

2023



ANNUAL
REPORT

74TH EDITION



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Board of Directors

(AS AT 30 JUNE 2023)



Ross McCorkell
CHAIR



Kent Gellatly
TREASURER



Simon Fawsset
SECRETARY



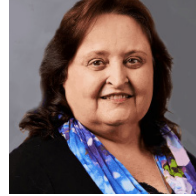
Jonathan Margetts
MEMBER



John Skinner
DEPUTY CHAIR



Bronwyn Thomas
MEMBER



Karen Shepherd
MEMBER



Anthony Wright
MEMBER

Executive Leadership Team (AS AT 30 JUNE 2023)



Rohan Reid
CHIEF EXECUTIVE OFFICER



Jodie Shannon
RESIDENTIAL CARE MANAGER



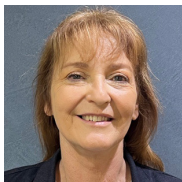
June Darvill
FINANCE MANAGER



Karla Chavez
PEOPLE MANAGER



Jason Coles
PHYSICAL ASSETS MANAGER



Bonnie Seip
CHAPLAINCY AND PASTORAL CARE MANAGER



Eleanor Mitchell
SYSTEMS & PROCESSES MANAGER (Maternity Leave)



Meredith Williams
RETIREMENT LIVING MANAGER

Report from Chair of the Board



Introduction and overview - a year of change

FY23 has been a year of continued and constant change for Bethany Christian Care, with even more change occurring than during the height of the COVID pandemic.

Our key change event was the closure of Beth Eden. Other material change events included the completion of extensive renovations at Janoah Gardens, the introduction of a new aged funding mechanism and new regulations, the official end of the COVID pandemic, and new staff award and pay arrangements.

Through all these changes, the LORD's presence and grace has been a constant for us, and our Purpose - **To serve and honour the Lord Jesus Christ by serving older people and partnering with local churches,** and our Mission - **To enable older people to experience abundant lives through authentic Christian care, support and communities** have remained relevant and evergreen.

COVID

On 31 October 2022, the COVID Public Health Emergency Declaration in Queensland officially ended, and so did the official pandemic. Whilst the pandemic officially ended, COVID remains endemic in Queensland.

However, we have sought to return to "normal" as much as possible. We are managing COVID now with a light touch, inconveniencing and impacting stakeholders as little as is prudent, without the wide-ranging shutdowns that were previously mandated by Government.

Christian spiritual activities

Every weekday at each site there are half hour devotions - including hymn singing and a Bible message - for both retirement village and aged care residents.

Also, each month local churches hold their evening services at our sites - Kuraby Christian Church at The Plains, and Wynnum Christian Community Church at Janoah Gardens.

In addition to these opportunities for Christian worship and fellowship, the Board is very pleased to report that Christian spiritual activities for residents have continued to grow in number, frequency, and attendance at both our sites.

We have a particular focus on providing Christian spiritual activities for our aged care residents because they are often unable to easily attend off-site events like church.

Aged care specific Christian spiritual offerings include Bible studies for men and women, Bible storytelling (using the Wycliffe Bible story telling method), Scripture and Song sessions, and Café Church. Café Church at The Plains has been so well attended that it has outgrown two previous spaces and is now held in the Community Hall.

This past year, both Nativity and Easter plays have been performed for aged care residents and their families. These Gospel-centered plays have included staff and residents from aged care and the retirement villages as actors, singers, and presenters.

They have been such a positive feature of the Christmas and Easter seasons that we intend to make them a new tradition and present such plays each year. We also install large, Gospel-centered, seasonal banners at prominent outdoor places at our sites each Christmas and Easter.

We are blessed to have a faithful team of volunteer pastoral carers visiting aged care residents at each of our sites. These pastoral carers are under the supervision of, and work with, our wonderful team of three Chaplains: Bonnie Seip, Marike Wannenburg and Jemima Lee.

To reflect the importance and priority of our distinctive Chaplaincy program and Christian spiritual activities, Bonnie Seip has been promoted to the Executive Leadership Team as Chaplaincy and Pastoral Care Manager.

Closure and sale of Beth Eden

The closure of Beth Eden has been a huge endeavor involving staff, residents and their families, and other stakeholders.

The last aged care resident moved out of Beth Eden in February 2023. The last retirement village resident moved out in March 2023.

After a successful closure process, both the aged care facility and retirement village scheme have been officially deregistered by the relevant Government departments. Both Government departments, as well as many residents and their families, have complimented us on the clear, legally compliant, caring, and generous way the closure of Beth Eden was managed.

After Beth Eden no longer had any residents, the site was taken to market for sale via an expression of interest campaign managed by Knight Frank and commencing in late June. That sale process is still in play, and its status remains commercially confidential at this time.

One retirement village resident impacted by the closure of Beth Eden commenced litigation in QCAT. That litigation was dismissed by QCAT.

Renovations at Janoah Gardens

During the year we carried out extensive renovations to the common areas at Janoah Gardens. The original facilities were built in the 1990s and were in clear need of capital investment to bring them up to a modern standard that is appealing to new residents and enriching for existing residents.

The feedback from residents and staff has been very positive – both in the outcome, and the skillful way that the renovations were managed and carried out with minimal disruption in a 24/7 residential and working site.

New Corporation and Board members

We are delighted to welcome several new Corporation members. We note that some of these new members have joined us from Grace Bible Church, which has only been possible since the Corporation changed its Constitution last year to clarify that the Corporation membership eligibility includes and extends to a person who is a member of a church associated with Christian Community Churches Australia (CCCAust). Grace Bible Church is associated with CCCAust.

Previously, only people who were members of a church “known as Christian Brethren” were eligible for Corporation membership.

This was changed last year because many churches that have historically been known as Christian Brethren have now become associated with each other through CCCAust and are known as such.

CCCAust:

1. Includes many evangelical churches that have historically been known as Christian Brethren.

2. Includes some evangelical churches that have not historically been known as Christian Brethren.

We are also delighted to have a new Board member this year, Dr Karen Shepherd.

Karen brings excellent medical and clinical experience to the Board and is a member of Grace Bible Church.

Introduction of VAD in Qld

On 1 January 2023, voluntary assisted dying (VAD) became legal in Queensland. Bethany Christian Care is opposed to VAD – we consider that it is contrary to our Christian beliefs, incompatible with our model of care, and would cause harm to the communities at our aged care homes.

Unfortunately, the relevant Queensland VAD legislation does not allow for institutional conscientious objection to VAD.

In response to the introduction of VAD in Queensland, Bethany Christian Care has a very clear statement explaining our position on our website.

This statement is given to all potential new residents, so they know our position before choosing to reside at one of our aged care homes.

Redbank Plains land

Bethany Christian Care continues to own approximately 5.8 hectares of undeveloped land at 245-263 School Rd, Redbank Plains QLD 4301. This land is in an area of emerging suburban development and next door to Staines Memorial College.

Whilst the Board was previously planning an aged care and retirement village development on the land, those plans were stopped a few years ago. Currently the Board has no plans to develop or dispose of this land.

Finances

It has been another financially difficult year for Bethany Christian Care.

For FY23 we made an operating loss of \$2,561,109 and had an EBITDA profit of \$101,115. However, taking out one-off expenses related to the closure of Beth Eden, the overall underlying result was an EBITDA surplus of \$1,221,141. I note that without investment income of \$937,298 our financial results would have been worse.

To put that financial result in context, it has been another difficult year for the whole aged care sector.

Stewart Brown (accountants who specialise in aged care and do a large-scale survey of sector financial performance) have reported (as at March 2023) *“the continuing statistic that 64% of aged care homes operated at a loss (64% at Mar-22) and 41% operated at an EBITDA (cash loss) (38% at Mar22).”*

Further, Stewart Brown’s analysis of the industry trend for “\$ per aged care bed per day” has shown a continued decline, with figures to March 2023 having an average industry *“operating loss of \$15.74 per bed day (Mar-22 \$12.85 pbd loss) for mature homes (which exclude the outliers). This represents a loss of \$5,221 per bed per annum, and a continuation of losses for over 5 successive years. Extrapolating the deficit per bed represents a residential sector loss in excess of \$850 million for the nine month period.”*

The financial outlook

Clearly 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.

The Commonwealth government is continuing to implement the reforms recommended by the Royal Commission and has established an Aged Care Taskforce (with industry representation) to review funding arrangements for aged care and develop options for a system that is fair and equitable for everyone in Australia.

As a first step, the Taskforce has been consulting on draft aged care funding principles.

The draft aged care funding principles are:

Principle 1 – The aged care system should enable and encourage participants to remain in their home for as long as they wish and can do so.

Principle 2 – Aged care funding arrangements and their outcomes should be fair, simple, transparent and sustainable.

Principle 3 – Government is and will continue to be the major funder of aged care. Government funding should be focused on care costs. Personal contributions should be focused on accommodation and everyday living costs with a sufficient safety net.

Principle 4 – Government and participant contributions should be sufficient to provide quality and appropriate care delivered by a skilled workforce, allowing and encouraging innovation by the health, hospital and aged care systems.

Principle 5 – There should be accountability for funding received from government and participants, how it is spent, and the quality of the services provided.

Principle 6 – The residential sector should have access to sufficient, and new, capital to encourage the development of new accommodation and upgrades to existing accommodation.

The Taskforce is due to deliver its interim report to the Commonwealth Government in October 2023, and a public final report by the end of the year.

To positively move the dial on aged care funding will require increased community understanding of, and difficult conversations about, intergenerational fairness and the financial aspects of providing aged care services - no small task.

Bethany Christian Care is continuing to move the levers available to it to improve our financial position.

This has included seeking to increase income, such as:

1. Increases to refundable accommodation deposit amounts (RADs) for new aged care residents. (It is heartening that even with increased RADs, occupancy at both our aged care homes remain above industry average.)
2. The Board approving in-principle the introduction of additional services fees for new aged care residents (being implemented).
3. Increases to incoming contributions and deferred management fees for new retirement village residents.

It has also included continuing to focus on reducing costs. However, given over 60% of our costs relate to staffing and given most of our staffing requirement is dictated by the Commonwealth Government

(eg, mandated care minutes) and the amount we pay staff is dictated by the Commonwealth Government, there is not a lot of scope for reducing these costs.

Notwithstanding the above, 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 increase in FY24 upon the completion of the sale of Beth Eden.

Thanks

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

- 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 community.
- Those who donate to our Pastoral Support Fund - the purpose of which is to financially support our pastoral and spiritual endeavours (gifts totaling \$5,346 were received during FY22).

Prayer

As we look back on God’s provision for Bethany Christian Care over the past three quarters of a century 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 sites - 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 Jesus’ name.

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

On behalf of the Board.



Ross McCorkell
Chairman
Bethany Christian Care
October 2023



Where there is abundance
there is overflow

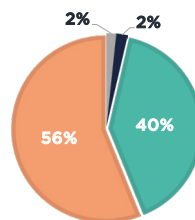
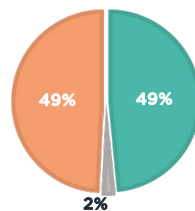


Financial Summary

(AS AT 30 JUNE 2023)

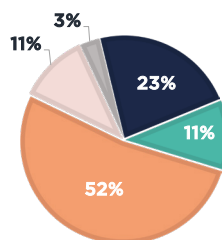
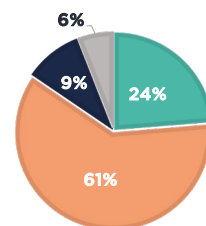
ABRIDGED BALANCE SHEET

	2023	2022
WHAT WE OWN	\$ '000s	\$ '000s
■ Financial Assets	57,841	67,573
■ Receivables	2,698	1,962
■ Property, Plant & Equipment	58,745	59,075
Total Assets	119,284	128,610
WHAT WE OWE	39,167\$	\$ '000s
■ Payables	1,318	1,674
■ Employee Entitlements	1,522	1,892
■ Accommodation Bonds	32,340	34,348
■ Ingoing Contributions	44,937	48,626
Total Liabilities	80,117	86,540
TOTAL NET ASSETS	39,167	42,070



ABRIDGED INCOME STATEMENT

	2023	2022
WHAT WE EARNED	\$ '000s	\$ '000s
■ Residents	4,938	5,130
■ Government	12,681	12,979
■ Other Income	1,988	2,553
■ Loan Income	1,239	1,325
Gross Revenue	20,846	21,987
WHAT WE SPENT	\$ '000s	\$ '000s
■ Nursing & Other Staff/Agency	12,281	14,265
■ Food & Catering Staff	2,563	1,797
■ Domestic	723	858
■ Other	5,277	3,499
■ Depreciation	2,563	2,441
Total Operating Costs	23,407	22,860
SURPLUS/DEFICIT FOR YEAR	-2,561	-873





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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bethany@bethanycc.org.au

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janoahgardens@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.