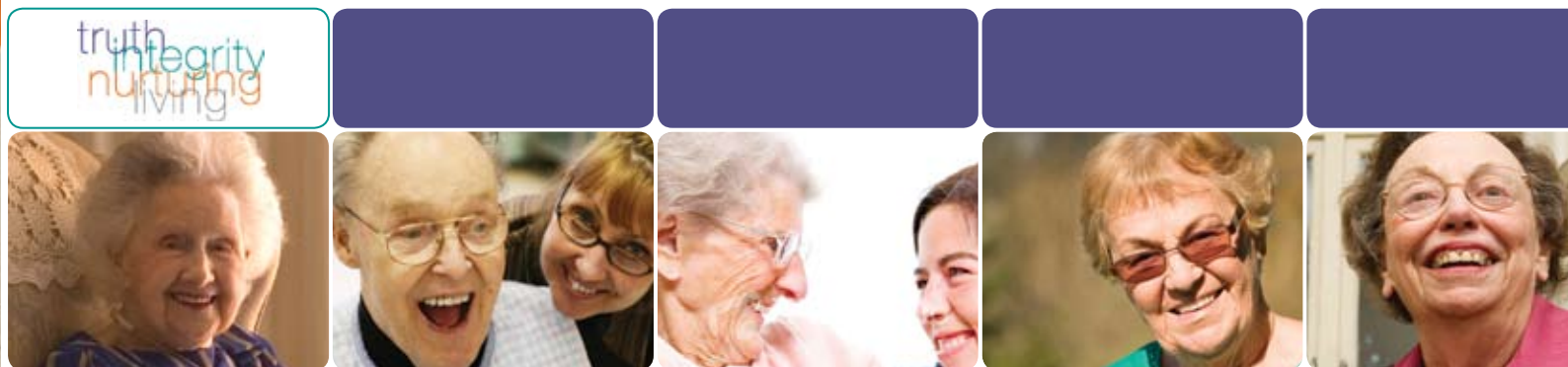


living the second half of life





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CHAIRMAN'S OVERVIEW



The aged care industry in Western Australia is facing very difficult business challenges. We are operating highly regulated income businesses at a time when costs are escalating. The State's economic growth is causing cost pressures at all points: wages, services, materials and construction. The mining boom's impact on the employment pool – with unemployment now at unprecedented low levels – makes it difficult to attract staff.

Operating a regulated income business in a booming economy where there is very low unemployment is difficult to manage and I am extremely proud of the way Amana Living has performed in probably the most difficult year I have seen in more than a decade. In this difficult environment, we have delivered quality Christian care during the year to the high standard that Amana Living sets itself. We have had great support from our staff and volunteers and I congratulate and thank everybody who has worked so hard to deliver services.

An indication of the strong management that Amana Living enjoys is its senior management team. There have been no personnel changes amongst the team during the year, which is an important measure of our organisation's stability and management effectiveness. In addition, the Board of Amana Living was pleased to secure the commitment of our CEO, Ray Glickman, to the organisation for the next five years. His outstanding leadership abilities will enable us to continue to grow in a planned and well managed way and to achieve our aspirations for excellence in care.

Amana Living is well positioned for the future. We have invested in strategic planning to ensure that we have strategies in place to address the organisation's future needs, from staffing and service delivery to finances and infrastructure. Central to our future vision is our 10 year strategic plan which defines the organisation's path through to 2018. This plan will ensure that Amana Living is able to offer the standard of accommodation and care that the coming generation will demand of us for the second half of their lives.

I thank the members of Amana Living's Board, Committees and Strategic Advisory Groups for their skilful contributions to the organisation's development, and for their commitment to Amana Living's vision and goals.



Peter Dawes
CHAIRMAN

CEO'S PERSPECTIVE



2007/08 was a productive year at Amana Living as we reshape our organisation, services and facilities to meet the needs of existing and future residents and clients. We invested in our caring capacity and systems to increase our responsiveness to the care needs of people in our residential facilities. We were successful in our application for additional government funding packages that will extend the services we can provide to people who wish to remain in their own homes for as long as possible.

We progressed our 10 year Strategic Facilities Plan by investing more than \$10.5 million in refurbishing and extending our residential and retirement living facilities, at seven locations. We introduced initiatives to make our operations more environmentally responsible and to reduce our carbon footprint. We commenced planning for a new electronic records management system, which will improve efficiency and significantly reduce our paper usage, and plans are underway to relocate our administration to new premises in Subiaco, which are registered for a Green Star rating through the Green Building Council of Australia.

Amana Living's dedicated staff and volunteers achieved these developments in a tough business environment. We provided high quality care for older people – in our facilities and in their own homes – at a time when acute staff shortages and rising costs, coupled with government subsidies that are not keeping pace with inflation, created budgetary pressures. Determined to create an environment at Amana Living that encourages employees to stay with us, we established a program to engage staff in identifying the employment benefits that are of most value to them. Family friendly conditions that support a healthy work-life balance, such as part time work, help with child care and more leave are now available to staff.

We are working at the industry level – through Aged and Community Services WA – to develop strategies to address workforce issues such as improving the image of aged care as an employment choice and developing a centralised recruitment process. We are lobbying governments for increased fees that match true costs, and for capital grants to help the aged care industry to provide facilities at an appropriate standard and to help offset increases in construction costs.

I am proud of the way staff and volunteers have stepped up to the challenges we face and have ensured that the wellbeing of our residents and clients remain paramount.



Ray Glickman
CEO

MISSION, VALUES AND PHILOSOPHY OF CARE

Our Mission

To excel in providing Christian care and services in Western Australia to people living the second half of life.

Our Values

Compassion: Courtesy and kindness are extended to each person in every circumstance

Justice: All interactions are based on fairness and honesty

Hope: Is the expectation of triumph over every challenge

Inclusiveness: We exist to serve people from all walks of life

Our Philosophy of Care

We strive to enrich the mind, body and soul of those we serve by:

- generating a sense of passion and energy about people living their life to the full;
- creating genuine choices so that people can live life in a meaningful way, reflective of their preferences and individuality;
- creating opportunities for people to stay connected with past friendships and to develop new ones;
- always involving and consulting people in decisions that affect them;
- creating opportunities to improve and restore physical abilities and mental agility so that people can keep fit, active, involved and independent wherever possible;
- providing excellent clinical and health care in all circumstances;
- supporting people to explore and develop their spirituality; and
- encouraging and acting on feedback to improve care and services.



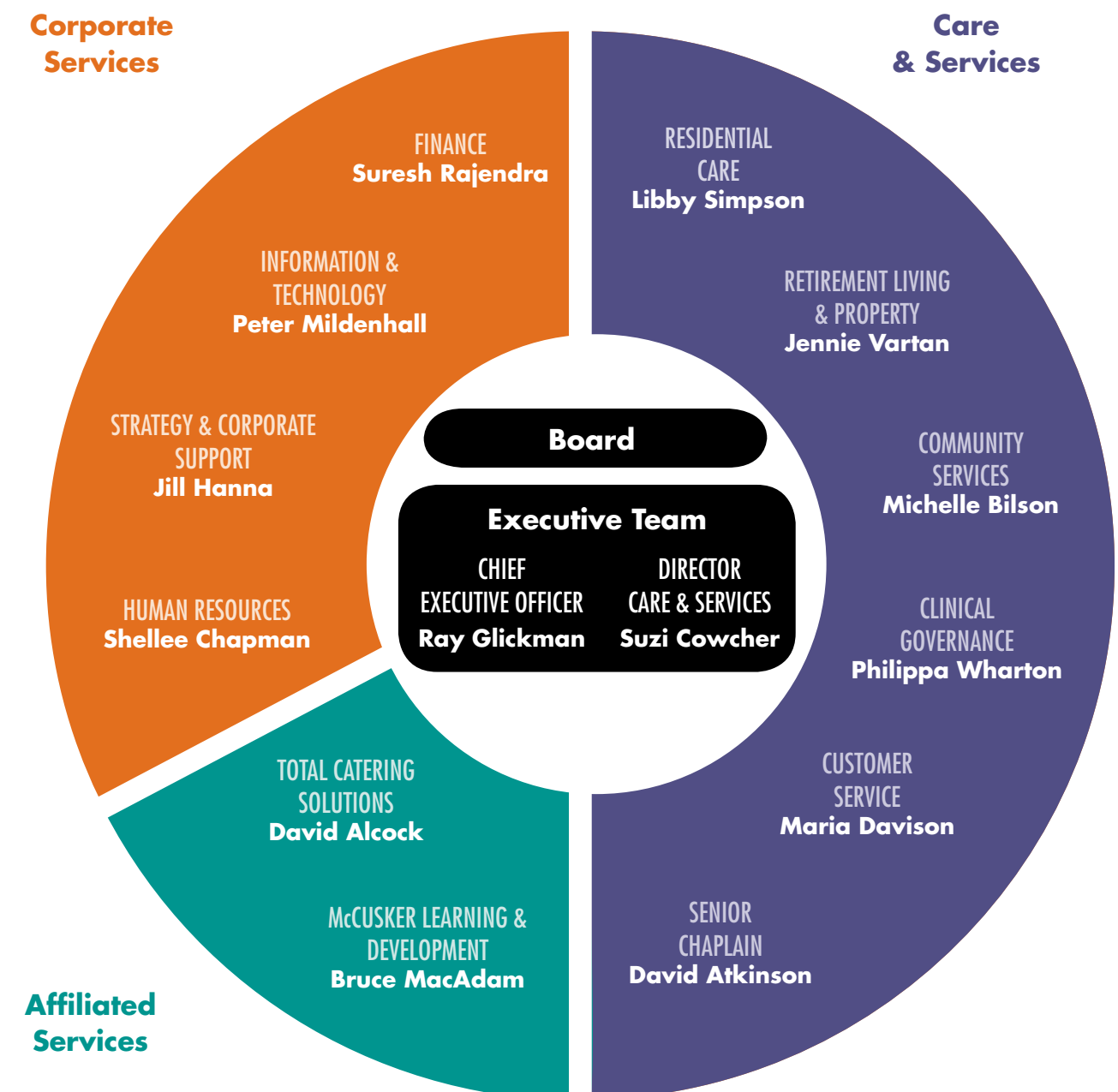
OUR CULTURE

Amana Living welcomes people – residents, clients and staff – from all cultural, religious and ethnic backgrounds.

Our commitment to offering choice to our clients and a life enriching environment is at the core of our organisational culture. This culture is embodied in the following statements which we encourage all staff to embrace.

- We're committed to our Mission, Values and Philosophy of Care.
- We're Anglican and we are proud of that.
- We're passionate about what we do.
- We plan ahead and we're practical about it.
- We always try to say yes.
- We celebrate our achievements and learn from our mistakes.
- We strive to get better and better.
- Everyone is important in our team.
- We all take responsibility for what gets done.
- Our leaders consult and listen to advice.
- We're never afraid to say what we really think.
- Our leaders make the tough calls, but with compassion.
- We like to try new things.
- We work hard and have fun.
- We support our staff to balance work and life.

OUR ORGANISATIONAL STRUCTURE



RESIDENTIAL CARE – WITH COMFORTS OF HOME

The quality of Amana Living's care and services in residential care is assured through full accreditation of all facilities against the Residential Aged Care Standards. Edward Collick Home in Kalgoorlie is the most recently re-accredited facility, granted a three year accreditation in February 2008. Unannounced checks of our facilities by the Aged Care Standards and Accreditation Agency throughout 2007/08 confirmed that Amana Living is consistently meeting its care standards.

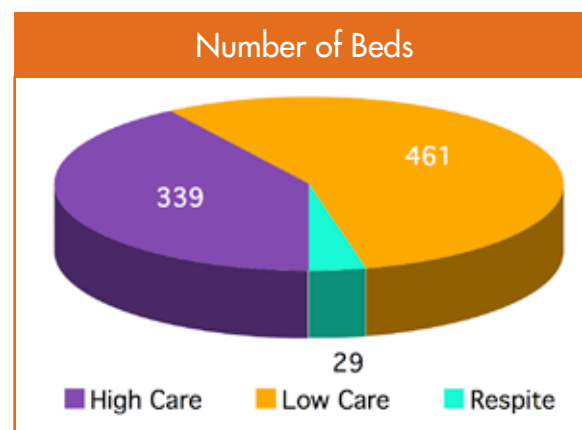
Whilst we are confident that our staff are delivering services to our very high quality standards, there is work to be done to ensure the physical facilities also meet our high standards and the changing tastes of residents and changing market demands. We expect that, over the next decade, people entering residential care will be looking for higher quality facilities that are fashionably appointed and are comforting and welcoming to family and friends.

We have embarked upon a major ten year capital works program to position Amana Living for these market changes. This year we completed construction of a 32 bed extension at Peter Arney Home in Salter Point. We have achieved an attractive, modern look in design and furnishings and included technology services such as internet and Foxtel access and plasma screen televisions.

We also completed modifications to our Edward Collick Home in Kalgoorlie to improve the amenity for high care residents and residents with dementia. Planning is also well advanced for the construction of a 32 bed high care extension to our dementia-specific low care Kinross Care Centre, to enable continuity of care.

We made a major investment in a management restructure that separated operational and clinical matters. This has allowed the Care Manager to focus purely on care and provides more care hours to residents, while the Centre Operations Manager is able to focus on improving operational efficiency. Technological innovations enable care staff to read and update care plans and medical information while they are with a resident. This means more accurate and timely information is available resulting in even more responsive care.

Respite Care bookings, previously handled separately by individual centres, has been centralised so that all Amana Living facilities can simultaneously be searched for a vacancy. This has made bookings easier for clients and resulted in an improvement of service provision of much needed respite for residents and their families.



Volunteer Adds Value

When Chris retired from full time employment two years ago, he searched for volunteer work to give meaning to his life. He found it at Amana Living's Lady McCusker Nursing Home in Duncraig. Each week he visits the nursing home to provide companionship to residents.

He admits that he enjoys talking to residents immensely. "The regulars I talk to love to reminisce," he says. "There is something very special about sharing their memories of family and friends. Many people talk to me about their younger days, or their childhoods during the war years and that gives me a great understanding of what they have been through in their lifetime. It also gives me an insight into what life was like in other countries during and after World War II. Life was certainly a lot harder then and their memories help me to understand the past.

"I believe that you get what you give and I certainly gain a great deal by volunteering every week. Since I've retired I've had the time and it's something I enjoy very much."



Statistics

In 2007/08 Amana Living's Residential Care team provided care and services to 1,416 elderly people.

- Number of beds available: Low care 461, High care 339, Respite 29
- Average age for men is 80 years
- Average age for women is 85 years

RETIREMENT LIVING — FREEDOM TO ENJOY LIFE

Amana Living is committed to a major capital investment program over ten years to ensure our retirement living facilities meet our high quality standards.

Underpinning the developments is a commitment to choice for residents in furnishings and appointments, so that units can be individually tailored to residents' tastes and needs. Amana Living is also committed to fully supporting any residents who may be inconvenienced by the capital works program.

Our Marjorie Appleton Village in Menora was decommissioned this year as it no longer met Amana Living's standards. The decommissioning process began in 2004 and the final residents were relocated this year, mostly to the refurbished St Francis Court in Inglewood. Amana Living acknowledged the disruption the move could cause to people's lives and planned carefully to make it as stress free as possible. A valet service was engaged to undertake the move, packing up all belongings at the vacated home and unpacking at the new home. Residents were taken out to lunch while the move was underway. When they arrived at their new home everything was in its place – even the beds were made.

Amana Living is proud of the refurbishment of the entire 91 units at St Francis Court, completed to a high standard. Outdoor facilities and other communal amenities were included in the upgrade. The social spirit of St Francis Court has been revitalised with the arrival of new residents.

During the year, we also refurbished:

- nine units at Dorothy Genders Village in Mosman Park;
- nine units at Frederick Guest Village in Bull Creek; and
- the entire Muschamp Village in Kalgoorlie.

Eleven new villas at Moline Village in Karrinyup were commenced and are due for completion by December 2008.

Planning is under way for the following developments:

- a new retirement village on the site of the former Marjorie Appleton Village in Menora;
- the new Treendale Village in Australind;
- expansion of Thomas Scott Village in Camillo (Westfield Park); and
- the refurbishment of retirement living units at Hale House in Coolbellup.

Moving With Care

When Amana Living was planning to decommission its Marjorie Appleton Village retirement facility in Menora, resident Glenys was offered options about where to move to.

She chose the freshly refurbished Amana Living St Francis Court in nearby Inglewood. It's a decision she's glad she made.

"I feel very settled and happy here and I think my unit is beautiful," she said. "Not a thing has been missed. I have a lovely kitchen with the latest appliances and I feel that Amana Living has thought about pretty much everything. We even have taps which can be turned on and off with your elbow – that's great for anyone suffering from arthritis."

Amana Living managed the move from Marjorie Appleton to St Francis Court which, Glenys says, went smoothly.

"The prospect of moving was a little daunting at my age, but I have to say that everything was wonderfully co-ordinated and I didn't have to worry about a thing. Removalists took charge of packing up my previous unit and unpacked everything again at the other end."



Statistics

In 2007/08 Amana Living accommodated 684 people in its Retirement Living Villages.

- Average age for men is 80 years
- Average age for women is 82 years

COMMUNITY SERVICES — CARING AT HOME AND STAYING IN TOUCH

Amana Living has undertaken detailed strategic planning for growth in Community Services, which provide support for people who choose to remain living in their own homes.

Our Community Services strategic plan provides a blue print for planned growth. It sets growth objectives for each region based on statistical analysis of regional demographic data and guides the organisation's decisions about what funding packages to apply for.

Over the last year, these services grew by 36 percent. Strong demand for home care is driven by government policy and funding, and by people's desire to stay at home for as long as possible. Community Services help people to stay where they want to be, keep couples together for longer, and provide a break for family carers.

A great strength of Community Services is their flexibility: they can change as people's needs change. They offer support with practical matters – such as personal and household care – but can also address social needs, taking people on outings and connecting them to community networks and activities.

When people choose Amana Living to provide these services, they are linked into a continuum of care options that can support them through the second half of their lives. They have ready access to in-home care, day clubs, respite care and potentially to residential options from low to high care. We have been successful in winning funding for home care packages in:

- Extended Aged Care at Home, specially designed for people with dementia with high care needs who live at home. These services can provide nursing care, personal care, social support, home help and respite.
- Community Aged Care Packages, which can be tailored to meet home and personal care needs, from cleaning and gardening, to showering and cooking. With increased funding, we have now extended this service into the South East Metropolitan and North and East regions.
- Home and Community Care services, which provides specialised home support for clients and carers such as personal care, cleaning, laundry and meal preparation.

Our Day Clubs, for people with dementia, were busy throughout the year. These centres provide day respite for family carers and connections and activities for our clients.



Home Is Best

Home is exactly where Marion wants to be. So she was pleased that four years ago she found Amana Living services that have helped her to stay right there.

It's often the seemingly small things that can make it difficult to cope alone at home, as Marion found. She now receives home help services twice a week. Her support workers help with cleaning, washing, and making the bed. A support worker also helps her in the garden once a fortnight. Marion regularly goes on day trips with other Amana Living community and day care clients.

"I'm very grateful that I can continue living in my own house with the help of Amana Living," Marion says. "It's wonderful to be able to stay at home, which is where I want to be."



Statistics

In 2007/08 Amana Living provided community care services to 1,344 people.

- Average age for males is 79 years
- Average age for females is 76 years



Residential Care Facilities

Dorothy Genders Hostel	Moline Hostel
Edward Collick Home	Parry Hostel
Frederick Guest Hostel	Peter Arney Home
Hale Hostel	St George's Home
James Brown House	Sundowner Hostel
Kinross Care Centre	Thomas Scott Hostel
Lady McCusker Home	Wearne Home
Lefroy Hostel	

Retirement Living

Dorothy Genders Village	Peter Arney Village
Frederick Guest Village	Riley House
Hale House	St Francis Court
Hillandale	St Mary's Close
Lady McCusker Village	Sundowner Centre
Le Fanu Court	Thomas Scott Village
Moline Village	Wearne House
Muschamp Village	Wollaston Court
Parry House	

Community Services

Community Service aims to support those who choose to remain in their own home and to support their carers. Services include day clubs, Home and Community Care, Community Aged Care Packages, Extended Aged Care at Home for clients with dementia and Seniors Holiday Support.

Community Services – Day Clubs

Catherine King Day Club Kinross Day Club Lefroy Day Club

McCusker Learning and Development

Provides high quality training services to Amana Living, the wider Aged Care Industry and the community at large.

Chaplaincy Services

Offers worship and pastoral care to residents, clients, families and staff.



Residential Care

Provides a home-like environment that includes private accommodation, meals, cleaning and laundry service, 24 hour assistance and emergency call systems. Support with every day activities such as showering, personal care, administration of medications and social activities are provided whilst maintaining residents' individuality and independence.

Retirement Living

Offering a range of accommodation options for people aged over 55. Each of the Amana Living Villages is unique and offers a variety of recreational facilities and activities which enable residents to fully enjoy the second half of life.

Total Catering Solutions

Total Catering Solutions provides catering to Amana Living facilities, other aged care providers, mining, airlines and other food providers.



PERSONAL ENRICHMENT – FOR A FULFILLING LIFE

The second half of life should be rich and fulfilling. That's the underlying philosophy that drives Amana Living's work.

The Personal Enrichment Program was established to focus attention on this philosophy and to develop ways to help our clients to fully express their emotional, physical, intellectual and spiritual lives.

The program works with clients and staff, raising awareness of the need for life enrichment and helping them to develop strategies to achieve it.

During 2007/08, we introduced four projects to pursue this goal.

The aim of the **Cultural Revolution** pilot project was to develop an organisational culture that provides exquisite basic care every time a staff member interacts with a client or resident.

The pilot program ran at the St George's Home in Bayswater. It encouraged staff to review their beliefs about ageing and older people, to develop more flexible attitudes and reframe our care approach to focus on the whole person.

The pilot was successful in increasing resident wellbeing through therapy and chaplaincy.

The **Super Volunteers** project focused on helping clients to re-establish old connections, build new relationships and maintain meaningful links with family and the community. Students from Presbyterian Ladies College partnered with residents of our Sundowner Hostel in this pilot program.

The **Falls Prevention Program** was delivered in partnership with Curtin University Physiotherapy and Occupational Therapy students. It was a six week education and exercise program designed to empower residents by increasing their awareness of the risk of falls. Residents were encouraged to take responsibility for preventing falls and learned how to cope in the event of a fall. Research suggests that learning these skills reduces the number of falls, fear of falling and depression.

Life Albums were created for dementia clients with the assistance of staff and family networks. This initiative was aimed at developing a deeper knowledge of each individual and their history.

Life Albums – Cherishing Memories

When Burt attended an Amana Living day centre, staff helped him to create a life album. Now his wife, Val, and their family have a treasured memento.

Burt has dementia and now lives in full time residential care, while his wife remains in her own home, leading a full and independent life.

"The album has made a real difference to me and my family," Val says. "It is beautifully presented with such creativity. It chronicles Burt's life in pictures and shows him laughing and joking at every stage, right up until the time he spent at the day centre. Creating a book of memories for a loved one is one of the most special things you can do. It's an incredibly individual thing to do and it really is a celebration of life.

"Many of the staff members spent a great deal of their own time developing it. It was done with such thought and good wishes and I cannot thank them enough for what they have created."

Val says that she and her children will always treasure the book.



PEOPLE – OUR GREATEST ASSET

The Western Australian business environment of skills shortages, leading to difficulties in attracting and retaining staff, has a direct impact on costs – in rising wages and employment agency fees to fill vacancies with casual staff – and continuity of service delivery.

Amana Living has invested in recruitment and attraction strategies to address these issues. Although staff turnover rates are high, our workforce programs achieved lower turnover rates than most other providers of care and community services in the State during 2007/08.

We have engaged our staff in identifying the employment benefits of greatest value to them. As a result, we now lead the Western Australian sector with some of the most generous pay and conditions available to staff members who provide direct care. We have found that staff in our industry are not solely motivated by money – they derive job satisfaction from helping others, so non-salary benefits are an important way of valuing and retaining our staff. Benefits we offer include extended long service, generous recreational and personal leave, paid maternity leave and childcare assistance, especially during school holidays.

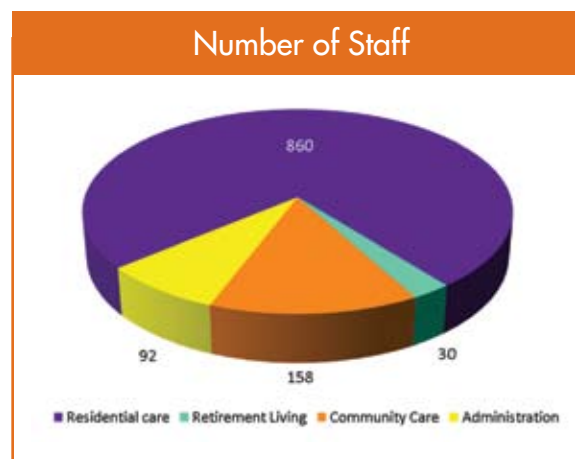
During 2007/08, we introduced our new Staff in Crisis Fund. Grants from the fund may be made in circumstances such as death or terminal illness of a family member, for recuperation leave after a major illness or other hardship.

Our Workforce Strategy focused on improvements in recruitment practices, retention strategies, training and development of staff, and future workforce planning.

We increased the size of our recruitment team, streamlined the recruitment process, offered online applications, and speeded up the turnaround time on employment applications.

Mandatory, continuous training for staff underpins our commitment to quality care. It ensures that all staff who come into contact with residents and clients have the required expertise to deliver excellent care and services.

Whilst we constantly need to fill vacancies, we are also pleased to note that we are fortunate to have a solid core of loyal, long serving employees as you will see from the statistics on page 19.



Nursing – A Dream Come True

Azemera's childhood dream came true when she qualified as an enrolled nurse at the end of 2007.

Azemera has worked for Amana Living as a care aide, occupational therapy assistant and home help since she came to Perth from Ethiopia eleven years ago.

Amana Living was able to assist her nursing training with funding under the Federal Government's Better Skills for Better Care program.

"Becoming a nurse was a real dream come true for me," Azemera says. "I had always wanted to become a nurse and I have to thank the residents, managers and staff at Moline House in Karrinyup for encouraging me to reach my goal. They told me that I would be a good nurse and that I should do the course. I am really thankful for their encouragement."

Azemera has now enrolled in postgraduate nursing studies and is gaining clinical experience working part time at Joondalup Health Campus. She continues to work at Moline House.



Statistics

92% of staff are engaged in delivery of care and services
8% of staff are engaged in administrative activities

- 3 people achieved 25 Years of Service
- 9 people achieved 20 Years of Service
- 3 people achieved 15 Years of Service
- 16 people achieved 10 Years of Service

PASTORAL CARE — NURTURING THE SOUL

Amana Living strives to provide an environment in which people can pursue a spiritual life, if they wish. We ensure that all residents and clients, their families and staff have access to pastoral care through our chaplaincy service, delivered by staff chaplains and a network of volunteers. Worship services and opportunities for quiet personal reflection are offered in all residential centres and most retirement villages.

The chaplaincy service is open to everyone, regardless of their religious background. The service has expanded in response to growth in our Community Services, for people who choose to remain in their own homes. Our chaplains and Community Services staff work with clients who seek help linking to spiritual and pastoral services in their community.

Providing Pastoral Care

Pam is a lay pastoral minister, working as a volunteer with Amana Living's chaplaincy service. She is also a resident of the Dorothy Genders Village in Mosman Park. She regularly visits residents of the village on behalf of Amana Living's chaplaincy service, and can give Holy Communion to anyone who requests it.

Pam, who is 88, says she thrives on the opportunity to provide personal enrichment by assisting with these services. "I enjoy helping people where I can and have always been a church goer," she says. "I guess you can call my life busy. It's full and enjoyable which is no different to many of the residents here at the village. I have always been very happy here at Dorothy Genders. The people are marvellous and I think we all know how to enjoy life."

Pam is one of the original residents at the Mosman Park village, moving in when it first opened 27 years ago.



AMANA LIVING ANGLICAN FOUNDATION — CARING AND GIVING

Amana Living Anglican Foundation, formerly Anglican Homes Foundation, raises funds to provide more care and comforts for our residents and clients. The new name was adopted at the 2007 Annual General Meeting as part of Amana Living's re-branding. During 2007/08, the Foundation raised \$182,000 from donations, sponsorships, bequests and pledges.

Staff members at Amana Living, contributing through fortnightly payroll deductions to the Amana Living Staff Giving Plan, raised \$11,000.

A Party Masquerade

A highlight of the year was hosting our annual party for residents and clients with the theme of Masquerade. Judging by the many colourful and interesting masks worn by the attendees, this theme provided an opportunity for many hours of creativity as people prepared for the day.

Burswood Resort's Grand Ballroom filled with 750 guests, who were entertained by The Silver Taps, St Hilda's Jazz Band and MC Tod Johnson. A great day was had by all. Mobility was no barrier to attending the party as buses and wheelchair taxis were available to all who wished to attend. The generous Burswood lunch accommodated special meal needs. Amana Living staff and volunteers enjoyed pampering residents and clients on the day and put a great deal of effort into party preparations.



McCusker Learning and Development

McCusker Learning and Development provides high quality training services to Amana Living, the wider aged care industry and other organisations. It was established in 1990 with a generous donation from the McCusker family.

McCusker Learning and Development delivered 2,133 hours of training during 2007/08, in metropolitan and country locations. A growth area is skills training for staff working with people with dementia. The emphasis is caring more effectively for people who have challenging behaviours as a result of their dementia.

A program to give staff skills to develop and maintain the mobility of people with dementia was a new addition to the training repertoire. It was developed in partnership with Alzheimer's Association and the Independent Living Centre. This project brought together some of the most experienced dementia trainers in Western Australia and was funded by the Dementia Training Study Centre, an initiative of the Commonwealth Government.

McCusker Learning and Development has partnered with Aged and Community Services of WA to deliver training in rural and regional Western Australia and will deliver training from Roebourne to Esperance.

TOTAL CATERING SOLUTIONS

In response to issues raised by some Amana Living residents, Total Catering Solutions – Amana Living's catering business – improved the temperature and presentation of meals, and the quantity and variety offered. New menu cycles are now introduced every four months. Total Catering Solutions also worked closely with Amana Living to implement a program to address the nutritional needs of individual residents.

As a business arm servicing external customers to generate additional income for Amana Living, Total Catering Solutions pursued growth opportunities during 2007/08, establishing new clients and developing new products. As a result, the business is well positioned to continue the steady growth it has experienced over the past few years.

New customer Alpha Flight Services, an airline catering group, purchases soups, sauces and wet dishes from the business. A new product – mashed potato made with Royal Blue – has progressed to packaging development stage and is expected to be available in retail stores during 2008.

Total Catering Solutions expanded business with existing customer Jesters, delivering product to 31 of their stores twice weekly.

BOARD MEMBERS



**The Right Reverend
Roger Adrian Herft**
Date of appointment: 2005
Position: Visitor



Mr Peter Dawes
Date of appointment: 2005
Position: Chairman



Dr Mark Donaldson
MBBS (WA), FRACP
Date of appointment: 1993
Position: Member



Mrs Karen L Field
BEd
Date of appointment: 2002
Position: Member and Chair
Governance Sub-Committee



Mr Ian Ludlow
BCom, CA, AFAIM
Date of appointment: 2003
Position: Member, Treasurer,
Chair Finance and Audit
Sub-Committee



Mr Roger M Port
BA, CA, GDipAppFin (SecInst),
SF Fin, MAICD
Date of appointment: 1997
Position: Member



Mr Andrew H Scotford
LFAIGS, FRICS
Date of appointment: 1997
Position: Member



Dr Sue van Leeuwen
MBA, DBA, FLWA, MAICD
Date of appointment: 2004
Position: Member



**The Right Reverend
Dr Mark Burton**
Date of appointment: 2007
Position: Member



Mr Geoff Mather
BBus, GradDipFin&Inv, CPA,
F FIN, FAICD
Date of appointment: 2007
Position: Member



Ms Tracy Armson
BA(Hons), MBA, GAICD
Date of appointment: 2007
Position: Member

EXECUTIVE TEAM



Mr Ray Glickman
MBA, MA (Oxon), MA (Brun),
CQSW, FAIM, FAICD
Date of appointment: 2004
Position: Chief Executive
Officer



Ms Suzi Cowcher
RN, MBA, MAICD
Date of appointment: 2005
Position: Director Care and
Services

CORPORATE GOVERNANCE – PREPARING FOR THE FUTURE

The Amana Living Board and its Sub-Committees, together with the Strategic Advisory Groups, strive to position the organisation to meet the economic and social challenges it faces and to ensure sound and ethical practices. Amana Living has an overall strategic plan to guide future direction, supported by specific strategic plans for Community Services and for the refurbishment, redevelopment and acquisition of facilities.

To ensure that the organisation is ready for future challenges, the Amana Living Board reviewed the overall Strategic Plan during 2007/08 and set a long term strategic course towards:

- clear relevance to all people living the second half of their life;
- service delivery to older people from all walks of life with an emphasis on wellness and lifestyle choice;
- an enrichment focus on the whole person – mind, body and soul;
- revitalised facilities relevant to future market demand;
- increasing emphasis on community services that promote social networks and independent living;
- provision of restorative services to enable older people after ill-health to re-establish preferred lifestyle choices; and
- long term sustainability.

An extensive review of international and national trends is being undertaken to form the basis for the development of new and innovative services to ensure that Amana Living continues to be able to meet the needs of people living the second half of life in future years. As a result of its annual review of its own performance, the Board has recruited new members with strong financial and public relations and marketing expertise. The Finance and Audit Sub-Committee of the Board helped Amana Living to improve its financial reporting to yield better information to underpin decision making.

The Governance Sub-Committee of the Board has concentrated on ensuring that sound governance systems are in place and has put considerable emphasis during the year on improving the rigour of the organisation's risk management framework and reporting system. The Building Support Group provided building and development industry advice in relation to property development projects.

FINANCIAL RESULTS

Note to the Financial Statements for the financial year ended 30 June 2008

Basis of Preparation

The summarised financial report, comprising the Summary of Consolidated Income Statement and Summary of Consolidated Balance Sheet, have been derived from the full financial reports of Amana Living (Incorporated) ("ALI"), Amana Living Anglican Foundation (Incorporated) ("ALAF") and Sir James McCusker Training Foundation (Incorporated) ("SJMTF").

Going Concern

The financial report has been prepared on a going concern basis. Current liabilities exceed current assets due to the A-IFRS requirement to classify Accommodation Bonds and Interest Free Loans as current liabilities, however the Directors believe that it is highly improbable that these liabilities will be required to be settled within the next 12 months and therefore believe that the entity can repay all its debts as and when they fall due.

A full description of the accounting policies adopted by the above entities is provided in the 2008 financial statements which form part of the respective full financial reports.

STATEMENT BY BOARD of DIRECTORS

for the financial year ended 30 June 2008

The Board of Directors declare that the attached financial statements have been derived from the full financial reports of Amana Living (Incorporated), Amana Living Anglican Foundation (Incorporated) and Sir James McCusker Training Foundation (Incorporated).



P Dawes
Chairman



I Ludlow
Treasurer

Dated 24/9/2008

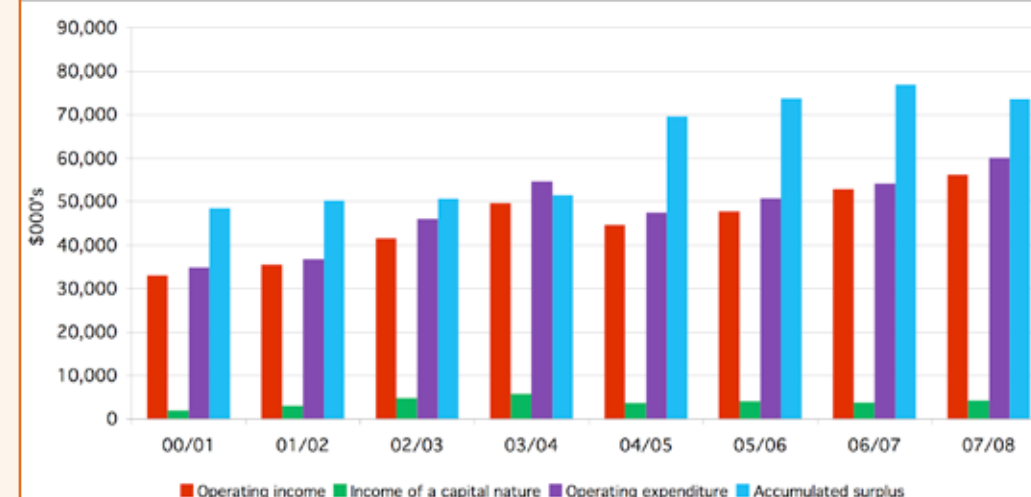
SUMMARY OF CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

	2008				2007			
	Consolidated \$'000s	ALI \$'000s	ALAF \$'000s	SJMTF \$'000s	Consolidated \$'000s	ALI \$'000s	ALAF \$'000s	SJMTF \$'000s
Income								
Government grants	34,994	34,994	—	—	31,236	31,236	—	—
Rents, fees and charges	13,327	12,829	—	592	12,683	12,328	—	506
Donations and bequests	193	40	153	—	103	3	100	—
Income of a capital nature	4,309	7,936	—	—	3,769	4,573	90	—
Other income	7,758	6,736	995	31	8,839	8,297	651	48
Revenue from Ordinary Activities	60,581	62,535	1,148	623	56,630	56,437	841	554
Expenditure								
Employee benefits	41,056	40,658	—	486	37,052	36,687	—	483
Catering and food supplies	4,579	4,578	—	1	3,529	3,525	—	4
Maintenance and repairs	2,895	2,895	—	—	2,707	2,707	—	—
Depreciation	4,112	4,085	—	27	4,571	4,544	—	27
Other expenses from ordinary activities	7,510	7,249	3,740	208	6,357	6,156	1,100	187
Expenses from Ordinary Activities	60,152	59,465	3,740	722	54,216	53,619	1,100	701
Profit/(loss) from Ordinary Activities	429	3,070	(2,592)	(99)	2,414	2,818	(259)	(147)
Total Profit/(loss)	429	3,070	(2,592)	(99)	2,414	2,818	(259)	(147)

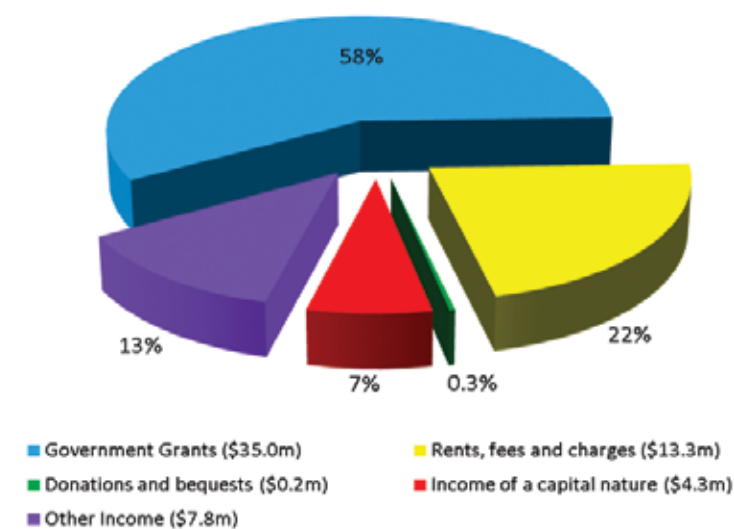
SUMMARY OF CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2008

	2008				2007			
	Consolidated \$'000s	ALI \$'000s	ALAF \$'000s	SJMTF \$'000s	Consolidated \$'000s	ALI \$'000s	ALAF \$'000s	SJMTF \$'000s
Current assets	20,839	19,689	1,123	573	26,749	24,777	1,660	457
Non-current assets	116,659	116,570	—	89	104,162	101,142	2,902	118
Total Assets	137,498	136,259	1,123	662	130,911	125,919	4,562	575
Current liabilities	59,319	59,433	6	476	47,829	47,606	78	290
Non-current liabilities	4,598	4,598	—	—	6,099	6,099	—	—
Total Liabilities	63,917	64,031	6	476	53,928	53,705	78	290
Net assets	73,581	72,228	1,117	186	76,983	72,214	4,484	285
Total Accumulated Funds	73,581	72,228	1,117	186	76,983	72,214	4,484	285

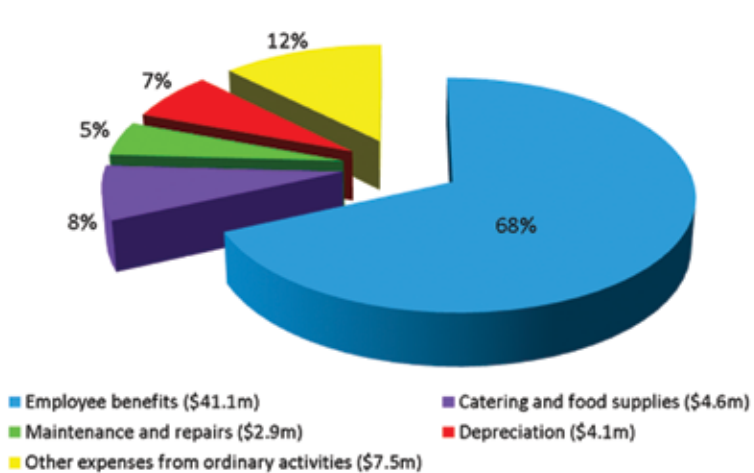
Comparison of Amana Living Group Financial Performance for the period 2001 to 2008



Consolidated Operating Income 2007/08 (\$60.6M)



Consolidated Operating Expenditure 2007/08 (\$60.2M)





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Independent Auditor's Report to the Board of Directors of Amana Living Incorporated

We have audited the accompanying summarised financial report of Amana Living Incorporated, comprising the summary of consolidated balance sheet as at 30 June 2008 and the summary of consolidated income statement for the year then ended, and related notes, which was derived from the financial reports of Amana Living Incorporated, Amana Living Anglican Foundation Incorporated and Sir James McCusker Training Foundation Incorporated for the year ended 30 June 2008. We expressed unmodified auditor's opinions on those financial reports in our auditor's reports dated 24 September 2008.

The Responsibility of the Board of Directors for the Summarised Financial Report

The Board of Directors are responsible for the preparation and presentation of the summarised financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).

Auditor's Responsibility

Our responsibility is to express an opinion on the summarised financial report based on our procedures, which were conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements.

Auditor's Opinion

In our opinion, the information reported in the summarised financial report is consistent, in all material respects, with the financial reports from which it was derived. For a better understanding of the scope of our audit, this auditor's report should be read in conjunction with our audit reports on the financial reports.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ross Jerrard

Ross Jerrard
Partner
Chartered Accountants
Perth, 24 September 2008

Liability limited by a scheme approved under Professional Standards Legislation.

Member of
Deloitte Touche Tohmatsu

ACKNOWLEDGEMENTS

We recognise the enormous contribution made by many individuals and organisations who have helped us make a positive difference to the lives of our residents and clients over the past 12 months.

It has been a year marked by important events and generosity. On behalf of the Amana Living Board, our staff, residents and clients, we acknowledge with appreciation the support we have received from our many community and corporate partners, donors and volunteers.

We are also grateful to our sponsors, whose generosity has enabled us to publish this Annual Report, and thank them for their ongoing commitment to our organisation and aged care.

MAJOR SPONSORS



Anglican Community Fund (Inc)
An incorporated member of the Anglican Diocese of Perth



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