



*St Sergius*  
AGED CARE

Trading as the Russian Relief  
Association of St Sergius of Radonezh

2020/2021 Annual Report



The Russian Relief Association values  
caring for our residents with respect,  
trust, quality care, exceptional staff  
and management.

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## Caring for people

St Sergius has a philosophy that we apply and believe that every person has a value and each individual must be treated with respect and dignity.

This same philosophy is adopted to all consumers and their representatives and friends and also to our staff. This encourages everyone to work together. With looking after each other in the way we do this in turn results in happier consumers and high retention of staff.



## Our Vision Statement

### Our Vision

The Board of Management of Russian Relief Association of St. Sergius of Radonezh is committed to achieving the highest possible standards of care for our consumers in the tradition of their heritage and culture.

### Our Philosophy

In providing care of the highest possible quality for the aged and infirm members of our community, we are inspired by the principles of Christian benevolence. We aim to provide a lifestyle for our residents in the traditions of the Russian Culture and the rites of the Russian Orthodox Church. We believe that growing old is a further stage of development, which should be approached with dignity and confidence in one's ability to achieve the full potential that is possible for this time of life.

At the same time, we recognize and accept the notion that all consumers irrespective of their physical, emotional, mental state or denomination have the same right as all Australian citizens and should be treated with utmost care and consideration. Their

sense of personal dignity and self-respect should be maintained at all times.

### Values

- Striving to understand another person's experience, being aware of their feelings, their discomfort and suffering, and being motivated to respond.
- Upholding the right of every individual to be held in positive regard, to be treated with dignity and in a way that acknowledges their full human potential.
- Achieving and maintaining the optimum standard of service in every area through continuous quality improvement.
- Demonstrating willingness to contribute in full, and to cooperate with one another to achieve our shared vision for the future.
- Acting with fairness and openness in such a way that individual and organizational values are displayed through our facility.



## Objectives

- To create a familiar and comforting atmosphere in which our consumers feel at home by providing specific home style cooked meals, observance of religious feasts and other customs relating to Russian culture.
- To maintain the highest standard of nursing care, meeting physical, psychological, spiritual and emotional needs of residents in a professional and safe manner.
- To treat residents with kindness and dignity and maintain quality of life at the highest level.
- To provide an atmosphere where mutual respect exists between staff and residents.
- To enable residents to maintain their independence, privacy and individuality, yet encourage them to take an interest in daily activities.
- To implement recreational and social programmes to meet the individual needs of residents.
- To provide in-service training and opportunities for external education for staff development.
- To offer our support to relatives and friends and help them come to terms with the changed circumstances.

## Board of Directors

President Mr N. Ostin  
1st Vice President Dr A. Pesce  
2nd Vice President Mr I. Kazagrandi  
Treasurer Mr N. Maksymow  
Dr I. Rotenko-Harvey  
Mr N. Pitchuev  
Mr M. Apollonov  
Mr M. Dubinin  
Mr V. Ignatenko  
Mrs T. Prolov

## Internal Auditors

Adrian Lapardin  
Veronica Hoare  
Alexander Peniazev

*People are our most  
important resource*





## President's Report 2020-2021

**COVID 19** has affected all in the community, impacted significantly the residential aged care. This has been a challenging year with the ongoing impact of the COVID 19 pandemic. The pandemic restricted visitation with Stringent Access Controls, the controls were supported by the vast majority of our residents, families and employees, now with 82.1% of our residents and 100% of our employees vaccinated the management and employees at Russian Relief Association have continued to focus on delivering hi-quality care and maintained close to normal operations. The Board is grateful to them for their commitment.

**The Royal Commission into Aged Care** handed down 148 recommendations and the Australian Government accepted 126 of these recommendations and announced significant future changes over next few years and created heightened performance



and delivery requirements for increased care including \$17.7 billion funding increase over 4 years. The most significant impact is the move to more competitive markets and remove restrictions on supply with abolition of the Aged Care Approvals Round (ACAR) bed licensing system allowing larger players taking over smaller less efficient older homes and bringing on new homes to meet the future needs and expectations of ageing community.

**RRA Performance** for the year to June 2021 has achieved a Net Profit of \$1,733,917 up from \$1,509,310 last year (+14.9%), increase in Cash Assets to \$23,389,291 (including \$7,495,047 AC Bonds, RAD, Entry Contributions) up from \$19,742,167 (+18.5%) and Net Assets \$63,658,760 up from \$59,924,843 last year.

**Growth.** RRA purchased adjoining property at 2A Gilbert Street a duplex comprising of 3 bedrooms is currently tenanted at \$530 per week. It is 7 years have since Independent Living Units (ILU) were built, the Board made a prudent decision to convert 4 empty ILUs into



8 single bed aged care rooms and convert the rest of ILU's as they become vacant.

While RRA has strengthened our balance sheet to Total Cash Assets \$23,389,291 in cash and interest bearing bank deposits, the Board has adopted a conservative stance to new development with alterations and additions to existing old dementia by lodging a Development Application with Council to demolish existing old dementia building 283-285 Cabramatta Rd with retention of the slab and build a single storey development of 29 single bed rooms + 5 car spaces. I believe this would increase operating costs and would reduce profitability. It does not resolve the current shortage of car parking, does not fix the inadequate kitchen and laundry and the outdated West Wing.

I continue to believe this single storey development on land that is zoned for 3 storey

development is not in the best interests of RRA.

**RRA is a People Organisation**, is a People Organisation, we recognise that the long-term viability and profitability of RRA depends on the wellbeing of our people, we have a long and successful history of caring for aged and look to the future with optimism.

We hope that the worst impact of COVID 19 has passed and we look forward to normalising our operations for residents and families.

I like to welcome all new employees, I would like to thank my fellow Directors, the Executive team and many committed employees for their contribution throughout the year and to thank our Members for their continued support.

*Nicholai (Ostasevich) Ostin*

*RRA President*



## Treasurer Report 2020-2021

Dear Members,

Even though the 2021 financial year was a difficult year for the aged care sector, the financial position of RRA remains healthy. In the 2021 financial year our operating profit increased by 14.8% to \$1.733 million. Both income and expenses are growing at a similar rate, which is pleasing. Government revenue increased by \$647,000 and following the first full 12-month period of Homecare, this program is now generating \$115,000 in additional income. The most significant increase in expenses were medical related and attributable to COVID. Other expenses which also saw an increase included consultancy expenses up by \$165,000, however this is not an area of concern because the expenses were considered necessary to generate additional revenue. Wages continue to be the highest expense contributing to over 60% of total costs. All other expenses are in line with revenue growth.

In 2021, The Royal Commission handed down its final report. You may have heard in the media, that the Commissioners were split into how the industry should be improved, namely in terms of capital financing for residential care, how a new aged care financing system should work and how a primary care model needs to allow for improved access. Despite their differences in some areas, both Commissioners lobbied the Federal Government to act on their 148 recommendations. And in July of this year, the Government accepted all 148 recommendations and outlined the following main measures: a new Aged Care Act, a single streamlined process to accessing aged care services, and, an independent System



Governor to oversee the aged care system. The Government emphasised that care would become 'needs' based, rather than 'ration' based.

The Federal Budget handed down in 2021 was aged care centric, so to speak. It signalled a new direction for the aged care system. Significant reforms have been announced and a record new investment of \$17.7 billion has been committed with \$119 billion total spend over the next 4-5 years. We welcome the additional \$10 a day direct funding introduced from 01 July 2021 and these funds will be directly attributed to resident care and needs. In line with this sustainability increase, the Government wants the focus to be on redesign and planning reform for aged care. Similarly, the Government wants to introduce minimum front-line care minutes (200 minutes per day) in residential care homes from 1 October 2023 including a minimum 40 minutes with a registered nurse. This is an initiative I believe will be impossible to monitor. It would have made more sense if this initiative was to be replaced with a staff-to-resident ratio. Such a measure would have been easy to measure and monitor.





Another aspect of the budget was to improve access to and the quality of aged care. This would be promoted via a proposed star rating system to highlight the quality of services and promote consumer choice. The role of the Aged Care Quality and Safety Commission would be expanded to meet this objective. The Government also recognised the need to focus on the workforce in aged care to ensure retention of clinicians through financial support (\$3,700 for full-time registered nurses and \$2,700 for part-time registered nurses), scholarships and transition to practice programs for registered nurses. I believe this is an important initiative because qualified and skilled staff are hard to find and many end up leaving aged care because the incentives are not there. And we have seen this firsthand at RRA over the past 12 months! The final aspect of the budget focused on governance and the introduction of new legislation. As many would know, the Aged Care Act has in essence not been changed since 1997 and therefore if we want the Royal Commission recommendations to be implemented and delivered properly, then legislation needs to be changed. With this in



line, the Government hopes to draft a new Act by mid-2023.

As I mentioned in my report a few years ago, The Government indicated that it plans to rehaul the current funding model. The Australian National Aged Care Classification (AN-ACC) will replace the Aged Care Funding Instrument (ACFI) on 1 October 2022. The new funding model will apply to all permanent aged care residents in Australia. This is a welcome move, because the current model has become so cumbersome and not transparent. The AN-ACC will allow for independent assessment of resident need for funding purposes, freeing nurses from funding paperwork.

I would like to conclude my report by turning to our strong asset base. A few months ago, RRA acquired a new investment property for \$790,000 adjacent to the existing RACF; a sound decision by the Board. Next year, the first stage of the organisation's next building project will commence, which will further improve the services offered to residents, at the same time as addressing the dementia niche. The Board is similarly deliberating various low-risk options on how best to invest and deal with the money of the Association, not immediately required in such a manner as to maximise investment opportunity. As at the end of the 2021 financial year, cash in bank was a substantial \$23m, up by \$3.6m on last year. Nett assets, as can be confirmed by the attached financials, total \$63.6 million dollars.

I commend the CEO, Director of Finance and Management Team plus all employees of St Sergius Aged Care, who have no doubt contributed to the success of the organisation.

**Nicholas Maksymow**  
**Treasurer**



## Russian Relief Association of St Sergius of Radonezh Board of Directors



**Mr N. Ostin**  
Director  
President



**Dr A. Pesce**  
Director 1st Vice-  
President/Secretary



**Mr I. Kazagrandi**  
Director  
2nd Vice President



**Mr N. Maksymow**  
Director  
Treasurer



**Dr I. Rotenko-Harvey**  
Director



**Mr N. Pitchuev**  
Director



**Mr M. Apollonov**  
Director



**Mr V. Ignatenko**  
Director



**Mrs T. Prolov**  
Director



**Mr M. Dubinin**  
Director



## Russian Relief Association of St Sergius of Radonezh Management



**Helen Workman**  
CEO



**Tatiana Fedoseeva**  
Director of Finance



**Natalya Zaytseva**  
Director of Care



**Alexander Kojevnikov**  
Maintenance  
manager



**Svetlana Grabovsky**  
Homecare services  
Manager



**Elena Ouchakova**  
Accountant



**Lisa McCarron**  
Human Resources  
and Office Manager



**Dusica Matic Maho**  
Quality Compliance  
Manager



**Irina Kraichuk**  
Hospitality  
services  
Coordinator



**Milana Milic**  
Education  
Coordinator



**Irene Jarrett**  
Leisure and  
Lifestyle  
Coordinator



**Sinisa Skoric**  
Occupational  
Therapist



**Divya Soham  
Padsala**  
Physiotherapist



## Internal Audit Committee Report 2020-2021

The Internal Audit Committee (IAC) is pleased to present their report for 2020-2021 F.Y. to the members of the RRA.

This year was very challenging to our CEO and Senior Staff of RRA as COVID-19 is continuing to put so much pressure on day to day operations of RRA. However, management were very successful in putting down all required strict safety measures to ensure that all our residents and staff were living and working in a safe and well protected environment. No residents were affected by this dreadful disease. No COVID related cases were reported in our facility.

Financial monthly reports did not show any unexplainable unusual expenses.

Residents' social activities were restricted to indoors only due to COVID restrictions.

Catering services / kitchen provided good, tasty meals and no complaints were made this year.

As noted in our 2019-2020 report, IAC put its efforts into monitoring our general financial



expenses and activities, and also the wellbeing of residents. Unfortunately contact with residents this year was limited due to COVID restrictions.

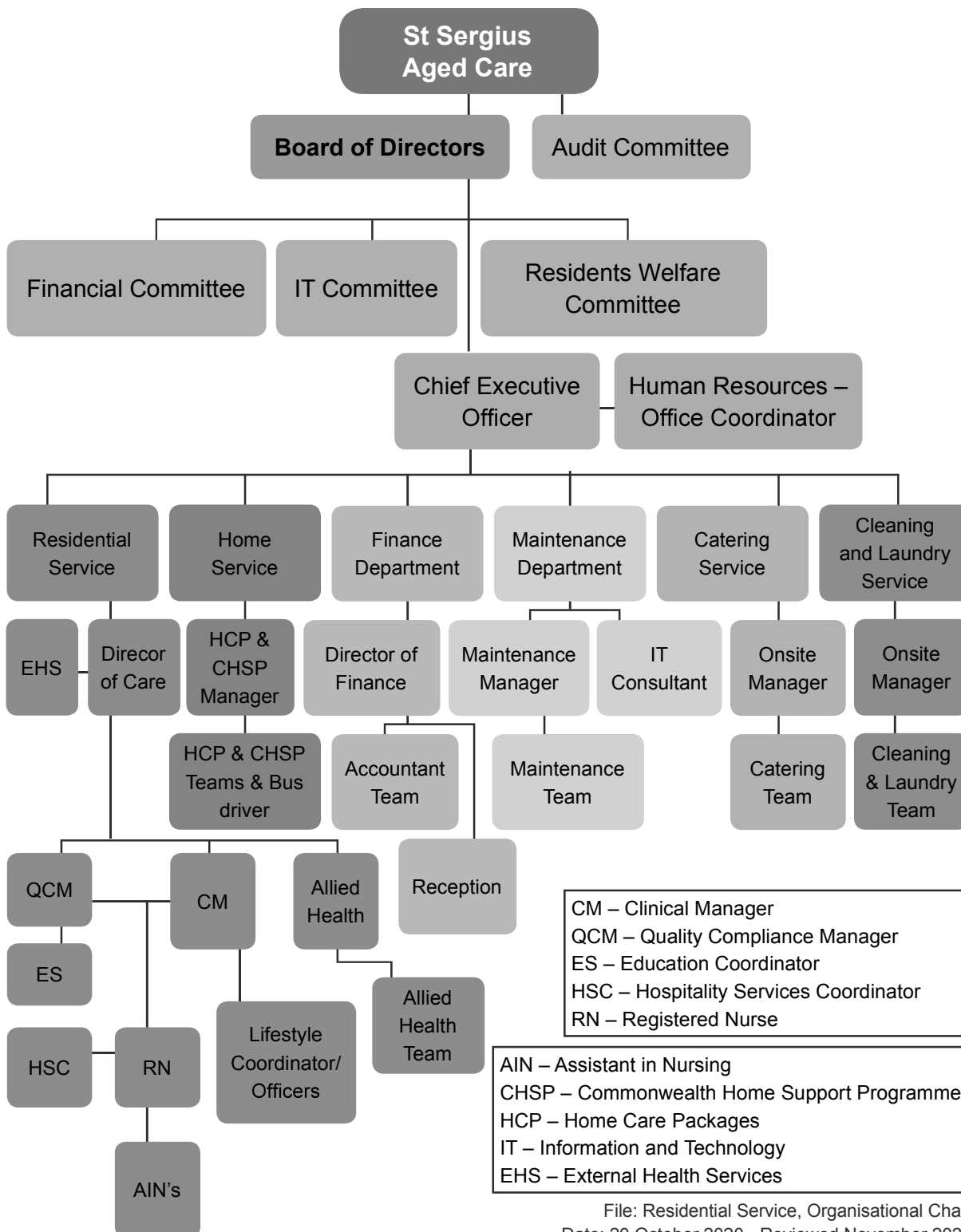
Due to COVID-19 restrictions, last year's AGM was cancelled. The Board of Directors want to ensure that this year's AGM will take place only in a safe environment, so it has been decided to conduct the meeting at the end of January 2022.

We wish to congratulate the CEO and Senior Staff of RRA for their efforts in achieving such an excellent result this year, especially in such challenging circumstances.

*Adrian Lapardin*

*Chairman of Auditing Committee*

# Russian Relief Association of St Sergius of Radonezh Organisation Chart



File: Residential Service, Organisational Chart  
 Date: 20 October 2020 - Reviewed November 2021



## CEO's Report 2020-2021

I would like to commend the extraordinary efforts of our 200 persons team, who have navigated the uncertainty and challenges of the last year with resilience, commitment and kindness. It is difficult to imagine a more challenging operating environment than what we have encountered over the past 12 months, which has demanded an agile and flexible approach to service delivery.

The COVID-19 pandemic has required ongoing close management. We have relied heavily on our clinical team who developed our Outbreak Management Plan based on their strong infection control training and experience. All our staff have remained vigilant with infection prevention and control measures. During this period, we have had to adapt to public health orders and lockdowns, which required daily monitoring of the various federal and state government requirements and health



directions. I would like to thank the residents, employees and families who were supportive with the constant changes and adaptations to our usual processes and policy, and for promoting vaccination uptake.

The aged care sectors has entered a period of major reform now that the Royal Commission is complete, and we have the Australian Government's response to the recommendations from the Final Report. St Sergius strongly supports the need for reform of the sector and across all of the domains highlighted by the Royal Commission and various other reports beforehand. There is still a lot of detail to be worked through to fully assess the financial and operational impact that this will have on the sector and on us as a provider.

St Sergius is well placed against many of the other intended reforms, including corporate governance, clinical governance, prudential controls, food and nutrition standards and registered nurses on site.

Despite the impacts of COVID-19 and these reforms, St Sergius Aged Care delivered a solid



result this year with good occupancy and a strong profit.

We are eagerly anticipating the necessary conditions to commence our new 29 bed development program and the conversion of 4 ILU to 8 single residential rooms. We also plan to refurbish the existing balconies and build 2 new balconies so residents have outdoor access from each wing. This year has also seen an upgrade to the Wi-Fi, the purchase of an emergency generator and a call bell system upgrade. St Sergius continues to expand our existing home care services in terms of package numbers and service offerings.

As a Company which is has been operating over 60 years we are dedicated to our vision, to provide “The best possible care and quality of life within the Consumers’ cultural traditions and values.”

There is a sense of optimism returning to the sector as we enter this period of reform. St Sergius has the right team, a strong balance sheet, strong ethics and deep experience to manage the increasing complexity and sophistication of the growing aged care sector. We are currently working hard preparing for Accreditation at the end of the year.

I am exceptionally proud of our entire team at St Sergius and I would like to thank each person for their extraordinary efforts in a highly atypical year. I am looking forward to the coming year and continuing to improve our business across the key domains of clinical and personal care, consumer experience, operational performance and financial performance.

*Helen Workman*  
CEO

