



ACH Group Key Highlights for 2009/2010

- Opening of Highercombe at Hope Valley;
- 20 Place Consumer Directed Care Pilot;
- Quality Customer and Workforce Satisfaction all rated very well;
- Focus on Health & Fitness;
- 209 New Houses, expansion into Victoria;
- Start of New IT System that will deliver full service integration;
- Tight Expenditure Control/\$2.9 Million Operating Surplus;
- 22: Our New Service and Administration Centre.

This year, the Australian Government's 2010 Intergenerational Report signalled the imminent growth in numbers of older people and forecasted demand on services and expenditure if nothing changed.

Contents

CH Group in 2009/2010	04
ood Lives for Older People	09
ealth and Wellness	09
rowth in Services to Meet Demand	11
pecial Focus on People with Particular Needs	11
nnovation	15
laintaining High Quality Standards	16
eveloping Organisational Capacity	16
uture State of ACH Group	16
/orkforce	17
overnance	17
oundation for Older Australians	18
olunteers	18
CH Group 2009/2010 Finances	20
CH Group 2009/2010 People	22
oard and Management	24
ocations	27

ACH Group had a strong year focusing on Good Lives, Good Health & Good Choice.

ACH Group in 2009/2010

This year, the Australian Government's 2010 Intergenerational Report signalled the imminent growth in numbers of older people and forecasted demand on services and expenditure if nothing changed. We also saw a shift in attitudes to see this growth in numbers of older people more as an opportunity rather than just a problem.

We saw the release of the National Health and Hospitals Reform Commission Report that engages older people and Aged Care providers more in the good health of older people. We saw the setting up of the Productivity Commission Review focusing broadly on much needed restructuring of Aged Care. We saw the rollout of Consumer Directed Care in the community that tests older people's desire to control their own services and the sector's ability to respond.

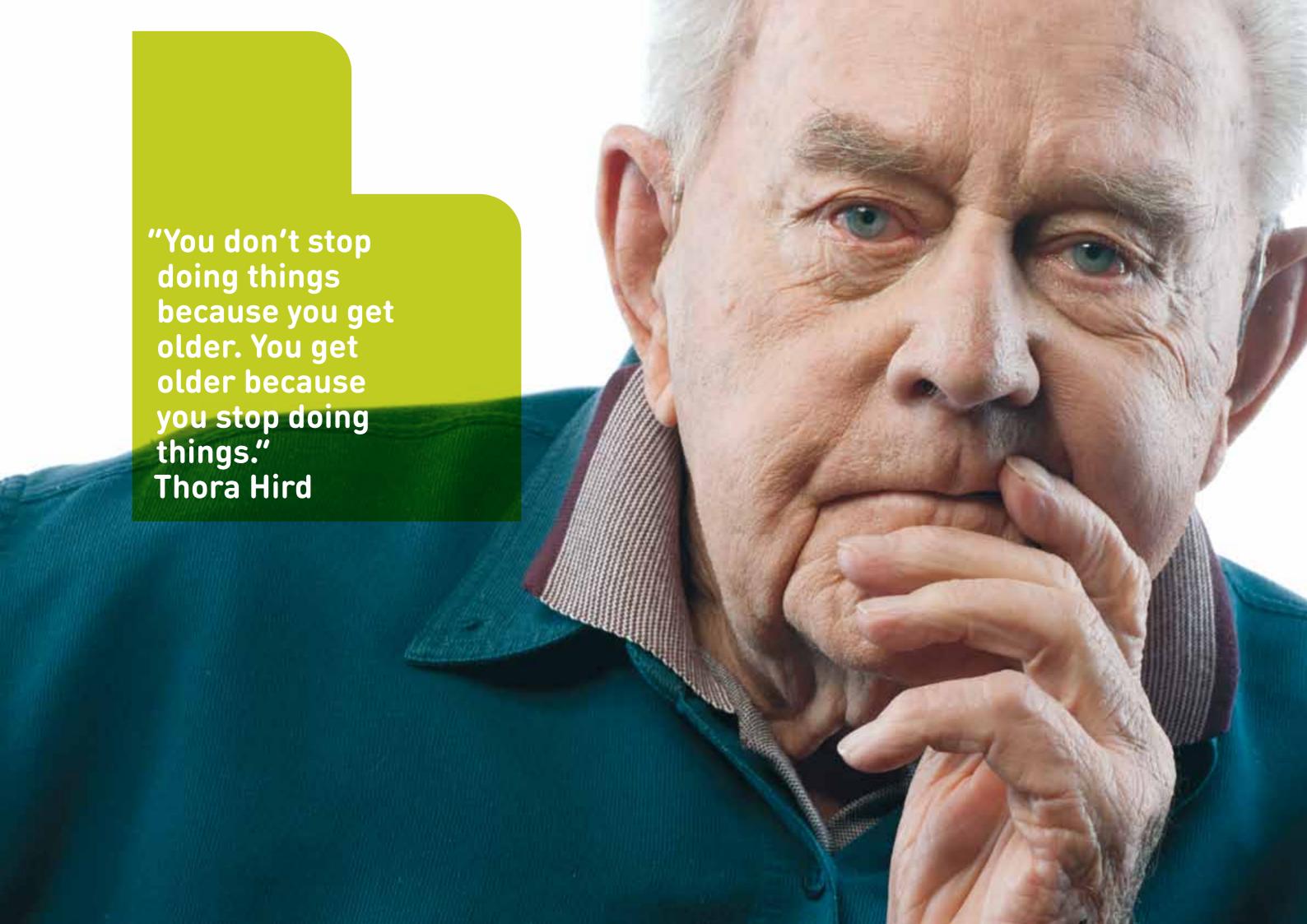
New capital to develop new high-care facilities, either from older people or Government, did not eventuate with a real slowing down in new developments at a time when demand is about to significantly increase. The setting up and resourcing of Health Workforce Australia to increase the number of training places for health professionals was very welcome and now needs to be matched with sector creation of on-job training placements.

ACH Group had a strong year with:

- The development of the 120-place
 Highercombe Aged Care Facility;
- —A 20-place Consumer Directed Care pilot;
- —209 new houses (62 of them affordable; 197 of them in Victoria). The service provision to Victoria is part of a long-term positioning by ACH Group to develop expertise in "National Thinking" as a service provider;
- —Programs focusing on health and fitness;
- —"22" (a new Service and Administrative Centre) at 22 Henley Beach Road, Mile End. This has brought a number of our services and administration functions together, creating significant synergies and efficiencies;
- The signing of a contract to implement a new software package across the whole organisation, delivering integration of all services;
- Quality, customer satisfaction and workforce satisfaction all rated very well;
- Budgets achieved. Expenditure needed to be more tightly controlled as costs rose significantly. We finished the year with a \$2.9M surplus which, combined with a new borrowing program, allowed us to develop facilities and acquire housing.

We invigorated the ACH Group brand to better capture our vision of Good Lives for Older People and ensure we take every opportunity, in all we do and say, to promote optimistic possibilities associated with ageing as an alternative to the somewhat gloomy view that is often conveyed. You will see in this report, and more so in the future, how we are creating an environment for older people to live well, learn and contribute.

The service provision to Victoria is part of a long-term positioning by ACH Group.





This becomes a foundation of our Good Lives strategy as older people work to sustain good health as part of living well. This year, we expanded ACH Group Health Services which coordinates a range of allied health and nursing services around older individuals, and connects this to GPs and other health activities in the community, eg local gyms suitable for older people.

We are expanding our local clinics with the latest being developed at Milpara, Rostrevor. This Health and Wellness Centre is available to Milpara, Housing and local residents and is setting up a wide range of health services and information. We are also working with Campbelltown and Yankalilla Councils to build outdoor gyms that combine a lot of fun with exercise in a community setting. These gyms are partly funded by the Foundation for Older Australians and we expect to develop a network of these around SA as part of the whole cause of fitness for older people. We have been offering an increasing number of trial fitness packages as a way of older people testing their interest in gym, walking and swimming programs. These have been particularly successful in supporting people with dementia who are often keen to stay fit and healthy.

This year, we expanded ACH Group Health Services which coordinate Health and Fitness Services around older individuals.



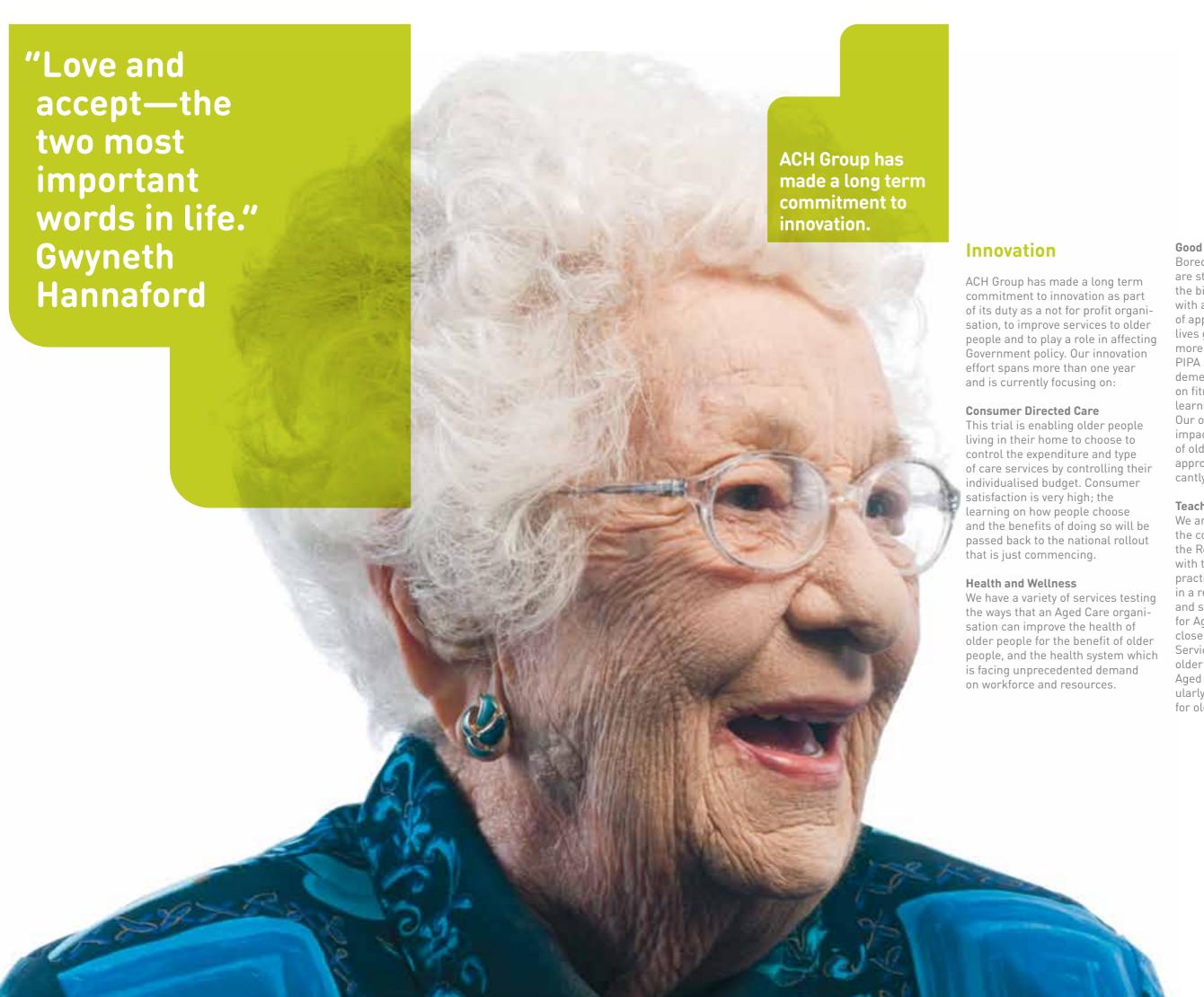
Special Focus on People with Particular Needs

As a not for profit organisation, we have a constitutional commitment to support older people who are vulnerable or who are particularly challenging to serve. Our Strategic Plan targets us to become a specialist in very high quality and innovative services to people with dementia and their carers that enable good lives. This year, we focused on activities that improved quality of life in the community. Some of these new activities focused on learning using Montessori techniques; singing, exercise and art were an absolute delight and received rave reviews from people and carers alike.

Affordable and well-located housing is a basic need and in high demand. This year, we increased our affordable housing stock by 62 houses—50 in Forest Hill (Victoria) and 12 under the National Rental Affordability Scheme (NRAS) at Rose Park. We are currently redeveloping a further 10 houses in Payneham under NRAS and 7 under the SA Affordable Housing Trust guidelines in the latest stage of the Northgate JV.

We supported Cambodian Communities through our northern office and the Dutch Community through our joint venture at Highercombe. We also continue to work with Aboriginal people through Aboriginal Wyatt Holidays, and people with disabilities with older carers through the Department of Families and Communities.





Good Lives

Boredom, isolation and depression are still being reported as perhaps the biggest challenges associated with ageing and frailty. Our testing of approaches that enable good lives grew this year as we worked more in residential care with the PIPA approach, with people with dementia, and started to focus more on fitness, choice and control, roles, learning, planning, and creativity. Our ongoing measurement of the impact of our services on the lives of older people is indicating that our approaches are starting to significantly improve quality of life.

Teaching Nursing Home

We are hopeful of commencing the construction of this project at the Repatriation General Hospital with the aim of combining best practice with teaching and research in a real live Aged Care service, and specialised training of staff for Aged Care. This will work closely with the Health and Hospital Services creating pathways for older people between health and Aged Care at what is often a particularly difficult and confusing time for older people and their families.

Maintaining High Quality Standards

All of our Residential and Community Services are externally accredited. During the year Makk and McLeay, Milpara and Highercombe Aged Care facilities were all re-accredited, gaining the highest standard of a full three years. All other Aged Care facilities underwent "support visits" which were successfully completed.

All of our HACC services were accredited at the highest level, and two of our respite cottages and three of our Commonwealth Community regional services were also fully accredited. City Views, Health Services and DVA Services were all accredited under ISO.

We have also continued to monitor and grow quality internally to meet the "ACH Group standard".
This has involved:

- —Satisfaction surveying;
- Compliance with our own customer standards;
- Upgrading Perry Park High Care;
- Approving the upgrade of Kapara Low Care;
- Continuing the Service Improvement Project (SIP) review that measures quality of life and the impact of our services on this.

Developing Organisation Capacity

Developing capacity has been a major plank of the Strategic Plan to both create more efficient and effective work environment and to build capacity for future improvements and growth. This has focused on:

- The purchase of a software package suitable for the whole organisation and capable of enabling connectivity for clients, staff and volunteers;
- —Improving our borrowing arrangements with NAB to enable the financing of new and important service opportunities, particularly the redevelopment of Milpara, the building of Highercombe, the acquisition of Bedford Heights and St Thomas Housing sites and the purchase of "22" (at 22 Henley Beach Road, Mile End);
- —The expansion and improvement of the Customer Service Centre which enables clients to make contact with and enquire about ACH Group Services through a single phone number;
- —The setting up of "22" (at 22 Henley Beach Road, Mile End) which combines a wide range of ACH Group Services into a single location giving a focus and efficiency to ACH Group information, enquiry, training and administration;

- Extending our ability to deliver by working in joint venture with others, particularly:
- Aboriginal Home Care and Aboriginal Elders Council
- Adelaide Health Services
- Alzheimer's Australia
- Baptist Community Services
- Cambodian Community
- City of Campbelltown
- City of OnkaparingaCOTA Seniors Voice
- Department of Families and Communities
- Dept of Health
- Dept of Health and Ageing
- ECH
- Flinders University
- Hammond Care Group
- Helping Hand Aged Care
- Italian Benevolent Foundation
- Masonic Homes
- Mondial Assistance Qld
- Netherlands Australian Aged
 Services Association
- Norwood Payneham
 St Peters Council
- Onkaparinga Council
- Overseas Chinese Association
- Pennington Aged Care Village
- RDNS
- Resthaven
- Southern Cross Care Victoria
- Sunlife Aged Care (Japan)
- Sydney University
- UniSA
- University of Queensland
- War Widows Guild
- Yankalilla Council

Future State of ACH Group

With so much change in the style and demand for Aged Care, the Board this year asked that ACH Group reconfigure how we are set up and work to ensure we are fit and efficient to move forward. This has resulted in a blueprint for the organisation which we are calling the Future State. Essentially, this is about holding firmly onto what we do so well, but putting greater emphasis on 12 practices:

Combining a whole range of services into a single location at "22" has created a powerful team approach to the delivery of great service to older people.

"It's worth it just for the smiles." Margaret Hancock, volunteer

- Four of these emphasised practices are about service priorities (primary health, dementia, short term care, expanded housing services);
- —Three of these emphasised practices are about how we focus on older people (consumer directed care, one-stop-shop for information and services, our Good Lives approach);
- Five of these emphasised practices are about how we work together in ACH Group (internal joint ventures, new single IT system, service and administration centre at "22", membership style of employment, equipping leaders).

Workforce

Most of what we do is delivered by people, and the feedback again has been outstanding. Our staff numbers increased this year from 1,494 to 1,664 due to growth in Community Services and the opening of Highercombe. This year, we ran 5,550 courses for staff with each staff member attending an average of 3.5 courses in the year. Courses covered safety, clinical, IT, dementia, induction, customer service, leadership and management.

We set up two Excellence Groups for championing best practice and clinical standards in the care of people with dementia. 11 staff took part in an exchange program with Sunlife in Japan, where our staff had an opportunity to work and learn in the Japanese Aged Care system. As well as all the obvious

leadership benefits of these exchanges, our team brought back a number of exciting innovations from this remarkable organisation.

We focused again on providing high quality health undergraduate work placements, particularly creating useful roles for the students and engaging them in the most advanced parts of our work. We are excited about the prospect of developing a teaching nursing home with a particular focus on the engagement of learning for students in the whole fabric of how the service runs.

Volunteers

Volunteers continue to be an important part of the ACH Group community and their contribution is crucial to helping older people live good lives.

In 2010 we launched a new framework to help steer volunteer training and engagement in line with our Good Lives values. This has been a spectacular success as volunteers do things paid staff are not able to do and in styles well outside normal work practices.

Feedback from volunteers has been that this is what volunteering is all about and they love the feeling of being able to give a little back to the communities they live in. "It's worth it just for the smiles" says Margaret Hancock, a volunteer at Yankalilla for the past 3 ½ years.

Governance

The Board this year focused on strategic planning, access and choice, growth and major capital projects, IT, health, dementia, affordable housing, brand, Government reforms and governance.

I would like to thank the ACH Group Board for the pivotal leadership role that it has played, both in the development of ACH Group as an organisation and in the way we are supporting older people. I would like to particularly thank Office Bearers Marjorie Schulze OAM (Deputy Chair, and Chair of Foundations for Older Australians), Geoff Holdich (Treasurer, and Chair of Corporate Committee) and Liz Blieschke (Chair, Client and Services Committee). In addition to being the Chair of the Board, I also chair the Property and Development Committee.

My thanks and appreciation to all of the ACH Group team, but particularly to the Senior Managers and Executives with whom we worked during the year. We have greatly appreciated the leadership and management of CEO, Mike Rungie, and General Managers, Greg Adey, Mark Elliott, David Moran, Jane Mussared and Jim Raggatt. This is a strong and uniquely expert leadership and management team and well placed to achieve the challenges of the 2009–2014 Strategic Plan.

In fact, in support of this leadership at the 2010 ACSA Conference held in Hobart, our CEO Mike Rungie was awarded the prestigious Aged and Community Services individual prize for excellence in Aged Care. This is well deserved and due recognition of Mike and the whole ACH Group team's outstanding commitment to improving the lives of older people.

Brent Blanks

Chair ACH Group Board

> Our staff numbers increased from 1,494 to 1,664

Foundation for Older Australians

Older people say that they want to continue to live their own life—it is unique and it is theirs. They want life to be optimistic and to retain a sense of the past while actively planning and learning in the future. They want to continue to be able to do everyday things and to involve family and friends in what they do.

Older people seek to be involved with others and to continue to take on their interests and passions including remaining as fit and healthy as possible.

The Foundation for Older Australians (FOA) seeks to identify new & unique approaches to positive ageing with a particular focus on:

- -Fitness
- -Wellness
- Intergenerational projects

In 2010, the FOA made several significant commitments to important community projects which will directly impact older people in positive ways. These were:

- Yankalilla Outdoor Gym—\$26,240;
- Campbelltown/Milpara Outdoor Gym—\$26,240;
- —Yards and Gardens; and
- —ACH Group Fitness Manual.

These projects bring the number of FOA grants to forty four since inception, totaling over \$174,000 in commitments.

In the past year, the FOA has received over \$31,000 through donations and bequests and we would like to acknowledge those generous donors including:

- —Kennett Pty Ltd
- —Sarah Constructions
- —BP Australia
- —Walter Brooke
- Brown Falconer Group
- —The Estate of Bruce Mackie

It is pleasing to the FOA that businesses and people who have worked with ACH Group are now strengthening that relationship through supporting Good Lives for Older People by contributions to the Foundation.

The following FOA Committee Members value the opportunity to contribute to Good Lives for Older People:

- Marjorie Schulze (Chair)
- Richard Viner-Smith
- Malcolm Montgomery
- —Brian Hayes QC
- —Graeme Percival
- Mary Patetsos
- —Mike Rungie

The Foundation for Older Australians is a deductible Gift recipient under Australia's Income Tax legislation and no administration or overhead costs are deducted for FOA projects.

For further information, contact Jeff Fiebig on (08) 8159 3600.

"No one is old enough to know better." Holbrook Jackson



ACH Group 2009/2010 Finances

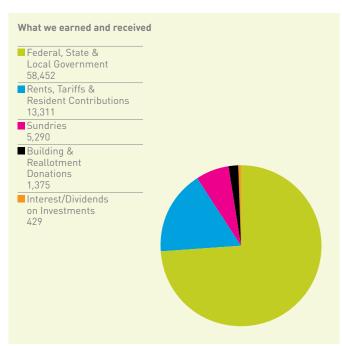
of financial position for the year ended 30th June 2010.

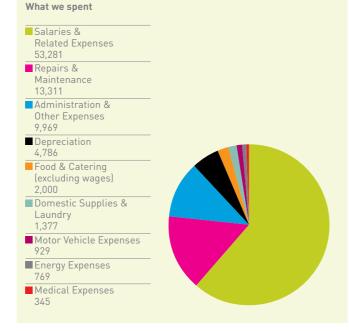
Simplified statement of comprehensive income and statement

,	•	•
What we earned and received		
Federal, State & Local Government	58,452	51,351
Rents, Tariffs & Resident Contributions	13,311	11,340
Sundries	5,290	3,447
Building & Reallotment Donations	1,375	1,280
Interest/Dividends on Investments	429	964
Total Earnings	78,857	68,382

What we spent

Salaries & Related expenses	53,281	46,858
Depreciation	4,786	3,253
Energy Expenses	769	585
Food & Catering (Excluding Wages)	2,000	1,709
Medical Supplies	345	334
Motor Vehicle Expenses	929	866
Domestic Supplies & Laundry	1,377	1,053
Repairs & Maintenance	2,480	2,862
Administration & Other Expenses	9,969	8,556
Total Expenditure	75,936	66,076
Operating Surplus/(Deficit)	2,921	2,306
Add: Gain on Recognition of licences	4,800	
Operating Surplus/(Deficit)	7,721	2,306
Net Increase/(Decrease) in Asset Revaluation Reserve	4,878	(12,590)
Net Increase in Building Upgrade Reserve	15	(21)
Adjustment to prior year profits	_	
Total Change in Equity	12,614	(10,305)





2010

\$'000

2009

\$'000

ACH Group 2009/2010 Finances

Simplified statement of comprehensive income and statement

of financial position for the year ended 30th June 2010 (continued).

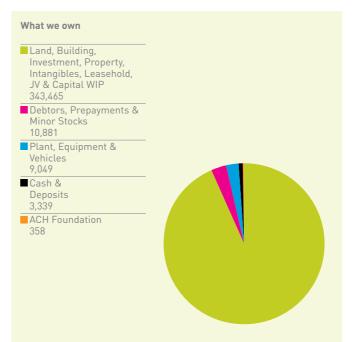
· · · · · · · · · · · · · · · · · · ·	•	•
What we own		
Land, Building, Investment Property, Intangibles, Leasehold, JV & Capital WIP	343,465	229,347
Plant, Equipment & Vehicles	9,049	6,678
Debtors, Prepayments & Minor Stocks	10,881	6,787
Cash & Deposits	3,339	3,057
ACH Foundation	358	359
Investments	_	3,510
Total Assets	367,092	249,738

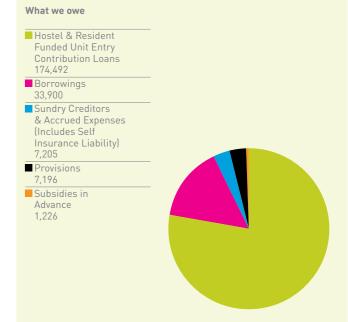
What we owe

Subsidies in Advance	1,226	3,126
Sundry Creditors & Accrued Expenses (Includes Self Insurance Liability)	7,205	7,255
Hostel & Resident Funded Unit Entry Contribution Loans	174,492	87,164
Provisions	7,196	6,534
Borrowings	33,900	15,200
Total Liabilities	224,019	119,279
Leaving What The Organisation Has Built Up Over The Years (Reserves)	143,073	130,459

This is a true and correct extract from the full audited financial accounts. A complete set of audited financial statements is available upon request. **Geoff Holdich—ACH Group Treasurer**

Total assets grew by 47%, now providing accommodation and housing to 2,230 older people.





2010

\$'000

2009

\$'000

<u>ACH</u>	Group	2009/	2010	Peopl

	Number	Number of
	of Places	People Served
Aged Care Facilities		
Kapara	137	199
Perry Park	115	191
Milpara	90	108
West Park	60	82
Colton Court	39	49
Yankalilla Centre	64	103
Highercombe	120	128
Makk & McLeay (Joint Venture)	40	45
Total	665	905
Transition Care Services		
City Views	40	280
CNAHS TCP		82
SAHS TCP		36
SAHS Short Term Packages		206
Total		604
Health Services		
Therapy Services West		760
Therapy Services South		1424
Therapy Services East		926
DVA Community Nursing		130
CNAHS — Community Lifestyle Packages		219
Private — Fee for services		489
Minimising Functional Decline Program		110
Chronic Diseases Community Program		50
Life Exercises		143
Total		4251
In Home Care Packages		
In Home Care North	63	170
In Home Care South	247	442
In Home Care East	269	649
In Home Care West	422	553
In Home Care Fleurieu and Murray Mallee	40	112

	of Places	People Served
Community Services		
Customer Service Centre		1067
Respite and Social Links North		331
Respite and Social Links Outer South		669
Respite and Social Links East		532
Respite and Social Links Inner South/West		437
Respite and Social Links Fleurieu and Murray Mallee		83
Dementia Services North	60	106
Dementia Services Outer South	54	128
Dementia Services East	67	225
Dementia Services Inner South/West	80	186
Dementia Services Regional	10	17
Veterans' Home Care Service North		84
Veterans' Home Care Service Outer South		71
Veterans' Home Care Service East		81
Veterans' Home Care Service Inner South/West		212
Veterans' Home Care Service Fleurieu and Murray Mallee		57
Campbelltown Home Assist		1479
Onkaparinga Home Assist		2760
Total		8525
Veterans' Home Care Assessment and Coordination Agency		18400
Housing		
Resident Funded Units—Small Sites	198	269
Independent Living Units (active)	332	371
Elkanah Retirement Village (SA)	110	143
St Thomas Retirement Village (Vic)	50	60
Bedford Heights Estate (Vic)	147	202
Stay at Home Program		709
Total	837	1754

In Home Care up by 21.4%

Health Services up by 14.6%

Organisation Chart

Brent Blanks (Chair) is the Principal of Heygrove Consulting, providing strategic advice to the construction and property development industry. He is a director of FMG





Committee

Helen Janetzki is Malcolm Managing Director Montgomery is a of Proxima Financial retired lawyer who Planning. She is a specialised in Certified Financial commercial law for Planner, and is a 40 years. He is Senior Associate currently a member of the Financial of the Legal Practitioners Services Institute of Australasia. Disciplinary

Mariorie Schulze OAM (Deputy Chair) brings to the Board considerable experience in the governance of not-for-profit organisations in health and human services.





Geoff Holdich

(Treasurer) is

a Principal of

BRM Holdich.

He is a Fellow

of the Institute

of Chartered

Accountants, a

registered tax

agent and has

qualifications.

financial planning

Mary Patetsos has experience in a range of areas, especially in Local Government, Aged Care and Housing. Her knowledge and skills include managing cultural diversity.

Liz Blieschke has extensive experience working with Federal Government ministerial staff, developing communication strategies and working with media on Aged Care issues.





Graeme Percival is a Company Director and retired Trust Officer. He is a Member of the Executor and Trustee Institute and Australian Institute of Company Directors.

Mark Goddard is a founding Director of merchant bank and corporate advisory practice, Equity and Advisory Ltd. He specialises in consulting on financial, liquidity and management problems to corporations.





Professor Paddy **Phillips** is the Chief Medical Officer for South Australia, Chair of the South Australian Clinical Senate and Chair of the Statewide Clinical Network in Cardiology.

Brian Hayes is a QC and a nationally and internationally recognised environmental lawyer. He is an associate professor at the University of South Australia.





Executive Staff

Mike Rungie (Chief Executive Officer)





Mark Elliott



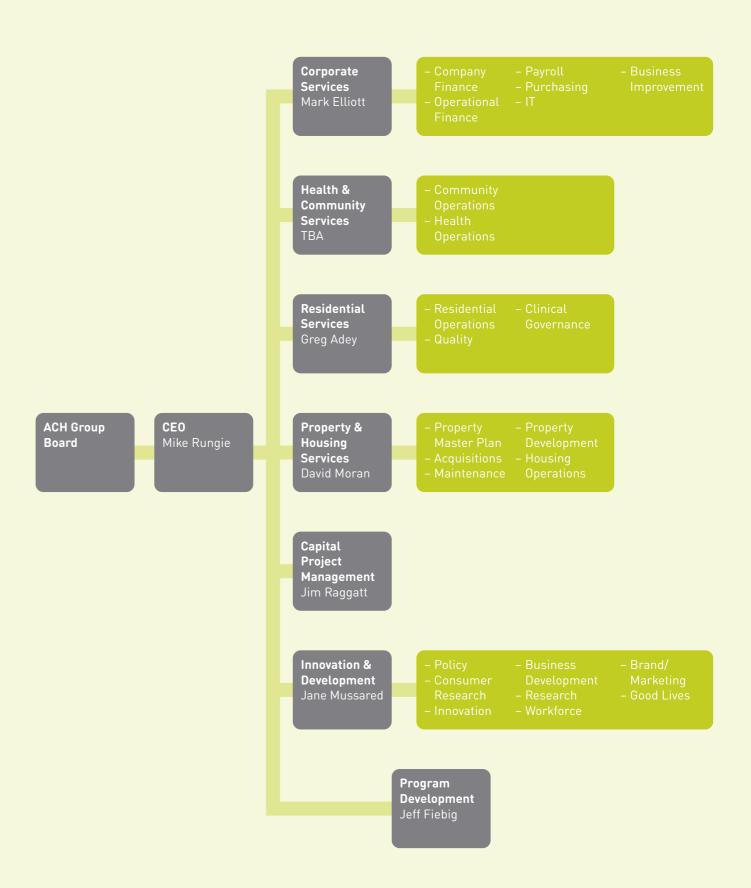
David Moran



Jane Mussared



Jim Raggatt







Lyn Bertram



Julie Bonnici



Trish Bowie







Lenore de la Perrelle





Jeff Fiebig



Bronwyn Harding



Lynn Coleshill

Anne Higginson



Shayne Hilton

Rosetta Rosa

John Deally







Janet Spouse



Sally Strzelecki



Stuart Merrylees



Trudy Sutton



Peter Mirasgentis

Joyleen Thomas



Kasha Wiencierz

A strong and uniquely expert leadership and management team.







Aged Care & Housing Group Inc. ABN 99 437 071 895

22 Henley Beach Road Mile End SA 5031 (08) 8159 3600

- Head Office
- Customer Service Centre
- —Housing
- —Innovation and Development
- —Learning Centre

Health Services

Veterans' Home Care 1300 550 450

Residential Services

(08) 8350 3850

Colton Court Aged Care Facility

84 Valley View Drive McLaren Vale SA 5171 (08) 8329 4900

Highercombe Aged Care Facility

11 Sirius Street Hope Valley SA 5090 (08) 8397 1600

Kapara Aged Care Facility

80 Moseley Street Glenelg SA 5045 (08) 8295 9900

Milpara Aged Care Facility

147 St Bernards Road Rostrevor SA 5073 (08) 8366 8000

Perry Park Aged Care Facility

26 River Road Port Noarlunga SA 5167 (08) 8329 7777

West Park Aged Care Facility

7 Partridge Street Goolwa SA 5214 (08) 8555 7100

Yankalilla Aged Care Facility

175 Main South Road Yankalilla SA 5203 (08) 8558 0020

City Views Transition Unit

7th Floor, 103 Fisher Street Fullarton SA 5063 (08) 8273 0100

Community Services

(08) 8349 3515

East Metro

163 Montacute Road Newton SA 5074

Inner South/West Metro

22 Gordon Street Glenelg SA 5045

North Metro

20 Ann Street Salisbury SA 5108

South Metro

17 Elizabeth Road Christie Downs SA 5164

Murray Bridge

1 McHenry Street Murray Bridge SA 5253

