



Aged Care & Retirement Living

Capability Statement



The aged care and retirement living sector in Australia has many unique ever-changing demands and challenges.

Nexia understands and cares about the issues affecting the industry and the opportunities they can create.



Alertness to change is critical

With more than 30 years experience as a service leader to the aged care and retirement living sector, Nexia has the credentials to offer professional, industry-specific advice and support that is critical for facility operators and management to meet their statutory obligations. Our aged care specialists located in each state are committed to the industry and are responsive to legislative changes as they evolve to ensure clients' compliance and the effective and efficient operation of their businesses.

The 'Next' Solution

Nexia is your 'next' solution and support base for working through taxation issues, statutory requirements, financial reporting, audits and general advice. Our industry experts work with individual clients to identify and manage business and financial risks, while implementing cost-saving processes and establishing realistic plans to help increase revenue.

Nexia Network

Nexia Australia is part of a global network of accountancy and consultancy firms and possesses expert knowledge of the aged care sector in the Australasian market. One of our strengths is that we are a solutions-based firm that adopts a consolidated team approach to solicit solutions that can help clients grow their businesses.

We take pride in being responsive, progressive and proactive so that clients, large or small, receive outstanding value and benefit from our extensive knowledge.

Our clients include private operators and also many of the not-for-profit organisations that form a significant part of Australia's residential aged care and retirement living sector, comprising charitable, religious and community groups.

Our Services

Nexia is part of a global network with the resources and expertise to deliver a range of services including:

- External and internal audit
- Prudential and compliance audits
- Risk management
- Financial reporting and advice
- Corporate advisory
- Due diligence, mergers and acquisitions
- Tax planning and structuring
- Establishment of charitable foundation and DGR status
- Corporate governance
- Management consulting
- Benchmarking and KPI development
- Forecasting and budgeting
- Debt and equity raising
- Remuneration strategies and planning
- Process re-engineering
- Exit strategies and succession Planning
- Virtual CFO

Our Clients

Our clients cover the total spectrum of the industry, including commercial, private and not-for-profit businesses:

- Anglican Care
- Boroondara Aged Services Society (Basscare)
- Beuhler Aged Care Group
- Blissett Group
- Carinity
- Goodwin Aged Care Services Ltd
- HammondCare (incorporating HammondCare Health and Hospitals Limited)
- Jesmond Aged Care
- Mayfield Aged Care
- TriCare
- Yass Valley Aged Care Limited
- Other privately owned retirement and aged-care facilities

The types of clients we act for include:

- Private owners / operators
- Not-for-profit providers
- Community based providers
- Culture-specific and religious providers
- Retirement villages and independent living units (ILUs)

Nexia's aged care specialists are committed to the industry



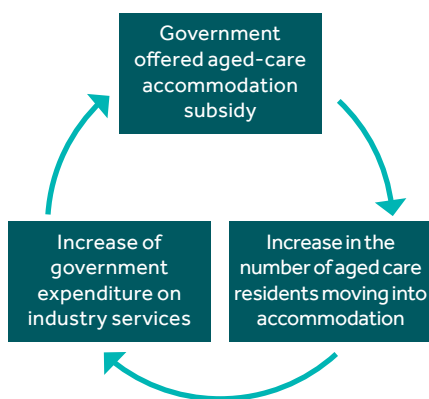
Key Industry Drivers

Our services are based on key industry drivers in the aged care and retirement living sector. These drivers are the cornerstone of the industry.

1. Ageing population - demand for services

Government expenditure in the aged care industry is directly related to the industry growth rate. The demand for accommodation is seeing continuous growth as residents receive some form of Government subsidy for their stay at residential aged care facilities and the number of elderly in the community (as well as level of disability among the aged) is on the rise. Given the steady increase in accommodation, government expenditure has also increased.

With a forecast for the population growth to peak in 2016-17 (before stalling in 2018-19), the demands on the aged care sector remains strong.



2. Funding pressures

- Despite the government introducing a range of care initiatives (such as the development of new facilities to support the growing number of dementia patients), they failed to raise low-care subsidies in line with high-care subsidies (under the Aged Care Funding Instrument (ACFI)).
- State governments have sought to limit expenditure growth on residential aged care. As an example, the Victorian Government repealed its high staff-to-resident ratio requirements to adopt the lower Federal Government ratio requirements.
- Retirement village operators have also faced funding pressures from 2013-14 due to the global financial crisis, which in turn has led to a tightening of credit and the withdrawal of several banks from the sector.
- Other pressures are due to the fluctuating credit available, interest rates and the general state of the wider residential market.

3. Continuing government reform

Living Longer Living Better initiative

This package addresses several issues addressed by the commission, primarily funding issues, payments, quality of care and workforce challenges.

4. Lifestyle packages

As the government is recognising that more residents are seeking extra care and access to facilities, residential aged-care providers are able to supply extras above the basic standard of services (for example, extra entertainment and lifestyle services). It's realised that the offer of these additional services will be the point of difference within the industry and will therefore increase earning opportunities.

**IBIS World, Accommodation for the Aged Care in Australia, October 2013*

We take pride in being responsive, progressive and proactive offering you the next solution

Contact us

For further information or to discuss how Nexia Australia can assist your organisation, please contact a local Nexia Advisor below.



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