

annual review
2006



diabeteswa
Freedom from Diabetes


DIABETES
AUSTRALIA
WESTERN AUSTRALIA

About Diabetes WA

Formerly known as Diabetes Australia Western Australia or DAWA, Diabetes WA has been working to improve the health and wellbeing of people, particularly those living with or affected by diabetes, since 1965.

As a not-for-profit member-based organisation we are largely self-funded. Membership subscriptions and fundraising activities complement the fees and contract funding that we receive from the Commonwealth and State governments and allow us to deliver our vital services.

Whilst our focus is on assisting Western Australians, we are part of a national federation of twelve diabetes related organisations – medical, education and scientific, research and community based – coordinated and facilitated through Diabetes Australia in Canberra.

Our Vision

Diabetes is the world's fastest growing chronic disease. More than 120,000 West Australians have been diagnosed with diabetes – Australia wide this figure increases to 940,000 and throughout the world it is estimated that a staggering 160 million people have diabetes.

As the incidence of diabetes continues to rise, our commitment to our vision of freedom from diabetes is strengthened.

We aim to achieve this vision by creating:

- Personal freedom from diabetes by providing a range of services which make living with diabetes easier;

- Freedom from the stigma of diabetes by working towards reducing discrimination and engendering greater equality, acceptance and support in the community for people with diabetes;
- Community freedom from diabetes by providing programs which develop a healthy and informed community thereby reducing the incidence and prevalence of diabetes; and
- Long-term freedom from diabetes by supporting research that leads to improved treatments which enable a freer lifestyle and, eventually, a cure for diabetes.

About Diabetes

Diabetes occurs when the body can not properly store and use glucose, which is the fuel it uses for energy. In order to use glucose, the body requires insulin.

The two most common forms of diabetes are Type 1 diabetes and Type 2 diabetes.

People with Type 1 diabetes do not produce insulin, usually because the cells that make it have been destroyed by their immune system. As such insulin injections are required to control blood glucose levels. Whilst it is more prevalent amongst people under the age of 30, Type 1 diabetes can occur at any age.

Approximately 15% of people with diabetes have Type 1 which is genetic

and has no known risk factors, although much research is being conducted to learn more about the condition.

People with Type 2 diabetes either do not produce sufficient insulin, or the insulin they do produce is not used effectively enough to control their glucose levels.

Accounting for 85% of people with diabetes, Type 2 is believed to be caused by both genetic and environmental/lifestyle factors. Maintaining a healthy lifestyle and weight can help prevent and manage Type 2 diabetes.

More than 120,000 Western Australians live with diabetes on a daily basis, and both forms are on the rise. It is estimated that for every person who

is known to have diabetes, there is another who has it but doesn't know. The condition has become so prevalent that it has reached epidemic proportions and is now recognised as the world's fastest growing chronic disease.

There is no cure for Type 1 or Type 2 diabetes, yet with appropriate and diligent management, it is possible for people with either form to live a full and healthy life. If diabetes goes unchecked, however, the complications can be devastating and include increased risk of heart disease and stroke, kidney disease, blindness and amputation.

In short, diabetes is too serious to ignore!

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Diabetes Facts

- Diabetes is the world's fastest growing chronic disease
- More than 120,000 West Australians have diabetes
- Nearly one in four West Australians over the age of 25 have diabetes or early signs of the disease
- Every hour in Australia approximately 11 adults are diagnosed with diabetes, that equates to 275 people each day and 1,925 each week
- As yet, there is no cure for diabetes
- 70-80% of people with diabetes die of cardiovascular disease
- Diabetes is the most common cause of blindness in people under the age of 60
- Diabetes is the most common cause of kidney failure
- 70% of all lower limb amputations occur in people with diabetes
- Type 2 diabetes costs Australia \$3.1 billion a year (including carer's cost).
- Obesity is a major risk factor for Type 2 diabetes and more than 50% of West Australians are already overweight
- The risk of Type 2 diabetes can be reduced by up to 60% by maintaining a healthy weight, being physically active and following a healthy eating plan.



Diabetes WA's Response

In response to the increasing incidence of diabetes, over the last 12 months Diabetes WA has:

- Answered 6,920 diabetes related queries via our Diabetes Information and Advice Line (DIAL) which is a free telephone service manned by a team of Credentialed Diabetes Educators
- Advocated to ensure a fair deal for our 17,000 members and all people with diabetes
- Provided information and diabetes related products to the 76,237 Western Australians registered on the Australian Government's National Diabetes Services Scheme (NDSS)
- Expanded our network of NDSS Sub-Agencies across the state in order to provide greater access for people with diabetes – we now have 51 outlets spread throughout metropolitan and regional areas
- Distributed in excess of 10,800 Diabetes Fact Sheets and information packs to people with diabetes, people at risk of diabetes and health professionals throughout WA
- Delivered 126 Speak Out presentations with the help of team of dedicated volunteers trained to raise awareness of Type diabetes, the risk factors that contribute towards its onset and how to reduce them
- Continued to work alongside the Diabetes Research Foundation of WA (DRFWA), helping to raise awareness of their work through dialog and supporting their work through donations
- Co-ordinated our relocation to larger premises which afford us the opportunity to expand our services and meet the growing demand for diabetes education, information, support and products



President's Report

Diabetes's increasing prevalence continues to keep it in the news as it affects so many Australians. Despite this, research shows that the majority of Australian's don't consider it to be a serious health issue and do not see themselves as being at risk of developing diabetes. The staff and Board of Diabetes WA have worked hard to change these perceptions and promote healthier behaviours by educating people with, and at risk of, diabetes as we strive towards our goal of freedom from diabetes.

Dr Barry Fatovich

A significant milestone on the path towards achieving this goal was the sale of our East Perth office and the move to a much larger space in Hay Street, Subiaco. Our new spacious premises provide us with the opportunity to extend our services for you, our members, and to reach the increasing number of people who turn to us for support and rely on us for information about diabetes related issues every day.

There have been a number of individuals and organisations that have played an important role in our move. One such person is Ian Swallow who has been our Treasurer for the past two years. Ian's financial leadership was key during our period of transition, which makes it all the more difficult for me to announce that Ian, for personal reasons, is stepping down as our Treasurer. I would like to take this opportunity to thank Ian for his contribution – he has been the hand on the financial tiller of the organisation and has served us well.

Lotterywest are another significant player in our move. Their generous support in the form of a \$1.3million grant, along with the proceeds of the sale of our East Perth premises, is what made the move possible. Vic Smith & Associates were also key to facilitating our relocation – thank you.

An important theme for us over the past year has been promoting a healthy WA through healthy partnerships. This has involved us working alongside a number of like-minded organisations including the Diabetes Research Foundation of Western Australia (DRFWA) and the Professor of Diabetes Research, Prof. Grant Morahan, the Cancer Council, Kidney Health and the Association for the Blind to present a cohesive and consistent health message.

We also continue to work closely with our national body, Diabetes Australia, and the other state based diabetes organisations that make up the Diabetes Australia family. Through collaboration, we continue to raise the profile of diabetes, lobby Government and deliver the National Diabetes Services Scheme.

In closing, I would like to express my appreciation to all the staff of Diabetes WA who are the people that make things happen – in particular I express our great debt to Liz Kerrigan Benson, who as CEO has provided a level of expertise and commitment that has made Diabetes WA a much more prominent organisation in WA. The members of the Board also work tirelessly for the organisation providing broad oversight and strategic direction – in times of change, this is a sizable responsibility.

My thanks and appreciation goes out to each Board member as they have made my task as President much more manageable. This is not something I can do on my own, and the organisation would not be where it is now if it were not for all of you. My role is, in part, to reflect back to you all how wonderful you are and how together we can really make a difference to the health and well-being of this great country.

Dr Barry Fatovich
President



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CEO's Report

2006 has been an exceptionally busy year for all us here at Diabetes WA. Our whole team – staff, volunteers, Board, members and business partners – have worked diligently to rise to the challenge presented by the diabetes epidemic in Western Australia. This diligence will continue as the number of people diagnosed with diabetes increases and more people turn to us for advice, support and guidance.

Ms Liz Kerrigan-Benson

Key highlights from our past year include:

Leading the delivery of health program services

Our Health Services Team assisted over 600 people with diabetes in face to face consultations and seminars. Together with the DIAL (Diabetes Information & Advice Line) telephone service, Diabetes WA continues to lead the way in providing education and counselling within Western Australia. We have planned to ramp up the health services we provide during 2006/07, increasing still further the accessibility of our range of information and advice programs.

Establishing key partnerships

As diabetes often arises from the same lifestyle factors that can lead to other conditions (such as kidney, heart and other disease) it is important that we, as an organisation, work in partnership with other not-for-profits to co-ordinate our activities. This year, we won a tender, in partnership with the Cancer Council of WA, to relaunch the "Go for 2&5" campaign, to encourage people to eat more fruit and vegetables.

Another significant partnership was formed with resource giant BHP Billiton who have agreed to fund a diabetes prevention and management program in conjunction with the Office of Aboriginal and Torres Straight Islander Health (OATSI).

Advocating on behalf of people with diabetes

Advocating for a fair deal for all people with diabetes was focus of our year. We once again assisted a number of people with diabetes with a range of issues from discrimination in the

workplace to access to Health Care Cards for young people. We were also actively involved in lobbying for the long-acting Lantus and Levemir insulins to be listed on the Pharmaceutical Benefits Scheme – organising a rally on the steps of Parliament House and collecting over 1,000 signatures on a petition which was sent to the Federal Minister for Health.

Developing new member benefits

This year we undertook a major research campaign to find out what our members like about our service and how we can better meet their needs. While the vast majority are pleased with the work we're doing on their behalf, a number of new directions were also suggested. Some of these necessarily take time to implement, but in the meanwhile, as an early sign of the across-the-board improvements we are undertaking, we significantly upgraded dialog, our member magazine. The response from members to this upgrade has been extremely positive. During 2006/07, we look forward to providing members with an even greater range of useful services and benefits.

Pursuing fundraising opportunities

Fundraising continues to be an important part of our activities, and this year our flagship event was the inaugural "Sailing to Freedom" Corporate Yachting Regatta. Held in November 2005, the regatta proved a most useful way to engage the corporate sector, and this very well-supported event will be continued in future years.

I'm also pleased to report that the response to our direct mail appeal in May 2006 was overwhelming, making this our most successful appeal to date.

Expanding the NDSS Sub-Agency network

This year Diabetes WA appointed five additional Sub-Agencies, providing greater access to NDSS products and diabetes related information. Part of our strategy to provide an increased network of local providers – instead of compelling members to visit a central office – the Diabetes WA network will expand still further in 2006/07.

Reinvigorating our corporate look

We updated our corporate look to reflect our stepped up efforts to promote diabetes awareness in Western Australia and reinforce our position as the state's peak consumer body in the fight against diabetes.

Our new name, Diabetes WA, is briefer, easier to remember and says what we do – support Western Australians living with diabetes.

Our new logo, a free form butterfly, reflects our vision of freedom of diabetes.

Our dedicated staff, volunteers and supporters are a key part of rising to this challenge. I would like to thank all of you for your conscientious and tireless efforts over the past year. I look forward to another year together as we strive for freedom from diabetes.

Liz Kerrigan Benson
Chief Executive Officer

Finance Report

For the year ended 30 June 2006, the reported operating surplus was \$959,386 which included a grant from Lotterywest of \$1,106,600 for the purchase of the 3rd floor, 322 Hay Street, Subiaco. Excluding this grant, a net operating deficit of \$147,214 was incurred.

This deficit was incurred primarily due to the substantial costs incurred in conducting a thorough due diligence program as part of the process of selecting our new premises.

Ultimately, the purchase of this property is expected to bring long term financial stability which will facilitate a substantial increase in the number and range of services provided.

Our net wealth during the year grew from \$2,164,447 to \$3,123,833 as at 30 June 2006.

Income from the National Diabetes Service Scheme grew by 9% to \$1,451,770.

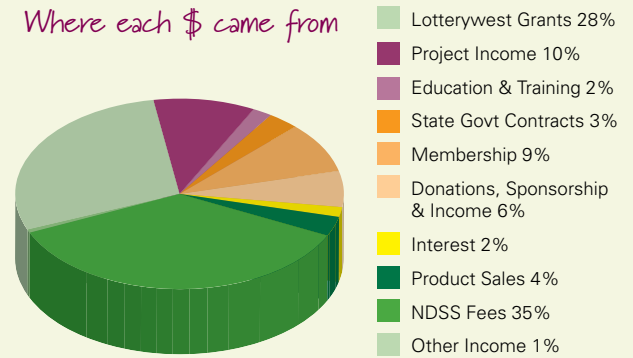
Donations, fundraising and sponsorship income contributed \$236,396 while member subscriptions amounted to \$349,550.

Government contract and grant income rose to \$576,185 in addition to the \$1,106,600 received from Lotterywest for the purchase of the new premises. These grants included funding for the National Diabetes Action Program and the Don't Ignore Diabetes campaign.

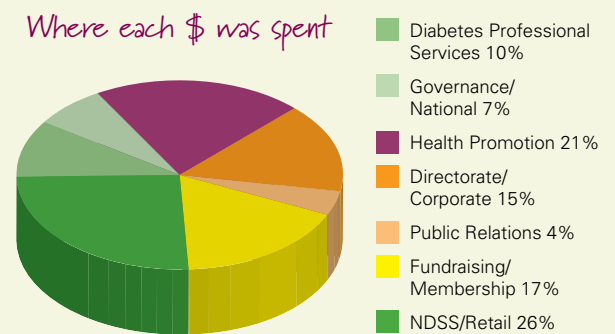
We continue to provide a range of health and education programs with expenditure on these programs now exceeding \$932,403.

We publish audited financial statements. These are available to members and the public upon request.

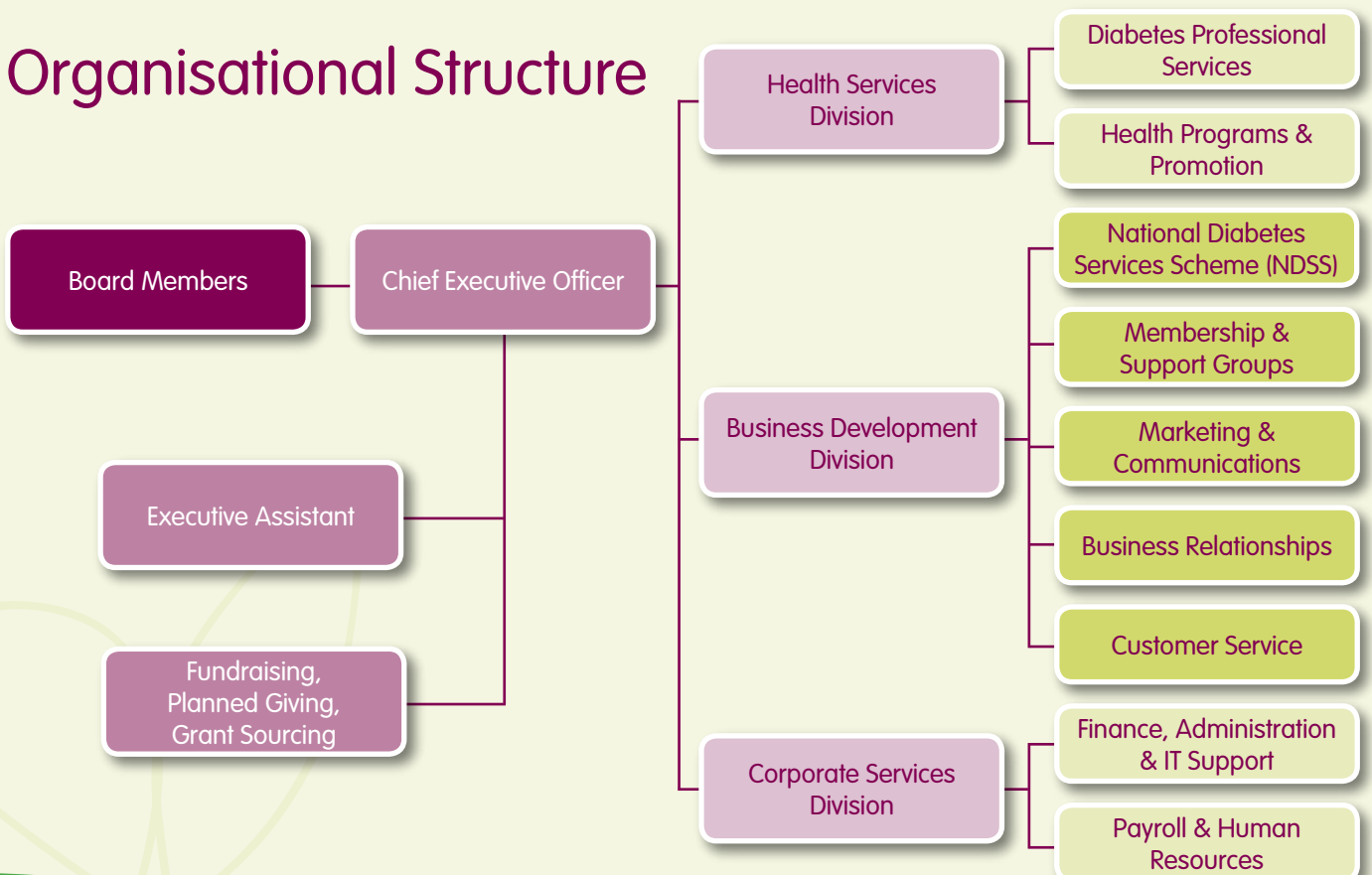
Where each \$ came from



Where each \$ was spent



Organisational Structure



Diabetes WA at Work

As the State's peak consumer body representing those affected by diabetes, Diabetes WA continues to raise the profile diabetes. This is achieved through advocacy, consumer awareness campaigns, media relations and education and information programs.

Health Program Highlights

Our Health Program's Team work to assist people with diabetes to better understand and manage their condition in order to live life to the fullest. During the course of the past year, the Team have:

- Conducted 300 individual consultations with people with diabetes and worked in consultation with GP's and diabetes specialists to assist clients with the commencement and adjustment of insulin;
- Taught 110 people how to decipher and analyse food labels in order to make healthy choices for every day meals while determining what foods are best chosen as the occasional treat through 13 Shop Smart sessions;
- Encouraged over 60 people with diabetes to experiment with a range of healthy cooking techniques without compromising on taste through our interactive Cook Smart sessions;
- Informed and entertained more than 120 participants at four seminars covering a range a topics including physical exercise, the glycemic index and healthy eating;
- Worked in partnership with the Association for the Blind to conduct eight education sessions for visually impaired people with diabetes;
- Assisted the Goldfields South East Health Region with diabetes education via telephone consultations whilst they recruit their own local Diabetes Educator; and
- Conducted a number of seminars and sessions to educate other health professionals on diabetes management including nurses, GPs and UWA and Curtin University medical students.



Diabetes WA continues to raise the profile diabetes through advocacy, consumer awareness campaigns, media relations and education and information programs.

Health Promotion Highlights

Awareness and prevention of diabetes are two key objectives of Diabetes WA. In our quest to prevent Type 2 diabetes, our Health Promotion Team have:

- Extended our Don't Ignore Diabetes public awareness campaign with the development of a series of radio ads designed to highlight the risk factors that lead to Type 2 diabetes and complications of not managing it;
- Reached over 2,300 people through 126 Speak Out presentations designed to raise awareness of Type diabetes, the risk factors that contribute to its onset and how to reduce them; and
- Distributed over 485 diabetes resource kits to health professionals, community groups and workplaces throughout WA;
- Won a tender, in partnership with the Cancer Council of WA, to relaunch the Go for 2&5 campaign to encourage West Australians to eat more fruit and vegetables.
- Established a partnership with the Office of Aboriginal and Torres Strait Islander Health (OATSI) and BHP Billiton who are assisting us with funding for the development of a diabetes project to find out what they need to prevent and manage diabetes within the Indigenous community;



Awareness and prevention

Membership Highlights

As our membership continues to grow, we took the opportunity ask our members how we are doing through a number of market research initiatives. We were extremely heartened by the response we received with over 500 members participating in our research activities. An overwhelming number were pleased with the work we are doing on their behalf – something we were very happy to hear.

Based on the feedback and suggestions we received through our research, we have continued to review and develop *dialog*, our member magazine. With a greater lifestyle focus, the magazine now features more recipes, member profiles, NDSS updates and practical tips in addition to updates on the latest research and developments in the diabetes field.

We have also been working with our Membership Benefits Partners to ensure the best possible value for money for our members. Our partners have embraced the new direction of the program and responded by running a number of exclusive promotions and offers for our members during the course of year.

Another key initiative of the past year has been the introduction of a new membership database which has a strong focus on customer relationships. After a few early hiccups, the database is working well and will enable us to improve our communication with members as we build clearer profiles on individual preferences and needs.



Fundraising Highlights

Our fundraising year kicked off with a bang thanks to our friends from the Liquor Stores Association who made us beneficiaries of the LSA Annual Liquor Industry Awards Night, Gala Ball and Charity Auction held on Friday 21 October 2005. The night was a huge success with over \$26,000 raised while providing us with the opportunity to reach a new audience with our diabetes awareness and prevention messages.

Our next key fundraising event was our inaugural Diabetes "Sailing to Freedom" Corporate Yachting Regatta. Held in November 2005, the regatta was a great way to engage the corporate sector – encouraging them to be physically active while raising much needed funds to enable us to continue to develop our programs and services.

Eight teams joined us for an afternoon of strategy and fun on the Western Australian Yachting Foundation's Foundation 36 yachts based at the Royal Perth Yacht Club. With the help of the RPYC and a number of Foundation instructors, an array of very experienced yachting personalities and

America's Cup veterans, each of our teams were coached to ensure they had an enjoyable and safe time.

And enjoy they did! After a training session at the jetty, the teams headed out onto the Swan River for an afternoon of strategy and racing. The Commonwealth Bank team came in as the winners before all the teams enjoyed a much earned gourmet barbeque dinner under the stars.

Another key highlight of the fundraising year was the amazing response that we received to our May 2006 direct mail appeal. We were overwhelmed by the support shown by so many

individuals and organisations, making this our most successful appeal yet.

Work also continued on our planned giving program. We have responded to numerous requests from members and other individuals wishing to pledge a monthly donation towards our work and include Diabetes WA as a beneficiary in their will.

All funds raised during the course of the year have been channeled into the continuing development of our health services and programs, and supporting diabetes research conducted by the Diabetes Research Foundation of WA (DRFWA).



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Business Operations Highlights

We now assist over 76,200 Western Australians registered on the Australian Government's National Diabetes Services Scheme (NDSS). The number of NDSS registrants has continued to grow throughout the year with an average of 130 people being diagnosed with diabetes and joining the scheme each week.

We have expanded our network of NDSS Sub-Agencies in order to provide greater access to NDSS products and other diabetes related information. We now have 51 Sub-Agencies spread throughout the metropolitan area and rural WA and are processing more than 12,000 product orders a month.

As our network has expanded, we took the decision to close our own retail counter rather than duplicate the efforts of our Sub-Agencies. This is freed up resources which are being channeled into a number of new initiatives such as the development of a Diabetes Resource Room in our new Subiaco office.



Thank You



It would not have been possible for us to have achieved all that we have over the past year with out the help of our members, donors and supporters. A heartfelt thanks goes out to the many individuals, companies, clubs and organisations that were a part of our success throughout the year, a number of whom are listed below:

Beverly Fitzgerald
BHP Billiton
Capel Vale
Fly By Night Club
Frank Prowse
Gilmac WA Pty Ltd
John Doyle

Katie Van Dalsen
Lex Simshauser
Lindsay Peet
Liquor Stores Association
Lotterywest
Peter Dallimore
Royal Perth Yacht Club

Skydive Express
Swan Brewery
Swan Valley Wagon Trails
Vic Smith & Associates
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WA Business News
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