



StewartBrown

Integrity + Quality + Clarity

**AGED CARE
FINANCIAL PERFORMANCE BENCHMARKS**

PARTICIPANT'S KIT

Updated 8 January 2019

**STEWARTBROWN
AGED CARE FINANCIAL PERFORMANCE SURVEY
PARTICIPANT'S KIT**

Thank you for agreeing to participate in the StewartBrown Aged Care Financial Performance Survey. To assist you in fulfilling your responsibilities as a participant in this survey, we have prepared this Participant's Kit.

The kit contains the following resources:

- Contact details
- Survey timetable
- Line item definitions and pro-forma data entry forms

Validity of data provided by participants

The integrity of the survey and its results relies upon the integrity of the data provided by participants in the survey as well as the data cleansing procedures undertaken by StewartBrown. It is imperative that all participants take great care to ensure that data is provided in the format required and that income and expense allocations are in line with the line item definitions provided in this kit. If participants are not sure about a particular line item definition or where a particular item of income and expense should be allocated then they should contact us for clarification.

It is also important for participants to inform us if there is a change in circumstances surrounding the operations of a facility. This would include things such as additional places being added, beds being shut down for refurbishment or co-located facilities being amalgamated. Any of these circumstances or others like it that significantly affect the results of the operations should be communicated to us when you send the data. This will assist us to understand the data and why these changes are occurring. In certain circumstances we may decide to exclude the data from the survey for a period, though you would still receive a report on the facility with comparisons to survey data.

Data collection

It is important to the survey process that feedback is given to participants on a timely fashion. Our aim is to provide a one month turnaround of the data. That is, we will process the data and report on it within a month of the deadline for submission. Delays will occur however if the submission of data is delayed. If it appears likely that the deadline for data submission cannot be met please contact us so that we can make necessary arrangements for the timely delivery of the information.

Training and assistance

We would be pleased to provide assistance to the staff completing the data collection forms to make this task as painless as possible. This might involve a site visit or telephone conference to review the line item definitions and how your current chart of accounts should be mapped to the data collection forms. Please contact us if you wish to receive this assistance.

Continuous improvement

StewartBrown is committed to the continuous improvement of this survey service. To this end we would be pleased to receive any suggestions for improvements to the process and the reports provided. We would also be pleased to receive suggestions for special survey topics.

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Privacy and Confidentiality

We are committed to ensuring that all information provided to us by participants is kept totally private. Participants also have a role in ensuring that the information received by them in the form of a report is also kept confidential. To this end we have reproduced the privacy and confidentiality provisions contained in the terms and conditions of participating in the survey.

3.6 Privacy Policy

StewartBrown will be collecting financial data from organisations with the purpose of providing benchmarks and other summary reports to participants and industry bodies. We will not be collecting personal information, but rather corporate data and as such we are not bound by the National Privacy Principles or the Privacy Act 1998. We will however still be abiding by these National Privacy Principles with respect to the data and other information collected, as we are committed to ensuring the highest level of privacy over the information collected. In accordance with these principles:

- (a) No report received by a participant will identify other participants by name. In general all comparative information will be in aggregate format, that is, it will be an average of a number of other participating organisations.
- (b) Any information provided to third parties such as industry groups will only be in aggregate format and can only be used for the purpose of policy development or lobbying Government agencies.
- (c) Only data and other information necessary to produce the survey will be collected from participants
- (d) All information collected will be stored in a secure manner
- (e) Where information is shared between participating organisations as a result of contact being facilitated by StewartBrown, such sharing will be done on the understanding that the terms and conditions relating to Privacy and confidentiality are adhered to by the parties involved.

3.7 Confidentiality of Information

StewartBrown and all participants will abide by the following with respect to confidentiality of information collected or produced as part of the survey:

- (a) For training and marketing purposes, StewartBrown has the right to publish data resulting from the survey as examples of the benchmarking process however such examples will not identify any of the participating organisations.
- (b) All data and material provided by participants shall be kept confidential by StewartBrown at all times.
- (c) Any material provided to third parties such as industry groups under contract to any such group will not identify any individual participant.
- (d) Any report or material provided to participants as part of the survey process will be kept confidential by the participant.
- (e) Where StewartBrown facilitates contact between participants to discuss the survey results, such discussions and any information shared between participants will be kept confidential by the participants.

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3.8 Copyright Issues

Unauthorised copying of any material or report produced by StewartBrown as part of the survey process is not permitted. Copying and distribution of such material will only be permitted after receiving the express written permission of StewartBrown.

The materials and reports deemed to be included in the survey process include, but are not limited to:

- Registration Kit
- Participant's Kit
- Training material
- Promotional material
- Line item definitions
- Quarterly or special reports
- Data collection forms

Participants can copy the quarterly or special reports for internal distribution to management and Directors as long as the recipients are made aware of the privacy, confidentiality and copyright provisions of these terms and conditions and they agree to abide by them.

General

Once again we thank participants for their support in this process. Please contact us if you have any questions about the process or anything that might be contained in this kit.

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Survey Timetable

Quarter	Deadline for data submission	Due date for individual benchmark report distribution	Due date for analysis report distribution
September	31 October	10 December	20 December
December	31 January	28 February	20 March
March	30 April	31 May	20 June
June	20 August	30 September	20 October

Note: There are a number of reasons for the delay of the June survey results:

- We try and ensure that the data used for the full year survey is based on audited accounts if it is available. This helps to ensure a higher level of data integrity
- Due to year end pressures on finance departments, experience has told us that the submission of data is delayed as a result
- We want to include as many facilities as possible in the full year survey. During the year fewer facilities participate in each survey as we cut-off data collection at an earlier date. A number of participants send in data later however this data is not included in the database. For the June survey we endeavor to facilitate the inclusion of these late submitters.

We understand that this extension of time is a compromise between ensuring maximum participation, data integrity and timely reporting, however we feel that the correct balance has been reached. Any feedback on this would be appreciated.

It is critical that deadlines be adhered to by all participants to allow for the timely entering of data and distribution of reports. If any organisation finds that they cannot meet these deadlines please let us know as soon as possible.

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Contact Details

The following is a comprehensive list of contact details for participants:

Postal Address:

Attention: Vicky Stimson
StewartBrown.
PO Box 5515
CHATSWOOD NSW 2067

Street Address:

Attention: Vicky Stimson
StewartBrown.
Level 2, Tower 1
495 Victoria Avenue
CHATSWOOD NSW 2067

Telephone: (02) 9412 3033

Facsimile: (02) 9411 3242

Project Contacts

Grant Corderoy	Project Partner	email – grant.corderoy@stewartbrown.com.au
Tracy Thomas	Project Manager	email – tracy.thomas@stewartbrown.com.au
Vicky Stimson	Administration	email – vicky.stimson@stewartbrown.com.au

Further information regarding this service and other services provided by our firm can also be found on our web site at www.stewartbrown.com.au

AGED CARE FINANCIAL PERFORMANCE SURVEY
DEFINITIONS FOR DATA INPUT - RESIDENTIAL AGED CARE

Residential Financial Data Definitions	Definition & description Inclusions	Exclusions
CARE SECTION		
INCOME		
RESIDENTS		
Basic daily fee	Includes basic daily fee and/or respite fees paid by the resident	Excludes accommodation charges (which are in lieu of entry contributions); means-tested care fee; extra/optional services charges
Fees for additional services and extra or optional service fees	Additional daily fees charged to residents in an extra services place and/or for additional services purchased by the resident. DO NOT use this line for other/sundry income. Sundry/other income is to be included in Provider income.	Show "claw-back" by Government under subsidies.
Income - residents	Total facility care income received from residents	
GOVERNMENT		
Government subsidies - care	Care related government subsidies and supplements. Please refer to Appendix A tab for detailed listing of subsidy and supplements to be included here	This should exclude all accommodation, concessional, supported or assisted resident supplements and top-up supplements as well as the transitional accommodation supplement paid to low care residents who have entered a facility post 20 March 2008. Please make sure these are included in the accommodation income supplement area below.
Means-tested care fee	Includes income and means tested fees charged to residents (offset against ACFI subsidy). Income Tested Subsidy review refunds and means tested subsidy review refunds paid to the provider for refunds owed to residents based on recent income and means testing assessments can be included here (<i>Technically, this refund received should have a nil impact as the refund is paid back to the residents</i>)	Excludes income and means tested fees reductions, these are to be included in the Government subsidies - care line as per Appendix A
Grants - not capital	Government grants of a non-capital nature. Some examples are training grants and other expense reimbursement type of grant.	Capital grants of a capital nature (refer provider income)
Income - government	Total facility care income received from the government	
TOTAL CARE INCOME	CARE TOTAL INCOME RECEIVED (RESIDENTS AND THE GOVERNMENT)	
EXPENDITURE		
CARE SERVICES		
Labour costs		
Care management	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation excesses and wages paid to, or in respect of, care management staff. Typically this would be the DON, DDON, Facility Manager, Clinical Manager and in some cases a specialist position relating to care plans or ACFI assessments. This would also include an allocation of the costs of this position should it be shared between facilities but typically these would be included as part of the administration recharge. DO NOT allocate between administration wages and care management. Total cost of facility manager should be allocated to this position.	Share of workers compensation premium
Registered nurses	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation excesses and wages paid to, or in respect of, registered nurses.	Share of workers compensation premium
Enrolled and licensed nurses (<i>registered with the NMBA</i>)	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation excesses and wages paid to, or in respect of, Enrolled and other licensed nurses who are registered with the Nursing and Midwifery Board of Australia (NMBA)	Share of workers compensation premium
Other unlicensed nurses/personal care staff	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation excesses and wages paid to, or in respect of, other nursing and/or personal care staff who are not licensed with the Nursing and Midwifery Board of Australia (NMBA).	Share of workers compensation premium
Allied health & lifestyle	Wages, allowances, uniform costs, leave, fringe benefits, superannuation cost, workers compensation excesses and wages paid to, or in respect of, diversional therapy, physiotherapy, podiatry and other allied health professionals, recreational officers and concierge staff. Includes agency or contracted professionals.	Share of workers compensation premium
Agency staff	Total cost of all direct care agency staff	Excludes allied health & lifestyle agency.
Workers' compensation - care services	Workers compensation premium paid for staff employed at the facility in care services positions - if available - if not readily available please include all costs in "worker's compensation- other" and this will be allocated out in proportion to labour costs.	
Total labour costs		

**AGED CARE FINANCIAL PERFORMANCE SURVEY
DEFINITIONS FOR DATA INPUT - RESIDENTIAL AGED CARE**

	Inclusions	Exclusions
Medical, incontinence supplies & nutritional supplements	Cost of incontinence systems and supplies and cost of medication and other medical supplies such as bandages, ointments, as well as the cost of packaging and distributing the medication such as Webster or similar system. Includes costs of nutritional supplements. Also include cost of medical gases and enteral feeding costs.	
Chaplaincy/ Pastoral care	Cost of providing a chaplain or religious or pastoral services to residents.	
Other resident care	Other sundry items relating to resident care - include cost of therapy supplies, activity costs, unrecovered cost of bus hire, public telephone cost, entertainment etc.	
Expenditure - care services	Total care services expenditure - (Labour and Other Costs)	
Care costs as a % of ACFI & supplements	The total care costs over the combined sum of the government subsidies care and means tested care fee lines	
Care costs as a % of care income	The total care costs over the total care income	
HOTEL SERVICES		
CATERING		
Labour costs	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation <u>excesses and wages paid to, or in respect of, catering staff</u>	Workers compensation premium.
Consumables	Cost of all consumable supplies used in the preparation and serving of resident, staff and visitor meals. Includes crockery and cutlery, and cooking utensils.	Paper products and cleaning products used in the kitchen. Nutritional supplements.
Contract catering	Cost of contract catering services where this service is contracted to a third party. This will include the costs when the contractor uses an in-house kitchen and employs the kitchen staff under the contract. This also includes the situation where a shared kitchen provides catering services to multiple facilities in the organisation and allocates costs as if it was a contract service.	
Income from sale of meals	Income received from sale of meals to staff, visitors and others (usually a credit amount)	
Total catering	Total Catering Costs	
CLEANING		
Labour costs	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation <u>excesses and wages paid to, or in respect of, cleaning staff</u>	Workers compensation premium
Consumables	All cleaning materials including solvents, liquid and powder cleansers, brooms, mops, buckets, paper towels, toilet rolls etc.	
Contract cleaning	Cost of permanent or casual contract cleaning services, if applicable. Include carpet cleaning and window cleaning services.	
Total cleaning	Total Cleaning Costs	
LAUNDRY		
Labour costs	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation <u>excesses and wages paid to, or in respect of, cleaning staff</u>	Workers compensation premium
Consumables	Cost of all consumables used in washing and drying clothes and bedding as well as replacement <u>bedding and linen items.</u>	
Contract laundry	Cost of contract laundry service, if applicable.	
Total laundry	Total laundry Costs	
Workers' compensation - hotel services	Workers compensation premium paid for staff employed at the facility in hotel services areas - if available - if not readily available please include all costs in "worker's compensation- other" and this will be allocated out in proportion to labour costs	
Expenditure - hotel services	Total expenditure for the hotel services - (Catering, Cleaning and Laundry)	
Additional and/or Optional service costs	Additional costs charged to residents for additional or optional services purchased by the resident. e.g: flowers, newspapers, etc.	

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	Inclusions	Exclusions
UTILITIES		
Electricity	Electricity costs associated with the facility -An apportionment of total electricity cost is appropriate if one bill is shared among a number of facilities.	
Gas	Cost of gas including that used by kitchen.	Medical gases such as oxygen.
Rates	All council rates including land and water.	Garbage removal and tip fees.
Rubbish removal	Garbage removal, hazardous materials and toxic waste removal, including council and other third party contractors. Include tip fees.	
Expenditure - utilities	Total expenditure for utilities	
ADMINISTRATION AND SUPPORT SERVICES		
Administration recharges	Apportionment of administration costs from the Organisation's administration cost centre and/or corporate head office - if applicable.	
Labour costs - Administration	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation excesses and wages paid to, or in respect of, administration and clerical staff employed directly by or charged directly to the residential care facility.	Workers compensation premium. Labour costs associated with the facility/care management as this should appear in Care management labour costs as part of resident care expenses. For facility manager/care manager no allocation should be made against administration.
Other administration costs	Includes all other administration line items including, advertising for staff, accounting fees, accreditation costs, audit fees, computer expenses including maintenance contracts on hardware and software, consulting fees, general expenses, legal fees, postage & courier, printing & stationery, recruitment costs, safety management (OH&S), subscription & library costs, telephone, travel & accommodation	Administration recharges, workers compensation premiums.
Workers' compensation - other	Workers compensation premium paid for staff employed at the facility excluding care and hotel services staff - if unable to split over care services and hotel services then please include all costs here and this will be allocated out in proportion to labour costs	Care and hotel services workers compensation
Quality & education - labour costs	Wages, allowances, leave, fringe benefits, superannuation, workers compensation excesses and wages paid to, or in respect of personnel carrying out duties such as education, quality control, quality improvement, policy development and WH&S.	Wages and associated costs of those attending education sessions, quality or OH&S meetings etc. These should be included in the wage cost area normally associated with the attendees.
Quality & education - other	All other costs associated with areas such as education, quality control and improvement, policy development and WH&S. This will include the cost of consultants, materials, software (not capitalised) or course costs for courses run by 3rd parties.	
Insurances	All insurances except workers compensation.	Workers compensation insurance
Expenditure - other services	Total expenditure - administration & support services	
TOTAL EXPENDITURE	TOTAL CARE EXPENDITURE - CARE SERVICES, HOTEL SERVICES, ADDITIONAL SERVICE COSTS, UTILITIES & ADMIN & SUPPORT SERVICES EXPENDITURE	
CARE RESULT	TOTAL CARE INCOME LESS TOTAL CARE EXPENDITURE	

**AGED CARE FINANCIAL PERFORMANCE SURVEY
DEFINITIONS FOR DATA INPUT - RESIDENTIAL AGED CARE**

	Inclusions	Exclusions
ACCOMMODATION SECTION		
INCOME		
RESIDENTS		
Accommodation charges	Accommodation charges received	
Daily accommodation payments	Income received from daily accommodation payments from clients	
Bond - retentions	Retention income from accommodation bonds. Also include periodic bond payments (including the interest portion if this is not separately allocated)	
Bond - interest income	Interest charged to residents on late bonds.	
Income - residents	Total accommodation income received from residents	
GOVERNMENT		
Government supplements - accom.	Accommodation related government supplements. Please refer to appendix A for full listing of accommodation related supplements	If significant refurbished facility then the accommodation supplement amount is entered in the significant refurbishment supplement line below
Significant refurbishment supplement	If the facility is classed as significantly refurbished this is full amount received for the accommodation supplement	
Income - government	Total accommodation income received from the government	
TOTAL ACCOMMODATION INCOME	ACCOMMODATION TOTAL INCOME RECEIVED (RESIDENTS AND THE GOVERNMENT)	
EXPENDITURE		
Labour costs	Wages, allowances, uniform costs, leave, fringe benefits, superannuation, workers compensation excesses and wages paid to, or in respect of, maintenance and grounds staff.	Workers compensation premium
Repairs & maintenance	Materials and other third party costs in maintaining and repairing the assets of the facility. Contract labour for repairs and maintenance (under one-off arrangement). This should also include costs of any long term maintenance contracts. Will also include items such as fire protection, pest control, security and minor asset purchases or replacements.	
Motor vehicle expenses	All costs associated with operating, maintaining and repairing the organisation's motor vehicles.	
Depreciation - building	Building depreciation	
Depreciation - non building	Depreciation expense relating to plant, equipment, furniture, fittings and other non-fixed items of a capital nature including motor vehicles and computer equipment.	Depreciation of buildings and impairment charges
Property rental	Property rent paid to the owner of the aged care facility or for offices or other buildings utilised by the facility.	
Refurbishment	These are the costs associated with repairing a room when a person leaves or has been in a room for a long period where these costs have not been capitalised. They would include re-painting, some carpet replacement, replacement of light fittings and other minor replacements. Also commonly described as room changeover costs.	These costs should not include the cost of major re-modelling or re-fits to rooms such as major upgrades of bathrooms or other structural changes. Such costs would generally be capitalised.
Bond/RAD interest expense	This is the interest paid to outgoing residents or their estates in compliance with the Aged Care Act with respect to the regulated delay in paying out their bonds/RAD's.	Interest paid on borrowings
Expenditure - accommodation	Total expenditure - accommodation	
ACCOMMODATION RESULT	TOTAL ACCOMMODATION INCOME LESS TOTAL ACCOMMODATION EXPENDITURE	

**AGED CARE FINANCIAL PERFORMANCE SURVEY
DEFINITIONS FOR DATA INPUT - RESIDENTIAL AGED CARE**

	Inclusions	Exclusions
PROVIDER SECTION		
INCOME		
Donations, bequests & fundraising	Large donations and bequests where money has been received specifically for a particular facility. Also include bequest or donated funds that has been used to "subsidise" the operations of a facility. Some facilities may have a significant fundraising operation including income from fundraising balls and other such events or schemes. Income from these sources, where they are attributable to a specific facility should be included here. All fundraising income that can be attributable to an individual facility.	Large donations and bequests that were made to the organisation generally rather than a specific facility and fundraising.
Grants - capital	Government grants of a capital nature	Government grants of a non-capital nature (refer care section government income)
Investment income - interest	Interest on investments that can be attributable to the facility. If it is the practice to allocate interest to facilities then please include it here. This is to assist in reconciling this form to your normal profit and loss account. This income will be excluded from our EBITDA calculation.	Interest charged on late bonds
Investment income - other	All other investment income that is allocated to the facility. May include profit from sale of investments, fair value adjustments on shares, distributions from managed funds and dividend income. In all likelihood these items will not be allocated to an individual facility but if they are then <u>they should be included at this line item.</u>	
Sundry income	All other sundry income. Will include profit on sale of property, plant & equipment, insurance and other recoveries.	
Income - provider	Total Income - provider	
EXPENDITURE		
Interest expense - other	Interest paid on any borrowings or credit facilities. This would include commercial borrowings as well as borrowings from related parties.	Interest paid on accommodation bonds paid to departing residents
Other provider expenses	Will include board expenses, fundraising expenses, losses on sale of property, plant and equipment etc.	"Capital" administration charge. All administration re-charges should now be allocated to the Administration recharge line item.
Impairment	Impairment charge against the facility's assets	
Expenditure - provider	Total Expenditure - provider	
PROVIDER RESULT	TOTAL (INCOME - PROVIDER) LESS (TOTAL EXPENDITURE) - PROVIDER	
FACILITY RESULT	TOTAL OF CARE and ACCOMMODATION RESULTS	
TOTAL RESULT FOR THE PERIOD	TOTAL OF CARE, ACCOMMODATION and PROVIDER RESULTS	
Supported resident ratio if significant refurbished facility	If the facility is classed as significantly refurbished then please supply the supported resident ratio as at the end of the survey period from the Medicare payment statement	

**AGED CARE FINANCIAL PERFORMANCE SURVEY
DEFINITIONS FOR DATA INPUT - RESIDENTIAL AGED CARE**

	Inclusions	Exclusions
Accommodation Payments - please complete whatever information you have available		
Number of FULL bonds & RADs/RACs held at reporting date	Number of FULL accommodation bonds and RAD/RACS held at reporting date ie where there is no associated DAP	
Total value of FULL bonds & RADs/RACs held at reporting date	Total value of all FULL accommodation bonds and RAD/RACS held at reporting date ie where there is no associated DAP	
Number of PART bonds & RADs/RACs held at reporting date	Number of PART accommodation bonds and RAD/RACS held at reporting date where there is also an associate DAP – ie combination payments	
Total value of PART bonds & RADs/RACs held at reporting date	Total value of PART accommodation bonds and RAD/RACS held at reporting date where there is also an associate DAP – ie combination payments	
Number of new FULL RADs / RACs (current financial year)	Number of new FULL RADs & RACs as at reporting date for residents with an entry date after 30 June 2018	
Value of new FULL RADs / RACs (current financial year)	The actual dollar value of new FULL RADs as at reporting date taken during the current financial year ie for residents with an entry date after 30 June 2018	This should not be the movement between opening and closing bond/RAD/RAC values.
Number of FULL DAP / DAC payers (current financial year)	Number of full DAP / DAC payers as at reporting date for residents with an entry date after 30 June 2018	
Number of COMBINATION DAP / DAC payers (current financial year) (should be equal to the number of new PART RADs / RACs)	Number of combination DAP / DAC payers as at reporting date (number of new PART RADs & RACs) as at reporting date for residents with an entry date after 30 June 2018	
Value of new PART RADs / RACs (current financial year)	The actual dollar value of new PART RADs as at reporting date taken during the current financial year ie combination payments for residents with an entry date after 30 June 2018	

Input cell	
Calculated cell	