AMAROO
VILLAGE

ANNUAL REPORT

2021-2022

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OUR PURPOSE

Supporting consumers to live their best life.

OUR VALUES

Respect
Integrity
Care
Accountability

PRESIDENT'S REPORT

Tony Italiano
Board President

It is with pleasure I present my annual report for 2022.

Firstly, I would like to thank each and every one of my fellow Board Directors for their full support during this past year along with their valued contributions and commitment to Amaroo.

My thanks to Deputy Chair Greg Milner who shared and supported my role throughout the past year.

I strongly believe the current Directors have the right skill mix to provide the strategic oversight and governance to guide our organisation forward during a period of significant reforms.

As announced at the last AGM, the Board appointed our new CEO Lisa Brennan who commenced employment with Amaroo on 18th of October 2021.

Lisa being a highly capable leader with demonstrated previous experience and success, begun to build on Amaroo's existing reputation for delivering

highly valued services to our consumers.

I would like to acknowledge and welcome all our new staff at executive level and to others throughout our organisation, and also thank staff that are no longer working at Amaroo for their past service.

Board of Directors wish to thank our CEO Lisa, her Executive team and all staff and volunteers for their dedication , professionalism and resilience during the past busy and challenging year.

The Board will continue working and supporting our CEO into the future with the aim of providing a brighter future for older Western Australians.

Our busy year of change has presented many challenges but also opportunities.

Western Australia, as indeed the whole world continued to face the challenges of the Covid-19 pandemic.

Through the great efforts of Lisa and her team, Amaroo successfully managed to protect our staff, residents and their families during the pandemic. Outbreaks within our care facilities were managed swiftly and effectively and our residents' safety was always front and centre for our staff. I wish to thank each and every staff member for meeting these challenges head on.

This year has also been a busy year for our Home Care Service. Amaroo at home is steadily increasing both in Gosnells and in the Great Southern region. We now provide home care supports to 107 clients across both locations, representing an increase of 29% growth from this time last year. Our team at Denmark is now operating from an office located in the town centre which hopefully will add much needed exposure of Amaroo Care Inc. to the town and also to the Greater Southern area.

Our proposed development of a 40 bed residential care places in Denmark is still going through our vigorous planning and due diligence process especially with the added challenges in the aged care workforce and the construction industry.

The Board along with staff have been busy this year continuing to implement our Governance policies and approving expenditure for Amaroo's ICT strategy. This has included the procurement of Amaroo's new Quality Management System which has already been

party implemented. Our new electronic client record management systems were implemented in both of our caring centres which ultimately assists staff in providing better care to our residents. In addition, the implementation of new software for our home care service has seen the transition from manual scheduling to an integrated database that allows for scheduling, payroll, Home Care Package Statements, and electronic care plans and forms.

We also focused on creating new Vision and Mission statements and have begun work on developing our new organisational strategy. We have refreshed our core values and will be leveraging from our organisation's strengths such as our dedicated workforce with a focus on embedding a positive and constructive culture. Our aim is to make Amaroo the "Employer of Choice" for our industry so that we can attract the best staff.

In conclusion, I am confident we will have a much better future for older Western Australians and in particular for Amaroo Care Inc. and I look forward to the next twelve months in helping make a positive difference for our seniors.

Tony Italiano
Board President

CEO'S REPORT

Lisa Brennan
Chief Executive Officer

It is a great honour to be able to share with you my first Chief Executive Officer (CEO) report at Amaroo.

Every incoming chief executive must confront a wide range of issues and new pressures in their first year – a new board of directors, a new executive team, understanding the new business, matters of strategy and operations, and a host of new stakeholders, just to name a few. This first year also brought the added challenge of leading in the aged care industry during a pandemic. One might say it's been a challenging first year and one that I have navigated with the support of the Amaroo Board of Directors. I feel very humbled to have been able to work with such a supportive and highly skilled and experienced Board of Directors. I would like to particularly thank Mr Tony Italiano (Board Chair) and Mr Greg Milner (Deputy Chair) for their guidance and direction.

This financial year we

celebrated our 50th anniversary and while a great deal has changed, our commitment to care has not. As a not-for-profit, Amaroo Care Services exists solely to care for people as they age. At Amaroo we want people to live their best life.

When the Western Australia border opened, the COVID-19 pandemic required enormous effort and resources and it tested our ability to make decisions and act quickly. This required leadership, focus and agility. The resilience of our people has been a highlight – from our people working in our residential care homes on the frontline of our pandemic response, to our Home Care teams operating in the field in Perth and Denmark, to our corporate services teams who supported and responded quickly to the needs of the operational business units, each and every team has contributed to our ability to respond to the pandemic. Along the way we received recognition from Public Health on the manner in which we handled COVID exposures and outbreaks in our Caring Centres.

During this year, we found opportunities amid unforeseen roadblocks and difficult constraints. A new and vibrant Executive team was formed with experience across health, aged care, policy, risk, compliance and corporate services. Forming the right leadership team is pivotal to positioning Amaroo to be able to transform for success into the future. In a short time, the new team have been instrumental in developing and implementing our new ICT roadmap and strategy. By investing in technology and systems we have been able to transform digitally, including the roll-out of a comprehensive electronic client record management system that promotes clinical excellence and strong compliance through electronic care planning and reporting. Our new home care software has transitioned the service from manual scheduling to an electronic database allowing for integrated scheduling, payroll, client statements and care information. Our new Quality Management System (CompliCare) has been a much needed investment bringing with it best practice policies and procedures, a learning management system (CompliLearn), a risk management tool, and an assurance module. The learning management system maps staff training to Amaroo's policies, ensuring our staff understand and apply those policies to their roles and daily decisions.

I would like to take this opportunity to say a big thank you to all of our staff for their commitment and dedication

to Amaroo through what has been a big year of change, unforeseen challenges and transformation.

However, it is our ability to lead through change that will position Amaroo in being able to respond positively to the Australian Governments significant aged care reform agenda for Residential Care. There are the five key reforms that will affect residential aged care providers in the year ahead including the transition to the AN-ACC funding model, new quarterly financial reporting obligations, new code of conduct and banning orders, new governance responsibilities, and the implementation of the new consumer star ratings.

It remains an exciting time to be in the aged care sector. At Amaroo we support and welcome the opportunities for reform, as we imagine new ways to create a more caring and dynamic aged care service for our residential care and village residents, and our home care clients. We are mindful though that this reform comes at a time when many of our employees are fatigued from the ongoing experience of COVID-19.

To conclude, on behalf of the Amaroo Executive Team, I would like to thank our staff for their extraordinary effort and dedication during an incredibly challenging year. I also want to acknowledge and sincerely thank our residents and their families for their understanding and support during this difficult time. I look forward to continuing to play a critical role in delivering safe, high-quality, and sustainable aged care services for all of our wonderful Amaroo residents and clients, next year and into the future.

Lisa Brennan
Chief Executive Officer

DRY KIRKNESS

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AMAROO CARE SERVICES INC

Report on the Financial Report

Opinion

We have audited the financial report of Amaroo Care Services Inc ("the Association"), which comprises the statement of financial position as at 30 June 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Amaroo Care Services Inc is prepared, in all material respects, in accordance with the Associations Incorporation Act 2015 (WA), the Australian Charities and Not-for-profits Commission Act 2012 and sections 34-38 of Part 4, Division 2 of the Accountability Principles 2014 including:

i) giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

ii) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commissions Regulations 2013.

Basis for opinion

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We are independent of the Association in accordance with the auditor independence requirements of the Associations Incorporations Act 2015 WA, Australian Charities and Not-for-profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's

APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Directors' Responsibilities for the Financial Report

The Directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards, the Associations Incorporation Act 2015 (WA), the Australian Charities and Not-for-profits Commission Act 2012 and section 34-38 of Part 4, Division 2 of the Accountability Principles 2014 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue and auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australia Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

In our opinion, Amaroo Care Services Inc has complied with 60-30(3)(b), (c) and (d) of the Australian Charities and Not-for-profits Commission Act 2012 and 82(1)(b), (c) and (d) of the Associations Incorporation Act 2015 (WA) :

- by providing us with all information, explanation and assistance necessary for the conduct of the audit;

- by keeping financial records sufficient to enable a financial report to be prepared and audited;

- by keeping other records required by Part 3-2 of the Australian Charities and Not-for-profits Commission Act 2012, including those records required by Section 50-5 that correctly record its operations, so as to enable any recognized assessment activity to be carried out in relation to the entity; and

- by keeping other records required by Part 5 of the Associations Incorporation Act 2015 (WA), including those records required by Section 66 that correctly record its operations, so as to enable true and fair financial statements to be prepared.

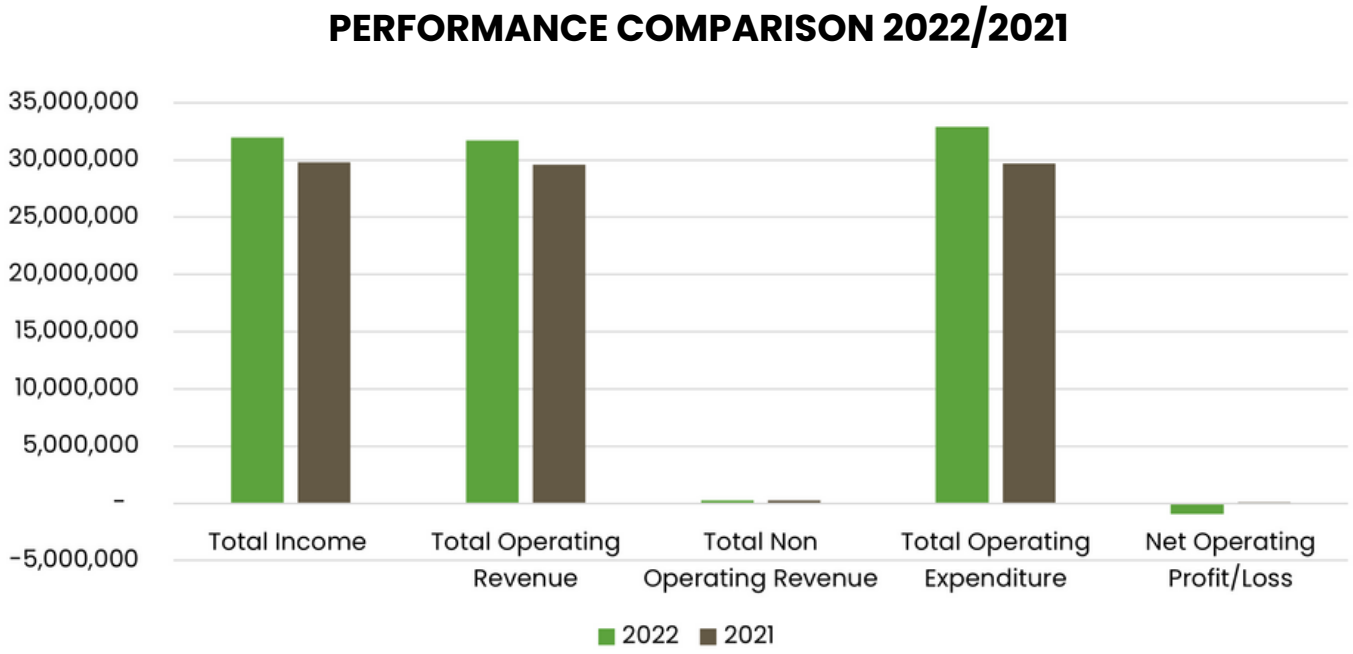
DRY KIRKNESS (AUDIT) PTY LTD

ROBERT HALL CA
Director

Perth
Date: 19 October 2022

KEY PERFORMANCE

WHAT WE EARNED

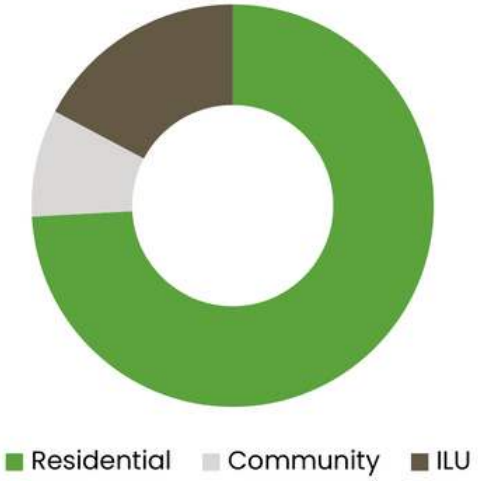


	2022	2021	% CHANGE
TOTAL INCOME	$31, 971,945	$29,819,438	7.22%
TOTAL OPERATING REVENUE	$31,732,539	$29,573,608	7.30%
TOTAL NON OPERATING REVENUE	$239,406	$245,830	-2.61%
TOTAL OPERATING EXPENDITURE	$32,912,026	$29,713,298	10.77%
NET OPERATING PROFIT/LOSS	**-$940,081**	**$106,140**	**-985.70%**

KEY PERFORMANCE

TOTAL REVENUE

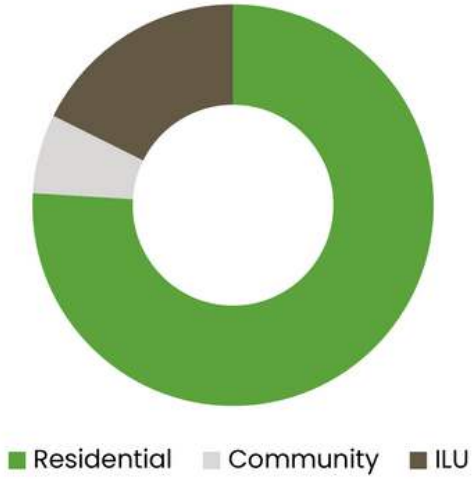
REVENUE 2022



TOTAL REVENUE: $31,971,944

- $23,700,217 (74%)
- $5,512,626 (17%)
- $2,759,101 (9%)

REVENUE 2021



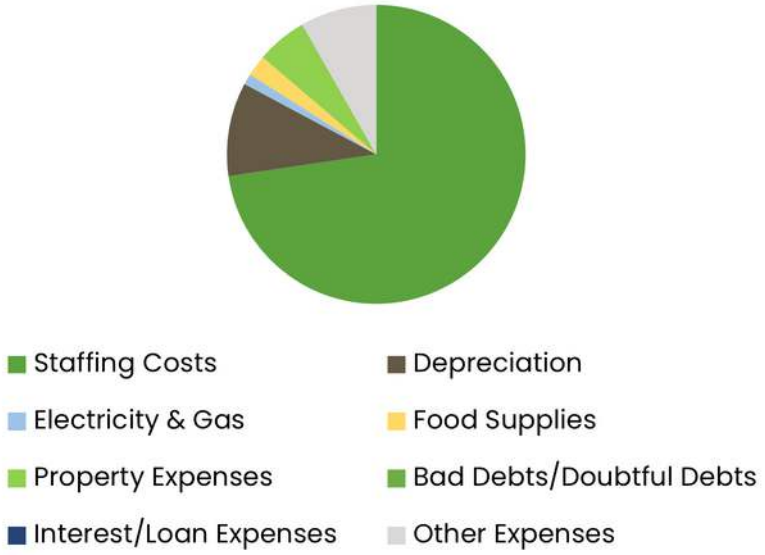
TOTAL REVENUE: $29,819,438

- $22,651,504 (76%)
- $5,265,304 (18%)
- $1,902,630 (6%)

KEY PERFORMANCE

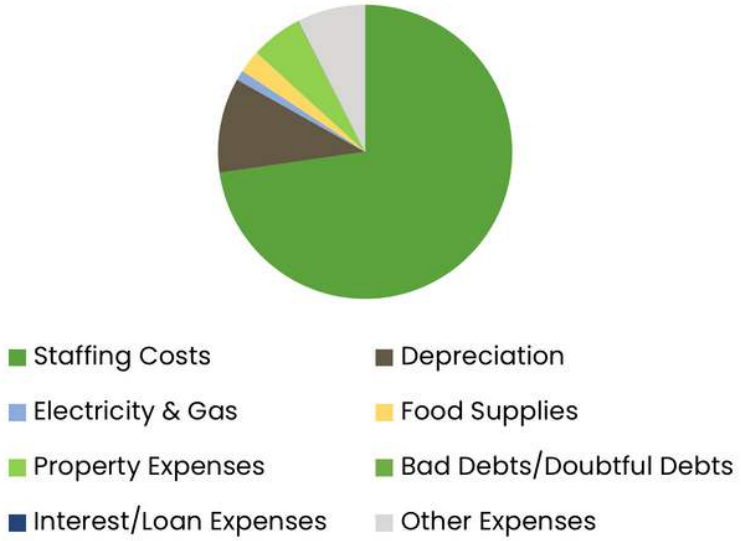
WHAT WE SPENT

OPERATING EXPENDITURE 2022



TOTAL OPERATING EXPENDITURE: $32,912,026

OPERATING EXPENDITURE 2021



TOTAL OPERATING EXPENDITURE: $29,713,298

KEY PERFORMANCE

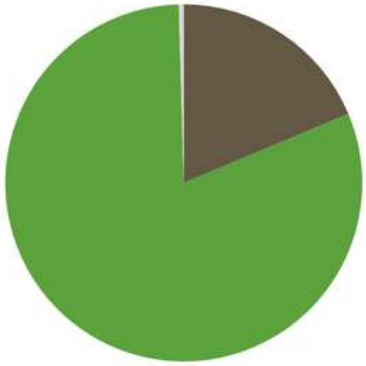
WHAT WE SPENT

EXPENDITURE	2022		2021	
STAFFING COSTS	$23,914,553	73%	$21,607,337	73%
DEPRECIATION	$3,336,192	10%	$3,104,339	10%
ELECTRICITY & GAS	$384,494	1%	$326,107	1%
FOOD SUPPLIES	$752,603	2%	$747,056	3%
PROPERTY EXPENSES	$1,798,512	5%	$1,683,160	6%
BAD DEBTS/DOUBTFUL DEBTS	$518	0%	$579	0%
INTEREST/LOAN EXPENSES	$4,073	0%	$11,757	0%
OTHER EXPENSES	$2,721,081	8%	$2,232,964	8%
TOTAL OPERATING EXPENDITURE	**$32,912,026**	**100**	**$29,713,298**	**100**

KEY PERFORMANCE

WHAT WE OWN

TOTAL ASSETS AS AT 2022

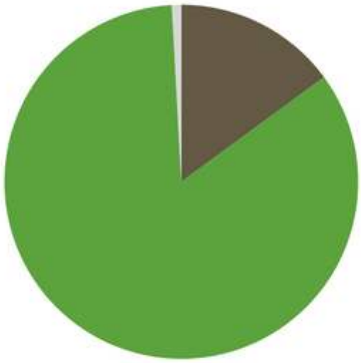


Cash & cash equivalents Property plant & equipment

Other assets

TOTAL ASSETS: $166,957,267

TOTAL ASSETS AS AT 2021



Cash & cash equivalents Property plant & equipment

Other assets

TOTAL ASSETS: $158,422,537

KEY PERFORMANCE

WHAT WE OWN

	2022		2021	
CASH & CASH EQUIVALENTS	$31,187,207	19%	$23,660,551	15%
PROPERTY PLANT & EQUIPMENT	$135,014,829	81%	$133,406,233	84%
OTHER ASSETS	$755,231	0%	$1,355,753	1%
	$166,957,267	**100**	**$158,422,537**	**100**

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