of the Lone Pine at Gallipoli was also planted at the re-dedication ceremony through the generosity and support of Richard and Diana Hancock and the SA Cornish Association. The Engelhart legacy also contributed to this initiative.

2014/15 also produced a sound financial outcome. The financial affairs of RSL Care SA are becoming more complex to interpret as a consequence of the range of its operations, in particular retirement living implications, so I will leave a more comprehensive explanation to elsewhere in the annual report but I highlight:

- a. The Board is well satisfied with the financial performance of RSL Care SA and is in a strong financial position
- b. Total Assets have grown \$18.5m to \$105.5m. A key contributing factor has been the increase in value of investment property which is largely due to acquisition of Sturt and Hamilton Retirement Villages and reflects the value of retirement living resident entry contributions and subsequent Deferred Management Fee earnings.
- c. A surplus of \$1.225m was achieved which on the surface is less than last year. However the underlying result after adjusting for abnormal items in both 2013/14 and 2014/15 is in line with the outcome achieved last year. (refer to CEO's report)
- d. Although cash holdings reduced by \$2.8m, this is after about an \$8.4m investment in future opportunities. These include:
 - Acquisition of Sturt and Hamilton Villages
 - Build cost of two retirement units at Myrtle Bank where the income will be received in 2015/16
 - Acquisition of property adjacent to Myrtle Bank \$3.2m to be used to redevelop residential aged care facilities and expand retirement living
 - Prepayment of licence fee for use of RSL "brand"
- e. Aged care reforms in the residential aged care sector were introduced in July 2014 which were a potential financial risk. Those risks have been well managed and become an opportunity with the value of Accommodation Bonds (now Refundable Accommodation Deposits - RADs) having increased to \$17.5m.

The offer of Mr. Mandeville was accepted with thanks re visits of two Wedds to Schools.

The President would advise the Huley School re price of wing offers. Consultation with Mr. Quinton Bruce.

The matter re plate and slab re opening of Recreation Hall and Home was referred to Trustees for action.

The question of ~~Leaving~~ entertaining at official gatherings at the Home was discussed ~~and~~ and deferred for further consideration.

Whilst RSL Care SA is a "Not for Profit" organisation, this requires the Board and management to take a commercially responsible approach to its affairs in order to generate capacity to achieve our 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 "lumpy" expenditure in some years for the redevelopment and sustainment of physical assets.

The organisation has been guided over the past three years by a set of strategic objectives for the period ending 2015. The board is now finalising new strategic objectives for the period 2016-21 and will be published in early 2016.

I will be stepping down as Chairman and board member at the November AGM. I take this opportunity to acknowledge the staff and management for working diligently to provide high standards of care and services to our most important asset, our residents. 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. I acknowledge and thank Geoff Tattersall for the leadership that he has provided as CEO for the last four years. Geoff has had a key role in the progress achieved to date with the board's strategic intent. He stepped down as CEO in July 2015 as part of a deliberate succession plan that he proactively contributed to since his initial appointment. I welcome Nathan Klinge as the incoming CEO who took over from Geoff in a very smooth transition reflective of their shared vision for the future. Geoff recruited Nathan from the Australian Regular Army (RAAMC) in November 2014 in to the role of Director of Development but he has also previously served on the Audit, Finance and Governance Sub-Committee of the Board and attended Board meetings as an observer. I thank both Geoff for his contribution and wish Nathan well for the future.

The 8 years that I have been involved with The War Veterans Home Myrtle Bank and then with the merged identity of RSL Care SA have been challenging, exciting but above all satisfying. I again 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. As individuals and as a team they always answer the challenges with forthrightness and clarity and I am sure they will continue to do so to take the business to even greater success.

A special note of thanks goes to Mrs. Loretta Byers who takes over as Chair. Loretta has always provided sound advice and support, and like Nathan I wish her well for the future.

OUTGOING CEO REPORT

Geoff Tattersall



SERVICES

Our dominant activity is residential aged care in which we assist 150 residents and their families on a 24/7 basis in a highly regulated industry. This is achieved across two sites in well maintained facilities through the good work of 172 staff (109 full time equivalent including agency staff) and a good proportion of the time of the 16 corporate staff. Feedback from the resident (and family) satisfaction survey presented to the Board in Sept 2014 indicated high levels of satisfaction but also yielded some constructive feedback on where more attention would be welcome.

Both RSL Villas and the War Veterans Home successfully had their Accreditation status reviewed by the Australian Aged Care Quality Agency in March and May 2015 respectively and were awarded a further 3 year Accreditation. Although such an outcome should be expected as a matter of routine, the effort involved should not be underestimated.

The residential aged care operating environment changed in July 2014 when the Government's Aged Care Reforms took effect with an increased focus on resident choice and competition. The reforms presented some challenges for new residents (and families) seeking a residential care placement and also for staff as we adapted practices to respond to the reforms. Adaptation will continue for some time yet as residents and their families exercise choice and RSL Care SA has responded well to date. One indicator of consumer confidence in our services is that the value of accommodation bonds (now refundable accommodation deposits - RADs) held on behalf of residents has increased almost \$5m to \$17.5m. Retirement Living has become a larger component of our services following the acquisition of a total of 67 retirement units at the Sturt and Hamilton Retirement Villages with effect from 1st July 2014. The initial transition went smoothly and we continue to find out more about how we can contribute to the lives of our residents. During 2014/15 we also built 2 additional retirement units at Myrtle Bank. One of those units has since

been occupied and tenancy for the second unit is expected imminently.

Housing is the other component of our service offering with 50 units across 5 sites. The Chairman has outlined in his report initiatives underway to expand housing options at Wallaroo and Clovelly Park.

As indicated in previous reports, our intent is to expand the number of beds at RSL Villas and to also become an approved provider of government funded home care packages. Bed licences and care packages are allocated by Government through an annual competitive process. Bed licences in the geographic region of RSL Villas were not on offer in 2014/15 and our bid for home care packages was not successful. Relatively few home care packages were available and competition was fierce for those that were on offer. The outcome indicates to would be providers including ourselves the challenges for new providers to enter the market. However our efforts to do so will continue and in the meantime we seek to develop collaborations with existing providers in the interests of facilitating access by our retirement and housing residents to services they need.

GROWTH INITIATIVES

As the Chairman has indicated in his report, RSL Care SA has entered an expansionary phase as envisaged several years ago when the Board embarked on a pathway to reposition what is now RSL Care SA. Initial steps were to consolidate the various accommodation options offered by the RSL "family" and to develop the business systems and capability required to support the larger and more diverse scale of operations that RSL Care SA now has.

July 2014 saw RSL Care SA acquire the Sturt and Hamilton Retirement Villages and later in the year a contract was let to construct two new units at the War Veterans Home Retirement Village. Although an increase of 69 retirement units under management may not be overly large for bigger operators, it is significant for a smaller niche operator like RSL Care SA.

The year just gone has been another rewarding one with existing operations performing well, an expansion of retirement living implemented, groundwork put in place for further growth initiatives and further advances in contemporary governance practices. It is significant that in our centenary year, RSL Care SA continues to fulfil its original purpose and maintains focus on its charitable objectives. It is also significant that in our 100th year, which coincides with the Centenary of ANZAC, the organisation is still supporting contemporary veterans and ex-service personnel in need although fortunately the number in need is much less than 100 years ago.

It has changed the balance of our operations considerably with several management ramifications which fortunately were anticipated in our business redesign.

Of greater significance is that there are more initiatives in the “development pipeline” which the Chairman has outlined in his report and I will not repeat. However, I do highlight that the planned growth

- Is targeted to specific areas in which we already have interests
- Is in accordance with the charitable objectives of the organisation where our primary client group remains the ex-service community
- Has and will require investment of management time and expertise now although the benefits generally will not be realised in the immediate short term.

WORKFORCE

As I have said on many occasions RSL Care SA can not do what it does without the contribution of our many committed staff and volunteers. They are the ones who have the positive influence on the daily lives of our residents. I hope we have made progress in giving due recognition to their efforts through the various events held during the year. I am pleased that RSL Care SA is now having a presence at industry events and through those events, staff are exposed to a broader perspective of the industry. We have also had staff receive industry acknowledgement of their achievements and I hope to see more of this in the future.

I am also pleased and proud with what is now known as “Our Team Standards” which define the Board endorsed behaviours staff expect to see in the workplace and perhaps more importantly, behaviours they don't want to see. The workplace is the better because of these efforts but there is an ongoing responsibility on management and all staff to always conduct themselves in accordance with the values upon which those standards are based.

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. It is not practical in this report to recognise all individual staff that warrant recognition. However I do wish to acknowledge and thank

- Anne Richards, Director of Care from 2010 until she left in late 2014. Her focus on care operations from the perspective of residents and family challenged some practices and we are better for it. She also had an important role increasing remuneration for residential aged care so that it was more commensurate with the cost of care provided to our residents
- Karen Parish in her temporary role as Chief Operating Officer from Dec 2014 - June 2015. Her key objective was the successful accreditation outcomes achieved in 2015
- Simon McPherson, Manager Finance and Administration who left in June 2015. Simon was key to the many improvements that have been made in financial management practices over the last few years.

FINANCIAL

Another good financial result was achieved in 2014/15 but as indicated already, the expansion of retirement living operations changes the mix of our operations and impacts on financial reporting unfortunately making interpretation of results more complicated. A key impact is that the value of retirement villages is essentially the value of future Deferred Management Fees to be derived from the resident entry fees. Another example is that cash proceeds of sales of “owner units” at Sturt and Hamilton Villages are recognised in the balance sheet rather than as revenue in Comprehensive Income. The proceeds from the two “owner units” sold in 2014/15 was \$460k with three remaining “owner units” that are expected to turnover in 2015/16. The “cause and effect” of such initiatives are not readily identifiable through the Statement of Profit and Loss alone.

The finance statements are provided elsewhere in the annual report but I wish to highlight the following key points :

a. The Statement of Comprehensive Income reports a surplus of \$1.225m which, on the surface, is less than the \$2.070 surplus in the previous year however the underlying result is more than comparable when significant “once off” factors are considered as follows:

	2014/15	2013/14
Reported surplus as per statements	\$1,225,685	\$2,070,148
“Once off” gain on sale of Semaphore		(\$323,590)
“Once off” write down of value of house at Glenrowan Ave - site cleared for retirement units	\$136,783	
Stamp duty and fees paid on property acquisitions for future development	\$183,172	
Upgrade Alexandra Park at WH and Sensory Garden at RSL Villas to improve resident amenity	\$95,000	
Office redesign to increase capacity	\$45,000	
Estimate of renovations at Sturt/Hamilton to make units ready for market	\$100,000	
Dementia supplement discontinued in 2014/15		(\$100,000)
Grant to RSL Virtual War Memorial (admin and other expense)	\$50,000	
Accreditation costs	\$78,000	
Estimate of interest foregone due to property acquisitions	\$125,000	
Vacant unit costs (Independent living units)	\$126,000	
Reimbursement of prior year workcover premiums	(\$289,000)	
Adjusted result for comparative purposes	\$1,875,640	\$1,647,558

b. Although Cash and Cash Equivalent assets decreased by \$2.7m this was after cash outgoings totalling about \$8.4m for property acquisitions and prepayment of licence fees to RSL SA for use of the RSL brand. The outgoings were offset by increases in accommodation bonds (now Refundable Accommodation Deposits - RADs) and revenues from licences to occupy retirement units.

c. Total assets increased by \$18.5m mainly due to increased value of investment properties (predominantly the acquisition of Sturt and Hamilton Villages) and other properties.

d. Although Net Assets only increased by \$1.22m liabilities include almost \$39m in refundable loans of which \$21.25m relates to repayment of Retirement Living resident entry contributions which, under the Act, are not repaid in most cases until the retirement unit has been re-leased and a new entry contribution has been received. In the meantime, RSL Care SA benefits from the loans held.

e. RSL Care SA is a not for profit organisation but this does not diminish the need to be commercially astute in order to generate funds that not only support its altruistic objectives, but to finance major residential aged care capital expenses in some years – such as the intended expansion of RSL Villas and redevelopment of the WH.

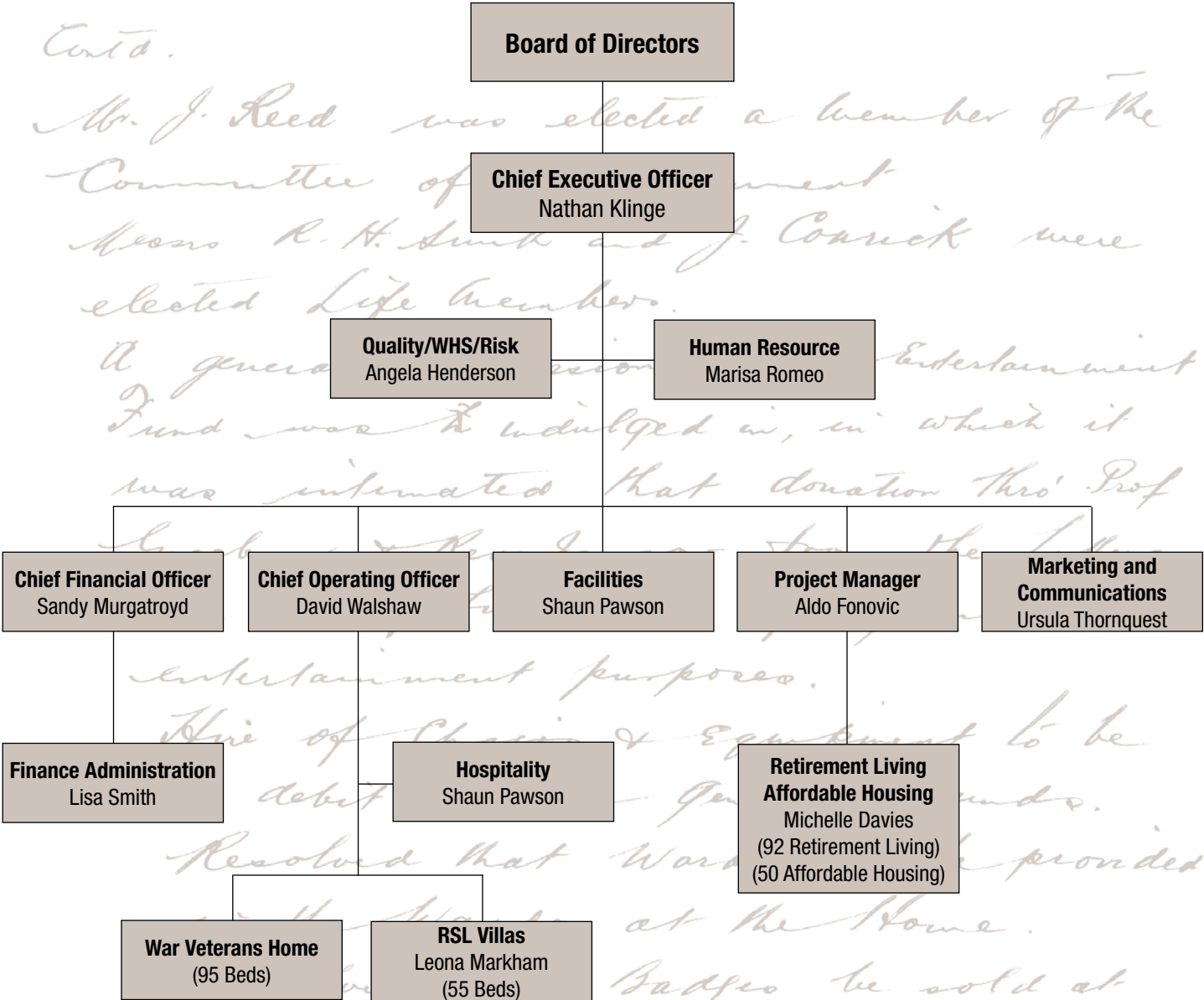
f. A significant transaction during the year was a \$3.5m payment to RSL SA for the use in perpetuity of the RSL “brand”, thereby avoiding the annual cost of \$236k (indexed annually) currently incurred. It has resulted in a good commercial outcome for both parties.

THE FUTURE

As part of my master plan of life, I formally stepped down as CEO in July 2015 and handed over to Nathan Klinge as the incoming CEO. This was part of a deliberate succession plan developed over the last few years in conjunction with myself and the Board. I took on the role of CEO with a desire to make a contribution to the future of the organisation and the broader ex-service community in a manner that I found personally interesting, satisfying and enjoyable. My aim was to assist the Board to reposition the organisation and provide good foundations for the future at which time I envisaged another CEO would be appropriate to lead it through the next few years of opportunities. Because of my personal plans, that person was not me.

My personal and professional expectations have been exceeded. I am also well satisfied with the progress made with 2012 - 2015 organisational objectives. RSL Care SA is a much different and stronger organisation than it was four years ago. I thank the Board for allowing me this opportunity and I hope I have fulfilled their expectations. It has been a good journey but with a high tempo of change that placed much pressure on many staff and required a lot of adaptability from them. I thank them personally and professionally for their expertise, their commitment to the organisation and residents, their support of me and also for their company and good humour which has been an important part of the journey. I am proud of the achievements of staff, management and Board. Good foundations exist for the start of the next 100 years and I am very confident that things will continue in the same vein with the new management team.

CORPORATE STRUCTURE



BOARD OF DIRECTORS



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

reported re General Improvement and
in much better condition than previously,
and suggests that I should be asked
to give assistance to the Janitor and
the Gardener.

Proposed that Messrs Graebner, Mandville
& Wedder constitute the Reports &
Yards Committee with Prof. Graebner
Convenor. Carried

CEO REPORT

Nathan Klinge

By the nature of our business and who we are, RSL Care SA has a broad and diverse supporter base, and I acknowledge the significant contributions that have been made by our residents, staff, volunteers and Board members over the duration of our 100 year history.



As we mark the 100th Annual General Report for RSL Care SA I'd like to begin by reflecting on all who have moved through our organisation over this time.

I would like to acknowledge the retirement of Geoff Tattersall as CEO of RSL Care SA (effective 21st July 2015), along with the resignation of our Chair David Everitt (effective 24th November). Both of these men have been instrumental in establishing RSL Care SA following our merger in 2012, and together their passion and commitment to our organisation has done much to position us well for the next 100 years. While both Geoff and David are stepping away from RSL Care SA in their formal capacities, I very much welcome and look forward to their continued involvement in whatever voluntary form that may take.

In his CEO report Geoff Tattersall has provided a detailed summary of our performance in 2014/15, and so I will not look to cover this ground again here. I will however take the opportunity to quickly introduce a couple of the key activities that we have planned for 2015/16:

1. Acquisition of the Warmington Square Village in Wallaroo - RSL Care SA maintains a small but vibrant affordable housing portfolio in Wallaroo, which following the acquisition of the Warmington Square Village (to be finalised later this year) will see this community grow to a total of 15 units. These units are all located directly over the road from the Wallaroo RSL, which makes this village an important part of our connectivity with the RSL and it gives us good reason to want to strengthen our capacity in this region. To that end, master planning is currently underway to establish another six or so affordable units at the Warmington Square site, and I look forward to reporting on this project further in 2016.

2. Homes for Heroes SA - In partnership with the RSL SA and RSL LifeCare (NSW), RSL Care SA has been instrumental in establishing a program to support contemporary veterans who are homeless or who are at risk of homelessness. This program is based out of rental accommodation in North Adelaide, and can provide accommodation for up to 16 residents.

3. Strategic partnership with Westside Housing Association - RSL Care SA has partnered with the Westside Housing Association to provide an additional 10 affordable houses for use by members of the veteran and

ex-service community. Through this relationship and because of RSL Care SA's existing portfolio of affordable houses, there are now 60 units and houses available to members of the ex-service community.

4. Facility upgrade at RSL Villas - Plans are currently underway to upgrade our 55 rooms at RSL Villas at Angle Park, which will see a gradual works program undertaken to improve the quality and amenity of each of the rooms as well as the common areas. The Villas is a key component of our capability in terms of supporting the ex-service and broader community, and we are quite excited at the opportunities that this site offers, including a likely future expansion.

5. Redevelopment of the War Veterans Home, Myrtle Bank - Commencing in 2017 we will be staging the construction of a new two-storey residential care building on site, which will replace our Bangka, Tobruk, Gallipoli and Long Tan wings.

This is a significant construction program for RSL Care SA, and it will position us well to accommodate the future needs of our residents.

6. Growing connections - RSL Care SA continues to expand its relationships with the ex-service community of South Australia, as well as with a diverse group of kindred organisations nationally. We have a long and proud history as the pre-eminent provider of accommodation services to the veteran community in this state, and I look forward to building on this heritage and reputation as our services expand.

In closing I'd like to thank the Board for their support and expertise, and for the significant contribution that they make in determining the strategic direction of RSL Care SA. Without reservation each of our board members give humbly of their time and energy to enrich the lives of others, and their service is greatly valued.

I would also like to extend my personal thanks to the staff and volunteers of RSL Care SA. I am grateful for the fine work that they do in providing care and support to our residents, and I am humbled by the level of commitment that they display towards our organisation and towards each other. These fine people choose to work and volunteer with RSL Care SA day in and day out, and they give me nothing but the utmost sense of pride in our past achievements and optimism for all that we are yet to achieve.

RESIDENTIAL AGED CARE

In 2014, the second round of major changes was implemented through the Living Longer Living Better (LLLb) reform package, released by the Australian Government. Reforms are being implemented progressively to give consumers more choice, easier access and better care with a view to building a better and more sustainable aged care system. The result has been an environment of change within residential aged care, which has impacted on staff and residents and will continue through our implementation of Government policy around LLLb. RSL Care SA's residential aged care service has continued to focus on quality care and efficiency of service within a person-centred framework.

In October 2014 we farewelled Anne Richards as our Director of Care, Anne was responsible for amongst other things, raising the ACFI profile of the WWH and implementing many of the key reforms that guide our practice today. Karen Parish subsequently took over from Anne on a temporary 6 month contract as the Chief Operating Officer and when that concluded, David Walshaw assumed responsibility as the Chief Operating Officer.

One of the biggest projects affecting the day to day operations of the facilities commenced in July 2014 when a "root and branch" review of all care operations, ACFI revenue and staffing levels was carried out by Dr Di Wickett and Mr David Walshaw. This review looked at every aspect of the organisations clinical operations and resident care as well as staffing levels and the skill mix of the workforce. The recommendations of the review will provide guidance on the future shape of residential aged care services in a changing environment.

Key highlights for the year include:

On the 17th and 18th of March 2015, the RSL Villas underwent an Australian Aged Care Quality Agency audit and accreditation was granted for 3 years until June 2018 with the facility meeting all 44 outcomes of the Standards. To support these outcomes there was a major review and consolidation of all clinical care systems over the prior 12 months with positive resident outcomes across all areas of assessment.

The 18th to the 20th of May 2015 it was the WWH's chance to display their continuous improvements and models of care when they underwent their validation by the Australian Aged Care Quality Agency. It was pleasing to be recognised for all of the hard work by the staff and the executive in achieving all 44 outcomes of the Standards with high resident satisfaction levels.

An Aged Care Funding Instrument (ACFI) validation took place at the RSL Villas in October 2014 to ensure regulatory compliance with submissions for government funding and the facility passed with no downgrades to what it had been claiming for each resident.

Commemorations of Anzac Day and Remembrance Day were held at both sites to support residents and their families who served in the wars. These events were well attended and positive feedback was received from all residents, family members and staff. The Dawn Service at the WWH site is proving to be very popular not only with residents but also for members of the wider community who are attending as their site of choice on this very important day in the veteran calendar.

As part of the 100 year commemorations of World War 1, the Villas and the War Veterans Home each developed a poppy wall of Remembrance at the entrance to each facility which remained on display for 6 weeks and received many favourable comments by the community. People were able to purchase a poppy and place it on the wall with all donated monies raised going to the altruistic aims of the organisation.



Australian Government

Australian Aged Care Quality Agency



STAFF RECOGNITION



On the 24th of April 2015, 3 Staff from RSL Villas and 2 staff from the WVH were sponsored by RSL Care SA to attend Camp Gallipoli at Morphettville Racecourse as part of the 100th anniversary of Gallipoli. Attendance at this event included the receipt of a Camp Gallipoli Anzac swag which was printed with an authentic service number belonging to one of the 50,000 original ANZACs who served at Gallipoli. Staff were able to keep the swag at the conclusion of the event.



Events to support staff during the year have included a shared lunch, a thank you barbeque following accreditation and staff breakfasts as well as the staff recognition evening held at the Adelaide Bowling Club. A recognition award is also presented to a staff member at each staff meeting at the Villas in recognition of their service to the residents they care for.



In May, RSL Care SA nurses attended the South Australian Health Nursing and Midwifery Awards dinner to support an Enrolled Nurse who was nominated as a finalist in the Clinical Practice Metropolitan/Rural and Remote category. Unfortunately the staff member did not take out the prize but being recognised for her efforts and being a finalist was a wonderful achievement.

Nursing staff have either been supported financially or with roster flexibility by the organisation to undertake further study in the areas of Aged Care Leadership, Advanced Diploma in Nursing and Graduate Certificate in Nursing (Health and Ageing).

FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION - AS AT 30 JUNE 2015

ASSETS	2015 \$	2014 \$
Cash and cash equivalents	20,339,319	23,070,357
Trade and other receivables	3,100,836	3,486,806
Financial assets	79,700	76,300
Investment property	27,639,236	12,725,821
Property, plant and equipment	50,738,875	47,609,329
Intangible assets	3,598,496	-
TOTAL ASSETS	105,496,462	86,968,613
LIABILITIES		
Trade and other payables	1,238,232	794,450
Refundable loans expected to be paid within 12 months	8,424,874	5,162,830
Provisions expected to be paid within 12 months	1,404,272	1,295,752
Borrowings expected to be paid after 12 months	1,354,500	1,354,500
Refundable loans expected to be paid after 12 months	30,286,035	16,787,353
Provisions expected to be paid after 12 months	90,776	101,640
TOTAL LIABILITIES	42,798,689	25,496,525
NET ASSETS	62,697,773	61,472,088
EQUITY		
Accumulated Funds	40,558,388	39,315,190
Reserves	22,139,385	22,156,898
TOTAL EQUITY	62,697,773	61,472,088

FINANCIAL PERFORMANCE

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
REVENUE	14,953,767	14,029,709
OTHER INCOME	3,400	331,890
	<hr/> 14,957,167	<hr/> 14,361,599
EXPENSES		
Administration and other expenses	(1,359,319)	(1,161,199)
Depreciation and amortisation	(868,197)	(804,239)
Hospitality and resident expenses	(829,937)	(798,041)
Repairs and maintenance	(867,593)	(516,153)
Salaries and employee benefits	(8,988,934)	(8,585,863)
Stamp duty and fees on housing	(183,172)	-
Utilities	(508,329)	(423,051)
Vacant unit costs	(126,001)	(2,905)
	<hr/> (13,731,482)	<hr/> (12,291,451)
SURPLUS FOR THE YEAR	1,225,685	2,070,148
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<hr/> 1,225,685	<hr/> 2,070,148

FINANCIAL COMPLIANCE

RSL Care SA received an unqualified audit report from BDO Audit (SA). Full copies of our financial statements are available to Association members, current and prospective residents on request, and are also available on the Australian Charities and Not-for-profits Commission (ACNC) website.

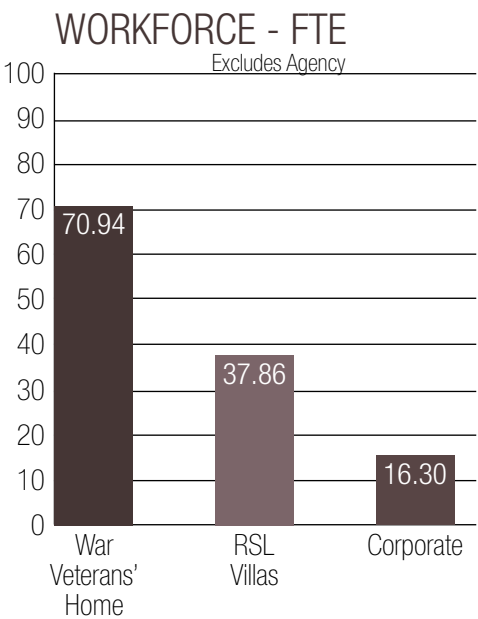
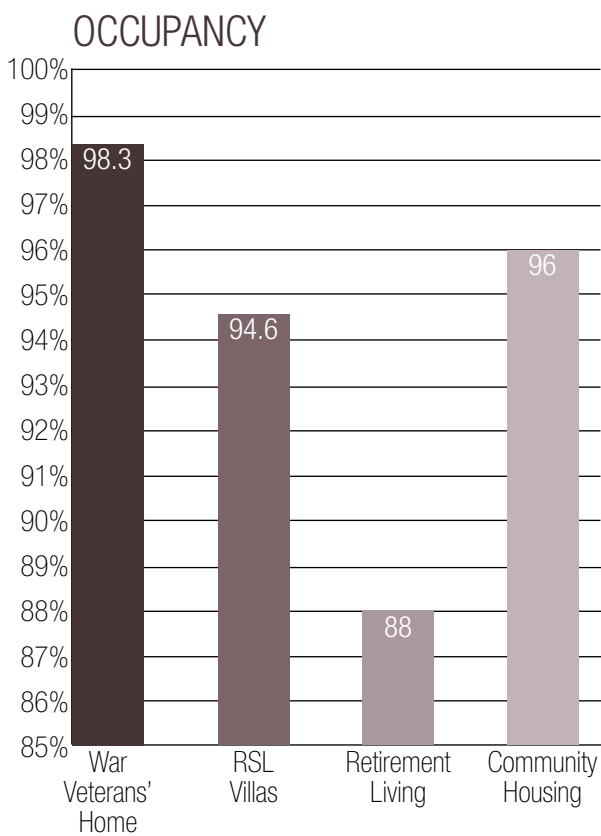
KEY STATISTICS

RESIDENTS WHO ARE DVA CARD HOLDERS

War Veterans' Home - 77%
RSL Villas - 50%

NUMBER OF ACCOMMODATION ROOMS / UNITS

War Veterans' Home - 95
RSL Villas - 55
Retirement Living - 92
Community Housing - 50



ARTIFICIAL LIMBS FOR SOLDIERS.

The work of the Peace Day League (writes Mrs. W. C. Wedler, Dover street, Unley) is being conducted upon practical and humane lines. When peace day comes it will probably be found that Australia has sent her full share of soldiers to the front, and it may be regarded as a tribute to their bravery, which has already been demonstrated and acknowledged throughout the world, if we have more wounded proportionately than any other part of the Empire. It is only a few months ago that the first casualty list was published, and in the course of six months we have had 116 of them. Following the casualty lists have come the hospital ships, and more and more may be expected to arrive. When the war is over it will be no uncommon sight to see maimed and disabled soldiers in the streets—constant reminders of the horrors of warfare. The public will naturally want on peace day and its many anniversaries to celebrate the victory of the Allies as we still celebrate Trafalgar and Waterloo; they will not desire to remember the sad side of the war. It is with the laudable desire of assisting in this direction that the Peace Day League has been formed, and its chief aim will be to provide artificial limbs for soldiers who have been wounded. It will also endeavour to assist soldiers and their dependants in other ways, and it has already co-operated with other bodies for this purpose. The officers of the league are:—Patron, Hon. Crawford Vaughan, Premier; President, Hon. J. H. Cooke, M.L.C.; Vice-President and Hon. Organizer, Mrs. W. C. Wedler; Hon. Secretary, Mr. E. C. Hartshorne; Hon. Treasurer and Auditor, Mr. W. E. Rogers, of the Audit Office. The idea of the committee responsible for the formation of the league is not as might be supposed to take any action in the direction of bringing about peace. The committee recognise as all Australia does that no peace is possible until Belgium, Serbia, Poland, and our fallen heroes have been avenged, but when peace day does arrive they want to celebrate it in a practical way by helping those through whose instrumentality and physical suffering victory has been achieved. Between the present time and peace day it is proposed to hold continentals, children's frolics, street collections, &c., and to make the biggest effort on the day that the attainment of peace is celebrated. It is felt, so great will be the expenditure, that sufficient funds will not be ready by the end of the war, but on every anniversary of peace day and throughout the years the work of the league will be continued until every soldier who has lost an arm or a leg will be provided with the best substitute that money and skill can supply. Those who desire to assist in the work of the league are requested to communicate with the Secretary, Mr. E. C. Hartshorne, 14 Westall street, Hyde Park. Subscriptions and donations may be sent to the Secretary or to Mrs. W. C. Wedler. For the summer months the sewing meetings will be held every Tuesday evening at 7 o'clock, at Mrs. W. C. Wedler's home.

ARTIFICIAL LIMBS FOR SOLDIERS

The work of the Peace Day League (writes Mrs. W. C. Wedler, Dover street, Unley) is being conducted upon practical and humane lines. When peace day comes it will probably be found that Australia has sent her full share of soldiers to the front, and it may be regarded as a tribute to their bravery, which has already been demonstrated and acknowledged throughout the world, if we have more wounded proportionately than any other part of the Empire. It is only a few months ago that the first casualty list was published, and in the course of six months we have had 116 of them. Following the casualty lists have come the hospital ships, and more and more may be expected to arrive. When the war is over it will be no uncommon sight to see maimed and disabled soldiers in the streets - constant reminders of the horrors of warfare. The public will naturally want on peace day and its many anniversaries to celebrate the victory of the Allies as we still celebrate Trafalgar and Waterloo; they will not desire to remember the sad side of the war. It is with the laudable desire of assisting in this direction the Peace Day League has been formed, and its chief aim will be to provide artificial limbs for soldiers who have been wounded. It will also endeavour to assist soldiers and their dependants in other ways and it has already co-operated with other bodies for this purpose. The officers of the league are:- Patron Hon. Crawford Vaughan, Premier; President, Hon. J. H. Cooke, M.L.C.; Vice-President and Hon. Organizer, Mrs. W. C. Wedler; Hon. Secretary, Mr. E. C. Hartshorne; Hon. Treasurer and Auditor, Mr. W. E. Rogers, of the Audit Office. The idea of the committee responsible for the formation of the league is not as might be supposed to take any action in the direction of bringing about peace. The committee recognise as all Australia does that no peace is possible until Belgium, Serbia, Poland, and our fallen heroes have been avenged, but when peace day does arrive they want to celebrate it in a practical way by helping those through whose instrumentality and physical suffering victory has been achieved. Between the present time and peace day it is proposed to hold continentals, children's frolics, street collections, &c., and to make the biggest effort on the day that the attainment of peace is celebrated. It is felt, so great will be the expenditure, that sufficient funds will not be ready by the end of the war, but on every anniversary of peace day and throughout the years the work of the league will be continued until every soldier who has lost an arm or a leg will be provided with the best substitute that money and skill can supply. Those who desire to assist in the work of the league are requested to communicate with the Secretary, Mr. E. C. Hartshorne, 14 Westall street, Hyde Park. Subscriptions and donations may be sent to the Secretary or to Mrs. W. C. Wedler. For the summer months the sewing meetings will be held every Tuesday evening at 7 o'clock, at Mrs W. C. Wedler's home.

LIABILITIES AND ASSETS.

www.rslcaresa.com.au

W. E. ROGERS, Hon. Treasurer.

CORPORATE OFFICE

Hon. Auditors.

55 Ferguson Avenue, Myrtle Bank, South Australia 5064

Tel: 08 8379 2600 • Fax: 08 8338 2577

email: warvets@rslcaresa.com.au

October 13th, 1916.

WAR VETERANS' HOME

55 Ferguson Avenue, Myrtle Bank, South Australia 5064

Tel: 08 8379 2600 • Fax: 08 8338 7369

email: warvets@rslcaresa.com.au

RSL VILLAS

18 Trafford St, Angle Park, South Australia 5010

Tel: 08 8268 7277 • Fax: 08 8268 7211

email: reception@rslcaresa.com.au