

# Strength in our people

Annual  
Report  
2017-18

**RAAFA**





## Aim

The Australian Flying Corps and Royal Australian Air Force Association (Western Australia Division) Incorporated, (hereafter referred to as RAAFA) is an incorporated association in Western Australia formed by ex-service personnel of the Air Force in Australia and the Commonwealth to recognise, foster and promote the ethos, virtues and culture of service to the nation in the Air Force. The Division is a constituent body of the national Association known as Air Force Association Limited.

## Our purpose

To provide camaraderie and supportive care while maintaining traditions and heritage for all members of the Division, members and former members of the Australian Defence Force and general community through the provision of facilities and welfare services within Western Australia.

## Our vision

To specialise in creating integrated village communities where residents can lead an engaged and purposeful life while the basics are taken care of for them. RAAFA is renowned for its responsive menu of integrated health monitoring, accommodation support and reablement services where its products are backed by flexible, tailored arrangements for payment.

RAAFA's quality standards in governance, leadership, clinical care, training and professionalism are second to none. We employ state of the art technology to keep residents connected as well as to provide information, access to services and statements and billing at the push of a button.

Our culture is unashamedly customer and member focused. Our values of honesty and transparency pervade everything we do.

RAAFA is proud of its past and focused on its future. In keeping with our traditions, RAAFA goes above and beyond in everything we do to meet the changing needs and aspirations of older Australians.

# Chairman & CEO's Report

## GROWTH

The 2017/2018 year has been another year of consolidating the strategic direction of RAAFA. Division Council along with the Executive Team have further defined the projected major capital works and expansion of RAAFA which is to include the newly acquired 6-hectare site at Two Rocks, of which one hectare will be public open space, and the 4,000sqm at South Perth which is housing the central support office of the Association.

It is also very clear that the re-building of the older homes at Air Force Memorial Estate in Bull Creek is becoming more urgent as the residents on the site increase in age. The older units were built in the 1970's and 80's and are not ideally suited to the residents' needs, especially when there is limited capacity to provide access to upstairs units.

More importantly, the common direction across Australia is the integration of housing and care with a greater focus on the provision of clinical and home care services into individual homes, whether in the broader community or the retirement living setting. To be able to provide these services, the design principals underpinning any new development have to be reflective of the growing care needs and potential lifestyle needs for the people who live within them.

The increased focus on the development of RAAFA Connect and its service models are continuing to provide more services to those who live within our villages. The successful application with the Department of Veterans Affairs for RAAFA to become an approved provider of home care services along with their existing nursing care services enables us to re-connect with a broader veterans' community and provide care wherever they require.

## NATIONAL BODY

The development of the strategic objectives of RAAFA National has shifted to the re-ignition to its former branding as the "Air Force Association". This is seen as an important step to enable the recognition that many of our members and people that are veterans not only come from what was the Royal Australian Air Force, but also from other Air Forces around the world, and are welcome to be part of the Association.

This change in constitution and its change to a company limited by guarantee is to enable the Association to be actively sited in any State in Australia, enabling the Association to think in terms of what it represents to all its members. The most important focus is on what can we do to have a greater relationship with the younger veterans and current serving personnel in the Australian Defence Force.

Part of this redefining of the purpose and strategy is to also look at AFA National's long term viability and how the Association can underpin its funding requirements to provide services to the existing members along with the needs of the young and serving personnel. There will be a greater focus on the support of young veterans, who are transitioning out of the services and the critical need to support them in achieving employment in the civilian world. The State and Federal Governments are seeking ex-service organisations that have the capacity to not only provide the programs required to support these veterans, but have the corporate structure to be able to achieve them.

The WA Division of RAAFA is in a position with its current corporate structure, which supports our \$60 million/year aged care seniors' services to be able to support the potential infrastructure requirements for the national body with such things as the housing of its website or managing the membership data base. Should AFA get grants and contracts, we will be able to support anyone who is employed by the national body with payroll and other services.

## CORE PURPOSE

RAAFA WA Division has over the last five years rebuilt its engine room, re-defined its purpose and is now developing a broader range of services and expanded its reach through development on different sites and re-defining of our existing site at Bull Creek. This will enable us to not only focus on the economic efficiency of the organisation, but also develop our Clear Skies strategy that will support greater attention on advocacy, veterans support, our charitable purpose, broader membership and their needs, the AFA band, Air Force Cadets, volunteers and the Aviation Heritage Museum. This goes back to the core purpose of RAAFA, and now that the senior living component of the organisation as part of One RAAFA is stabilised we are in a position to be able to actively pursue these important elements of the organisation.

LEFT: GRAEME BLAND, CHAIRMAN  
RIGHT: JOHN MURRAY, CHIEF EXECUTIVE OFFICER



The biggest challenge that RAAFA and other providers across Australia are facing is that 43% of residential care facilities across Australia are operating in the negative at the end of March 2018.

This is also evident in our financial position this year, but rest assured that our underlying cash is very strong and the provisions for depreciation for +\$100 million of assets built over the past five years is impacting the accounting position this financial year.

The impact of depreciation will diminish over time, but the focus on appropriate funding for residential care facilities and the support of seniors who need care has been a very important part of our budgeting this year.

RAAFA has been well represented in conversations with the Commonwealth Government with the CEO's role as the Chairman of the Aged Care and Community Services WA Division, representing the not-for-profit aged service providers in WA; WA State Board member on the National body and the Chair of the Audit Risk Committee for the National body over the last three years. The ability to express our needs with the Federal Minister has been important for RAAFA to pursue, along with other providers across Australia to ensure we can continue to provide quality care to senior Australians.

As a not-for-profit organisation RAAFA is proud to be in a position where any profits that are achieved don't go to shareholders, but instead support the organisation as a whole, and our staffing levels have effectively been maintained to ensure quality service is provided to our residents.

## GRAEME BLAND, STATE PRESIDENT

RAAFA wishes to acknowledge the outstanding support and effort that Graeme Bland, as State President has provided over many years to the organisation. He again became State President two years ago and has been a steady hand in what has been a significant growth period whilst continuing to provide support to veterans with the provision of advocacy to ensure they are getting the services and funding they require through the Department of Veterans Affairs.

On behalf of RAAFA I wish to acknowledge the long service that Graeme has provided and when reflecting on the last five years, on what has been significant change in the organisation to achieve the stability we have today.

**John Murray**  
Chief Executive Officer



# Clear Skies, Charitable Purpose

## Aviation Heritage Museum

**\$**  
**21,000**  
**INCOME GENERATED**  
From 105 Lancaster Bomber aircraft tours

**20,378**  
**TOTAL VISITORS**

**55**  
**VISITS FROM SCHOOL GROUPS**  
Including day care and out of school care

**10**  
**VISITS FROM SCOUT GROUPS**

**144**  
**ACTIVE VOLUNTEERS**

**33,141**  
**VOLUNTEER HOURS**



## Scholarships

### 2018 RAAFA WA LEADERSHIP AWARD

RAAFA partnered with the No 7 Wing, Australian Air Force Cadets to offer our first Leadership Award to a worthy Cadet. The Leadership Award was won by Nicholas Bouffler and included, \$1,000 cash prize with two-months paid work experience with RAAFA.

Nicholas demonstrated exceptional leadership skills and a deep commitment to community service through his travel to Timor-Leste on a school pilgrimage teaching children English, volunteering at not-for-profit shelters and work at Ronald McDonald House.

### MCINTOSH MEMORIAL SCHOLARSHIP 2017

The 2017 McIntosh Memorial Scholarship was presented to Bianca Eatts to assist with her studies of Bachelor of Primary Education specialising in English, at Edith Cowan University.

Bianca's father Mark served in the RAAF, in addition to her grandfather Laurie who completed active service in Vietnam.

# Governance & Compliance

The Division Council believe that corporate governance is important to the long term sustainability of any successful organisation, and are committed to embedding best practice not-for-profit corporate governance within RAAFA.

RAAFA is governed by a Division Council, including 6 elected members, 3 appointed independent Councillors, and the CEO as ex-officio (non-voting) who all held office during the year.

RAAFA's Governance structure aims to:

- Ensure successful organisational strategies and plans
- Operational effectiveness
- Prudent regulatory compliance, financial and risk management
- Keep member and stakeholder engagement high

The Division Council formally delegates certain functions to Committees and Management with the aim of improved decision making. The following Committees are in place and met frequently during the financial year:

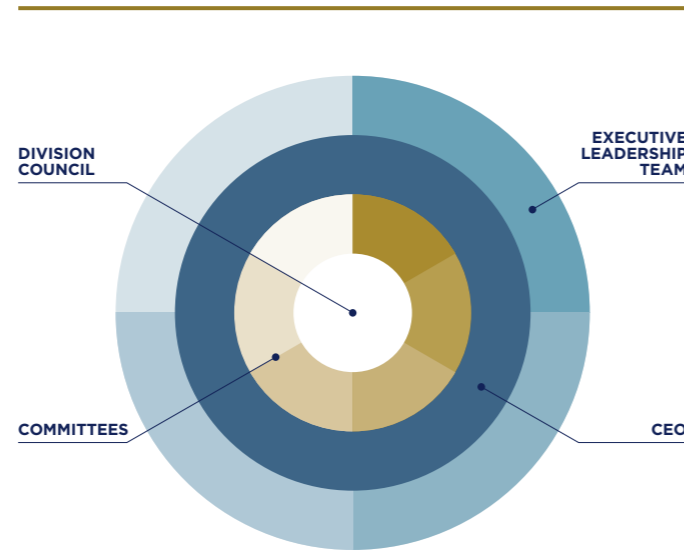
- Audit & Risk Committee
- Aviation Heritage Museum Committee
- Charitable Purpose Committee
- Planning & Development Committee
- Safety, Quality & Compliance Committee
- State Executive Committee

Each committee is designed to promote and facilitate robust conversations and activities around the key areas of the organisation to assist in achieving good governance.

The composition of the Division Council, Committee members, and wider Executive Management group have particular regard to gender diversity, the right mix of skills, knowledge, expertise and experience necessary to the collective capability and effective functioning of the organisation.

During the year we have continued to monitor our approach to governance to ensure it remains appropriate, including:

- Adherence to the established Constitution.
- Continually developing and reviewing our policies and code of conduct which set out the minimum standard of governance and management behaviours required.



- Fostering an always "top of mind" focus across the organisation on the numerous compliance and accreditation requirements.
- Ensuring the Division Council and Committees are provided with ongoing, relevant and timely financial and operational information to facilitate their decision making duties.
- Completing external and internal financial audits.
- Increasing the investment on systems and technology to improve programs and data, whilst meeting obligations and managing risk.

These governance initiatives are maintained within the limits and available resources of RAAFA being operated on a not-for-profit basis.

# Financial Summary

WHAT WE EARNED	18 \$'000	17 \$'000	18 %	17 %
Resident Collections	15,338	14,510	26%	26%
Government Subsidies	30,508	27,569	51%	49%
Ingoing Fees	7,822	7,671	13%	14%
Interest Received	2,356	2,354	4%	4%
Other Revenue	3,859	4,131	6%	7%
<b>Total Income</b>	<b>59,883</b>	<b>56,235</b>	<b>100%</b>	<b>100%</b>

WHAT WE SPENT	18 \$'000	17 \$'000	18 %	17 %
Employment	35,224	30,916	57%	55%
Facilities Maintenance	1,523	1,465	2%	3%
Catering Consumables	2,149	2,096	3%	4%
Depreciation	10,020	9,691	16%	17%
Energy Costs	1,097	1,007	2%	2%
Other Costs	12,177	10,678	20%	19%
<b>Total Expenditure</b>	<b>62,190</b>	<b>55,853</b>	<b>100%</b>	<b>100%</b>

NET SURPLUS/DEFICIT	18 \$'000	17 \$'000
<b>Net (Deficit) Surplus</b>	<b>(2,307)</b>	<b>382</b>

WHAT WE OWN	18 \$'000	17 \$'000	18 %	17 %
Cash & Deposits	84,457	97,006	22%	26%
Receivables	5,484	4,253	1%	1%
Property, Plant & Equipment	294,003	273,464	77%	73%
Other Assets	1,845	1,491	0%	0%
<b>Total Assets</b>	<b>385,789</b>	<b>376,214</b>	<b>100%</b>	<b>100%</b>

WHAT WE OWE	18 \$'000	17 \$'000	18 %	17 %
Resident Refundable Balances	343,558	333,102	97%	97%
Creditors & Payables	6,551	4,559	2%	1%
Loans from Members	310	440	0%	0%
Employee Provisions	4,529	4,052	1%	1%
<b>Total Liabilities</b>	<b>354,948</b>	<b>342,153</b>	<b>100%</b>	<b>100%</b>

EQUITY	18 \$'000	17 \$'000
<b>Total Equity</b>	<b>30,841</b>	<b>34,061</b>

\*Derived from audited financial statements, rounding applied.

# Seniors Living

## Help when you need it



 <b>1,956</b> PEOPLE CALL OUR ESTATES HOME	 <b>5,831</b> WELFARE INTERACTIONS	 <b>54</b> PEOPLE RECEIVED RESPITE CARE	 <b>10,681</b> HOURS OF COMMUNITY SUPPORT	 <b>614</b> PEOPLE CARED FOR IN RESIDENTIAL CARE	 <b>605,800</b> STAFF HOURS OF CARE
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# RAAFA is growing

Over the last 12-months, the Division Council and the Executive Team have participated in several strategic discussions and planning focussed on priority areas for the Association to expand its Seniors Living portfolio.

### AIR FORCE MEMORIAL ESTATE AT BULL CREEK

Application approval was granted in June to build 57 retirement living apartments above a new Club House with a restaurant, bar, function rooms and bowling club. The ground floor will also provide an alfresco connection to the Memorial garden.

CEO John Murray said the building would provide appropriately designed apartments for seniors who wished to live in a safe community where services were available to support them as they aged.

“The rebuilding of the club amenity is an important part of the essence of what RAAFA represents for many of its members, irrespective of whether they are veterans or members from the broader community,” he said.

Demolition will commence early in the New Year and the project will be completed by December 2020. RAAFA is delighted in the interest shown already from people requesting to be placed on the waitlist.

### TWO ROCKS

RAAFA has successfully finalised its purchase of six hectares of prime land overlooking the ocean at the Atlantis site in Two Rocks, of which one hectare will be public open space.

This will enable the Association to create a retirement community for members and older Western Australians in the northern corridor, offering comprehensive aged housing options and high quality residential aged care, providing a smooth housing and care continuum.

The redevelopment of the site is approved by the City of Wanneroo and the WA Planning Commission and RAAFA is underway with planning for the development, having applied for bed licenses from the Commonwealth Government.

### GROWING NEED FOR SERVICES FOR PEOPLE LIVING WITH DEMENTIA

Jasmine House, a 32 bed dementia-specific residential care service adjacent to RAAFA's care facility at Merriwa welcomed its first residents in October 2017.

The \$2.7m refurbishment was designed using best practice dementia design principles creating smaller households, easy access to gardens and clever use of design and furnishings to assist people with orientation.

Care and support at Jasmine House is based on the RAAFA R.E.A.L person centred approach to care which aims to promote physical and emotional wellbeing and encourage independent decision making.

### SOUTH PERTH

Four hectares of prime real estate on Bowman Street with river views was purchased for the relocation of the Central Support Office and potential future vertical rise seniors living.



# Investing in Infrastructure

## BUSINESS SYSTEMS

RAAFA has spent considerable time over the last 12-18 months identifying our systems requirements to provide a strong foundation for the Association and business operations into the future.

We now have a robust roadmap identifying all required modules that will integrate the business processes of our main functional areas into a unified system. This will form RAAFA's ERP (Enterprise Resource Planning).

We have commenced implementation of various modules. The first deliverable of the ERP project is a Customer Relationship Management (CRM) system. This system is now live, representing a significant milestone for RAAFA and is the first of 3 phases. This first phase of the project has focused on capturing and updating Member and Retirement Living waitlist information.

The next deliverable of the ERP project, due to go live towards early 2019 is the new Resident & Finance system; a large and complex project essential to replace older systems that are no longer fit for purpose.

Work has commenced on extensive scoping of RAAFA's requirements in relation to Facilities Management, Procurement and Contracts systems.

## HIGH SPEED CONNECTIONS

To address the deterioration in the telephone and TV cabling infrastructure at Air Force Memorial Estate at Bull Creek, Cambrai Village and Merriwa Estate, RAAFA has progressed the deployment of fibre optic services to the Retirement Living units. This has enabled improved telephone, TV and internet services for all Retirement Living residents.

The fibre optic technology is state of the art and gives RAAFA the ability to provide additional services to residents in the future, such as on demand TV packages, additional safety services and redundancy for existing CCTV services.

## GOING DIGITAL

A lot has been happening behind the scenes on implementing systems to strengthen our information and records management practices.



## NOTABLE MILESTONES:



### IMPLEMENTATION OF RITEQ

Online time and attendance system for staff.



### ENTERING INTO THE WORLD OF SOCIAL MEDIA

With the launch of the RAAFA WA Facebook site in October 2017.



### BRIDGE, ONLINE LEARNING MANAGEMENT SYSTEM

Was rolled out in October 2017, going live across RAAFA in July 2018.



### THE RAAFA HUB

(a centralised interactive platform) was launched in May 2018.



### THE HUB INCLUDES

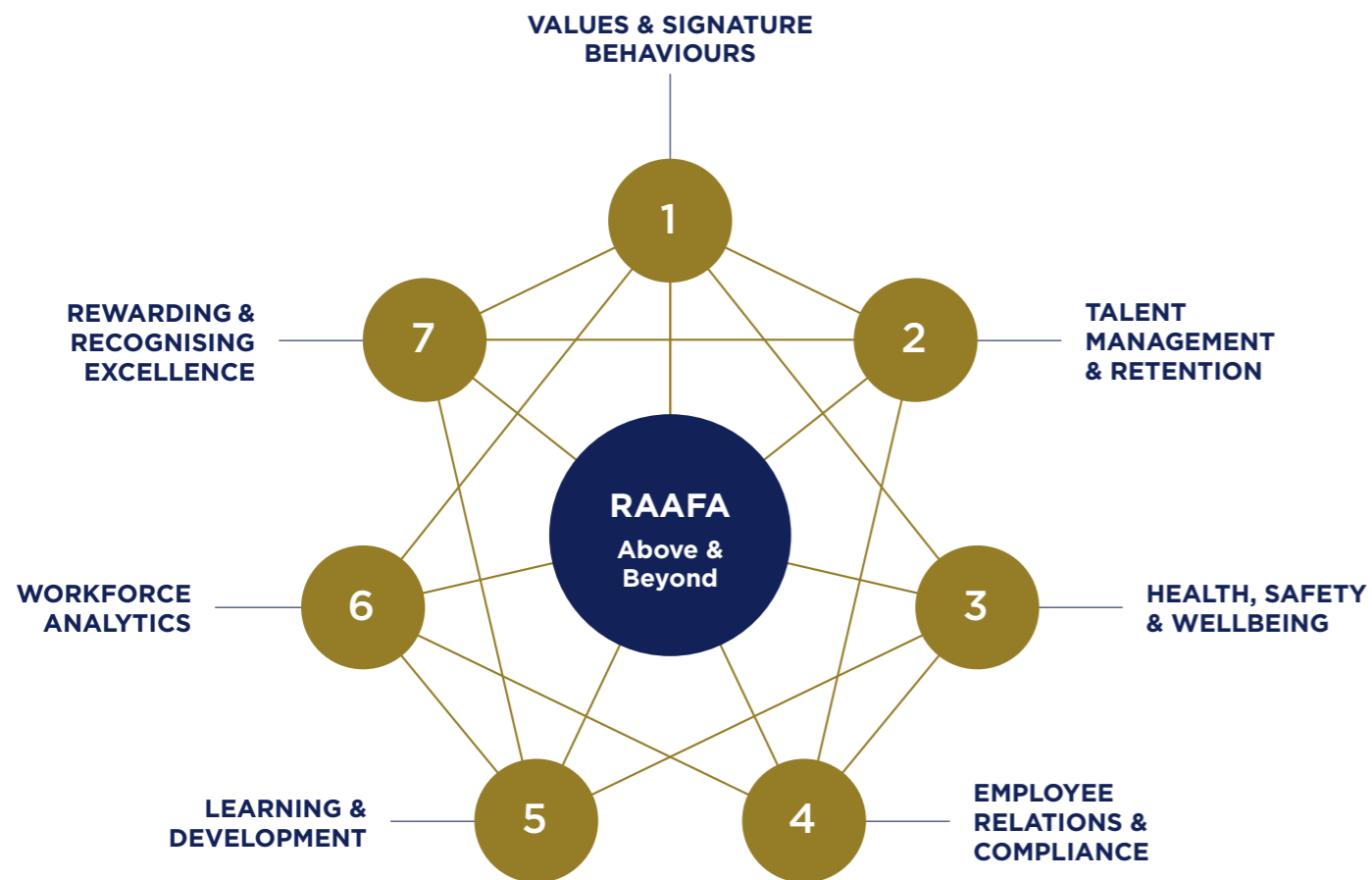
A Controlled Document Management System providing business critical documents and information that is up-to-date and easily accessible.



### THE INFORMATION AND RECORD MANAGEMENT PROJECT

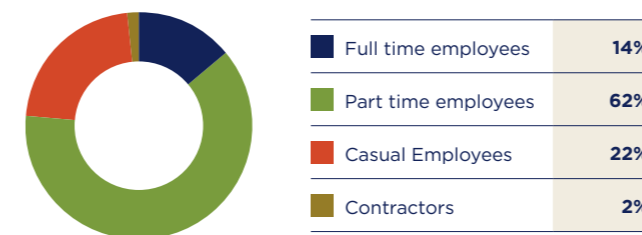
Is underway with the aim that within 12-18 months RAAFA will have a fully digitalised document and records management practice that is applied across all business functions.

# People and Culture

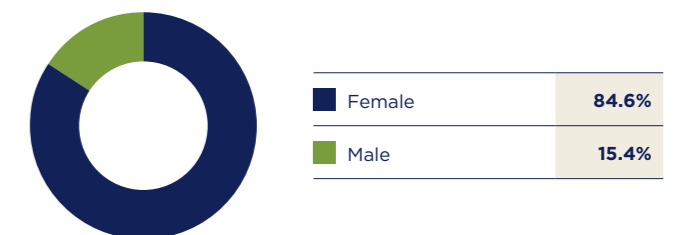


## Demographics

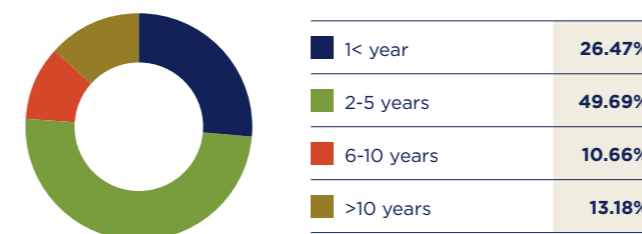
### EMPLOYMENT CLASSIFICATION



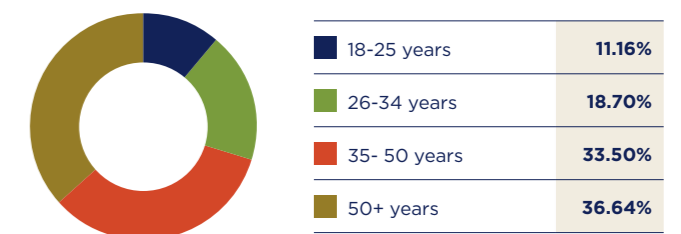
### DIVERSITY



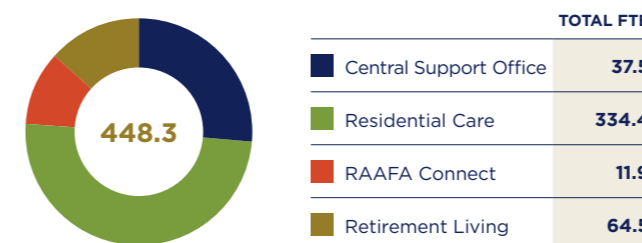
### TENURE



### AGE



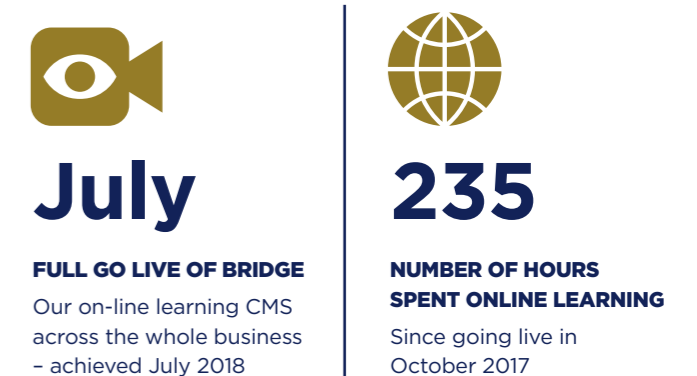
### ROLES



## Who we employed



## Learning and Development







# Milestones



**Sep 17**

**VIVIAN BULLWINKEL LODGE  
10TH ANNIVERSARY**

**Oct 17**

**JASMINE HOUSE OPEN**



**Nov 17**

**REMEMBRANCE DAY**

10th Light Horse  
visit AFME



**Dec 17**

**SOUTH PERTH SITE  
PURCHASE**



**Feb 18**

**CYCLING WITHOUT AGE**

Electric trishaw delivery  
& inaugural outing



**May 18**

**LIFEMARK CERTIFICATION  
FOR RETIREMENT LIVING**



**May 18**

**MERRIWA ESTATE**  
Bronze Waterwise  
business achievement

**Jun 18**

**TWO ROCKS ATLANTIS  
SITE PURCHASE**



**Jun 18**

**CENTRAL SUPPORT  
OFFICE & RAAFA  
CONNECT MOVE TO  
SOUTH PERTH LOCATION**

# Division Councillors

## DIVISION COUNCILLORS

**Graeme Bland**  
State President (Chairperson)

**Clive Robartson**  
State Vice President

**Ron Onions**  
State Secretary

**Geraldine Carlton**  
Appointed Division Councillor

**Tony Brun**  
Appointed Division Councillor

**Peter Bryant**  
Appointed Division Councillor  
(to February 2018)

**Lindsay Lane**  
Elected Division Councillor

**Denise Nicolay**  
Elected Division Councillor

**Allan Henshaw**  
Elected Division Councillor

**John Murray**  
Chief Executive Officer

## EXECUTIVE TEAM

**John Murray**  
Chief Executive Officer

**Tonia Zeeman**  
Chief Operating Officer

**Robert Parker**  
Chief Financial Officer  
(Outgoing)

**Brent Naughton**  
Chief Financial Officer  
(Incoming)

**Lisa Hawkins**  
Head, People and Culture  
(to June 2018)

**Elishia Pettit**  
Head, People and Culture  
(from May 2018)





**RAAFA**

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Association (WA Division) Inc.

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