



**Southern Cross Care (Tas) Inc.**

**and**

**Mary's Grange Inc.**



**ANNUAL REPORT**

**2015 - 2016**



*A charitable service founded by the Knights of the Southern Cross*

# Our Services



## Residential Care

Southern Cross Care (Tas.) Inc. delivers the highest quality care within all our facilities across Tasmania. Residents are supported to live life to the full through provision of an interesting and diverse lifestyle program.

- 759 licensed beds
- 9 Residential Aged Care Facilities
- Full accreditation of all sites
- Ongoing bed replacement program
- Completion of extensive refurbishments at Mount Esk
- Opening of St Andrew's specific dementia unit and the commencement of the 'restore, reclaim, reconnect' project

## Retirement Living

Southern Cross Care (Tas.) Inc. provides a wide and varied range of independent living options at 13 sites across Tasmania with a total of 540 units housing over 750 retirees. We pride ourselves on being able to offer accommodation to suit most personal requirements and financial circumstances. With our extensive Community Care services and Residential Aged Care accommodation, residents have a real sense of security in their ongoing care needs.

- 586 units over 13 sites
- Ongoing unit renovations at Ainslie Low Head, Westbury, Launceston, Sandown and West Hobart

## Home Care

Southern Cross Care (Tas.) Inc. Home Care is known for its compassion and genuine caring for each person as an individual. This enviable reputation for quality and reliability has evolved over many years of delivering consistent high quality services with qualified and skilled staff.

- Veterans' Home Care
- Home Care Packages
- Extended Aged Care at Home Packages (including Dementia Packages)
- In Home Diversional Therapy Respite for carers of people living with dementia

# Contents



*Father Dennis Allen and volunteers  
Howard Richardson and Hope James  
being recognised for Voluntary Service*

## Our Mission

To demonstrate the love of Christ by providing a range of aged care services which meet the needs of people in our Tasmanian community.

## Our Vision

To be recognised as a leading provider of aged care services and an employer of choice in Tasmania.

## Our Values

In the Spirit of Christ and in the tradition of the Catholic Faith, we value:

- The sanctity of life
- Caring and compassion
- Individuality and diversity
- Integrity and dignity
- Excellence in professional practice
- A safe and fulfilling environment
- Each person regardless of ethnic background, religious belief or economic circumstances.

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# Report from the Chairman of the Board – Hon Ray Groom AO

The financial year 2015/16 was another very busy and productive year for our organisation which of course now includes Mary's Grange Incorporated.

I want to say at the outset how grateful I am to all members of our Board and all of our dedicated and hardworking staff and volunteers for the excellent service they have rendered throughout the year.

That fine service has enabled the Southern Cross Care Tasmania success story to continue. It has also ensured that we have again been able to honour our Mission Statement "to demonstrate the love of Christ" in the aged care services we provide to older Tasmanians in the North, North West and South of Tasmania.

My approach as Chairman and indeed the determination of our whole Board and all our Senior Managers, working together, has been to pursue two fundamental goals. They are:

1. To provide the very highest standard of care and support for all of our residents and clients in the Residential, Retirement Villages and Home Care divisions of our organisation.
2. To govern and manage our organisation and its finances to ensure sustainability and growth now and for the future.

Those members of The Knights of the Southern Cross who pioneered our organisation some 44 years ago no doubt would be quite amazed at the incredible growth of our organisation over that period.

We now operate 13 Retirement Villages, 9 Aged Care Facilities and support more than 400 Tasmanians in our Home Care division (formerly known as Community Services).

Approximately 1300 Tasmanians are now in our employ. Our gross assets recently passed the \$300 million mark.

The Annual Budget amounted to \$65.56 million 2015/16. If you include the amount we spent on Capital Works in the year Southern Cross Care Tasmania injected more than \$71.1 million into the Tasmanian economy.



## **Highlights**

I will now briefly refer to some of the highlights of the reporting year.

- On the 22nd October 2015 the official opening of our renovated Mount Esk Aged Care Facility took place. Mount Esk is at St Leonards near Launceston and has been operated by us since 2002. It was badly in need of a major upgrade. We have spent \$7.3M to improve Mount Esk. It now has 74 refurbished rooms with ensuites, two new lifts and new air conditioning throughout the facility. I am very pleased to inform the meeting that for the first time in many years Mount Esk is fully occupied. It is now a modern and attractive facility with a secure long term future.
- One of the highlights of the year was the appointment of Mrs Bobby Court to our Board. Mrs Court is the highly respected Principal of Guilford Young College and is well known for her contribution to education and also to the wider community. Mrs Court has already proven to be a very valuable member of our Board.

Director Jenny-Ellen Kennedy recently retired as a Director because of increasing professional duties as a Commercial Lawyer and substantial family commitments as the mother of 4 teenage children. We thank Jenny-Ellen for the very significant contribution she made during her 3 years as a member of Board.

I am pleased to report that the former Chief Magistrate of Tasmania, Mr Michael Hill has agreed to become a Director of Southern Cross Care Tasmania on and from the 28th of November this year.

Michael is a very experienced lawyer and was for a period an Acting Justice of the Supreme Court of Tasmania. He is highly regarded not only in the legal profession but in the wider Tasmanian community particularly because of a number of important reforms he introduced into the Magistrates Court.

- A major event occurred on the 29th February 2016 when Southern Cross Care Tasmania assumed full responsibility for the ownership, governance and management of Mary's Grange Incorporated. Mary's Grange has operated an Aged Care Facility and Retirement Village at Taroona for many years. It also provides Home Care Services. I am grateful for the assistance provided by his Grace the Archbishop, and Ron Ward the Manager of the Archdiocese of Hobart. I also thank the Board of Mary's Grange and the Chief Executive Officer Richard Tyberek for their cooperation and support.

We were also most grateful for the help provided by former Mary's Grange Chairman the late Mr Greg McNamara who sadly passed away before negotiations were finalised.

Brian Gibson who at the time was the Acting Chairman of Mary's Grange has agreed to be a Director of Southern Cross Care during the transition period. Richard Tyberek has since been appointed one of our Senior Managers. Both are making valuable contributions to Southern Cross Care Tasmania including Mary's Grange.

It was agreed with the Archdiocese that we would retain the name Mary's Grange and that we would operate the organisation as a separate incorporated body. The Directors of Southern Cross Care Tasmania became the Directors of Mary's Grange on and from the 29th February 2016 under the Change of Control Deed executed on behalf of both parties.

A thorough assessment by our architects and project manager assisted by other experts has determined that most of the older buildings in the Mary's Grange Aged Care complex will have to be rebuilt so that it becomes a modern state of the art and attractive aged care facility.

Our Board has agreed that this redevelopment should proceed. All rooms will have ensuites and all of the latest amenities will be included.



*Chairman Ray Groom and Brian Gibson former Chairman of Mary's Grange, now a Director of the SCC Board officially amalgamating with a celebratory cake.*

The redevelopment of Mary's Grange is likely to cost in excess of \$20 million. We expect detailed planning of the redevelopment will commence in July 2017.

- As everyone present would know we have decided to build another village on land we have purchased from the State Government at Lindisfarne opposite our Fairway Rise Village. This new village will be known as Springhaven and will comprise approximately 80 - 90 villas and apartments. The cost of this new village will be in the order of \$25 million dollars. The first step in this project was the rezoning of the land to allow the village to be built. The rezoning has been completed and we are now in the process of seeking planning approval for the village. We expect construction work will commence on the site in the first quarter of 2017.

- During the Budget process for 2016/17 the Board agreed to undertake a substantial upgrade of our Rosary Gardens Aged Care Facility. The indicative budget for this project is \$12,660,000. Again this will mean that all 92 rooms at Rosary Gardens will have ensuites.

Other significant improvements will be made to the appearance of the facility and also for the comfort of residents.

- Our Board has also decided to refurbish Guilford Young Grove at Sandy Bay. This was the first aged care facility we built. It dates back to the mid 1970's. The indicative budget for the proposed work at Guilford Young Grove is \$1,590,000. After this work is completed again all rooms will have ensembles.

- In addition we have agreed to renovate and restore the Homestead building at Glenara Lakes. The residents of Glenara Lakes have warmly welcomed this decision. The historic Homestead building will become a significant feature of the central community complex at Glenara Lakes. This work will be undertaken at a cost of approximately of \$853,000. It should be completed by early 2017.

- In the 2015/16 financial year the Board decided to engage Mr Michael Bendyk, the former Chief Executive Officer of Southern Cross Care South Australia to undertake a review of our Senior Management structure. We considered this to be necessary because of increased size and complexity of the organisation and its operations. Flowing from that review Andrew Crane has been appointed as a specialist Finance Director. Andrew was formally Chief Executive Officer of One Care. Richard Tyberek was appointed Director of Retirement Villages and Property Management. Richard was previously Chief Executive Officer of Mary's Grange. Also as result of Michael Bendyk's report we have appointed Jenny Thomas as our Human Resource Officer. Jenny commenced her role on the 28th September this year.

### **Strategic Plan 2016 -2020**

I take the opportunity today to officially launch our Strategic Plan for the period of 2016 – 2020. This plan has been developed over the past two years. We commenced the process with a full day meeting of our Board and Senior Managers to discuss strategic issues. This was facilitated by a specialist facilitator with expert knowledge of the aged care sector. Since then there has been a series of consultations leading up to the finalisation of the plan.

The revised plan takes into account changes to government policy particularly the emphasis on consumer expectations.

It also recognises an important objective of the Board which is to renovate our older building stock so that it satisfies consumer needs and underpins the long term viability of our organisation.

### **Imposition of the General Rate**

A major issue over recent months has been the decision by some council's to impose the General Rate on apartments and villas in retirement villages. In some cases the imposition of the General Rate will cost as much as \$1500 or more each year for an individual villa or apartment. This cost is borne by our residents under the resident agreement. This is a huge extra burden for our residents to carry particularly as many are on pensions, part pensions and limited fixed incomes.

We have taken advice on this issue from Mr Bret Walker, SC, widely regarded as one of the most able lawyers in Australia. In Mr Walker's opinion villas and apartments in retirement villages owned and operated by Southern Cross Care Tasmania are exempt from the requirement to pay the General Rate. We have lodged appeals against the decisions of the councils. The appeals will be heard initially in the Magistrates Court but will probably then proceed further to be heard by the Supreme Court.

### **Appreciation**

I wish to take this opportunity to once again express my thanks to our Chief Executive Officer Richard Sadek, the Executive Management Team, our Facility Managers and all of our staff members for their commitment and hard work during 2015/2016. Without doubt our excellent staff are primarily responsible for the success of our organisation.

A special thankyou also to our Board Members who act in an honorary capacity and work so hard to advance the interests of Southern Cross Care Tasmania.

I greatly appreciate the support provided by the Deputy Chairman Helen McArdle, Treasurer Chris Jones and all of the Board Members who chair our various committees and project teams and assume other added responsibilities.

On this occasion I wanted to particularly thank Director Michael Mazengarb for the excellent work he has done in initiating and overseeing the production of our magazine 'Under the Stars' and also for creating, for the first time probably anywhere, "Great Grandparents Day" which we hope will become a regular annual event.

A special thankyou to the Catholic Development Fund for its ongoing support and also to the many businesses and individuals who have supplied services and goods and various other forms of support to Southern Cross Care Tasmania this year.

Thank you also to Commonwealth Government and the Department of Health and also to the Tasmanian Government and local councils for their co-operation during the year.

I wish to particularly thank our volunteers who work so hard to assist our residents. I know the efforts of our volunteers are deeply appreciated by our residents and also by staff members and our Board.

Last but not least I wish to thank all our residents and clients for choosing our organisation and for giving us the opportunity to provide them with care, accommodation and support.

We must always be mindful of the reality that our residents and clients are central to all that we do. They are the reason our organisation exists.

## **Conclusion**

This year has been a very positive and active year for Southern Cross Care Tasmania. Excellent results have been achieved through the commitment and hard work of everyone involved.

I look forward to further strong progress for our organisation in the year ahead.

## **RAY GROOM AO** **CHAIRMAN**



*Mr Donald Mills, Fairway Rise resident and Great Grandson Izak Croswell celebrating Great Grandparents Day*

# Southern Cross Care (Tas.) Inc. and Mary's Grange Inc. Board of Directors



John  
Mazengarb



Dr Helen McArdle  
Deputy Chair



Ray Groom AO  
Chairman



Chris Jones  
Treasurer



Brian  
Gallagher  
OAM



John  
Shelverton



Stephen  
Shirley



Michael  
Mazengarb



Alex  
Macaskill



Bobby Court



Brian Gibson  
AM



Jenny-Ellen  
Kennedy

## Strategic Plan - Key Strategic Objectives

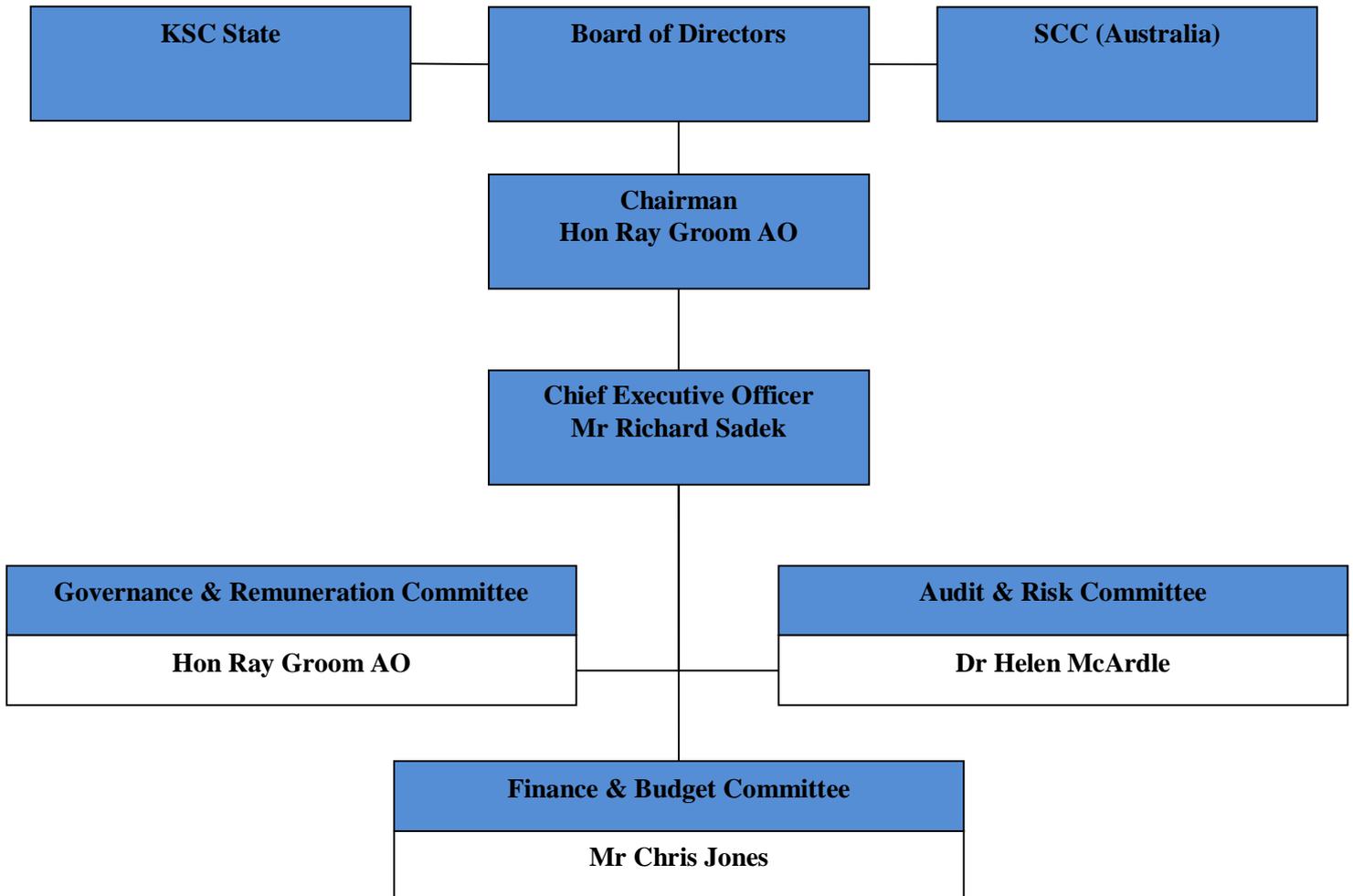
Southern Cross Care (Tas.) Inc.'s Plan for the years 2016 - 2020 inclusive addresses four strategic objectives.

- to continue to provide **Quality Care Services**
- to retain and grow our **Workforce** both paid and unpaid
- to ensure **Business Performance and Infrastructure** is at an optimal level
- manage our **Business and Finances** so that we remain competitive and successful

The attainment of these strategic objectives will ensure Southern Cross Care (Tas.) Inc. and Mary's Grange Inc. fulfils their Mission and Vision.

# Southern Cross Care (Tas.) Inc. and Mary's Grange Inc.

## Board Structure



*"Music and Mirth at Fairway Rise" (left to right) Mark Palmer staff member, Andrew Colrain, Michael Colrain, John X, Laraine Woodorth, Mandy Woodorth Facility Manager and Audrey Smith.*

# Report from the Chief Executive Officer – Mr Richard Sadek

It is with pleasure that I present the Chief Executive Officers Report for 2015/16.

As a leading and progressive provider of aged care services in Tasmania, we face many and varying challenges and opportunities each day.

Southern Cross Care (Tas.) Inc. has undergone a period of expansion and transformation during 2015/16. This has enhanced the profile of the organisation in pursuing its MISSION by providing a range of high quality aged care services which meets the needs of people in our Tasmanian Community.

In particular, the 2015/16 year has seen a period of significant growth and redevelopment, coupled with excellent Accreditation and Compliance results being achieved across all of our facilities and services. This result was achieved by the untiring and dedicated work of our staff and also supported by Management.

Many of the goals achieved in the last twelve months have been summarised in the Chairman's report. These achievements have resulted from the dedication and commitment of senior staff to accept and embrace change to ensure holistic care is appropriately planned and provided to our residents and clients. This success has also been due to a combination of strong Board of Directors corporate governance, together with a combination of sound and careful strategic planning. The changes that have occurred have also been supported by our "front line staff" having a capacity to cope with continuous Commonwealth Department of Health policy changes.

## MARY'S GRANGE

The past 12 months has been a time of complexity, challenges and opportunity. The merger of Mary's Grange Inc. with Southern Cross Care (Tas) Inc. officially occurred on 29<sup>th</sup> February 2016 with a common Board being formed.



The prospect of merging both organisations was not something that was undertaken lightly or without good reason. Consideration of ongoing and significant policy and funding changes in the three streams of Independent Retirement Living, Residential Aged Care and Community Care Services, overarched by the consequential need to optimise the size and capability of both organisations so that both Mary's Grange Inc. and Southern Cross Care (Tas.) Inc. could continue to provide excellent services, were key drivers that brought the both Boards together. For the first six months of 2015/16, it was determined that both organisations would continue to operate individually in providing high quality care and support.

The merger in many ways was most demanding. Representatives of both organisations arranged the amalgamation with good will and a single minded focus of the needs for those who receive our care and support. It required the planning, evaluation and the bringing together of governance, management, financial and physical resources. The successful merger has enabled Mary's Grange Inc. and Southern Cross Care (Tas.) Inc. to become one fully integrated organisation. This will now enable Mary's Grange to have the capability of meeting the contemporary needs and expectations of those requiring retirement living, community care and residential care in the future.



*Richard Tyberek, newly appointed Director of Retirement Villages and Property Management and SCC  
Chief Executive Officer Richard Sadek*

I would like to offer my very special thanks to the former Chief Executive Officer of Mary's Grange Mr Richard Tyberek and his staff for thoughtfully assisting with the transfer arrangements. The bringing together of the two organisations was exemplary and the merger simply would not have happened without their co-operation and agreement.

## **COMMUNITY CARE SERVICES**

A top priority during 2015/16 was ensuring the smooth transitioning of all of our Community Care Packages to Consumer Directed Care (CDC) as required by the Commonwealth Government Aged Care reform agenda. It was vital to ensure all existing consumers were informed and involved as each change occurred. This achievement represented an enormous effort by our staff right across the organisations as well as significant administrative changes to practices and processes and consumer education. One of the most complex changes was the introduction of individual budgets for each consumer rather than the way we pooled funds to provide care. This was a significant achievement for our organisation and represented one further step towards full competition. Naturally it was also vital to ensure the Board was kept fully aware of these monumental changes – the most significant reforms since the inception of Packaged Care in 1992.

Like every service provider operating in the Aged Care sector our organisation must be prepared and ready for each new wave of reform. Under new CDC arrangements applying from February 2017, recipients of home care packages will be able to retain their package when they move from area to area or State to State. In addition all new and vacant packages will go into a National Pool rather

than be allocated to providers. The consumer with priority of a package will then choose which provider they want to deliver their care. Building stronger relationships with our clients, focused marketing and embedding continuous improvements in our systems will be the keys to future success. Mrs Jill Savell, Director of Community Care and her staff are already well advanced in this process, with an internal restructuring of our operations currently underway to bring a strong customer service focus to meet all clients requirements

## **LOOKING AHEAD**

The merging of Mary's Grange Inc. and Southern Cross Care (Tas.) Inc. under the governance and direction of the same Board will bring fantastic new opportunities for innovation, growth, expanded partnerships and roles. Combining the expertise and staff skill of the two organisations not only strengthens our commitment to the community but our joint capacity to deliver flexible and responsive services to those elderly who want and need them.

The Strategic Plan 2016-2020 sets out clear strategic objectives to guide the organisation to meet future challenges and consumer expectations by –

1. Continuing to provide quality care and services
2. Retaining and growing our workforce both paid and unpaid
3. Ensuring our business performance and infrastructure is at optimal level
4. Managing our business and finances so that we remain competitive and successful

This plan will be adopted by the Executive Management Team as a working document and framework for future recommendations being made to our Board in terms of delivering, quality of care, growth and business performance.

As can be seen from the activities and achievements of the past financial year, Southern Cross Care (Tas.) Inc. has planned strategically for a changing and challenging future.

While significant improvements have been made to our building stock to enable our residents to live within a comfortable care environment, there still remains a priority to improve the performance of how we undertake our business activity.

The appointment of Mr Andrew Crane as Director of Finance and Ms Jenny Thomas as Human Resource Officer will strengthen the level of management expertise available to support our Managers delivering care and services. These appointments will also lead to improved business efficiency to ensure that improvements in operating performance are achieved and each Retirement Village, Residential Aged Care Facility and Community Care Service operates at its peak.

## THANKYOU

I would like to record my thanks to the Chairman of the Board, Mr Ray Groom, and the Board of Directors for their ongoing support and confidence. I feel very privileged that the Board has entrusted the responsibility of the overall management of Southern Cross Care (Tas.) Inc. to me. I would also like to thank Christine Odgers, my Personal Secretary, for the dedicated support and assistance she has provided to me and to the management staff during 2015/16.

To all our staff and, in particular, my Executive Management colleagues, I extend a very sincere “thank you” for your dedication, commitment and perseverance. Without the close working relationship that exists within the Executive Management team the immense amount of work, change and excellent results that have been accomplished would have been impossible.

My thanks go to all the 1300 staff of Southern Cross Care (Tas.) Inc. and to each of you, I am most grateful for the excellent and loving care you so willingly give to all our residents. To our hard-working auxiliaries, volunteers and members of various committees who regularly give up time and effort, I would like to this opportunity to thank each and every one for their tireless efforts and generous support throughout the year. Your efforts make a special contribution to the comfort and wellbeing of residents and are gratefully received.

I am also particularly grateful and appreciative of the tireless efforts and personal generosity of all the clergy, and people associated with providing pastoral care to our residents and staff.

In closing, the organisation has a very strong foundation of dedicated and enthusiastic people committed to the provision of quality care. I look forward to working with the Board and staff to ensure that Southern Cross Care, as an organisation of people, is committed to its Mission Statement and that care of our residents will be an even richer reality in the year ahead.

## **RICHARD SADEK CHIEF EXECUTIVE OFFICER**



*CEO Richard Sadek presenting Serena Krasnicki from Rosary Gardens a cheque for \$500 towards the “World’s Greatest Shave” fundraiser for Leukaemia*

## Report from the Treasurer of the Board – Mr Chris Jones

The consolidated financial report for the year ended 30 June 2016 incorporated the results of Southern Cross Care (Tas) Inc for twelve months and Mary's Grange Inc. for four months. Mary's Grange became part of the Southern Cross Care Tasmania Group on and from 29 February 2016.

The key financial challenge the Board faces from the Strategic Plan of Southern Cross Care (Tas) Inc is to ensure the business performs at an optimal level to achieve financial sustainability and stability for the organisation.

It is pleasing to report that for the financial year ended 30<sup>th</sup> June 2016 this objective has again been a priority for both Board and Management. As has been the case in prior years and in particular this year the challenge to achieve budget has not been easy due to the loss of the Dementia and Severe Behaviours supplement, in the year 2014. This impacted on the organisations results for the year ended 30 June 2015 and has continued to impact on the 30 June 2016 result. However, this has been mitigated by the continued roll out over all facilities of pain management services and attention to achieving a higher ACFI per resident per day.

Southern Cross Care (Tas) Inc performance for the 2016 financial year was comparable to the prior year but not, to years ending 2013, 2014. This was due to the necessity to increase "the Capital Refund and Provision" in the years 2015 and 2016, representing \$2.3M. Further contributing factors to the decline in the surplus (in addition to those aforementioned were additional costs associated with the commissioning of Fairway Rise to full occupancy of 91 beds and 20 apartments and the Mount Esk rebuild / refurbishment to 74 beds. The opening of a competitor Residential Aged Care Facility in Glenorchy also had a substantial impact on occupancy levels at our Rosary Gardens facility in New Town.

Southern Cross Care is in a strong financial position as evidenced in the statement of financial position as included with this report. As at the 30<sup>th</sup> June 2016 net assets amounted to \$111.2M compared to the prior years \$108M an increase of

\$3.2M. The cash position has also considerably improved over the prior year by \$24M. The increment in the cash position during the year has primarily been from Refundable Accommodation Deposits (RAD's).

Significant points in regard to the year's performance include:

**Total Income** for the year increased from \$56.9M to \$65.2M, and improvement of \$8.3M (\$5.7M relates to Southern Cross Care (Tas) Inc. and \$2.6M to Mary's Grange Inc.). Southern Cross Care (Tas) Inc. improvement as a percentage to the prior year was 10.2%. Southern Cross Care (Tas) Inc. increment in income is due to Fairway Rise Aged Care facility and Village, and Mount Esk now being fully operational attaining 100% occupancy.

**Total Expenditure** for the year increased over the prior year of \$53.5M to \$64.5M an improvement of \$11.0M (\$8.5M relates to Southern Cross Care (Tas) Inc and \$2.5M Mary's Grange Inc., Southern Cross Care (Tas) Inc improvement as a percentage was 15.88% and of this 12.4% related to direct care, representing salaries, medical expenses, therapist costs. Other major costs implicating, being catering, cleaning, utilities and maintenance.

**Net Surplus** for the year was \$731,000. This result includes a \$70,000 Mary's Grange Inc surplus for four months, 1<sup>st</sup> March 2016 to 30 June 2016.

**Property, Plant and Equipment** – Additions during the year for Southern Cross Care (Tas) Inc. amounted to \$5.1M, Fairway Rise \$2.7M, Mount Esk 2.4M. Property, plant and equipment acquired as at 29 February 2016 from Mary's Grange Inc amounted to \$17.5M and comprised an aged care facility of 105 beds, 20 independent living units, 16 apartments and 5 houses.



**Asset Revaluation** - Every three years the property, plant and equipment of Southern Cross Care (Tas) Inc and Mary's Grange Inc. are independently valued. This resulted in an increment of \$2.5M over the prior three years.

**Borrowings** – The Groups non-resident funded borrowings as at 30 June 2016 amounted to \$25.4M. This increment over the prior year's represents a loan of \$5.5M by Mary's Grange Inc. has with the Catholic Development Fund.

**Financial Assets** as at 30 June 2016 amounted to \$26M. This is represented in term deposits of \$25.5M and a share portfolio \$0.6M, from Mary's Grange Inc., representing shares in nine public companies.

**Resident Liabilities** – as at 30 June 2016 amounted to \$145M with the prior year figure being \$111M.

#### **Capital Commitments**

Sandown apartments – Construction of 9 new bedrooms commenced on 5 August 2016 at a cost of \$2.2M and is estimated to be completed by 24<sup>th</sup> February 2017.

Glenara Lakes – Homestead refurbishment cost \$850,000. This work is due to be commenced in December 2016 and will be due to be completed by 31<sup>st</sup> March 2017.

Springhaven Village comprising some 80 Villas and Club House will commence once council development approval has been provided. This project will cost approximately \$25M. It will be built in stages similar to the Fairway Rise development and be self-funded. The estimated cost in 2016/17 will be \$0.44M.

#### **Forecast 2016/17**

Southern Cross Care Tas Group has forecast a surplus for the ensuing year 2016/17 of \$1.5M. This figure is based on the Federal Government reducing Aged Care funding by \$1.8 Billion as from the 1 July 2016.

Although the aged care industry is in the main facing considerable financial pressures, I am pleased to report that Southern Cross Care has again achieved financial and operational success,

and positioned itself to continue to grow and improve upon its service delivery into the future. Management and staff are to be commended for their fine efforts in achieving the year's results and ensuring the continuing success of Southern Cross Care (Tas) Inc.

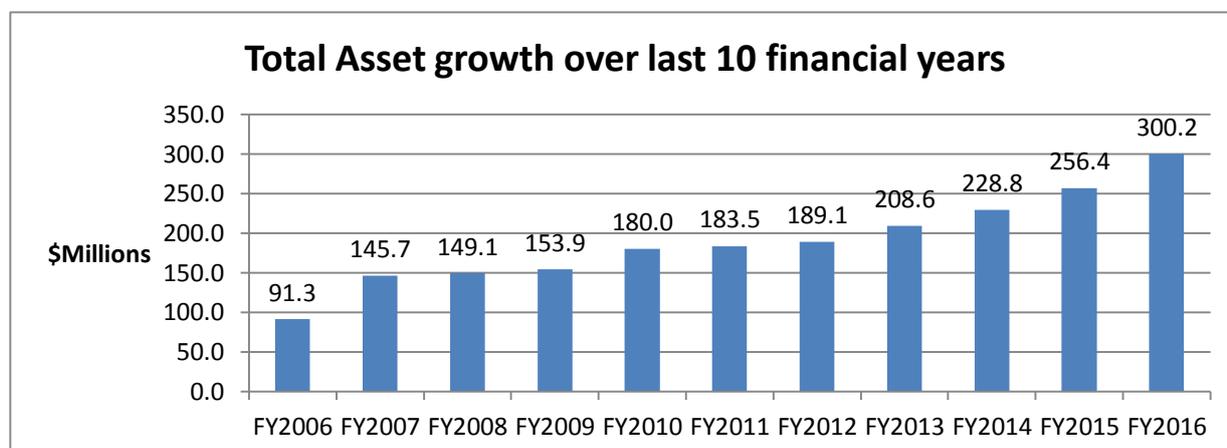
**CHRIS JONES**  
**TREASURER**

# Financial Highlights

The financial year ended 30 June 2016 continued the trend of Southern Cross Care (Tas.) Inc. of sound financial performance and strong financial position. The structure of our balance sheet has been enhanced by the success of Fairway Rise and the inclusion of Mary's Grange Inc. into the Group.

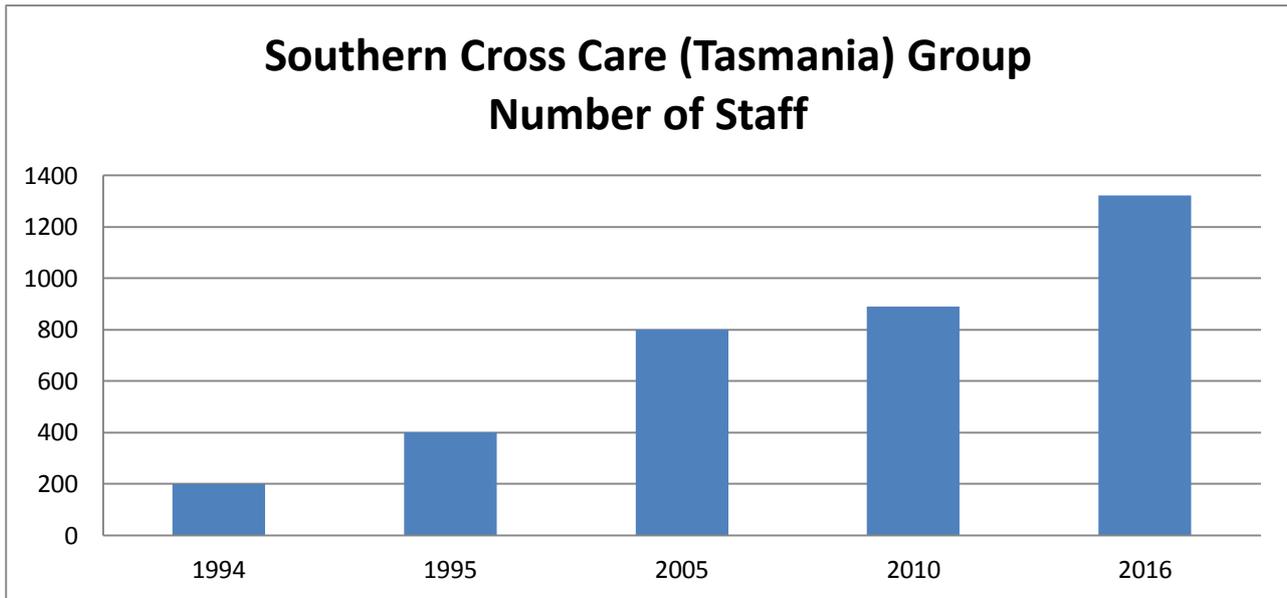
Southern Cross Care (Tasmania) Inc. Statement of Financial Position as at 30 June 2016		
	2016 \$	2015 \$
<b>ASSETS</b>		
Cash and cash equivalents	11,422,072	8,611,526
Other financial assets	26,133,128	5,000,000
Trade and Other Receivables	2,622,957	2,005,906
Other assets	171,723	169,064
Goodwill	562,879	-
Property, plant and equipment	259,239,148	240,615,354
<b>TOTAL ASSETS</b>	<b>300,151,907</b>	<b>256,401,850</b>
<b>LIABILITIES</b>		
Trade & other payables	4,028,763	4,116,687
Employee Benefits	6,272,535	5,137,113
Provisions	8,502,048	7,077,450
Borrowings	25,390,848	21,200,000
Other Liabilities	144,737,469	110,885,204
<b>TOTAL LIABILITIES</b>	<b>188,931,663</b>	<b>148,416,454</b>
<b>NET ASSETS</b>	<b>111,220,244</b>	<b>107,985,396</b>
<b>EQUITY</b>		
Reserves	67,083,705	64,580,093
Accumulated Surpluses	44,136,539	43,405,303
<b>TOTAL EQUITY</b>	<b>111,220,244</b>	<b>107,985,396</b>

The significant growth of Southern Cross Care (Tasmania) Inc. over the last decade is evidenced by a \$208.8M increased in Total Assets. This is detailed in the following Table.



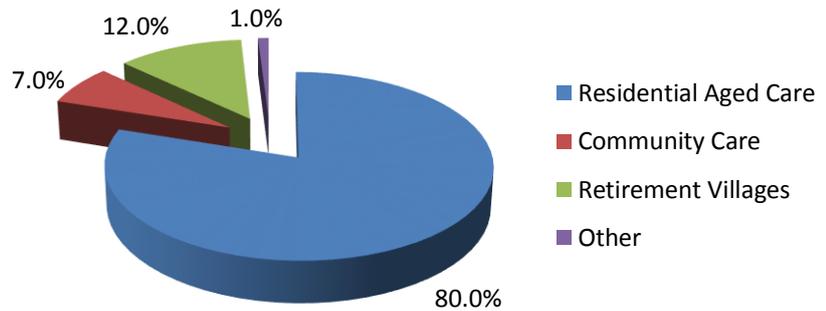
## Employee Numbers

The growth of the Southern Cross Care has seen a significant increase in staff numbers.



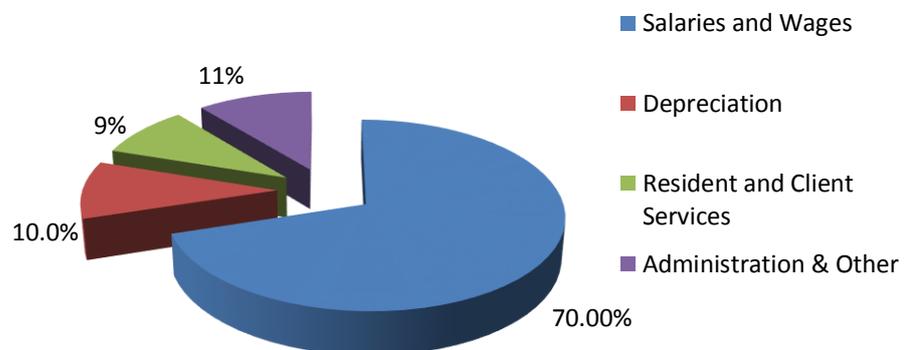
## Revenue by Division

For the year ended 30 June 2016, our revenue base was \$64.4M. The following Table shows the breakdown to areas of service.



## Areas of Expenditure

The following Table shows the breakdown to areas of expenditure..



# Contact Details

## Head Office

Southern Cross Care (Tas.) Inc.  
85 Creek Road  
New Town Tas. 7008  
(PO Box 815 Moonah Tas. 7009)

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**Fax:** (03) 6278 9177

### **Email:**

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### **Web:**

www.scctas.org.au

ABN: 18 773 507 851

### **Auditor**

Crowe Horwath

### **Bankers**

Catholic Development Fund

### **Solicitors**

Wallace, Wilkinson & Webster

## Residential Aged Care Facilities

**Residential Enquiries Officer - Sth** PO Box 815 Moonah Tas 7009  
Mrs Louise Graham Ph: (03) 6214 9717 Fax: (03) 6278 9177

**Residential Enquiries Officer - Nth** 5 Waveney Street Sth Launceston Tas 7250  
Mr Robert Crumpton Ph: (03) 6343 0240 Fax: (03) 6343 3420

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**Guilford Young Grove** 13 St Canice Avenue Sandy Bay Tas 7005  
Mr Marc Van Impe Ph: (03) 6225 1025 Fax: (03) 6225 3225

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**Sandown Village** 1 Wayne Avenue Sandy Bay Tas 7005  
Mrs Margot Combes Ph: (03) 62167100 Fax: (03) 6225 4821

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**Rosary Gardens** 85 Creek Road New Town Tas 7008  
Mrs Judi Baker Ph: (03) 6214 9700 Fax: (03) 6228 3856

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**Mount Esk** 38 Station Road St Leonards Tas 7250  
Mrs Rebecca Eiszele Ph: (03) 6339 1205 Fax: (03) 6339 6113

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**Glenara Lakes** 390 Hobart Road Youngtown Tas 7249  
Mrs Brigid Flynn Ph: (03) 6343 6777 Fax: (03) 6343 3100

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**Ainslie – Low Head** 196-244 Low Head Road Low Head Tas 7253  
Mrs Deborah Austen Ph: (03) 6382 1477 Fax: (03) 6383 3438

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**Yaraandoo** 1A Cardigan Street Somerset Tas 7322  
Mr Glenn Wickham Ph: (03) 6435 1010 Fax: (03) 6435 2522

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**Fairway Rise** 2 Toogood Drive Lindisfarne Tas  
Ms Mandy Woodworth Ph: (03) 6246 7200 Fax (03) 6246 7300

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**Mary's Grange** 5 Grange Avenue Taroona Tas  
Ms Ann Bingham Ph: (03) 6227 7000 Fax (03) 6227 9001

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**Home Care**  
**Director of Community Care** 85 Creek Rd New Town Tas 7008  
Mrs Jill Savell Ph: (03) 6214 9750 Fax: (03) 6278 9177

### **HOBART**

**Community Care Co-ordinator** 85 Creek Rd New Town Tas 7008  
Ms Carol Gadd Ph: (03) 6214 9750 Fax: (03) 6278 9177

### **BURNIE/SOMERSET/DEVONPORT**

**Community Care Co-ordinator** 29 Wragg Street Somerset Tas 7322  
Ms Judy Freeman Ph: (03) 6435 0340 Fax: (03) 6435 3259

### **LOW HEAD**

**Community Care Co-ordinator** 196-224 Low Head Rd Low Head Tas 7253  
Ms Liz Torma Ph: (03) 6382 4907

## Independent Living Units

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**AA Lord Retirement Village** 131 Hill Street West Hobart Tas 7000

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**Taroona Villas** 100 Channel Highway Taroona Tas 7053

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**Yaraandoo** 1A Cardigan Street Somerset Tas 7322

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**Sandown Village** 1 Wayne Avenue Sandy Bay Tas 7005

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**Guilford Young Grove** 13 St Canice Avenue Sandy Bay Tas 7005

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**Glenara Lakes** 390 Hobart Road Youngtown Tas 7249

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**Ainslie – Low Head** 196-224 Low Head Road Low Head Tas 7253

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**Ainslie – Launceston** 5 Waveney Street South Launceston Tas 7249

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**Ainslie – Westbury** 85 Meander Valley Road Westbury Tas 7303

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**Saint Canice** 15 Saint Canice Avenue Sandy Bay Tas 7005

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**Fairway Rise** 55 Gordons Hill Road Rosny Tas 7018

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**Mary's Grange** 5 Grange Avenue Taroona Tas 7053

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