



The Selwyn
Foundation 

Annual Report 2015

Contents

- 1 The Year in Review
- 2 Chair's Report
- 4 Chief Executive Officer's Report
- 6 Charity
- 10 Learning
- 14 Community
- 18 Villages
- 22 Our Mission
- 23 The Selwyn Way
- 24 Life Members and Companions
- 26 Donations and Bequests - 2015
- 28 Chief Financial Officer's Report
- 30 Consolidated Financial Statements
- 36 Auditor's Statement
- 37 Corporate Governance
- 40 Foundation Contacts

The Year in Review

Highlights of 2015



- The Selwyn Foundation was named Auckland Council's preferred partner for its Housing for Older People portfolio, with service expected to commence in the second half of 2016.
- Despite the decrease in operating profit our charitable spend increased during the year and is expected to rise further in 2016 as we undertake exciting new initiatives in this area.
- 2015 marked the 15th anniversary of our Selwyn Centres parish partnership charitable outreach programme. The initiative aims to combat loneliness and social isolation of elderly people living in the community. We now have 43 such Centres.
- We undertook an innovative telehealthcare pilot which, through simple touch-screen technology, enabled participants to monitor their health and receive timely healthcare support and advice from the comfort of their own home.
- Our model of care was redefined to address the needs of the whole person - not only their physical, but also their spiritual and mental wellbeing. We are now able to better express our promise to those we care for and more effectively train our staff.
- A pioneering medical clowning programme is being rolled out across all our care facilities. The Foundation is the first provider in New Zealand to engage Clown Doctor services in the residential aged care environment, and the initiative supports the Selwyn philosophy of providing spontaneity and reducing boredom for residents.
- We added to our 'colony' of PARO companion robotic seals, and now have thirteen in total. This means that this unique form of therapy can be accessed by residents across all our care homes and by clients of our dementia day services.
- We provided new learning methods and courses to help our staff enhance their own careers and deliver improved service to our residents. In 2015, another 56 employees completed our business communication course that improves spoken and written communication as well as numeracy.
- Construction commenced mid-2015 on two new independent living apartment buildings. The 57-unit Betty Pyatt Apartments at Selwyn Village and Selwyn Heights' 32-unit Caughey Apartments will provide another 89 apartments for the Selwyn community (of the new units, 50% were pre-sold by Christmas 2015).
- We also received resource consent approval for three new care facilities at Selwyn Village, Selwyn Oaks and Selwyn St Andrew's. The design of the new buildings has been inspired by the most innovative thinking in residential aged care provision and service delivery, and aims to reinvent how this service is provided in New Zealand.

Chair's Report

We are building on the outstanding legacy of those who have gone before us



CHAIR, KAY HAWK

2015 was an eventful year that saw the start of what I consider to be the fourth era in the development of The Selwyn Foundation.

Beginnings

Our early years were characterised by the vision and pioneering spirit of our Selwyn forefathers, who were driven to provide care to aged people living in desperate conditions in central Auckland. This first era, based on our wonderful Selwyn Village, was one of innovation, in which the needs of older people were met in a new and exciting way. At that time, we were heavily reliant on passion, goodwill, generosity and volunteers.

Our second era began when the Reverend Duncan Macdonald became CEO. Duncan brought new ideas, energy and drive to the organisation. We experienced an era of expansion, acquiring new sites, including several outside Auckland. It was a time not only of growth, but also of a strong focus on holistic care and our continuum of care. We increased the range of care services in our villages as well as in the community through our parish Selwyn Centres.

Under Duncan's leadership, the Foundation became a significant and respected player in the New Zealand aged care sector.

Our third era began when Garry Smith took over the mantle of CEO. This has been an era of professionalisation and a strengthened Executive team. We reviewed the direction of the Foundation, with specific reference to our charitable mission, to provide for the most vulnerable of our elders, improved our systems and processes and developed a range of partnerships to enhance

the delivery and scope of our service offering.

At the same time, the Board continued its journey to be a highly performing, not-for-profit governance board, revising the Foundation's constitution, developing policies, improving succession processes and establishing a number of highly functioning committees.

Whilst the care we provide in our villages will always remain a top priority, this third era saw us looking for ways to provide elder care that does not rely on having to purchase land and erect buildings. We also investigated the vulnerability, loneliness and social isolation that plague so many of our elders.

Fourth era

Towards the end of 2015, we entered into a new era, with the growing importance of two key directions for the Foundation.

Firstly, finding ways to meet the needs of a wider and more diverse group of elders who are not able to live in a village, or choose not to. We are especially proud to be named as Auckland Council's community housing partner for its Housing for Older People portfolio. Whilst we already provide rental opportunities at several of our existing sites, this new partnership will enable us to expand this capability, beginning with more than 1,400 homes.

Secondly, we are looking at how innovative technologies can assist with care, both in our villages and in the community. Our new PARO robotic seals and successful telehealthcare pilot illustrate this focus on embracing the latest technology.

Living Wage, Collective Employment Negotiations and Equal Pay

The 2015 year had its challenges. The Living Wage movement targeted the Foundation in their campaign for lower paid workers to be better paid.

It was disappointing that they chose to single out the Foundation in what is an industry-wide and New Zealand-wide issue. The Foundation would like to emphasise that we greatly value the outstanding service that our staff provide and their compassion for residents, and we are deeply thankful for their dedication. We care very much about pay levels for all staff, especially our lowest paid workers, and are committed to doing what we can to provide ways for our lower paid staff to take home more money through upskilling and professional development opportunities.

Following negotiation and mediation with the unions, our proposed new collective agreement was ratified. We are pleased to have found ways to achieve not only improved take-home pay, but also educational and advancement opportunities for staff, whilst ensuring our financial viability and the ability to sustain delivery of our mission. Concerning the Equal Pay case currently underway this, too, is a sector-wide issue that has significant ramifications for the wider aged care sector and could result in aged residential care homes going out of business unless funding changes in line with wages. We continue to work with the New Zealand Aged Care Association, as they represent providers on the Equal Pay case and Working Party, liaising with Government and the unions.

An expert team

During the year, The Selwyn Foundation's prominence in aged care nationally was further enhanced by two senior industry appointments for our CEO, Garry Smith.

Garry came to us with an outstanding reputation as a leader in New Zealand healthcare. His reputation has continued to grow in the aged care sector, being appointed Vice President of the Retirement Villages Association and elected as member of the Anglican Diocesan Council in Auckland.

I would like to thank not only Garry, but all our Selwyn staff who go the extra mile each and every day to care *about* our residents, as well as care *for* them – particularly our Executive team with whom the Board works so closely under Garry's leadership.

Finally, I wish to thank my fellow Board members for the dedication, generosity and expertise that they give and share unstintingly.

In particular, we thank and farewell Russell Florence. Russell has served on the Board for eight years, chairing our Finance Committee and recently as Deputy Chair. Russell's commercial and financial expertise and experience have been invaluable, and we wish him all the best for his retirement years.

In 2015, we welcomed Ben Green on to the Board. With 20 years' experience working in the technology sector, Ben is highly experienced in the application of technology to business. He brings to the Foundation his passion for business, faith and family, as well as the practical experience of starting and growing businesses.

The ongoing challenges of aged care

The challenges for everyone involved in aged care continue. There are increasing numbers of older people in New Zealand, more elders living to a greater age, a growing, culturally diverse population, a higher incidence of loneliness and social isolation of the aged, increased costs of land and housing...the list goes on.

In these circumstances, our mission is as relevant as it ever was: "To deliver quality services that are responsive to the ageing person and their family, ensuring that our charitable outreach supports those who are vulnerable or in need."

Fortunately, we are able to build on the outstanding legacy of those who have gone before us, whilst applying the latest and best innovations in creative ways to provide for the changing needs of our elders.



Kay Hawk

Chair

*The Selwyn Foundation
March 2016*

We look forward to new, purpose-built care facilities



CEO, GARRY SMITH

2015 saw the launch of many new initiatives as regards The Selwyn Foundation's model of care, our use of technology and partnerships with other providers and authorities.

The 2015 financial results saw pressure on income, particularly in residential care, while expenditure has increased as we look at ways of improving the experience of residents, reassess the way we undertake business and explore options for diversifying and increasing our revenue base. It is our expectation that this increased expenditure will pay dividends in the future and ensure the ongoing strength of the Foundation. The rise in value of our investment properties and significant cash reserves create an important resource for our planned investment in residential care facilities at Selwyn Village, Selwyn Oaks and Selwyn St Andrew's.

Social housing

Following our submission on a Request for Proposal from Auckland Council to partner in the management and development of its Housing for Older People portfolio, we were named as the preferred partner and are now proceeding through a business planning phase, with the aim of commencing service in the second half of 2016.

This is another very exciting chapter for all at the Foundation and is core to our mission, as we strive to improve the lives of those elderly most in need.

(See under Community, page 16.)

Model of care

We redefined our model of care to address the needs of the whole person, not only their physical wellbeing, but also their spiritual and mental wellbeing.

In line with our model of care, we are now purpose building new multi-level residential care communities based around small clusters of resident "households" within the larger care community. The physical design, staffing structures and operational systems are all focused on the individual's overall wellness, not just on the provision of clinical care.

(See under Villages, page 19.)

Telehealthcare pilot

New Zealand has a rapidly ageing population that places increasing strain on the health and aged care sectors. Therefore, new ways need to be found to support older people to extend the length of time they can remain independent in their own homes and neighbourhoods.

With this in mind, we undertook an innovative telehealthcare pilot, called *My Health Clinic at Home*. Through the application of touch-screen technology and video conferencing, the initiative aimed to help participants monitor their health and receive support and advice in their own home.

The pilot was evaluated independently on an ongoing basis under the guidance of the School of Population Health at the University of Auckland, with the research report due out later in the year.

(See under Learning, page 13)

Innovative community care JV

The telehealthcare pilot was developed in association with leading Australian health technology service provider, Feros Care Ltd. We are also working with them on a potential joint venture for a new business focussed on technology enabled solutions for chronic conditions management, hospital avoidance and rapid response services, details of which we expect to announce in coming months.

New care developments

We received resource consent approval for new care facilities at Selwyn Village, Selwyn Oaks and Selwyn St Andrew's. When completed, they will be state-of-the-art care facilities like no other in New Zealand, providing the highest quality of accommodation and services for our residents, and a modern work setting for our staff.

(See under Villages, page 19.)

Core systems project

During 2015 we made a start on a new project which, when completed in approximately two years, will improve our internal systems and the ways in which we serve and care for our residents. The project aims to link many of the processes our staff undertake each day in their work, so that less time is spent on administration and reporting, freeing up more time for the delivery of care and services.

The project will include all finance functions, payroll and rostering, and centralised resident and property information. It will also provide secure access for staff, residents and families to interact directly with the system.

Whilst it will be a significant investment in new software, training, time and money, it is one that is essential to improving our overall service.

Emergency planning

Much work went into our emergency planning in 2015. We adopted the Coordinated Incident Management System (CIMS) structure to manage an emergency response. This is the model used New Zealand-wide for coordination of major emergencies. As emergency responses need to be integrated, coordinated and exercised, adopting a slightly adapted version of this common

format facilitates liaison between all potential responding agencies, eg, the District Health Boards, Fire, Police and Civil Defence.

We have therefore updated our procedures accordingly and will be training all staff on effective emergency response over the course of 2016.

Health and Safety

The new Health and Safety at Work Act 2015 takes effect from April 2016. Whilst this follows the same principles as the 1992 Act, it introduces a number of significant changes.

Our current practices for managing health and safety will meet many of the new requirements. However, there are opportunities to identify new ways to manage health and safety at all levels, including introducing new systems and reporting to reflect the new requirements. Our response, including the new Safety, Quality and Risk Policy was approved by the Board in 2015.

Happy and Healthy

Our Happy and Healthy programme was launched in August 2015 to offer a variety of information, services and discounts to support employees and their families to improve their wellbeing.

An extensive survey revealed that our employees compare favourably with national averages when it comes to job satisfaction and quality of life, but there is room for improvement in certain areas. To address this, we launched a range of initiatives aimed at increasing activity levels, improving eating and managing stress. The programme focuses on healthy lifestyles, providing external counselling support as needed, and discounted offers for a range of health services.

Finally, I wish to thank the Board for their continued support and governance through these exciting times, in particular Russell Florence, who retires this year, for his guidance and expertise; the Executive team for their unrelenting enthusiasm, vigour and leadership; and most importantly, all Selwyn staff and volunteers, who care for and about our residents and the wider Selwyn family each and every day. It is thanks to their dedication and commitment that we continue to deliver the Selwyn mission six decades on.



Garry Smith

*Chief Executive Officer
The Selwyn Foundation
March 2016*

CHARITY



In our charitable giving, we have identified three particular areas of focus, where our help can make a substantial difference to those in need: social isolation and loneliness, social housing and hardship support.

SOCIAL ISOLATION AND LONELINESS

Clown doctors

In a New Zealand first, the Foundation has entered into an agreement with the pioneering Clown Doctors New Zealand Charitable Trust to introduce an innovative programme of medical clowning across our residential care facilities.

The programme builds on a successful Clown Doctors pilot that took place at Kerridge House, Selwyn Village. It involves visits by Clown Doctors to each facility on a rotational basis with Selwyn the first provider in the country to engage Clown Doctor services in the residential aged care environment.

The programme supports the Selwyn philosophy of providing spontaneity and, thus, reducing boredom. The Clown Doctors are not party clowns, but experienced professional actors, drama teachers, performing artists and musicians trained in the art of medical clowning to enhance the quality of life of those in a healthcare setting who may need an emotional boost. International research has proven the positive effects that humour and laughter have on health and the immune system and the considerable therapeutic benefits to be gained.

Working in conjunction with our staff, the Clown Doctors endeavour to achieve a range of positive effects for residents. These include increasing overall wellbeing, helping people through any difficult or emotional times and, generally, providing a fun environment for all.

Volunteer programme

Volunteering is of immense benefit to our residents; the 152 talented individuals who give up their time and energy really help contribute to making every day special for our residents.

Our volunteers enhance the lives of our residents and help further The Selwyn Foundation's mission to support and care for ageing people. Thanks to their assistance, our residents have greater opportunity to share their knowledge and life experiences, to develop ongoing friendships with like-minded individuals, to have fun and to engage with others in a creative and meaningful way.

We now have volunteers, ranging from 17 to 88 years of age in all our villages. They perform a number of roles such as personal history writers, befrienders, activity assistants, exercise class teachers, pianists and drivers. We also have local mothers who bring along their babies and toddlers to visit, and pet owners who bring their dogs to brighten up our residents' days. All of which helps our elders continue to grow and engage with the surrounding community.

We are grateful for the skills and talents of all our volunteers and welcome the diversity and many cultures and backgrounds they represent.

SOCIAL HOUSING

Social landlord status

We were successful in our application to the Community Housing Regulatory Authority to become a registered Class 1 Social Landlord and are now officially a registered Community Housing Provider (CHP). This means that we can further support our future tenants who face financial hardship, by accessing the Ministry of Social Development's income-related rent subsidy.

Social housing RFP

Our status as a Community Housing Provider enabled us to submit a Request for Proposal to Auckland Council's Housing for Older People Services for the development of intergenerational communities.



CHARITY

We were subsequently named as the council's preferred community housing partner for its portfolio of homes for older Aucklanders.

(See under Community, page 16)

HARDSHIP SUPPORT

Puckey Fund and Auckland Ladies' Benevolent Fund

The Foundation administers two funds for our residents and Selwyn Centre guests who cannot afford some of the essentials for healthy living, such as dental work, hearing aids and spectacles. Grants from the Puckey Fund were previously available to residents who qualified from across all Foundation-owned villages, as well as to male attendees of the Auckland Selwyn Centres. Grants from the Auckland Ladies' Benevolent Fund were available to female Selwyn Centre guests.

During the year, we expanded the availability of grants from the Puckey Fund to help guests of the Selwyn Centres located outside Auckland. The coverage has also been extended beyond individuals, so that equipment for communal use can be purchased for the benefit of a greater number of people.

During the year, we expanded the availability of grants from the Puckey Fund to help guests of the Selwyn Centres located outside Auckland.

In addition to these funds, the Foundation allocates grants to other charitable and not-for-profit groups working with elders in the community nationally. We are a

principal benefactor of The Hope Foundation and also contribute to the work of the National Dementia Cooperative, the New Zealand Association of Gerontology, the New Zealand Faith Community Nursing Association, the Maori Bishopric Te Pihopatanga o Te Tai Tokerau and Whangarei Anglican Care Trust.

Investment in such partner organisations complements our charitable mission, allowing us to extend our outreach within society and, therefore, make a difference to the lives of so many more older people and those who are most in need.

Supporting the Auckland City Mission

In 2015, we continued developing our partnership with Auckland City Mission through our support of the Mission's outreach programme amongst older people.

We made our first annual grant to Auckland City Mission in 2014, to support a social worker assigned to its outreach and support service. This person works one-on-one with people over 60 years of age who are among the most vulnerable and disadvantaged in Auckland and who do not access appropriate health, social or housing services.

In addition to helping individuals access benefits and health services, the support worker provides budgetary advice to help them manage their daily lives, and assists them in re-establishing connections in society that they have lost. By collecting outcomes data on the effectiveness of the initiative, we are able to evaluate how our support is providing help to those in need.





The Puckey Fund provides eligible Selwyn residents with various essentials that may be beyond their means – like free dental treatment.

Supporting vulnerable residents

We undertook a pilot research project to identify vulnerable independent living residents within our own villages. The pilot was conducted at Selwyn Village focussing on residents who may have become vulnerable because of the number of years they have been living in the village.

A member of our Resident Services team held a series of one-on-one meetings with a small group of independent living residents, and discussed various wellbeing and other issues. Reports were generated after each meeting which included an indication of risk according to each resident's circumstances. Particular issues were also highlighted to the Village Manager.

We are now reviewing the findings, with a view to creating

a programme that may include visitations or a navigator responsible for liaising with social services agencies and facilitating any additional assistance that may be required.

Investment in partner organisations complements our charitable mission, allowing us to extend our outreach within society.

LEARNING



In 2015, the Foundation further expanded our commitment to learning – investing in the education of our workforce and in research into gerontology and aged care.

UPSKILLING STAFF

Learning policy

During the year, the Board approved our Learning Policy which outlines the Foundation's commitment to learning and the framework to support learning.

Learning programme

The 2015 Learning Programme was developed to ensure that compliance training modules were completed to a consistent standard across all areas of the organisation and to introduce more optional training. Training toolkits were developed to provide trainers with consistent learning material that reflected current Selwyn procedures, legislation and best practice.

One key success was the integration of learning activities into the training toolkits, so that we can develop literacy and numeracy skills through our core training. Train-the-trainer sessions were conducted by the subject matter expert for the area, with eight trainers then delivering to the relevant employees in each area.

Industry training

As a result of the Targeted Review of Qualifications which started in 2008, a new range of qualifications are becoming available. This allows the Foundation more options to develop the skills and knowledge required to achieve our objectives and meet customer needs. Work began on identifying the best selection of the available unit standards for Foundation employees and this continues in early 2016.

With the introduction of the new qualifications, the emphasis has moved to a model that recognises the learning that occurs on the job. More importantly, it will enable employees to gain recognition for learning conducted as part of the annual learning programme and will make the achievement of formal qualifications a natural part of doing the job.

In this way, it supports our goal of encouraging and supporting employees to achieve the qualifications that are relevant to their roles. This also offers employees the opportunity to progress through the pay scale and receive rewards for their efforts.

Eden Associate training

Eden Associate training is a three-day course that offers the opportunity to be immersed in person-centred care. This course is quite intense and challenges participants to change the way they think about how we provide care to our residents.

There were two sessions of Eden Associate training in 2015. Approximately 150 current employees at all levels within the organisation have now completed this training, which provides them with a significant base of knowledge and skill to lead by example and coach others in person-centred care.

Business communications course

Following the success of the 2014 Business Communications pilot, we introduced the programme across all our facilities in 2015.

This initiative is designed to help with language, literacy and numeracy skills in the workplace, as well as in everyday life. It is aimed at enhancing the quality of spoken interaction between staff and residents, within teams, and between staff and family members of residents, and is also focussed on

the quality of written records and data input into the Foundation's software programmes.

The specially designed 20-week business communications course was run at four locations and provided 40 hours of learning to 56 learners. This brings the total number of learners who have completed the business communications programme to 87.

Graduation celebrations were held in each village to celebrate the achievements of the trainees.

Feedback from managers as to the benefits of the course includes increased staff confidence and better participation in meetings and handovers, as well as improved reporting of incidents or concerns about residents.

RESEARCH

Gerontology

A key objective for the Foundation is to facilitate research in gerontology and aged care, in order to promote an improvement in the overall quality of life of older people in the long-term. The Foundation supports a wide range of research projects in this area and partners closely with universities based in Auckland.

Projects completed in 2015 or due to finish in 2016 include:

- The nature of grief in family and professional caregivers of people with dementia.
- Taking the perspective of others: the effects of normal ageing on Theory of Mind abilities.
- Can we do more? A mixed methods study to explore nursing retention in New Zealand.
- Spirituality and ageing: how worship communities of senior people sustain their faith in the absence of traditional ordained ministry leadership.

LEARNING

- *My Health Clinic at Home:* developing confidence in older people to manage at home by providing technology-based daily contact, supervision and monitoring.
- An assessment of the health status of a group of independent residents, especially in relation to aspects of physical health and musculoskeletal function.
- The effects of Poi and Tai Chi on physical and cognitive function in healthy older adults.
- Loneliness in older people.
- Reducing cognitive, functional, depressive and behavioural problems in people with dementia and reducing the caregiver's burden through robotic seals.

The Foundation's engagement in such pioneering research – the outcomes of which are publicised in respected clinical journals and international peer-reviewed literature for further analysis and debate – highlights our progressive approach to gerontology and aged care, as well as our commitment to building greater understanding and support of older people.

Dementia care mapping

At our Brian Wells Lodge Memory Support Unit at Selwyn Village, we used an observation tool designed at Bradford University to examine the quality of care from the perspective of the person with dementia. Our focus was to identify how we could best use the physical environment to meet the

needs of current residents within a holistic wellbeing approach. The information gathered will guide the redevelopment of the unit's garden and will also be incorporated into design components of our new state-of-the-art facility planned for 2018.

The Selwyn Institute for Ageing and Spirituality

In 2015, The Selwyn Centre for Ageing and Spirituality was incorporated into the broader Selwyn Institute for Ageing and Spirituality. The Selwyn Institute has been developed to advance the understanding of ageing and spirituality and improve the outcomes for the elderly through knowledge exchange, research and education.

In addition to helping us keep our charitable mission front and centre of everything we do, it will ensure that we continually review, improve and enhance The Selwyn Way (our model of care). The Institute will provide a one-stop-shop resource centre for ageing and spirituality, and will facilitate knowledge-sharing for the benefit of all through research and development, pilots, internships, conferences, seminars, workshops and advocacy.

PARO companion robots

During the year, our 'colony' of PARO companion robotic seals increased by nine, bringing our total number to thirteen. This means that we are able to provide access to PARO for residents and clients across all our rest homes, hospitals and dementia day services. By interacting with PARO on a regular basis, users will benefit from the therapeutic effects that result.

PARO is modelled on a baby Canadian harp seal and is the world's most popular commercial robot for elderly people. It responds

to touch and other stimuli in its environment by making soft noises, moving its head and tail and making eye contact.

The Foundation was the first aged care provider to purchase these therapeutic robots for use in New Zealand, when we took delivery of four PARO healthbots in 2014, following successful trials with rest home residents at Selwyn Heights in 2013. That research found that rest home residents who had sessions with PARO were less lonely and more socially engaged than those who did not interact with the seal. Interaction with PARO also brought physiological benefits, such as helping to lower blood pressure.

A new trial in 2015 at our Anchorage and Lavender Cottage day centres with clients who have advanced dementia investigated whether PARO could help reduce cognitive, functional, depressive and behavioural problems in people with dementia in the day care environment, and reduce caregiver burden at home. Whilst these findings will be available later in 2016, observations indicate that the majority of clients were receptive to PARO, exhibiting positive emotions and speech towards the seal and one another.

Selwyn is noted for pioneering the use of new technologies in the care of older people, providing they deliver better quality care and are a safe and acceptable option for our residents and staff alike. Although robots will not replace personal care or even pet animals in residential care facilities, the Foundation believes there is a place for such assistive technology in aged care – for example, as an aid to communication, health monitoring and in ensuring the ongoing wellbeing of older people living alone.

Telehealthcare pilot

During 2015, we ran a pilot entitled *My Health Clinic at Home* to test the effectiveness of a telehealthcare service that for older people living at home.

Designed to assist those over the age of 65 who have been recently diagnosed with a chronic disease such as airways disease or high blood pressure, the system had been developed to allow older people to gain a better understanding of their health condition and to support them in managing their symptoms at home with a greater degree of confidence.

Users monitored their vital signs and assessed their general wellness on a daily basis, with the results then securely transmitted via the Internet to a specially trained telehealth registered nurse for review. The user and the nurse then discussed the results by video conference, deciding on any particular action that was required to manage the person's care that day. The programme ran alongside the individual's existing care provision, with the results sent to their doctor or case manager to assist with their clinical management.

The six-month pilot was developed in association with leading Australian health technology service provider, Feros Care Ltd, who have been successfully delivering telehealthcare for the older population throughout Australia for a number of years.

Experience overseas demonstrates that telehealthcare helps older people to stay well and healthy at home, maintains their independence and also prevents unnecessary hospital admissions. Such interaction also aids early detection and management of health issues and creates resilience on the part of users, so that their wellness is maintained for longer.

Research findings from the pilot will be published later this year.

Selwyn conferences

Selwyn is increasingly recognised as a leading source of knowledge and learning in all matters relating to ageing and spirituality.

Delegates from across the healthcare profession, the aged care sector and the hospice community therefore attended our annual Ageing and Spirituality conference, which offered a variety of cultural, religious and secular presentations on the theme of spirituality in palliative care and the needs of the aged.

Our 2015 Gerontology Nursing Conference was the biggest yet, with over 200 delegates attending. This full-day professional development event is the only conference of its kind in the country that involves expert nurses teaching other gerontology nurses, and helps promote a focus on ongoing training and education.

Similarly, our conference each year for Selwyn Centres' coordinators, volunteers and parish committee members represents an important training event that allows delegates to discuss best practice, share knowledge and reflect on the quality of the services they provide to Centre guests.

Psychology intern

We were pleased to offer a psychology internship for the first time based at our Brian Wells Lodge Memory Support Unit at Selwyn Village. The intern worked with our caregivers to devise strategies to provide meaningful activities for our residents, thereby increasing resident engagement and and so improve our services for those with dementia.

Advance Care Planning

Senior delegates from the Singapore Ministry of Health and Auckland District Health Board visited Selwyn Village during the year to find out more about our Advance Care Planning.

Dr Irwin Chung from the Singapore Ministry of Health was interested to hear how Advance Care Planning had been helpful in our care of residents and any hurdles that staff might have experienced with its implementation. Singapore is one of the many countries promoting Advance Care Planning education to care staff, and learnings from Dr Chung's visit will be helpful in the further development of the initiative in that part of the world.



COMMUNITY



Much of our work at The Selwyn Foundation benefits the wider community – from our Selwyn Centres in different parts of the country to the work we do with other organisations involved in aged care.

15 years of Selwyn Centres

September 2015 marked the 15th anniversary of our Selwyn Centres parish partnership charitable outreach programme. The initiative, which provides neighbourhood drop-in centres for the over 65s, was first launched in Papakura in 2000, aiming to combat the problems of loneliness and social isolation of older people living alone in the community.

Since then, the number of Selwyn Centres has grown to 43, offering friendship, fun, support and advocacy to seniors in localities across Greater Auckland, Northland, the Waikato and Christchurch. Part-funded by The Selwyn Foundation, the Centres are run in partnership with Anglican Church parishes and welcome people of all faiths, backgrounds, cultures and ethnicities.

The Centres offer a timetable of shared activities, gentle exercise, morning tea and occasional excursions all at nominal cost, with transport available, if required. Each session is facilitated by a trained coordinator and a team of volunteers.

Loneliness can be a serious health issue for older people. Research confirms that remaining socially connected has a positive effect on

general health and can also bring psychological benefits, such as delaying the onset of dementia. Indeed, the importance of social connections for wellbeing has led researchers to call on health professionals to take loneliness as seriously as other health risks.

For older people who may be without close family or friends, or who have limited opportunity for social engagement, the Selwyn Centres provide a chance to meet with others of the same age group within their local area each week. They provide companionship and shared interests in a supportive environment which, in turn, can contribute to older people being able to stay active, healthy and independent in their own homes.

In 2015, new Centres opened in Mangere and the North New Brighton area of Christchurch, and work is also progressing on establishing a Centre in Hamilton in the near future.

Dementia day centre survey

From a major customer satisfaction survey conducted in 2015 of family members of clients attending our two principal day centres in Auckland (The Anchorage in Glen Innes and Lavender Cottage at Selwyn Village), the Foundation achieved the highest score of all similar facilities in New Zealand and Australia who were surveyed by the same research company. Our overall mean score of 94.7% compared to the national benchmark of 87.9% and the metro benchmark of 88.5% ('metro benchmark' refers to the score recorded for all day centres in a city area surveyed by the same organisation).

Our mean score was also the highest achieved in any of the

The Selwyn Foundation's dementia day centres had the highest scores of all Australasian day care facilities surveyed.



COMMUNITY

services and, in addition, we outscored all other organisations in all but three of the standard questions.

Such results are a wonderful endorsement of our staff's compassion and dedication to providing a respectful, caring and reliable service which is very much appreciated by family members.

New housing partnership with Auckland Council

Following our submission of a response for proposal to Auckland Council's Housing for Older People Services, the Foundation was named in December 2015 as the council's preferred community housing partner for its portfolio of homes for older Aucklanders. This involves Selwyn partnering with Auckland Council through a joint venture, which will offer long-term security for the Council's existing social housing tenants.

As a Community Housing Provider, the Foundation has been looking at innovative ways to expand our services, so we can help greater numbers of elderly who need the security of a home and who are isolated and struggling. This partnership will allow us to ensure the future of affordable housing, create safe, thriving and age-friendly communities, and provide additional wraparound services for the benefit of those who are in need.

One of the Foundation's greatest strengths is the totality of the support we offer older people. As well as housing, we have developed a range of community programmes to address the issues of healthy living, isolation and loneliness. Under the proposed partnership, the following programmes will

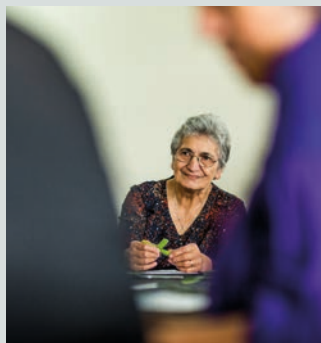
be available to council tenants – enhancing their lives and communities:

- our Selwyn Centres network of community drop-in venues in 26 parishes across the city;
- a 'navigator' outreach approach, with trained staff 'on the ground' helping people navigate social services and the health system;
- charitable funding to those in need, to help in purchasing one-off items essential to healthy living;
- our dementia day services;
- support teams enabling older people to move from independent living to residential care, when the time comes, guiding individuals through this process, assisting them with getting assessed and making sure they receive all the subsidies they are eligible for.

Separately, as a registered Community Housing Provider, we also have access to the Government's Income Related Rent Subsidies scheme which will help reduce tenants' rents and so alleviate the financial hardship faced by some elders.

One of the Foundation's greatest strengths is the totality of the support we offer older people.

A Memorandum of Understanding has been signed with Auckland Council which will allow feasibility work and due diligence to be progressed, with the objective of entering a formal contract mid-year. This would allow services to commence in the second half of 2016.





Cooking for one can be a challenge. The Selwyn Foundation has provided funding for practical cooking classes for older people living at home.

Innovative community care JV

As part of our support for the wider community, we are also working with Australian health technology service provider, Feros Care Ltd, on a potential joint venture for a new business focussed on technology enabled solutions for chronic condition management, hospital avoidance and rapid response services in various parts of the country.

Further details to be announced later in 2016.

Input into the Ministry of Health's aged care strategies

During the year, the Foundation was represented on the working group that contributed to the Ministry of Health's review of its Health of Older People Strategy. Additionally, Hilda Johnson-Bogaerts, General Manager of The

Selwyn Institute for Ageing and Spirituality, was part of the working group tasked with producing guidelines for the design of secure dementia care homes. These principles will apply to refurbishments and new buildings developed from 2016 onwards.

As a Community Housing Provider, the Foundation has been looking at innovative ways to expand our services, so we can help greater numbers of elderly.

VILLAGES



The facilities and activities in our villages continue to expand, with a new model of care to guide our recently approved developments. We have also launched new initiatives to promote the wellbeing of our village residents.

Selwyn's model of care

Inspired by best practice around the world, The Selwyn Foundation is creating our unique way of delivering holistic care and support to the elderly, which is focused totally on the individual, their needs and what they want out of life.

To facilitate Selwyn's model of care, we are purpose-building new multi-level residential care communities, based around small clusters of resident "households" within the larger care community. Both the physical design and the staffing structures are focused on overall wellness, not just clinical care.

Development update

In 2015, we received resource consent approval for new building developments at Selwyn Village, Selwyn Oaks and Selwyn St Andrew's, all of which include care facilities. The design of the new buildings has been inspired by the most innovative thinking in residential aged care provision and service delivery, and aims not just to support the Selwyn model of care, but to reinvent how residential aged care is provided in New Zealand. When completed, they will be state-of-the-art care facilities like no other in the country, providing the highest quality of accommodation and services for our residents and a

modern work setting for our staff.

At Selwyn Village, we will be building a two and three combined level, 90-room care development. It is anticipated that the process of design and documentation, building consenting, tendering and the related Board approvals will be completed by the end of 2016, with site works commencing in late January/February 2017. Assuming this indicative schedule is achieved, the building could be completed by late April 2018. At Selwyn Village, one of the households will be slightly larger than the others and will be designed to provide a home to 18 residents with dementia.

At Selwyn Oaks, we will be building a three-storey, 48-room residential care and village community services development. Design and documentation have been completed, and it is anticipated that the process of tendering and gaining the related Board approvals will be completed by April. Site works should then commence in May 2016, with the building potentially finished by August 2017.

At Selwyn St Andrew's, we will also be building a three-storey development for completion by late July 2017. This will offer a range of leisure and social facilities for village residents on the ground floor, a 24-room residential care suite on the first floor and eleven independent living apartments on the upper floor. We are particularly excited about the new care component, as we will be able to provide the full continuum of care at the village for the first time enabling residents to continue living on site as their care needs change over time.

The design of each facility will incorporate small communities

or households within the larger community of the facility. Each household will function like a home, with its own living room and open plan kitchen.

When completed, these new state-of-the-art care facilities will allow us to provide the best quality of care and services to older people for many decades to come.

We have also made good progress on the construction of the new 57-unit Betty Pyatt apartment building at Selwyn Village and the 32-unit Caughey Apartments at Selwyn Heights, which are due to be completed in June and August 2016 respectively.

The new apartment development at Selwyn Village is named in honour of a current Selwyn Village resident and in recognition of her dedicated service as a matron of the former Christ's Hospital. Selwyn Heights' new development is named in honour of Mr Richard Caughey, a former Selwyn accountant and Board Member who served the Foundation during a particularly formative period in our history.

Prioritising accessibility

In designing all our new developments – whether for independent living or residential care – accessibility is a key priority, and we are ensuring that the configuration and layout of our buildings meet the desired accessibility standards that benefit residents, staff and visitors alike.

During the year, we initiated a property accessibility review to ensure that we are delivering best practice in terms of the accessibility of our living environments and that they are fit for purpose and future-proofed. In addition, we are developing an Accessibility Design Brief to

VILLAGES

include key principles and inform future development projects, and will be providing a road map for progressing the wider holistic approach to accessibility within the Foundation in the long-term.

interRAI assessment software

Throughout the year, we continued to integrate the Ministry of Health's interRAI clinical assessment software into our processes, to ensure that our clinical staff use it as a primary assessment tool.

The evidence-based interRAI assessments that we now undertake within our care facilities contribute to improved care planning and, ultimately, to better care.

Chaplaincy activities

We welcomed three new chaplains in 2015 to provide spiritual and pastoral support to our village communities at Selwyn Village, Selwyn Wilson Carlile and Selwyn Sunningdale. As a faith-based organisation, we believe that such support contributes to older people's health and wellbeing, and our ministry outreach, whilst Christian, is to everyone, irrespective of their religious affiliations.

Our chaplains conduct a range of weekly worship activities and hold regular services and Festival events in our villages and care facilities. Their programme of pastoral care is varied and tailored to the individual's needs, offering great comfort to our residents and staff alike.

In November, our chaplaincy team held special remembrance services

at all sites and in each hospital and rest home. Families of those who had passed away during the year were invited, as well as staff and residents. During the services, each resident was named and remembered with a candle.

Throughout the year, the chaplains also took the lead on a mission project at Selwyn Village, with the congregation raising \$3,000 to buy wheelchairs for children in Fiji.

Baby Buddies at Selwyn Village

A group of baby volunteers started visiting our Selwyn Village rest homes in 2015 in partnership with local Plunket mother and toddler groups. This community outreach programme is a very rewarding experience for all concerned, enabling residents, parents and babies to meet and have some fun together.

Baby Buddies takes the form of a play group which is hosted once a week at each of the care houses on a rotational basis. Local mums and their toddlers spend up to one hour in a facility, speaking to residents about motherhood, whilst the children interact, play and sing songs.

Whilst the effect of interacting with babies varies depending on factors such as child-rearing experience and gender, the benefits are considerable and include generally lifting people's spirits and easing the symptoms of age-related illnesses. The programme at Selwyn Village will enable us to identify specific requirements for hosting intergenerational groups within our homes for expansion across all Foundation sites.

Animal visiting programme

The introduction of the St John/SPCA animal visiting programme across all our villages will shortly be formalised to complement the

presence of residential animals in our care homes. Outreach Therapy Pets is a joint initiative between St John and SPCA Auckland which involves more than 300 volunteers and their pets visiting rest homes, hospitals and other health services, to bring comfort to residents and patients and promote emotional wellbeing.

Currently, there are visiting animals at a number of Selwyn locations on an informal and intermittent schedule. By strengthening our relationship with the St John/SPCA programme, we will be able to host more regular and meaningful visits and, therefore, facilitate developing companionship for our residents with the animals and their owners alike.

Art therapy

During 2015, we hosted an art therapist intern from Hochschule für Kunsttherapie Nürtingen, Germany, who completed a five-month work programme at Selwyn Village, working across the continuum of care with independent living to hospital and dementia support.

The intern programme allowed us to evaluate the benefits of art therapy as another way of supporting our residents. Art therapy has helped people to express themselves where, in some cases, it has been difficult in the past. It has provided a safe and nurturing space to give individuals opportunity, place and time to express themselves in a deep and meaningful way, leaving them with a sense of accomplishment. It has also led to a better understanding of each resident's individual and unique experiences and past.

The initiative has led to the development of a publication of artworks and the introduction of art expression clubs in all our care facilities at Selwyn Village, facilitating art and conversation for residents

through fun and informative sessions. Due to the success of the art therapy programme, we are working towards establishing a formal internship.

Advanced nurse call system

We rolled out the first phase of our innovative new nurse call system during the year, deploying market leading technology that incorporates a range of advanced customer service features to provide the best possible level of care and support to our residents.

The new system comprises specially designed, highly visible call points that are easy to use by those with limited mobility, sensory impairments and dementia. A discreet call method decreases the frequency of the traditional loud call bell, resulting in a more tranquil and less disruptive environment for residents.

New model of food service delivery

We continued to develop a new model of food service delivery that was launched at the end of 2014.

Key features of this model included new production kitchens at Selwyn Heights and Selwyn Village, procurement of equipment for food transportation, changes in menus and ingredients, and a reduction in delivery time between cooking and serving the meals to residents. The new procedures also included improved in-house hospitality and service delivery training for care staff, more time for staff to assist residents over meal periods and increased labour hours. We also broadened the offer in independent living cafés.

The changes implemented have provided additional variety, increased resident involvement in menu design and generally enhanced the dining experience and food service delivery for our residents. There is still more work to be completed before we are satisfied.

Customer satisfaction and staff communications surveys

We conducted a major Foundation-wide satisfaction survey, with questionnaires sent to residents, day centre clients and their families to determine satisfaction levels relating to our services and care provision. We have recently received the results, which we are analysing per location, and the findings will inform our annual plans for 2016.

We also undertook a staff communications survey to find out how staff would like to receive updates and information on topics and issues that matter most to them, with a view to making sure that our communications are relevant, timely and as useful as possible. A similar survey will be sent to residents and some residents' family members in 2016, and the results of both will enable us to deliver a communications programme which is more tailored to our customer and staff requirements.

These surveys are part of a broader customer engagement process that will allow us to build closer relationships with all our residents, day centre clients, families and wider service users. By evaluating our customers' requirements and priorities, we aim to continuously improve on our practices and procedures and refine our offering to further enhance the customer experience.

Four-year certification

During the year, our care facilities achieved excellent results in their various external audits, with Brian Wells Lodge joining Caswell and Kerridge (all Selwyn Village) in achieving the much sought-after four-year certification.

By evaluating customers' requirements and priorities, we aim to continuously improve our practices and procedures.



Our Mission

An enduring legacy



To deliver quality services that are responsive to the ageing person and their family, ensuring that our charitable outreach supports those who are vulnerable or in need.

Sometimes, the initial vision for a civic deed is so strong that it gains size, quality and significance over the decades. Such was the vision for Selwyn Village and The Selwyn Foundation, institutions which have redefined the approach to caring for older people in New Zealand for over sixty years and continue to serve the needs of some of the most vulnerable members of society.

Our charitable mission is just as relevant now as it was in the early 1950s. Elders today are facing the same pressing issues, with the hardship just as acute in some quarters. The scourge of loneliness, the effects of financial hardship on healthy living and the lack of affordable age-friendly housing all have their own consequences for health and wellbeing.

The Foundation continues to uphold the objects of our original Constitution in providing quality care and support – both material and spiritual – not only within our village environments, but also to those in the wider community who are vulnerable or in greatest need.

Many have been helped over the years, but there is much still to do. With the number of people in New Zealand aged 65+ set to increase dramatically, Selwyn's mission will take on even greater importance in the coming years. Guided by The Selwyn Way and our faith values, we will strive to meet the challenge.

To care for older people, you have to care about them



Faith

The understanding and affirmation of the meaning of the life, teaching, death and resurrection of Jesus Christ

Care

The way we show God's love in action.

Independence

How we support individuals to enable them to make choices about their life.

Diversity

Selwyn is a place for everybody.

Wellness

The ability of each person to live fully within their capabilities.

“The Selwyn Way, with its focus on ageing well through the concepts of care, independence, wellness and diversity - underpinned by faith - informs every aspect of the work of The Selwyn Foundation. Whatever the task - whether it be in caregiving, developing new buildings, finance or caring for guests in a Selwyn Centre - our work is animated by the elements of The Selwyn Way. It means we are not just doing a job but, rather, endeavouring to enrich the lives of each person who comes in contact with us.”

Marianne Hornburg, Spiritual Care Coordinator.

Life Members and Companions

For service of Heart, Hand and Mind

New Life Member honoured in 2015

Sally Naulls

For her service in establishing and coordinating our community outreach ministry in Selwyn Centres. These Centres were established in 2000 to address the issues of social isolation and loneliness of the elderly living independently in their communities. Working with parishes to expand the ministry, Sally opened 42 centres, caring for over 800 elderly weekly. Selwyn Centres are now located as far afield as Christchurch (in answer to post-earthquake needs), Waikato, Auckland and Northland.



From Left: The Right Reverend Ross Bay and Sally Naulls

Current Life Members:

Mr Noel Herries

Reverend Canon Ron Bambury, 1987

Captain Stanley Banyard, 1970

Dr N C Baskett, 1975

Canon Douglas Caswell, 1974

Mr S R English, 1970

Miss Phyllis Goode, 1987

Mr C K Harrison, 1971

Sir Bob Kerridge, 1971

Reverend Canon Kenneth

R. Small, 1987

Richard Caughey, 2014

The Reverend Peter Coughlan, 2014

Mrs Margaret Dunn, 2014

The Reverend Duncan
Macdonald, 2014

The Right Reverend Richard
Randerson, 2014

New Companions honoured in 2015

Dr Chris Perkins (now retired from the Foundation)

For her past service on the Board of Trustees from 2003 to 2008 and her services as Director of The Selwyn Centre for Ageing and Spirituality from 2008 to 2015. When it was first established, The Selwyn Centre for Ageing and Spirituality was a unique concept in the aged care sector and one that set the Foundation apart from other providers. Chris developed the scope and reach of the initiative both nationally and internationally, promoting education, research and advocacy in areas of need relating to ageing and spirituality, and raising awareness of the need to address older people's spirituality within the care environment and amongst all those involved in the care of the aged.

Jan Culpan

For her 32 years of dedication and care for our residents commencing in 1983 as a part-time registered nurse at Christ's Hospital and, more recently, as a Health Monitoring Nurse caring for our independent living residents at Selwyn Village.

Ross Gregory

For his services to The Selwyn Foundation as carver of Pono, a Tokotoko presented to the Chair of The Selwyn Foundation Board by the Pou Tikanga, The Venerable Lloyd Popata in 2013. This symbolises the ethnicities and values of all cultures that live within the Selwyn community and have become a feature of our organisation. Ross also participates in our many and varied ceremonies as a respected Kaumātua.

Current Companions

John Avery

Katie Borobokas

John Cameron

John Cockcroft

Jim Frater

The Right Reverend Bruce Gilbert

Dr Sue Hancock

The Very Reverend Geoffrey Hickman

Dawn Jones

George Langton

Shirley Lees

The Reverend John Marcon

The Right Reverend John Paterson

Joanna Pidgeon

Dr Gillian Reid

Professor Russell Stone

Graeme Stormont

Beverley Yakas

The Reverend Frank Wright

From Left: Dr. Chris Perkins, Jan Culpan, Sally Naulls, Ross Gregory



Donations and
Bequests - 2015

Received with thanks

Alexander, J
\$2,000

Brown, M (Rev)
\$5,000

CR Stead Trust
\$27,608

M Dunn Trust
\$2,922

E G Cowell Estate
\$3,906.61

Friends of Oaks
\$4,064.52

Hincho, P
\$1,500

J D Owen Estate
\$2,709.25

K King Estate
\$5,000

Kelly, J
\$6,670

Marshall, M
\$1,000

N M O Snell Estate
\$34,400



Noel Leeming Group Ltd
\$6,520

P C R Anderson Estate
\$10,000

P R Waring Estate
\$3,946.29

Selwyn Village Patchwork Group
\$9,592

Selwyn Village Treasure Chest
\$7,609

Donations were also received from:

Abraham Family

Adams, P

Ansley, R

Brooks, B

Davis, B

Dingle, D

Hornburg, M (Rev)

Kennedy, J

King Family

Moffat, Y

O'Brien, V T

Paulin, C

Pedersen, L

Salmon, A J B

Sarah Selwyn Social Club

Speedy, J

Sutton, L

Walters, T

Yuletich, W



Chief Financial Officer's Report

Increased expenditure in improving the resident experience will ensure the ongoing strength of the Foundation



CFO, JASON MORE

I am pleased to present the Chief Financial Officer's Report and summary financial statements for The Selwyn Foundation group, including The Selwyn Foundation and Selwyn Care Limited, for the year ended 31 December 2015.

It was another busy year financially, influenced by the construction underway on the Betty Pyatt Apartments at Selwyn Village and the Caughey Apartments at Selwyn Heights, investigations into forming joint venture arrangements with the Auckland Council and Feros Care Ltd and a review of our core systems. Planning work is also well underway on new developments at Selwyn Village, Selwyn Oaks and Selwyn St Andrew's.

Financial Performance

Operating Loss

The 2015 year saw the Foundation make an operating loss of \$1.9m, compared with the profit of \$0.5m in 2014.

Residents' rental and fee income decreased by \$2.4m to \$31.0m. This was largely related to lost income as a result of the closure of Christ's Hospital at the end of 2014. Income from the independent living ORA service charges and deferred facility fees were up by \$1.6m, which reflected the increased number of residents in the year.

Expenses rose during the year in most areas, except in relation to managers, nurses and caregivers. The decrease in this area was due to the closure of Christ's Hospital and, on a like-for-like basis, actually increased. Maintenance and cleaning was up, due to an increase in maintenance and refurbishment costs reflective of the age of our properties.

In recent years, the Foundation has

been undertaking work on business plan initiatives to primarily improve our operating efficiency and reduce risk. In 2015, spend in this area amounted to \$0.7m, which was up on the 2014 spend of \$0.5m.

Other Income and Expenses

We are required to revalue our independent living assets each year and record any movement through our Statement of Financial Performance. In 2015, a gain of \$14.8m was recognised, which reflects improvements in the general property market and a change in an assumption within the valuation. This gain includes both amounts realised in the current year and also the recognition of increased future income to be derived by the assets. In 2014, the gain was higher due to the recognition of the Reeves apartment building upon its completion. Similarly, in 2016, we will have gains to recognise upon the completion of the Betty Pyatt and Caughey Apartments. The Selwyn Foundation uses the gains that are realised in cash to reinvest in the assets of our existing villages, and this is reflected in our significant redevelopment plans for the coming years.

Feasibility spend related to the investigation of potential new business opportunities. There was a reduction in spend in 2015, of which the majority related to work undertaken on the proposed Feros and Auckland Council joint ventures.

Despite the decrease in operating profit, our charitable spend increased during the year. With a refocus on our charitable mission and the additional opportunities to serve older people we are expecting this to rise again in 2016, as we undertake exciting new initiatives in this area.

Total Comprehensive Income

The Selwyn Foundation recorded total comprehensive income for the year to 31 December 2015 of \$14.1m. The profit for the year has been largely reliant on the revaluation gain noted earlier.

Statement of Financial Position

The equity of The Selwyn Foundation increased by \$14.m during the year and now amounts to \$219.0m.

Within our assets, the value of our investment properties rose by \$37.3m, which was made up of the year end revaluation and the significant spend to date on the new apartment buildings under construction. Our cash and other investments (term deposits greater than three months and a bond portfolio) decreased during the year by \$11.2m, which was largely due to the spend on the new developments.

The most significant movement within our liabilities was the increase in liability for licensees' interest in ORA units, and this was largely due to the completion of the sell-down of the Reeves Apartments.

Statement of Cash Flows

The statement of cash flows reflects movements in our cash balances and short term deposits (less than three months), and this decreased by \$0.5m.

We also have term deposits in place for more than three months which decreased by \$11.0m as we realised cash from the maturing of some of these investments. If these were to be added together, it results in a net decrease in the year of \$11.5m.

Cash flows from operating activities were down compared with the prior year by \$9.7m, which was

mainly due to the settlement and termination of ORA units. Whilst, overall, the number of settlements was similar to last year, receipts from residents for ORA units were down due to the fact that 2014 included a higher level of new sales from the Reeves Apartments, which were generally higher in value. Payments to residents for ORA units were higher in the year and reflected the increased number of resales and also buybacks of units, which mainly related to development activity. Overall, we had 23 new sales during the year (which resulted in all new stock being sold down) and 51 resales. This compared to 39 new sales and 36 resales in 2014.

Cash flow from investing activities included the spend on the new apartment developments which are underway and the maturing of term deposits greater than three months, as mentioned earlier.

For 2016, our cash flow is going to be split into two periods. In the first half of the year, we are going to have large amounts of expenditure as we complete our developments. However, this will turn around in the second half of the year, as the new apartments are delivered and we commence sell-down of the units and, as such, we are expecting strong cash inflows in the later part of the year.

The 2015 year continued a trend for the Foundation with pressure on income, particularly in residential care. Whilst expenditure increased as we looked at ways of improving the experience of residents, reassessed the way we undertake business and explored options for diversifying and increasing our revenue base, we also continued to invest in the assets of our business. It is our expectation that

this increased expenditure will pay dividends in the future and ensure the ongoing strength of the Foundation.



Jason More
Chief Financial Officer
The Selwyn Foundation
March 2016

Despite the decrease in operating profit, our charitable spend increased during the year. With a refocus on our charitable mission and the additional opportunities to serve older people, we are expecting this to increase again in 2016.

Summary Consolidated Statement of Comprehensive Income

For the year ended 31 December 2015

	Note	2015 \$'000s	2014 \$'000s
Revenue			
Residents' rental and fees		31,002	33,400
ORA service charges		3,107	2,814
Deferred facility fees		7,813	6,531
Other income		678	445
Total revenue		42,600	43,190
Expenditure			
Managers, nurses and caregivers		18,649	18,830
Maintenance and cleaning		7,811	6,424
Administration expenses		8,261	8,071
Depreciation		2,108	2,056
Other expenses		7,709	7,315
Total expenditure		44,538	42,696
Operating profit / (loss)		(1,938)	494
Other non-charitable income / (expenses)			
Finance income		2,687	2,572
Increase in fair value of investment properties	2	14,767	27,296
Loss on sale of fixed assets		-	(314)
Feasibility studies		(505)	(2,280)
Net profit before charitable activities		15,011	27,768
Charitable activities		(933)	(876)
Net profit		14,078	26,892
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		14,078	26,892

These summary financial statements are to be read in conjunction with the accompanying notes.

Summary Consolidated Statement of Changes in Equity

For the year ended 31 December 2015

	Note	Retained Earnings		Reserves		Total Equity	
		2015 \$'000s	2014 \$'000s	2015 \$'000s	2014 \$'000s	2015 \$'000s	2014 \$'000s
Total equity at the beginning of the financial year as reported		202,851	176,008	2,104	2,055	204,955	178,063
Net profit/Total comprehensive income		14,078	26,892	-	-	14,078	26,892
Transfer to reserves		(56)	(49)	56	49	-	-
TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR		216,873	202,851	2,160	2,104	219,033	204,955

These summary financial statements are to be read in conjunction with the accompanying notes.

Summary Consolidated Statement of Financial Position

As at 31 December 2015

	<i>Note</i>	2015	2014
		\$'000s	\$'000s
Assets			
Cash and cash equivalents		28,316	28,772
Accounts receivable		4,245	3,967
Stock on hand		-	4
Other investments		30,763	41,535
Property, plant and equipment		35,955	34,781
Investment properties	2	331,089	293,767
TOTAL ASSETS		430,368	402,826
Liabilities			
Accounts payable and other provisions		8,107	6,528
Loans		245	280
Licensees' interests in ORA units		202,983	191,063
Total liabilities		211,335	197,871
Equity			
Retained earnings		216,873	202,851
Reserves		2,160	2,104
Total equity		219,033	204,955
TOTAL LIABILITIES AND EQUITY		430,368	402,826



Kay Hawk
Trustee

Date: 22 March 2016



Russell Florence
Trustee

Date: 22 March 2016

These summary financial statements are to be read in conjunction with the accompanying notes.

Summary Consolidated Statement of Cash Flows

For the year ended 31 December 2015

	Note	2015	2014
		\$'000s	\$'000s
Cash Flows from Operating Activities			
Receipts from residents		34,487	35,974
Receipts from residents for ORA units		35,374	39,203
Payments to residents for ORA units		(15,978)	(10,980)
Legacies and donations received		143	64
Interest received		2,292	2,423
Cash paid to suppliers, employees and donations		(42,705)	(43,344)
Net cash flows from operating activities		13,613	23,340
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(3,520)	(2,423)
Construction and purchase of investment properties		(21,538)	(15,779)
(Increase) / Decrease of other investments		11,024	(14,937)
Net cash flows applied to investing activities		(14,043)	(33,139)
Cash Flows from Financing Activities			
Repayment of loans		(35)	(35)
Net cash flows applied to financing activities		(35)	(35)
Net decrease in cash and cash equivalents		(456)	(9,834)
Cash and cash equivalents as at 1 January		28,772	38,606
CASH AND CASH EQUIVALENTS AT END OF YEAR		28,316	28,772
Cash and cash equivalents			
Cash at bank and on hand		5,865	6,722
Short term deposits		22,451	22,050
CASH AND CASH EQUIVALENTS AT END OF YEAR		28,316	28,772

These summary financial statements are to be read in conjunction with the accompanying notes.

Notes to the Summary Financial Statements

For the year ended 31 December 2015

1 Statement of Accounting Policies

Reporting Entity

The Selwyn Foundation is a reporting entity, domiciled and registered in New Zealand for the purposes of the Financial Reporting Act 2013 and the Retirement Villages Act 2003 and its financial statements comply with these Acts. Consolidated financial statements are presented which comprise The Selwyn Foundation and its wholly owned subsidiary, Selwyn Care Limited.

The Selwyn Foundation and Selwyn Care Limited (the "Group") are charitable trusts registered under the Charities Act 2005 (Registration numbers CC23254 and CC21480) domiciled in New Zealand. The reporting terms and conditions set by Charities Services require the parent entity to prepare consolidated financial statements. This is a requirement of the Charities Act 2005 (section 46(1C)). The Group offers Christian care and support of the elderly.

The consolidated financial statements for the Group are for the economic entity comprising The Selwyn Foundation and its subsidiary, Selwyn Care Limited.

Basis of Preparation

The summary financial statements have been extracted from the audited full Financial Statements for the year ended 31 December 2015 approved for issue on 22 March 2016.

The full financial statements, from which these summary financial statements have been extracted, have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards with public benefit entity modifications (NZ IFRS (PBE)) and other applicable Financial Reporting Standards. The financial statements fully comply with International Financial Reporting Standards. The summary financial statements comply with generally accepted accounting practice in New Zealand ('NZ GAAP') as it relates to summary financial statements for public benefit entities.

The full financial statements have been audited and issued with an unmodified opinion in respect to the years ended 31 December 2015 and 31 December 2014.

The summary financial statements were approved for issue on 22 March 2016 by the Board of Trustees.

The information is presented in New Zealand dollars, which is the presentational currency of the Group. All values are rounded to the nearest thousand dollars (\$000).

These summary financial statements have been prepared in accordance with FRS-43 Summary Financial Statements.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. A copy of the full financial statements can be obtained by contacting The Selwyn Foundation at PO Box 8203, Symonds Street, Auckland 1150.

2 Investment Properties

	2014 \$'000s	2013 \$'000s
Investment Properties Under Development at cost		
Opening balance	2,509	9,448
Transferred from/(to) property, plant and equipment	(214)	-
Capitalised subsequent expenditure	22,711	15,300
Completed developments transferred to completed investment properties	(171)	(22,159)
Expensed to Statement of Comprehensive Income	(27)	(80)
Closing balance	24,808	2,509
Completed Investment Properties at Fair Value		
Opening balance	291,258	241,343
Capitalised subsequent expenditure	85	98
Completed developments transferred from investment properties under development	171	22,159
Investment properties transferred from property, plant and equipment	-	362
	291,514	263,962
Change in fair value during the year	14,767	27,296
Closing balance	306,281	291,258
Total investment properties	331,089	293,767

Valuations of the investment property have been performed based on a discounted cash flow methodology whereby the future cash flows expected to be generated from such property has been discounted to the valuation date at a discount rate reflecting the risk of the investment. Significant assumptions used in the valuation include:

- Weighted average cost of capital post tax at 10.7% p.a. (2014: 10.7%)
- Capital growth rate from 2.5% p.a. to 2.8% p.a. (2014: 2.5% to 2.8%)
- Turnover in villas of 10 years (2014: 10 years)
- Turnover in apartments of 7.5 years (2014: 7.5 years)
- Unrecoverable costs and expenses at 1.1% p.a. (2014: 1.1%)
- Refurbishment costs at 0.7% p.a. of incoming residents purchase price (2014: 1.3% of outgoing residents purchase price)

3 Events After the Reporting Date

Subsequent to balance date the Boards of The Group and Feros Care Ltd have agreed to enter into a joint venture arrangement to undertake community based care services.

The Group has also entered into a Memorandum of Understanding with Development Auckland Limited an Auckland Council Controlled Organisation, with the aim of entering into a partnership arrangement for the management and development of their Housing for Older People portfolio. (2014: Nil).

REPORT OF THE INDEPENDENT AUDITOR
ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF
THE SELWYN FOUNDATION

The accompanying summary financial statements, which comprise the Summary Consolidated Statement of Financial Position as at 31 December 2015, the Summary Consolidated Statement of Comprehensive Income, Summary Consolidated Statement of Changes in Equity and Summary Consolidated Statement of Cash Flows for the year then ended, and related notes, are derived from the audited financial statements of The Selwyn Foundation for the year ended 31 December 2015. We expressed an unmodified audit opinion on those financial statements in our report dated 22 March 2016.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of The Selwyn Foundation.

Trustees' Responsibility for the Summary Financial Statements

The Trustees are responsible for the preparation of a summary of the audited financial statements in accordance with FRS-43: Summary Financial Statements (FRS-43 (PBE)).

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810, "Engagements to Report on Summary Financial Statements."

Other than in our capacity as auditor we have no relationship with, or interests in, The Selwyn Foundation.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of The Selwyn Foundation for the year ended 31 December 2015 are consistent, in all material respects, with those financial statements, in accordance with FRS-43 (PBE).



STAPLES RODWAY AUCKLAND
CHARTERED ACCOUNTANTS
AUCKLAND

22 March 2016

Board Governance, Principles and Guidelines

The Foundation aims to operate to the highest standards of governance and, as it has no shareholders, the role of the Board is even more significant in governance terms.

Governance

The Selwyn Foundation ensures that good governance practices reflect the nature of the Foundation, its charitable structure and the range of interests of its stakeholders. It is governed by a Board of Trustees, which is the legal authority for the organisation. The Board provides strategic leadership and oversight, upholding the integrity of the decision-making process and ensuring that its strategic focus, policies and practices are ethical and consistent with The Selwyn Foundation Mission and Constitution.

The Foundation aims to operate to the highest standards of governance and, as it has no shareholders, the role of the Board is even more significant in governance terms. Its members represent the interests of The Selwyn Foundation and residents, both constitutionally and morally. As such, both the Board and its members are entrusted to ensure that the Foundation is soundly managed for the benefit of all through the Senior Leadership Team.

Board composition and tenure

The Board may consist of up to ten members and no fewer than five, each of whom occupies a 'seat' for either a two or three year term, according to the manner in which they are appointed. The Chair is appointed by the Bishop of the Diocese of Auckland (being the President of The Selwyn Foundation), and up to six members are appointed by the Auckland Diocesan Council, with a further two elected at the Annual General Meeting. Board members may be reappointed for a maximum

of nine years and are eligible for re-election after a period of three years. All elected and nominated Board members in seats 1 -7 are communicants in the Anglican Church. Board members appointed to seats 8 -10 should either be communicant Anglicans or declare their support for the ethos and mission of The Selwyn Foundation at the time of their appointment.

If any seat becomes vacant prior to completion of the due term, it may be filled by the Board until the end of the term of the original member, subject to confirmation by the appropriate appointing or electing body. The Board may co-opt one member who has special skills or abilities, with such appointments reconfirmed on an annual basis for a maximum of three years. This position may or may not have voting rights at the Board's discretion.

Code of Ethics

The Selwyn Foundation Board of Trustees observes and fosters the following high ethical standards, as outlined in the Code of Ethics:

- conflicts of interest are disclosed when they arise and prior to voting on any matters in which a Trustee has a personal financial or other interest;
- Trustees observe the confidentiality of non-public information disclosed to them as Trustees, and are not to disclose it to any other person without the authority of the Board;
- fair dealing is maintained with customers, clients, employees, suppliers, competitors and other stakeholders;
- giving and receiving of gifts or payments is disclosed;
- Trustees are familiar with

There is a defined process for Board succession to ensure an orderly refreshment of the Board, when members come to the end of their tenure. This gives continuity to the Board as well as maintaining an appropriate balance of skills and experience on the Board and its committees.

the New Zealand acts and regulations that govern their responsibilities, and comply with all laws and regulations;

- unethical decision-making and/or behaviour is brought to the Board's attention and appropriate sanctions applied;
- the Code is monitored and practices are evaluated against the Code as part of the Foundation's performance assessment;
- Trustees accept collective responsibility for Board decisions and are committed to constructively resolving differences;
- Trustees do not act independently of the Board and its decisions;
- all communication with the media is through the Chair, CEO or their designated spokesperson.

Governance framework

The Board meets each month to review the Foundation's organisational achievements, financial performance and charitable activities. One of the seven specific goals of the Strategic Plan is evaluated at each monthly Board meeting. In addition, an annual Strategic Planning day takes place to consider outcomes from the past year and plan for the year ahead, with other special meetings, training events and resident meetings also held throughout the year, including a Tikanga Best Practice workshop.

The Board maintains a separation between governance and executive action and has delegated the management responsibilities of the Foundation to the Chief Executive Officer. It has also established four sub-committees - Personnel,

Property, Finance and Services - to further assist in the running of the Foundation. The committees meet on a regular basis over the course of the year, and a minimum of two Board members is required to make a quorum at each committee meeting, with members of the Senior Leadership Team invited to attend as required. The committees evaluate the operational and qualitative performance of their respective areas by reviewing key performance indicators for their functional divisions, and ensuring that Business Plan reporting is reliable and indicates how project objectives relating to strategic goals are being met. Each group is responsible for monitoring and updating related policies to reflect best practice, and for ensuring that all procedures comply with law and regulations, that risks are appropriately identified and addressed, and that critical incidents are reviewed and all actions required are carried out by management. In general, they also provide a forum for the discussion, development and evaluation of new projects put forward by the Chief Executive Officer for the furtherance of the Foundation's strategic goals.

Each committee is responsible to, and reports to, The Selwyn Foundation Board, presenting a verbal or written report with recommendations to the Board meeting taking place immediately following their particular meeting. Minutes of all Board and committee meetings are recorded, as well as the decisions made.

Internal financial control and risk management

The Foundation ensures the quality of all financial reporting, risk management and the independence of the external

audit process. The Board's Finance Committee oversees financial matters relating to The Selwyn Foundation and its subsidiaries and ensures:

- the effective management of financial risks that threaten the achievement of objectives, and ensures that any such risks are appropriately identified, analysed, evaluated, treated, mitigated and reported;
- the production of reliable management and financial reporting;
- compliance with laws and regulations on financial reporting;
- effective management of reputational risk arising from financial matters;
- quality and continuous improvement are fostered in the Foundation's financial control processes;
- maintenance of an effective and efficient internal and external audit.

Board performance review and succession planning

The Board undertakes a process of self-management and self-review on an ongoing basis and also ensures that the Foundation has quality of leadership as regards the performance of the Chief Executive Officer.

There is a defined process for Board succession to ensure an orderly refreshment of the Board, when members come to the end of their tenure, which gives continuity to the Board as well as maintaining an appropriate balance of skills and experience on the Board and its committees. Following any appointment to the

Board, a personalised induction programme is drawn up, which includes Foundation-specific knowledge building, site visits to Selwyn's villages, information and discussion on strategy, and development plans for the business. Board and committee members also receive specific training and development on topics which are of relevance during the year.

Annual General Meeting

An Annual General Meeting is held no later than 30 April each year and is chaired by the Bishop of the Diocese of Auckland as President of the Foundation. Notice of the AGM is advertised beforehand in the New Zealand Herald and also publicised to residents in the Foundation's village communities. During the event, the Foundation's financial statements and annual reports of the Board and auditors are considered, the appointment/reappointment of the auditor agreed, and the election of Board members confirmed, as required.

A quorum of fifteen members of the Foundation is required for an Annual General Meeting (who may be Board members, the Bishop of the Diocese of Auckland, Life Members, individuals who have been admitted as members by the Board on terms and conditions established by the Board, and residents of Selwyn's facilities).

All members except residents are entitled to vote on any resolutions put forward, with voting decided on a show of hands. In the case of an equality of votes, the chair of the meeting will have the casting vote.

Customer and stakeholder relations

The Selwyn Foundation respects the interest of its customers and stakeholders within the context

of its fundamental purpose and charitable status. It has clear policies for relationships with all customers and stakeholders, and regularly assesses compliance with these policies to ensure that its conduct complies with the Constitution and pertinent legislation, and is within broadly accepted social, environmental and ethical norms, generally subject to the interests of stakeholders. It also ensures strong relationships and advocacy with current and future church and contract stakeholders are established and maintained.

Across the business, the Foundation engages regularly with residents, family members and service users, and also meets with regulators, healthcare providers, industry bodies, other non-for-profit organisations and stakeholders.

This engagement enables us to contribute to building an understanding of issues relevant to our customers and overall service provision, and to contribute to the debate on relevant topics.

A detailed description of the composition, powers and duties of the Board is provided in The Selwyn Foundation Constitution document, available on request. The names of current Board members are listed at the back of the Annual Report, and their profiles are available to view on the Foundation's website www.selwyncare.org.nz

Foundation Contacts

Members of the Board

Dr Kay Hawk, Chair
Russell Florence, Deputy Chair
Dr Elizabeth Niven
Dr Peter Huggard
Peter Macaulay
Helen Melrose
Jan Nichols
Vicki Sykes
Ben Green

Pou Tikanga

Venerable Lloyd Popata

Senior Leadership Team

Garry Smith,
Chief Executive Officer
Jason More,
Chief Financial Officer
Dr Bart Nuysink,
Chief Medical Officer
Hilda Johnson-Bogaerts,
*General Manager, The Selwyn
Institute for Ageing & Spirituality*

Colin Bowring,
General Manager Property

Aidan Craig,
*General Manager Strategic
Growth*

Leanne Pickering,
*General Manager People &
Performance*

Andy Stewart,
*General Manager, Information &
Technology*

Marianne Hornburg,
Spiritual Care Coordinator

Lisa Watkins,
General Manager, Villages

Villages

Selwyn Village

43 Target Street, Point Chevalier,
Auckland 1022. PO Box 44106,
Point Chevalier, Auckland 1246
Tel: (64-9) 846-0119

Residential care at Selwyn Village

Caswell Rest Home
Tel: (64-9) 845-0731

*Kerridge Rest Home
and Hospital*
Tel: (64-9) 845-0733

Sarah Selwyn Hospital
Tel: (64-9) 845-0736

Brian Wells Lodge
Tel: (64-9) 845-0717

Independent living at Selwyn Village

Tel: (64-9) 846-0119

Selwyn Heights

42 Herd Road, Hillsborough,
Auckland 1042

Residential Care at Selwyn Heights

*Elliot & Stella Davis Memorial
Hospital*
Tel: (64-9) 624-2600

Butland Rest Home
Tel: (64-9) 624-2600

Independent living at Selwyn Heights

Tel: (64-9) 815-3992

Selwyn Oaks

21 Youngs Road, Papakura,
Auckland 2110
Tel: (64-9) 297-2079

Selwyn Park

15 Puriri Park Road, Maunu,
Whangarei 0110
Tel: (64-9) 438-1099

Selwyn St Andrew's

41J Bryce Street,
Cambridge 3434
Tel: (64-7) 827-6225

Selwyn Wilson Carlile

562 Grey Street, Hamilton East
3216 Tel: (64-7) 838-1562

Selwyn Sunningdale

174 Peachgrove Road, Claudelands
Hamilton 3214
Tel: (64-7) 855-5465

Gracedale Home and Hospital

68 Mt Roskill Road, Mt Roskill,
Auckland 1041
Tel: (64-9) 621-0011

Services

The Anchorage Day Centre (dementia day care)

St Mary's Cooperating Parish
Church Hall
Cnr Taniwha Rd & Elstree Ave,
Glen Innes
Tel: (64-9) 815-3991

Lavender Cottage (dementia day care)

43 Target Street, Point Chevalier,
Auckland 1022
Tel: (64-9) 815-4785

Hansen Close (including Selwyn House)

25 Roseberry Avenue, Birkenhead,
Auckland 0626
Tel: (64-9) 846-0119

Selwyn Centres

Community day centres
for the over 65s, see
www.selwyncare.org.nz





The Selwyn Foundation, PO Box 8203, Symonds Street, Auckland 1150. Level 4, 1 Nugent Street, Grafton, Auckland 1023, New Zealand
Tel: (64-9) 845-0838, Fax: (64-9) 845-0700 www.selwyncare.org.nz