

2021



# ANNUAL REPORT

72ND EDITION



## **CONTENTS**

Chairman's Report. . . . . 4  
Financial Summary. . . . . 7

## Board of Directors

(AS AT 30 JUNE 2021)



**Ross McCorkell**  
CHAIR



**Kent Gellatly**  
MEMBER



**Simon Fawsset**  
MEMBER



**Anthony Wright**  
MEMBER



**John Skinner**  
MEMBER



**Trevor Yarrow**  
MEMBER

## Executive Leadership Team

(AS AT 30 JUNE 2021)



**Rohan Reid**  
CHIEF EXECUTIVE OFFICER



**Michael Harding**  
PEOPLE MANAGER



**Jodie Shannon**  
RESIDENTIAL CARE MANAGER



**Jason Coles**  
PHYSICAL ASSETS MANAGER



**Michel Colen**  
SYSTEMS & PROCESSES MANAGER



# Report from Chair of the Board



## Overview

At the risk of sounding like a broken record, I will begin by saying what I first said at our Annual General Meeting last year - "it would be hard to imagine a more difficult year for the aged care sector". The pressures faced by the industry in the past two years have not abated, and new pressures and challenges have arisen. These include:

- Staffing pressures as a result of decreased immigration and staff leaving the industry.
- All staff needing to have COVID vaccinations to continue to work.
- Rolling out COVID vaccinations to residents.
- Queensland parliament passing laws that will legalise euthanasia.
- Record low interest rates payable on Refundable Accommodation Deposits.
- Government indexation of aged care funding not keeping up with increased costs.
- The Australian Government's response to the recommendations from the Aged Care Royal Commission so far being disappointing and creating increased regulatory burden without meaningful funding increases.

## Achievements

Despite the continuing headwinds in our industry operating environment, Bethany Christian Care has had many achievements in the past year to thank God for. These include:

- Beth Eden being reaccredited for another three years, having fully met all assessed criteria.
- Successful outcomes from unannounced audits at our three aged care facilities by the Aged Care Quality and Safety Commission.

- High occupancy at our aged care facilities after creating a new role of Admissions Specialist.
- Twelve new resident contracts for the Janoah Gardens retirement village.
- A positive vote by residents of Janoah Gardens retirement village concerning planned renovations to the village internal common areas.
- Physical improvements to outdoor areas at Janoah Gardens and The Plains, and the introduction of a new landscape maintenance contractor.
- Implementing an investment plan to seek to prudently steward funds under our control.

## Finances

Financially the aged care industry is struggling. Stewart Brown (accountants who specialise in aged care and do a large-scale survey of industry financial performance) have written that:

*For the period ended Mar-21, 54% of facilities (homes) in the Survey are operating at a loss. The results include the net covid-19 funding surplus, and if this amount was excluded, then 60% of homes in the Survey operated at a loss for the nine months ended March 2021. Of significance is that 28% of homes are running at an EBITDAR (cash) loss for the Mar-21 period. Excluding the covid-19 funding surplus, there would have been 32% of homes that had an EBITDA loss.*

By God's grace we made a financial surplus in the year, but it was smaller than recent years reflecting the industry pressures I have already described. However, without

investment income the result would have been a loss.

### **Viability vs Sustainability**

Clearly, there are doubts about the long-term sustainability of the aged care industry.

The Board had an all-day strategy workshop this year where we had quality time to think together about Bethany Christian Care's future.

The Board believes that Bethany Christian Care's Purpose, Mission and VALUES are evergreen, and they will continue to underpin and guide our ministry's strategy. As we plan for the future, we are determined to maintain our distinctive Christian ethos - our "software". Also, we want to continue to enhance our facilities - our "hardware" - for the benefit of our residents.

We also thought about the viability and sustainability of Bethany Christian Care's operations.

We consider that "viability" is the ability to generate short-term positive earnings before depreciation (EBITDA) and remain compliant - essentially being able to pay the bills and satisfy the requirements of the Aged Care Act. We consider that "sustainability" is the capacity to maintain viability over the medium to long term to achieve the ministry's Purpose and Mission.

While we are presently viable, the Board identified areas for focus and work that will need ongoing attention if we are to continue to be sustainable. The need for financial sustainability is not the only area that will require ongoing attention. The Board considers that our ability to attract and retain appropriate board members and to continue to operate in accordance with our Christian beliefs will also need ongoing attention. That is why we are asking our Corporation members to consider remuneration for board members and changing our Constitution.

### **Thanks**

While we acknowledge every good gift as coming from God's, we also thank:

- Former Board member Sonya Blair who stood down this year.
- My fellow Board members for their dedication and service.
- Our dedicated staff and management - without them we would neither be delivering services nor engaging in Christian ministry.
- Our wonderful volunteers who "make a difference" enriching the lives of our residents and giving of their time and talents to assist in operational areas.
- Our residents and their families for choosing to be part of the Bethany Christian Care Family.
- Those who donate to our Pastoral Support Fund - the purpose of which is to financially support our pastoral and spiritual endeavours (gifts totalling \$5,902 were received last year).

As we look back on God's provision for Bethany Christian Care over the past 72 years the Board is encouraged, and asks that He will grant us His wisdom for today and tomorrow. Please join with the Board and management in praying that:

- God will richly bless everyone associated with Bethany Christian Care - His presence and help are crucial to the well-being of our people.
- God will continue to protect and prosper our ministry - it is His work, and we are but His servants.
- The love of Christ will pervade each of our facilities - and that people's lives will be touched accordingly.
- We - Board and management - will continue to rest, in faith, upon God, and enjoy His guidance and empowerment.
- The ministry's outcomes in the year ahead will glorify Him.

God is good and gracious, and we rely on Him!

On behalf of the Board.



Ross McCorkell  
Chairman



Where there is abundance  
**there is overflow**

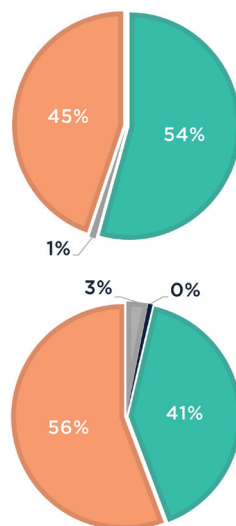


# Financial Summary

(AS AT 30 JUNE 2021)

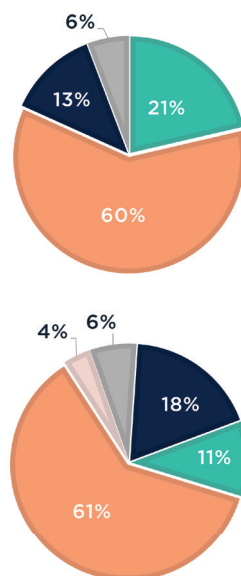
## ABRIDGED BALANCE SHEET

	2021	2020
<b>WHAT WE OWN</b>	<b>\$ '000s</b>	<b>\$ '000s</b>
Financial Assets	71,223	73,829
Receivables	1,176	1,046
Property, Plant & Equipment	58,608	59,211
<b>Total Assets</b>	<b>131,007</b>	<b>134,086</b>
<b>WHAT WE OWE</b>	<b>\$ '000s</b>	<b>\$ '000s</b>
Payables	2,582	2,374
Employee Entitlements	535	457
Accommodation Bonds	34,691	34,412
Ingoing Contributions	47,568	50,507
<b>Total Liabilities</b>	<b>85,376</b>	<b>87,750</b>
<b>TOTAL NET ASSETS</b>	<b>45,631</b>	<b>46,336</b>



## ABRIDGED INCOME STATEMENT

	2021	2020
<b>WHAT WE EARNED</b>	<b>\$ '000s</b>	<b>\$ '000s</b>
Residents	4,754	5,012
Government	13,404	13,623
Other Income	2,780	1,581
Loan Income	1,287	1,359
<b>Gross Revenue</b>	<b>22,225</b>	<b>21,575</b>
<b>WHAT WE SPENT</b>	<b>\$ '000s</b>	<b>\$ '000s</b>
Nursing & Other Staff	13,554	12,072
Food	841	843
Domestic & Catering Staff	1,411	1,435
Other	4,039	3,673
Depreciation	2,313	3,682
<b>Total Operating Costs</b>	<b>22,158</b>	<b>21,705</b>
<b>SURPLUS/DEFICIT FOR YEAR</b>	<b>67</b>	<b>-130</b>





## Our Purpose

### Why do we exist?

To serve and honour the Lord Jesus Christ by serving older people.

## Our Mission

### What do we seek to do?

By God's grace, to provide loving, person-centred, non-discriminatory, excellent Christian care covering the full spectrum of older people's accommodation and care needs.

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## Like More Information?

Go to our website [bethanycc.org.au](http://bethanycc.org.au) or

Ask our office for our Information Booklet which provides comprehensive information on Bethany Christian Care, its facilities, and its services.