



Annual Report Booklet

*For Naracoorte Home for the Aged Inc
T/as Longridge Aged Care*

For the year ended
30th June 2018

Longridge Aged Care

Naracoorte Home for the Aged Inc

Members of the Board of Governance & Senior Officers As at 30th June 2018

Chairperson:	Mr Geoff Wellington
Deputy Chairperson:	Ms Sonia Winter
Chairperson of Finance:	Ms Sonia Winter
Safety Representatives:	Mr Bill Vine & Mrs Wanda Banning

Members

Mr Adrian Zerk, Mr Noel Allchurch, Ms Robyn Mencil,
Mrs Wanda Banning, Mr Bill Vine, Dr R Wallingford,
Mr David Steadman, Mr Geoff Wellington, Mr Robert Tidy, Ms Amy
Mott, Ms Sonia Winter

Executive Officer / Director of Care
Mrs Elizabeth Broadstock

Business Manager
Ms Julie Goetz

Quality Risk Manager
Mrs Heather Kiernan

Human Resource Manager
Mrs Donna Gurney

Public Officer
Ms Julie Goetz

Auditors
Murray Nankivell & Associates Pty Ltd



Naracoorte Home for the Aged Inc

trading as Longridge Aged Care

900 Attiwill Street

Naracoorte SA 5271

Phone: 0887 621 340

longridge@longridge.org.au

2018 – Chairman Board of Governance

ANNUAL REPORT

Good afternoon Ladies and Gentlemen

Another year has passed and it's time for a brief report.

2018 has been a difficult year due to the intense Media and TV coverage focusing on those minority employees of Nursing Homes and Aged Care Facilities, who have disregarded the care and safety of their residents. As a result of all this media coverage the public have become fearful for our residents' welfare and this has resulted in added scrutiny of Longridge systems. The Board is proud to confirm Longridge has demonstrated its commitment to the highest standards of care.

I congratulate and thank all staff of Longridge Aged Care for their compassion, professionalism and the respect held within our community and district. We, the Board, value the high level of care provided here and will strive to promote it.

Thank you to Sonia Winter, who stepped up as Chairperson of the Finance Committee, and to all who have worked diligently on the Finance of Longridge.

My special thanks to all Board Members for the commitment, attendance at meetings and constructive decision making. Bob Tidy, having served 20 plus years, and Noel Allchurch approximately 12 years, will be sadly missed as they retire from the Board. I thank you both sincerely for your time and effort, knowledge and expertise – you have made a wonderful contribution and we are grateful.

The Board thanks Deidre and staff for providing meals prior to our meetings, and thanks are also extended to all volunteers, families of hostel residents and ILU residents. I acknowledge the Longridge Ladies Auxiliary, who have fundraised under the guidance of Jenny McEachern to purchase equipment for our residents; the Craft Group and also the staff for your contributions.

A huge thank you to Liz, the administration team and Management staff for maintaining the excellent standard we require here. A special thank you to Robyne Roeder who so capably took on Liz's position whilst Liz enjoyed a well-earned holiday.

Best wishes to all as we close another successful year and move towards 2019.

Mr Geoff Wellington

Chairman

A handwritten signature in black ink, appearing to read 'Geoff Wellington', written over a horizontal line.



2018 Executive Officer / Director of Care Annual Report.

Welcome and good afternoon ladies & gentlemen. Thank you for your attendance today. Another year has flown by and here we are again after yet another busy and successful year for Longridge.

With so much turmoil and change in the world – let alone the aged care industry - Longridge should feel satisfied with maintaining its identity as a stand- alone not- for- profit community organisation. Governed by a volunteer Board and managed by a cohesive team of professional staff we have progressed from strength to strength. As Longridge looks forward to the 50th year of operations, it can stand tall and proud of the ongoing progress it has made to meet the growing needs of our ageing community.

Demand for Independent Living Units (ILUs) remains steady. Longridge offers both 'Right To Occupy'(RTO) units and rental units. The new SA Retirement Villages Act commenced in January 2018 and applies specifically to RTO unit holders. The new Act poses little change to the Longridge RTO residents – existing and new – however it does impose a significant change to the formalities of the Residential Contract document and the expected systems of committee structure and consultation with our RTO residents. Longridge engaged the services of O' Loughlins Lawyers Adelaide to ensure all documentation meets the current new standards. Of course this is still a 'work in progress' as the EO/DoC & Business Manager work through each step of adopting the new system and documents.

Aside from managing the bureaucracy of the ILUs, the Longridge staff have worked tirelessly to refurbish units, maintain the facilities, tend the acres of gardens and all the while welcoming new residents and bidding farewell to old friends. Some have come into care – utilising the 'transitional' services of Longridge, whilst others moved on further afield.

The ILUs have enjoyed ongoing improvements to the grounds in 2018. Old trees were removed and using a very generous donation from a hostel resident (the late Mrs Ivy Lawrance) we were able to undertake a major planting of trees across the whole property. We look forward to seeing the trees grow and thank maintenance staff and volunteer Carol Ritchens for all their efforts in this project.

As all the community would be aware the Govt is now undertaking a Royal Commission into aged care. It would appear the focus of the commission is the residential aged care and community / home care services. Longridge supports this forensic review of aged care systems as it is apparent there are failings – with ongoing nightly media reports of abuse and neglect. It is appalling to think anyone would knowingly oversee services to residents that could cause harm – but even with all the significant scrutiny of accreditation and the Complaints Commission there must be flaws in the system that need to be highlighted and fixed. Unfortunately any problem in aged care results in more bureaucracy, more rigorous compliance and more stress on an already heavily regulated service. But, Longridge will continue to work tirelessly to maintain our reputation and the confidence of the community.

It is no accident that in July 2018 new Quality & Accreditation Standards were implemented. These new standards work to support the accreditation reviewers to assess all services more rigorously – and hopefully identify failures in care before neglect or abuse occurs! The new standards refer to meeting the "expectations of EACH & EVERY resident." Whereas in the past the standards referred to services "to meet the needs of residents" – this simple change in a couple of words poses significantly more work on residential care (hostel) services to demonstrate how we address each & every individual's needs. It is NO mean feat trying to accommodate all 50 residents & their families' expectations! Longridge must demonstrate it has made every effort to meet every resident's expectations - failure to meet this 'evidence of effort' for even ONE resident's needs to the accreditation reviewers expectations could render the whole accreditation process non-complaint! Longridge has sent Quality Risk Manager Heather Kiernan, Clinical Nurse Robyne Roeder & EO/DoC Liz Broadstock to a number of training sessions in Melbourne & regionally to ensure we are abreast of all the complexities of this new process. As our significant commonwealth funding (*approximately \$2.5 million / annually*) of the hostel is tied to achieving full compliance in ongoing accreditation visits there is no room for complacency. To fail, risks loss of funding!

Longridge undertakes the full three yearly review in early 2019 – and even though this review includes the past standards, we need to demonstrate that we are also adopting the new standards' focus. It will be a challenging few days when they arrive for this review before May 2019 – it is unannounced so we need to be ready. The QRM & EO/DoC are working solidly at this time to complete the 100 + page 'self assessment' document to be submitted to the Quality & Accreditation Standards Agency prior to November 11th 2018.

As identified in previous AGM Reports, ongoing residential (hostel) funding remains an ever present risk on the horizon. Even with high levels of occupancy (we have had the occasional vacant room for a few days over this past year) and a cautious approach to spending, we have weathered the storm of the last year quite well. This cautious approach has enabled Longridge to use the opportunity to review all staffing wage levels for the 2018 Enterprise Agreement negotiations. It is well known that workers in the 'not - for - profit' sector are paid at a significantly lower rate of pay than the public (hospital) system. When Longridge reviewed the differential in wages this year, we recognised that the pay gap was unacceptably significant. Acknowledging our sound financial position in this last year, the Board & management have made the decision to correct the wage inequities in the forthcoming budget and demonstrate how we value our most important asset – our staff!

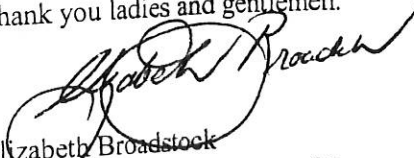
Longridge is privileged to enjoy fantastic support from the community. Again this year many families have made generous donations as a token of their appreciation when parents have passed away. All donated funds are used to improve facilities for residents and provide productivity gains on the floor for staff: via the purchase of a large range of complex equipment required to meet the high care needs of residents. This generosity along with the constant efforts of our Longridge Crafties, & Ladies Auxillary – ably supported by Jenny Mc Eachern in her Fundraising Co-ordinator role, has ensured we enjoy grand events, great entertainment and a community that is connected to the Longridge organisation. Our new 'BIG PROJECT' that we are now collecting funds for is to replace the Longridge bus. This is a major project with an expected timeframe of 3-5 years but with our current bus now nearing 20 years old it is time to start saving. The bus provides so much pleasure for our residents – the weekly events are cherished times for residents so the value of the bus outings far exceed the \$120K price tag we are working to save.

Aside from the generosity of donated funds, Longridge enjoys a team of amazing volunteers who so willingly give of their time to enrich our residents' lives. From Joan Kester & her weekly supply of fruit & goodies, to Alan, Adrian, Graham, Bill & John bus drivers, Don Wishart, Dennis Edwards, Marilyn Jardine & Elva Dickinson musicians, our fantastic weekly Happy Crafters, Marg the footy tipper aficionado, Joy & Alan Bingo callers & friends, Carol our gardening guru and our spiritual supporters who assist with our weekly Reflections Service. The list is extensive and their input working closely with the Lifestyle Team, adds an immeasurable bonus to the fun & 'life' of our Lifestyle Program.

To The Longridge Board I extend the sincere thanks of the management team for your commitment to Longridge and capacity to work so willingly with the team to drive Longridge to ongoing successes. The demands of aged care funding, compliance / accreditation and community expectations is quite a tightrope to walk! Collectively the Board and management have successfully navigated the complex systems and demands and I believe have grown together with Longridge to build an ever stronger and resilient organisation. These have been challenging times and I thank the Board for their support & guidance.

Finally I would like to acknowledge the amazing team of staff at Longridge. Every staff member, every department: be they management or team members, new or long serving, play their part in the Longridge team. I believe Longridge's greatest strength is in the people that arrive to work every day- giving of their hearts and skills to provide care, comfort, food, clean rooms, clean clothes, beautiful grounds, maintenance, clinical care, fun, physio, safety, medications, and every other effort that meets the complex needs of our Longridge family. Each and every person brings their part that then collectively becomes the sum of the whole, the indefinable magic ingredient that sets Longridge apart. It is indeed my privilege to stand as the leader of this team and congratulate them all on 'a job well done!'

Thank you ladies and gentlemen.



Elizabeth Broadstock
Executive Officer / Director of Care.

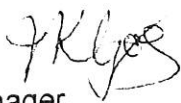
Business Manager Report - Annual Report

Good afternoon Ladies and Gentlemen.

- The 2017-18 current year surplus of \$371,000 is after allowing for donations of \$48,000 and an unrealised market value loss on our Macquarie Portfolio shares investment of \$15,000.
- Donations this year funded much needed equipment for higher care residents, including a turning bed. This bed and a staff pergola, were funded by a very generous bequest from Mrs Sheila Rogers in appreciation for her care whilst here with us at Longridge. Many thanks to the Ladies Auxiliaries and Happy Crafters, for their invaluable source of our funding, in order to provide that 'bit extra' level of facilities for our hostel and retirement village residents.
- Even though the share market did not perform as well as in recent years, our investment with Macquarie Portfolio Management continued to provide value, with the advantage of the income generated by shares and the franking credits. To balance our portfolio and maximise return on funds, Longridge this year also made an investment in a managed portfolio of bonds, with FIIG. This being made in the current low interest rate environment.
- We are very mindful of reports that other aged care residential operators are showing further financial decline. Our prudent financial management, both past and present, has placed Longridge with funds to draw on in times of potential risks ahead. To maintain adequate staffing levels, in a competitive rural environment, remains a priority to fund from within our operating expenditure.
- Longridge remains heavily reliant on the Commonwealth Care subsidy to finance Hostel operations, whilst the Government has been increasingly shifting to a more 'user pays' form of funding. The onus is increasingly being put on the operator, to recover the costs of our funding, through investment income and fundraising and donations, albeit that the bulk of our funds are held in Trust.

Julie Goetz

Business Manager





Naracoorte Home for the Aged Inc

trading as Longridge Aged Care

900 Attiwill Street

Naracoorte SA 5271

Phone: 0887 621 340

longridge@longridge.org.au

LONGRIDGE LADIES AUXILIARY – PRESIDENT’S REPORT 2017 – 2018

It is my pleasure to present this Annual Report.

Our usual Fundraising efforts, namely Raffles for Fathers’ and Mothers’ Day were again successful and we raised \$236 from selling tickets in the Lions Club Christmas Stocking Raffle.

In September last year, the Longridge Events Co-ordinator, Jenny McEachern was appointed. Jenny has attended our Meetings and her enthusiastic personality has been very welcoming and we have been happy to work with her on various functions.

At our last meeting for 2017, In October, we farewelled Raelene Clifford, Auxiliary Treasurer for many years and Wendy Loechel was nominated to replace her. Raelene received a token of our appreciation and she was thanked for her years of dedicated service, dating back to 1999.

At October meeting, we were also pleased to receive a letter from Tony Pasin, MP, congratulating us on our Fundraising efforts.

So far in 2018, we have assisted Jenny with our main Fundraisers. In April, Longridge held a Fashion Parade, by “Trends of Naracoorte” which was a huge success. Our Auxiliary also held a Movie morning and Trading Table in May and although not very well attended, it was still financially successful. With the proceeds from our events, we were thrilled to be able to donate two Tilting Shower Chairs, a Pressure Relief Mattress and Sling Weigh Scales for use by the Longridge residents.

Thankyou to everyone for your continuous contribution and support throughout the year; To our Treasurers, Raelene and Wendy for keeping our finances in order. Special thanks to my Secretary, Margaret for your assistance and valued support. My thanks also to the Kitchen staff for providing delicious Morning or Afternoon Tea and special thanks to Liz, Heather, Jenny and the Admin staff for your assistance.

Rather than see our Auxiliary possibly go into recess, I happily took on the position of President; however, should there now be anyone who is ready and willing to fill this roll, you have my support to do so.

Jennifer Norton (President)

Bordertown T 08 8752 1300
PO Box 270, Bordertown SA 5268
E bordertown@murraynankivell.com.au

Naracoorte T 08 8762 1544
PO Box 403, Naracoorte SA 5271
E naracoorte@murraynankivell.com.au

Murray Bridge T 08 8531 1563
PO Box 3007, Murray Bridge SA 5253
E mb@murraynankivell.com.au

www.murraynankivell.com.au
ABN 68 191 400 792



INDEPENDENT AUDITOR'S REPORT

To the Members of Naracoorte Home for the Aged Inc. and the Secretary, Department of Health Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Naracoorte Home for the Aged Inc. ("the Entity") which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report gives a true and fair view of the Entity's financial position as at 30 June 2018, and its financial performance and its cash flow for the year then ended in accordance with the incorporated body's constitution and the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Accounting Standards* and the *Associations Incorporation Act 1985* and associated Regulations.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, given to those charged with governance, would be in the same terms if given as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

Those charged with governance are responsible for the other information. The other information comprises the information included in the Annual Report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Australian Accounting Standards* and the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 1985* and associated Regulations for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Mark Stephen Edwards
Chartered Accountant
172 Smith Street
Naracoorte, SA, 5271



Registered Auditor No. 289565

29 October 2018

Bordertown T 08 8752 1300
PO Box 270, Bordertown SA 5268
E bordertown@murraynankivell.com.au

Naracoorte T 08 8762 1544
PO Box 403, Naracoorte SA 5271
E naracoorte@murraynankivell.com.au

Murray Bridge T 08 8531 1563
PO Box 3007, Murray Bridge SA 5253
E mb@murraynankivell.com.au

www.murraynankivell.com.au
ABN 68 191 400 792



**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001**

**TO THE GOVERNING BODY OF
NARACOORTE HOME FOR THE AGED INC.**

I declare that, to the best of my knowledge and beliefs, during the year ended 30 June 2018 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.

**Mark Stephen Edwards
Chartered Accountant**

**172 Smith Street
Naracoorte, SA, 5271**



**Registered Auditor: Mark Edwards
Registered Auditor No. 289565**

29 October 2018

