

2022



ANNUAL
REPORT

73RD EDITION



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Board of Directors

(AS AT 30 JUNE 2022)



Ross McCorkell
CHAIR



Kent Gellatly
TREASURER



Simon Fawsset
SECRETARY



Jonathan Margetts
MEMBER



John Skinner
DEPUTY CHAIR



Bronyn Thomas
MEMBER



Trevor Yarrow
MEMBER



Anthony Wright
MEMBER

Executive Leadership Team (AS AT 30 JUNE 2022)



Rohan Reid
CHIEF EXECUTIVE OFFICER



Jodie Shannon
RESIDENTIAL CARE MANAGER



June Darvill
FINANCE MANAGER



Karla Chavez
PEOPLE MANAGER



Jason Coles
PHYSICAL ASSETS MANAGER



Michel Colen
RETIREMENT LIVING MANAGER



Eleanor Mitchell
SYSTEMS & PROCESSES MANAGER

Report from Chair of the Board



Overview

The past year - like other recent years - has been one of change and pressure for the entire aged care and retirement sector, and Bethany Christian Care has also been managing that change and pressure.

Pressures faced by the sector and Bethany Christian Care are similar to previous years, and include:

- Staffing shortages as a result of decreased immigration and staff leaving the industry.
- The impacts of COVID.
- Low interest rates payable on Refundable Accommodation Deposits.

Changes being navigated by the sector and Bethany Christian Care include:

- A soon to be introduced “star rating” system for aged care, which will provide a rating for each aged care centre.
- A soon to be introduced minimum daily minutes of staff care for each aged care resident.

- New regulatory reporting for aged care which will place significant additional workload on our finance team.
- A new funding model for aged care called AN-ACC (i.e, Australian National Aged Care Classification) coming into effect on 1 October.
- New governance requirements for aged care Boards, which will impact the activities and composition of our Board.
- More detail about how voluntary assisted dying will work in Queensland.

Achievements

Despite the continuing pressures and changes in our industry operating environment, Bethany Christian Care has had many achievements in the past year to thank God for.

These include:

- The successful renovation of Janoah Gardens community areas, with much positive feedback from residents.
- Increased connections with local churches, especially through the CCCA Qld network.

- Good outcomes for reaccreditation site audits at Janoah Gardens and The Plains.

Strategy Days

The Board held three Strategy days this year. These were blessed and useful times for the Board to consider the “big picture” of Bethany Christian Care.

As a result of those Strategy Days, the Board adopted the following “Key Ideas” for the organisation.

1. Our Purpose - Why do we exist? (also known as Our Vision)

To serve and honour the Lord Jesus Christ by serving older people and partnering with local churches.

2. Our Key Bible Verse - What inspires us?

“I have come that they may have life, and that they may it more abundantly”
(Jesus Christ speaking, John 10:10)

3. Our Mission - What do we seek to do?

To enable older people to experience abundant lives through authentic Christian care, support and communities

4. Our Values - How do we seek to act?

- **Virtue** - including decency and honesty
- **Acceptance** - including forgiveness and impartiality
- **Love** - including compassion and gentleness
- **Understanding** - including empathy and sensitivity

- **Excellence** - including quality and diligence
- **Serving** - including humility and kindness

5. Our Tagline - How do we summarise the Key Ideas in a sentence?

Godly care, abundant lives

Beth Eden

Perhaps the most significant recent decision made by the Board has been the resolution to close the Beth Eden aged care and retirement village, and ultimately sell the site.

For some time the Board has been considering the need to bring the facilities at Beth Eden into line with our own high expectations for aged care and retirement living.

The recent refurbishment of one wing of the aged care facility at Beth Eden is an example of us acting to improve the facilities at Beth Eden.

However, the design of the Beth Eden buildings makes it difficult to continue to provide the quality of care, and the lifestyle opportunities, that Bethany Christian Care wants to give residents.

The Board explored doing more refurbishment of the existing buildings at Beth Eden, but that would only be a temporary and partial fix.

The Board also carefully considered ways to redevelop the site with new specially designed buildings, but decided that this is not a practical option for our organisation.

The Board considered potential options to sell Beth Eden to another organisation to continue to operate.

However, it was clear that any other organisation would face the same barriers to renovating or redeveloping the site, and that it would be inevitable that residents would need to relocate to continue to operate the village and aged care facility in the long term.

With the understanding that residents would inevitably be required to leave, the Board considers that Bethany Christian Care should assist residents with this transition rather than entrusting another organisation to do this.

At all times during this process, caring for our residents and staff at Beth Eden has been, and will continue to be, the Board's priority.

The Board expects Beth Eden to close around the middle of 2023. Neither The Plains nor Janoah Gardens are under review for closure.

Finances

Financially this has been a difficult year for Bethany Christian Care. This is also the case for the sector as a whole. We made an operating loss of \$872,710, but had an EBITDA surplus of \$1,503,821.

However, without investment income our financial results would have been worse.

Stewart Brown (accountants who specialise in aged care and do a large-scale survey of sector financial performance) have reported that: *"64% of mature [ie, fully operational, not starting up] aged care homes recorded an operating loss and 38% of mature aged care homes recorded an EBITDAR loss (operating cash loss) for the nine months to Mar-22."*

The relevant figures for the prior year were 54% and 28% respectively.

Further, Stewart Brown's analysis of the industry trend for "\$ per aged care bed per day" has shown a continued decline, with FY22 having an average loss across the industry of \$15.59 per aged care bed per day. The relevant figure last year was a loss of \$12.85.

The Financial Outlook

The whole aged care sector is presently financially unsustainable, and there are no easy, politically palatable fixes for the Commonwealth Government to quickly change this situation.

However, for our organisation, we expect FY23 to show an underlying improvement in financial results, with the introduction in October 2022 of the new AN-ACC funding system for aged care.

While some aged care operators may have inflated the reported needs of the residents to increase funding, AN-ACC entails an independent assessment of resident needs.

For any aged care operators who have inflated resident needs, AN-ACC will lead to reduced income over time. For Bethany Christian Care, the introduction of AN-ACC is expected to lead to increased revenue given our honest, not-inflated reporting.

Bethany Christian Care is blessed to have significant financial reserves, and our investment income from those reserves has helped our financial results this year. The Board expects our financial reserves to decline during FY23 as the closure of Beth Eden proceeds, but to still be significant and, God willing, generate useful investment income.

Thanks

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

- Former Board member Trevor Yarrow, who has resigned this year, for his dedication and service.
- 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 \$6690 were received during FY22).

Prayer

As we look back on God's provision for Bethany Christian Care over the past 74 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:

- Our residents and staff will feel well cared for during the closure of Beth Eden.
- 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

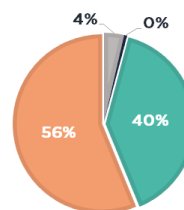
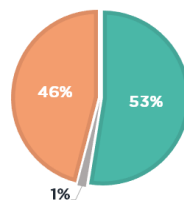


Financial Summary

(AS AT 30 JUNE 2022)

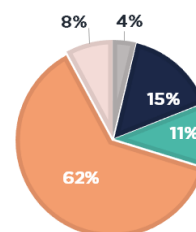
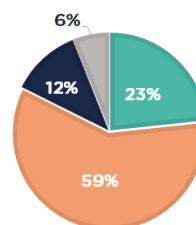
ABRIDGED BALANCE SHEET

	2022	2021
WHAT WE OWN	\$ '000s	\$ '000s
Financial Assets	67,573	71,223
Receivables	1,962	1,176
Property, Plant & Equipment	59,075	58,608
Total Assets	128,610	131,007
WHAT WE OWE	\$ '000s	\$ '000s
Payables	3,090	2,582
Employee Entitlements	476	535
Accommodation Bonds	34,348	34,691
Ingoing Contributions	48,626	47,568
Total Liabilities	86,540	85,376
TOTAL NET ASSETS	42,070	45,631



ABRIDGED INCOME STATEMENT

	2022	2021
WHAT WE EARNED	\$ '000s	\$ '000s
Residents	5,130	4,754
Government	12,979	13,404
Other Income	2,553	2,780
Loan Income	1,325	1,287
Gross Revenue	21,987	22,225
WHAT WE SPENT	\$ '000s	\$ '000s
Nursing & Other Staff/Agency	14,265	13,554
Food & Catering Staff	1,797	841
Domestic	858	1,411
Other	3,499	4,039
Depreciation	2,441	2,313
Total Operating Costs	22,860	22,158
SURPLUS/DEFICIT FOR YEAR	-873	67





Our Purpose

Why do we exist?

To serve and honour the Lord Jesus Christ by serving older people and partnering with local churches

Our Mission

What do we seek to do?

To enable older people to experience abundant lives through authentic Christian care, support and communities.

HEAD OFFICE

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EIGHT MILE PLAINS QLD
(07) 3737 5080
bethany@bethanycc.org.au

BETH EDEN*

19 Bell Terrace
GRACEVILLE QLD 4075
(07) 3725 6400
betheden@bethanycc.org.au

*This site is being closed down permanently

THE PLAINS

333-357 Underwood Road
EIGHT MILE PLAINS QLD 4113
(07) 3737 5000
theplains@bethanycc.org.au

JANOAH GARDENS

11 Audell Street
MANLY WEST QLD 4179
(07) 3900 4700
janoah@bethanycc.org.au

Like More Information?

Go to our website bethanycc.org.au or

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