



ANNUAL REPORT 2019/20

The voice of the aged residential care industry



**New Zealand
Aged Care Association**



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HIGHLIGHTS SNAPSHOT

NZACA membership has remained stable at around 600 members, accounting for more than 90% of the almost 40,000 aged residential care (ARC) beds.



FUNDING

We negotiated a **3% increase in ARRC funding** for the coming year, an injection of **\$59 million** following on from a similarly successful increase the previous year.



NURSES

The Nursing Leadership Group (NLG) was formed as the **recognised voice of ARC nurses**, as well as providing valuable expertise to the NZACA on workforce and clinical matters. The NLG was critical to ARC preparedness and response throughout COVID-19.



FAIR PAY FOR NURSES

Launched the **Fair Pay for Nurses campaign**, calling on the Government to fund the sector so aged care nurses are paid at parity with nurses working in public hospitals. More than **15,000 signed** a petition in support of this.



TRAINING

Following NZACA advocacy and with the support of members and Careerforce, the Level 4 Certificate in Health and Well-being was extended from **70 to 120 credits** to include more clinical components and better pathways for entry into nursing.



WEBSITE

We launched our new website this year, a **contemporary, engaging and easy** to navigate platform for our members and the public.



IMMIGRATION

We **successfully lobbied** to have staff on student visas given the ability to work full-time throughout the COVID-19 period, while internationally qualified nurses were granted a pathway to enter the country as critical healthcare workers.



VOCATIONAL EDUCATION

We have **continued to engage with the Government and their agencies on the Reform of Vocational Education (RoVE)** given the importance of training and qualifications to our sector.



THE VOICE

Our role as the **voice for aged care** in New Zealand was strongly affirmed in a year of unprecedented media activity and government engagement around COVID-19, with an overarching demonstration of the sector's strong, active, visible and responsible leadership.



DATA AND INSIGHT

Our **data and insight repository continues to expand**, supporting the evidence base the NZACA brings to its policy and advocacy work. This year we completed the Annual Member Survey to inform our 2019-20 ARC Industry Profile.



CONFERENCE

We had one of the **largest ever gatherings, with more than 550 industry leaders, speakers, trade exhibitors, presenters and sponsors** attending our 2019 Conference in Wellington. Longer sessions on the third day allowed presenters and delegates to workshop topics in more in-depth and interactive style.



SUPPORT

Our priority has been providing our members with timely and comprehensive guidance and support on operating protocols during the **COVID-19 Alert Levels 1 through to 4** with daily updates during the peak periods, while continuing our usual support and information channels.



AWARDS

We had a **high number of quality entries for our Excellence in Care Awards** programme, recognising and showcasing individuals and members delivering outstanding care and service to their elderly residents.



MEDIA

We have had an **unprecedented presence across mainstream media**, not only fronting the COVID-19 response to inform the public and support our members, but continuing to promote Fair Pay for registered nurses, underpinning wider funding and workforce issues for the sector. The NZACA is firmly established as the media's first port of call for all matters related to older people.



IMMIGRATION

To assist our COVID-19 workforce we **lobbied successfully** to remove the one-year stand-down for all temporary migrant visa holders with permits expiring in 2019, allowing a significant number of our caregiving staff to remain in New Zealand.



TRAVEL

COVID-19 curtailed our country-wide branch visits in the early part of this year, but we are **increasingly finding opportunities to engage with our members** through Zoom and other technology channels.

CHAIRMAN'S REPORT



“Later renamed COVID-19 and declared a global pandemic, the world changed overnight with the aged care sector.”

I'm pleased to present my report to the Annual General Meeting (AGM) of the New Zealand Aged Care Association (NZACA) for 2019-20.

As early as January, reports were starting to emerge from China of the coronavirus, but it was not until late February and early March that the full impact would be realised. Later renamed COVID-19 and declared a global pandemic, the world changed overnight with the aged care sector and our older residents quickly identified as the most at-risk population group.

The NZACA moved quickly and in many respects was 'ahead of the curve' leading public health agencies in the response to the virus. The NZACA initiated the crucial 14-day isolation period for new admissions, secured immigration policy changes to support the workforce, succeeded in deferring audits and successfully advocated for COVID-19 and personal protective equipment (PPE). The newly formed Nursing Leadership Group (NLG) chaired by Francis Hughes played a vital role, advocating with the Ministry of Health (MOH) and District Health Boards (DHBs), along with informing clinical practice and visitor policies at the coalface.

The intensity, nature and volume of work that our members and the NZACA faced, especially between March and June, was challenging, but notwithstanding the fact that some lives were lost, the aged care sector in New Zealand emerged from the major lockdown period in good shape. In many respects our reputation was enhanced amongst the public, given the work we all did to protect and care for our vulnerable older New Zealanders.

The pandemic continues to resurface around the globe and while New Zealand is well-positioned, the sector must continue to be cautious in our approach to keep COVID-19 out of our facilities. The current work sees the NZACA involved in the development of a national pandemic plan, implementing the recommendations of the Cluster Review and securing COVID-19 testing kits for use by our members.

It can be hard to look past COVID-19, but other work did occur to further the interests of our membership. The annual price negotiation resulted in another good increase this year and the Association was able to secure agreement from the DHBs for the harmonisation of respite rates with aged residential care (ARC) rates, an item we can finally tick off our list.

Your ongoing support of our work means the NZACA maintains its strong position as the peak body for the sector, a position that we proudly but justifiably occupy. Yet again our membership retention has been strong and represents more than 90% of the 40,000 beds in the sector. It means we are well placed to continue our advocacy work which is so vital to your interests.

ACKNOWLEDGEMENTS

This year I would like to make special mention of Max Robins, Deputy Chair of the NZACA, who is stepping down from his involvement in the NZACA, as well as retiring from his role as Chief Executive of CHT.

In the decade or more since the formation of the NZACA, I have witnessed Max's unstinting commitment to the ARC sector which is without parallel. Max has contributed inordinate amounts of time to national level forums and reviews to promote the interests of not only NZACA members, but importantly, the residents they care for. The state of the ARC sector in New Zealand is in a better place because of Max. On a personal note I want to thank you Max for your wise counsel and constant support of my role as Chairman. On behalf of the Board, management and membership, thank you very much Max. You will be missed.

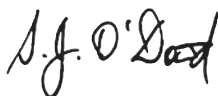
This year we welcomed Carolyn Cooper, Managing Director of Bupa on to the Board. Carolyn has made an immediate impact, combining her clinical and management expertise to add value to our work. I would also like to acknowledge my other directors, Ann Coughlan, Brien Cree, Warick Dunn, Earl Gasparich, David Hall, Malcolm Hendry, Gordon MacLeod and Rhonda Sherriff, for their ongoing contribution to the work of the NZACA. In particular I want to point out the many hours of extra meetings and carefully considered decisions that have been made by this team of talented Board Members. The NZACA has been very fortunate, and on behalf of the membership I convey our grateful thanks.

To the Wellington based team, thank you for your efforts in what has been a year like no other.

THE YEAR AHEAD

The spectre of COVID-19 remains and while we will need to give that our attention, efforts will continue in support of Pay Parity for our nurses, which has been the mainstay of our election campaign work. There will be further work in support of Pay Parity after the election and the Funding Model Review work put on hold because of COVID-19, has resumed, while workforce will also be a priority area for the NZACA.

In closing, the NZACA is in good heart, and I thank you the membership for your trust and support as we look forward to working with you in the year ahead.



Simon O'Dowd
Chairman

CHIEF EXECUTIVE'S REPORT



“As the clock turned over to 2020 and a new decade, none of us could have imagined or foreseen the events that would soon unfold.”

By March, a global pandemic was declared that would come to dominate our personal and working lives. COVID-19 soon meant we were responding to rapidly evolving and changing situations with both speed and deftness. Our sector was in the eye of the storm.

From the outset in late February, the NZACA took an active role in fronting and leading the COVID-19 response. The NZACA Board met regularly and we formed a Taskforce Action Group to bolster the efforts of the Wellington office team and to help drive the initiatives needed to support the membership. These initiatives included deferral of audits, changes to immigration policy to keep our migrant staff, a funding support package, ensuring supply of PPE, COVID-19 testing and regular clinical guidance to the membership on rest home visitation policies. The Nursing Leadership Group (NLG) played an integral part to support the NZACA and members. Despite some inevitable differences, we also worked collegially with the MOH, their Public Health Units (PHUs) and DHBs.

There is no doubt the situation as it developed stretched all of us, not least the NZACA. We dealt with an inordinate number of requests from our members, which by and large we were able to respond to or resolve, although not always and not through lack of trying. Our work was also conducted in the media glare with approaches from journalists many and frequent, not only to the NZACA but also to our members. The fact that we were able to respond in a timely fashion with informed comment, meant the NZACA was quickly seen as the reliable and respected voice for aged care in New Zealand.

To all those who supported the NZACA and its work to achieve the results the sector needed through COVID-19, thank you. For the time being, the pandemic continues to surge around the globe and that means we must not let our guard down. We have seen the devastating impact of coronavirus around the world, and more recently across the Tasman, so as your Association, we will act in your best interests but always err on the side of caution.

It hasn't all been about COVID-19 and as much as possible, business-as-usual has continued. As the Chair has mentioned, in a comparatively low inflationary environment, we achieved a 3% increase through our annual contract negotiation, again off the back of a sound data and evidence base. Positive changes to immigration policy settings, both before and during COVID-19, demonstrated an appreciation by the Government of the value migrant workers bring to aged care. The NZACA too, has taken an active role in workforce and training matters with an important win that included the extension of the Level 4 Certificate from 70 to 120 credits.

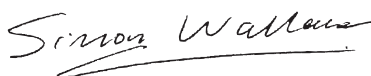
The Funding Model Review, deferred because of the pandemic, has recommenced and will incorporate COVID-19 learnings. These are just some of the key policy areas with which the NZACA is involved, while there are other less visible matters that we simply take care of on your behalf.

Outside of policy and advocacy, the events we run are important for you and for us. The Conference in 2019 was the biggest yet with more than 550 delegates, trade exhibitors, sponsors and speakers descending on Wellington in October. It is important the Conference strikes a balance between learning and networking opportunities as well as offering clinical and management workstreams. Feedback suggests that objective was achieved.

COVID-19 has curtailed the team's efforts to get out and about around the country in 2020, so increasingly we will rely on virtual means to stay in touch with you and keep abreast of your issues. I enjoy these visits and subject to Alert Levels, I aim to visit some regions in the early part of 2021.

As you read this, the General Election will have come and gone, and the new Government formation process will be underway. Irrespective of the result and colour of the parties at the helm, the NZACA will be quick off the blocks to engage with new Ministers, but importantly too with Opposition MPs. Our Fair Pay campaign in the lead-up to 17 October has resonated with all the parties and among other things, we expect Pay Parity to be a key talking point as we engage politically before the year is out.

In closing, thank you for your membership of the NZACA over the past year. COVID-19 has produced unprecedented challenges for the ARC sector and will continue to do so, but we have emerged in good shape. Your support means we remain well placed as the voice of aged care. All things going well, I hope to see some of you at the Conference in Wellington in November.



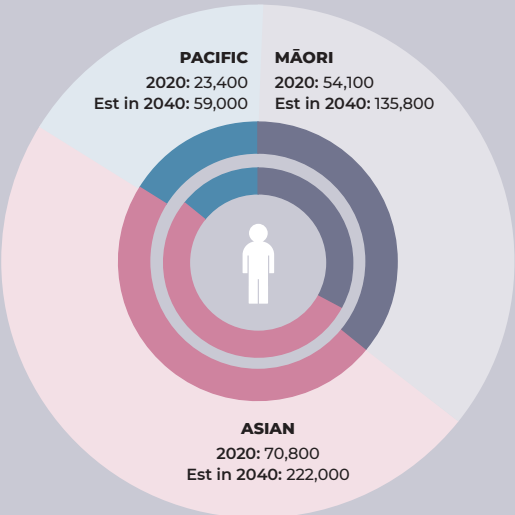
Simon Wallace
Chief Executive

DEMOGRAPHICS OF THE AGEING POPULATION

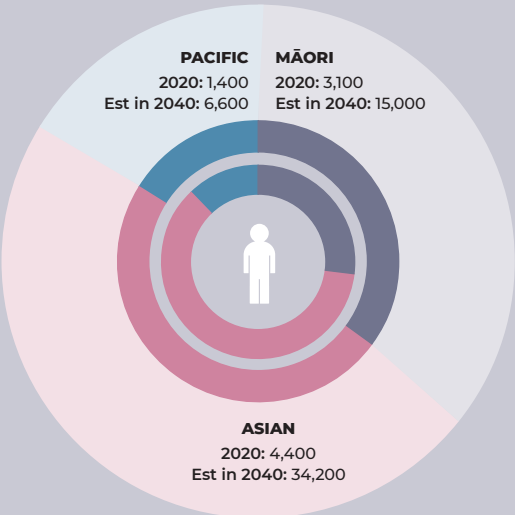
POPULATION OF NEW ZEALAND AS AT MARCH 2020



ETHNIC CHANGE 65+



ETHNIC CHANGE 85+



NUMBER OF DEATHS

Increase from 32,000 deaths per annum to 46,000 deaths per annum in 2040.

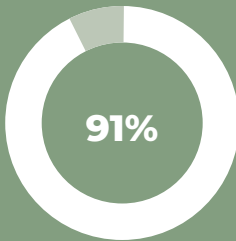
Currently some 37% of deaths are in the 85+ group and in 20 years this will rise to over 50%.

AGED RESIDENTIAL CARE BEDS

June 2020: 39,848
Estimated needed in 2029: 53,000



WHO WE ARE?



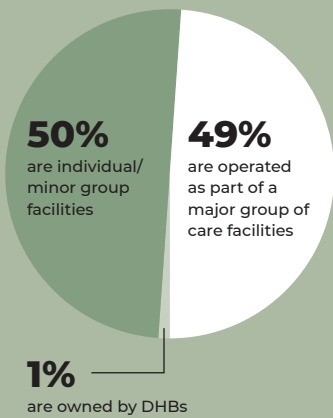
NZACA member care facilities provide 91% of the total 39,767 ARC beds



57 beds

The median number of beds in care facilities is continuing to increase

ARC FACILITIES



50%

are individual/
minor group
facilities

49%

are operated
as part of a
major group of
care facilities

1%

are owned by DHBs



34,646
residents at
ARC facilities
on 31 March
2020, 55% of
whom are at
one of the
higher care
levels

OCCUPANCY



Average occupancy
is 87.1%, down by
0.7% over the
last year



DUAL SERVICE BEDS

36%

DEDICATED REST HOME BEDS

24%

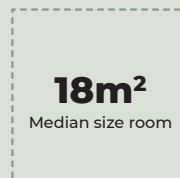
DEDICATED HOSPITAL BEDS

17%

ORA BEDS

9%

ACCOMMODATION



59% of rooms carry an accommodation supplement. The median size of these is 18m², compared to 12m² for standard rooms

ADVOCATING FOR MEMBERS

The NZACA is a powerful advocacy force, using our rich data and insight base to present evidence-based, solutions focused campaigns working collaboratively with government and stakeholders to achieve outcomes that support our members.



During 2020, clearly COVID-19 has dominated our work and we have summarised this as a special feature, followed by our business as usual focus.

COVID-19: NOTHING ABOUT US, WITHOUT US

From the beginning of the COVID-19 crisis in New Zealand, the NZACA's stature as a peak body meant Government agencies and other stakeholders very quickly understood the importance of involving the NZACA in rapid fire policy development and decision-making.

In many ways the NZACA was 'ahead of the curve' throughout. Prior to the first case being announced in New Zealand we had led the call for an urgent co-ordinated national response and continued to lead with initiatives such as the 14-day isolation period, immigration policy changes and visitor policies.



The newly established Nursing Leadership Group (NLG), made up of New Zealand's most experienced senior nurses working in aged care, played a critical role in ARC's preparedness and response throughout COVID-19. Key initiatives such as the 14-day isolation policy and visitor policy originated from NLG, as did PPE clinical guidelines and a range of other infection prevention control matters.

The Independent Review of COVID-19 Clusters in ARC Facilities was released in June and acknowledged the substantive work done by our sector to prevent and to manage COVID-19.

The Review was generally positive and constructive with recommendations for ARC, DHBs and Public Health Units on ways to improve.

PUBLIC PROFILE

The NZACA's high media and public profile was positive, featuring in more than 150 TV, radio, online and print interviews as well as regular and supportive mentions by the Director General of Health, Dr Ashley Bloomfield, at the daily 1pm press conferences.

In our view, the NZACA and the sector's wider profile was enhanced because of the way it successfully managed the virus. While sadly there were 16 rest home residents who lost their lives to the virus, on a per capita basis, New Zealand had one of the lowest fatality rates in aged resident care of anywhere in the world.

PERSONAL PROTECTIVE EQUIPMENT (PPE)

From the outset we agitated strongly for PPE supplies for all rest homes whether members of the NZACA or not. The NZACA team worked around the clock to secure supplies for the membership and while most got supplies, the delays caused frustration. Provision of PPE was arguably the "Achilles' heel" of the Government's response.





TESTING

While the issue of testing was fraught, the NZACA took a strong position in calling for mandatory testing of all resident admissions be they from hospital or the community, re-admissions and frontline staff. This was the right thing to do to demonstrate and uphold confidence in the sector. Our position quickly gained public and media support, at a time when the Government was encouraging more testing, and we were seeing testing in other settings like supermarket car parks and on roadsides, and more countries were expanding testing to include residents and workers in care homes.

As the second wave of COVID-19 hit, with the Auckland community cluster, we had made positive progress with the Ministry of Health's (MOH) Public Health team to enable our registered nurses to access COVID-19 testing kits.

IMMIGRATION AND WORKFORCE

The NZACA's ongoing evidence-based advocacy on immigration policy settings meant we were well placed to achieve significant gains to assist our workforce through COVID-19.

We succeeded in three key areas:

- » Removing the one-year stand-down for all temporary migrant visa holders with permits expiring in 2019, affecting a significant number of our caregiving staff.
- » Converting student visa holders to be able to work full-time instead of a maximum of 20 hours per week.
- » Policy changes to allow internationally qualified nurses (IQNs) to enter New Zealand as critical healthcare workers.

BUSINESS AS USUAL



ANNUAL PRICE INCREASE

To support negotiations of the annual Age-Related Residential Care (ARRC) Services Agreement, the NZACA was pleased to repeat the process established last year in working with the District Health Boards (DHBs) and the MOH to establish and model the cost pressures as they affect members.

Through this new collaborative process, members received an across-the-board increase of 3% for the 2020-2021 contract year.

This is the second highest across-the-board increase since 2009, following on from the highest (3.2%) last year. A welcome \$59 million injection into the sector, it also demonstrates that adopting an evidence-based and collaborative approach is an effective tool in achieving desired outcomes.

IMMIGRATION

Alongside our actions to support the workforce during COVID-19, workforce remains a strategic focus of our advocacy work.

Around 25% of our caregivers and nearly 50% of our registered nurses are on some sort of visa. Policy settings have been onerous and complex, creating barriers to recruiting and retaining this highly valued and critical workforce.

However, over the past few years, the NZACA's advocacy work has seen significant progress made that now makes it easier to recruit and retain migrant workers.

COVID-19 has suspended the negotiation of sector agreements with all industries, but we expect to work closely with officials on the new employer assisted visa process in 2021.

ACCOMMODATION SUPPLEMENT

A majority of NZACA members in 2019 (some 87%) have agreements with some or all of their residents to pay accommodation supplements for premium room services. This continues the trend of an increasing percentage of members' offering accommodation supplements.

As well as providing people with choice, the accommodation supplement is increasingly crucial to the financial sustainability of the aged residential care sector, which is historically underfunded. Without accommodation supplements many NZACA members would struggle to survive or be able to invest in new equipment, buildings, maintenance and upgrades among other areas.

We are currently in discussion with the DHBs around the publication of accommodation supplements. The NZACA has agreed to this but only in return for a longer resident opt-out period and inclusion of a financial hardship clause.



EDUCATION

The NZACA is taking a more active role in education policy as it affects aged residential care. We provided input to the Government's Review of Vocational Education (RoVE), we participate in the Kaiawhina Taskforce and with the NLG, and we are advocating strongly for workforce initiatives to support the nursing workforce.

BUILDING RELATIONSHIPS

The NZACA continues to put significant energy into building and maintaining constructive relationships for the benefit of our members.

In 2019/20 our working relationship with the MOH and DHBs was enhanced by COVID-19 as we engaged at senior levels with MOH staff.

Increasingly we work beyond Vote Health, with our interests spanning other agencies of Government, including the Ministry of Business Innovation and Employment (MBIE) /Immigration and the Ministry of Social Development (MSD).

At a political level, our sphere of influence extends across all the parties represented in Parliament with the NZACA's profile firmly in the sights of key politicians as evidenced by the support they give to our annual conference.

The NZACA meets regularly with government Ministers as well as with relevant spokespeople from opposition parties.

ANNUAL SURVEY

The biannual NZACA Member Profiling Survey was carried out in December 2019. The results of this survey, combined with other information on the state of the aged care industry, are published in the NZACA's Aged Industry Profile Report 2019-20 available at <https://nzaca.org.nz/advocacy-and-policy/arc-industry-profile-2019-20/>

Apart from that, we collected information from members as part of our COVID-19 response.

SUPPORTING MEMBER PERFORMANCE

We support our members through a range of channels and activities, including our 0800 helpline, Q & A service, weekly In Touch newsletter, emails, website and social media.



We also run training and professional development workshops and provide information on the industry and NZACA issues and initiatives.

COVID-19 impacted the annual series of regional and main centre workshops we run to provide professional development for Managers and Registered Nurses. Only one series of workshops for Managers were held in February. And the April/May workshops for Registered Nurses were postponed until August. Three workshops were then held before the Auckland COVID-19 cluster emerged, leading to postponement of further workshops until later in the year.

REMOTE EVENTS

During lockdown Dr Ben Harris Microbiologist presented a webinar session on COVID-19. We provided this session free to the membership. The session was also recorded on video and a copy was made available to all members via the member website portal.

The NZACA together with the NLG also hosted a Zoom event to recognise and celebrate aged care nurses on International Nurses Day, 11 May 2020. The Associate Minister of Health, Hon Jenny Salesa and David Stewart from the International Council of Nurses also joined live. The virtual event was promoted on social media and featured on mainstream media, including TV news.

The NLG also hosted an informal Q & A session on webinar supporting members moving to Level 2. There were useful discussions and shared experiences.

CONNECTING WITH OUR BRANCHES

We have a network of 17 branches from Whangarei to Invercargill who we regularly consult with and provide updates to on important issues. These forums are invaluable for our members. They are also vital to help us understand the issues that really matter to members. This year, due to COVID-19, rather than travelling around the country for in-person meetings we connected remotely via Zoom.

MEMBER BENEFITS

NZACA offers a range of additional member benefits.

Registered nurses that work at member care facilities benefit from our agreement with the College of Nurses Aotearoa (NZ) Inc to offer nurseportfolio.nz to member organisations. Nurseportfolio.nz is a flexible electronic portfolio that allows registered nurses to provide evidence of continuing competence to support the Annual Practicing Certificate declaration for a recertification audit by the Nursing Council.

We have preferred supplier agreements with ASB Bank, EBOS Healthcare, Goodman Fielder and AON Insurance, which provide benefits and savings to members and their staff.

The NZACA has continued to offer a Nurses Liability insurance package through our partnership with AON New Zealand.

Lack of government funding means aged care nurses earn on average \$10,000_{p.a.} less than public hospital nurses.

Is that fair?

Covid-19 has thrown the spotlight on just how skilled and dedicated our aged care nurses are.

Thanks to them, thousands and thousands of our most high risk people have been kept safe.

Daily, they care for more than 36,000 of New Zealand's frail older people in rest homes all over the country.

Aged care nurses are in charge of complex clinical conditions. Aged care nurses don't have support from clinical teams available in hospitals. And they lead teams of healthcare workers.

We reckon it's time the Government valued aged care nurses and our older people, and ensure rest homes are adequately funded.



Support fair pay for aged care nurses



New Zealand
Aged Care Association

[FAIRPAY.ORG.NZ](https://fairpay.org.nz)

FAIR PAY FOR OUR NURSES

On average, registered nurses working in aged care earn at least \$10,000 a year less than nurses who work in public hospitals.

That's not because they are any less skilled or important, but because of years of underfunding of the ARC by successive governments and a wider undervaluing of the care of older people.

The NZACA has been vocal in the media and in our advocacy about pay disparity and nursing shortages since 2018, when the Government settled a pay deal with public hospital nurses. This resulted in rest homes losing more nurses to DHBs for better pay, which our members have not been funded to match.



Data from our latest Industry Profile shows that turnover of registered nurses over the year to December 2019 was 33%.

A SHIFT IN PERCEPTIONS

COVID-19 has demonstrated to New Zealanders just how crucial ARC is to our public health system – and importantly, the essential role registered nurses working in aged care play in that.

It is thanks to their highly specialised skills and leadership with teams of dedicated staff, that more than 99% of rest homes in New Zealand had zero COVID-19 cases.

A CAMPAIGN

Leveraging this heightened awareness, the NZACA launched the *Fair Pay for Aged Care Nurses* campaign in June – calling on government to fund pay parity across registered nurses working in aged care and DHBs.

The campaign harnessed multiple channels to influence our key audience – government Ministers and officials – through building a groundswell of awareness and support.

It included an online petition, successfully achieving our target of 15,000 signatures. This was supported by bold print and digital advertising, social media, member activation and mainstream media, including television, radio, and online media.

Member talking points for local candidate meetings

The following bullets provide some of the key facts and points that you can raise in your discussions with candidates on the Fair Pay issue for the next election. They are only a guide, but should assist with a wider national perspective.

About the New Zealand Aged Care Association



The leading voice of aged care in New Zealand, the largest association representing the aged residential care (ARC) sector.



Over 600 members, representing 90% or approximately 35,000 beds from New Zealand's ARC sector.



Just under 70% of all NZACA member facilities are privately owned or funded by charitable, religious or welfare organisations.

Supporting Fair Pay for New Zealand's aged care nurses

About our nurses

- » More than 5,000 registered nurses work in aged residential care homes in New Zealand.
- » On average, aged care nurses earn at least \$10,000 a year less than nurses who work in public hospitals.
- » That's not because they are any less skilled or important, but because of years of underfunding of the ARC by successive governments and undervaluing of the care of older people.
- » Covid-19 has reminded us just how important our nurses are. Thanks to their skill and leadership more than 99% of rest homes in New Zealand had zero Covid-19 cases.

Why are aged care nurses special?

- » They care for the health and wellbeing of more than 36,000 of our most vulnerable people in 650 rest homes around New Zealand.
- » They are expert clinicians, managing multiple complex health conditions, as well as palliative and end of life care – all without the support of the clinical teams available in hospitals.



In August we presented the petition to representatives of the four major political parties on the steps of Parliament:

- » **Hon Tracey Martin** – NZ First (Minister for Seniors)
- » **Louisa Wall** – Labour (Member for Manurewa, Chair of the Health Select Committee)
- » **Hon Tim Macindoe** – National (Spokesperson for Seniors)
- » **Jan Logie** – Greens (Justice Under-Secretary)

All four politicians pledged to honour *Fair Pay for Nurses* if their respective parties formed the new Government.

The issue became the focus of our 2020 Election Manifesto and campaign supported by meetings with key politicians in Wellington and a member activation programme to engage candidates nationwide.

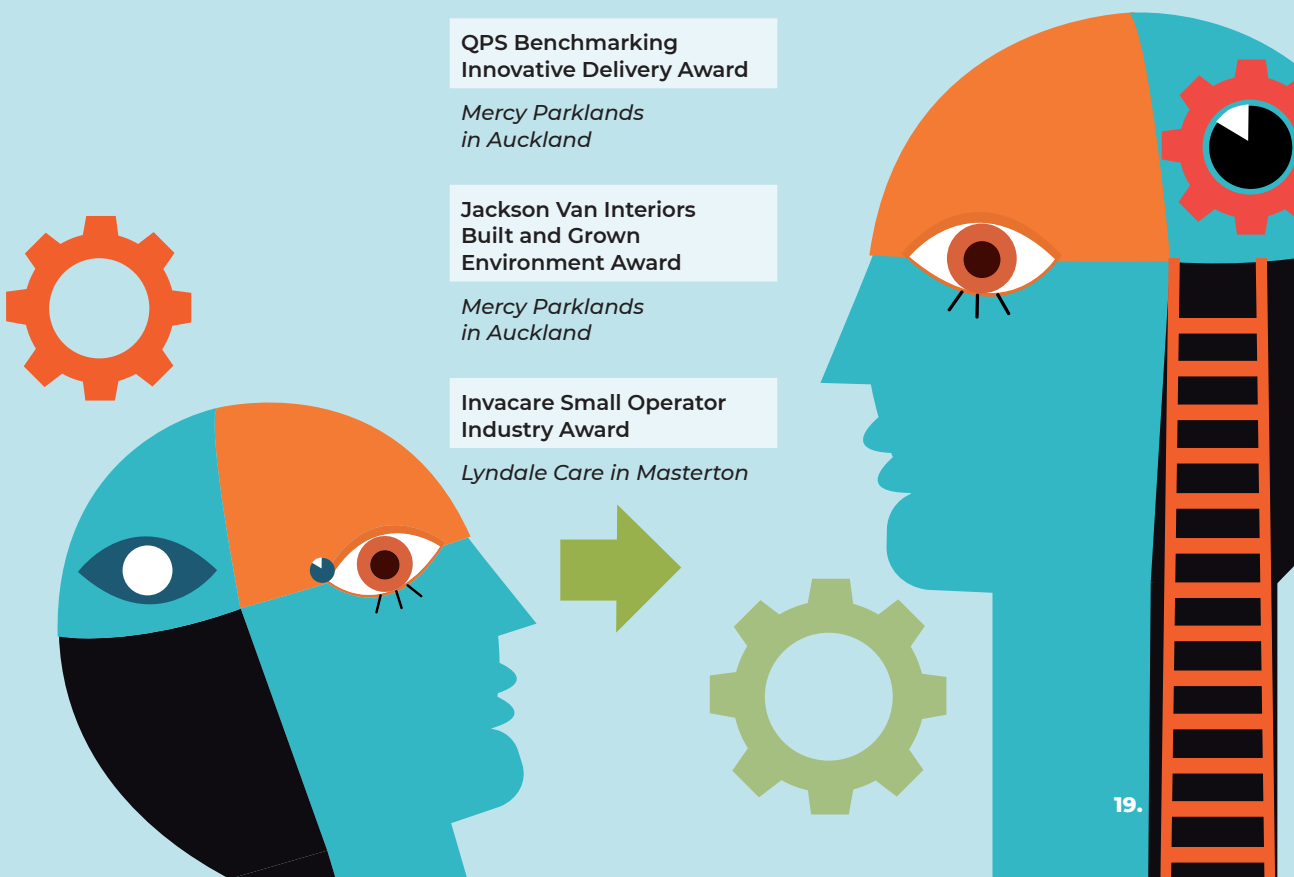
2019 NZACA/ EBOS HEALTHCARE EXCELLENCE IN CARE

Every year we are thrilled by the number of entries we receive demonstrating the pride, passion and commitment to excellence in care across our sector.

The 2019 awards were no exception with a high number of exceptional entries, showing the exemplary work being done by our members to look after residents in our care and the staff that care for them.

Judging was carried out by an independent panel of judges and the winners announced at a gala dinner on 23 October at the Museum of New Zealand Te Papa Tongarewa, Wellington. Congratulations to the following winners.

OVERALL WINNER	CARE HOME CATEGORIES	INDIVIDUAL CATEGORIES
EBOS Health Care Overall Excellence in Aged Care Award <i>Waiaatarua Mercy Parklands</i>	Bidfood Excellence in Food Award for Care Homes and Hospitals <i>Amberwood, Oceania Healthcare in Auckland</i>	Leecare Solutions Stand-out Individual Award <i>Resina Rakai, Anne Maree Gardens in Auckland</i>
	Medi-Map Community Connections Award <i>Kapiti Retirement Trust</i>	VCare Legendary Service to the Aged Residential Care Sector Award <i>Diana Triplow, Mary Doyle, Arvida Group in Havelock North</i>
	Arjo Training and Staff Development Award <i>Kiri Te Kanawa Retirement Village in Gisborne</i>	
	QPS Benchmarking Innovative Delivery Award <i>Mercy Parklands in Auckland</i>	
	Jackson Van Interiors Built and Grown Environment Award <i>Mercy Parklands in Auckland</i>	
	Invacare Small Operator Industry Award <i>Lyndale Care in Masterton</i>	



CONFERENCE 2019

In 2019, we welcomed more than 550 attendees, including 112 trade exhibitors, along with industry leaders, speakers, presenters and sponsors to the annual New Zealand Aged Care Association Conference: Dawn of a New Era, at the TSB Bank Arena, Shed 6, Wellington from 22-24 October.



The focus was on key issues impacting on the aged care sector: workforce shortages, ever increasing consumer demands, the quality, standard and affordability of our services, and a wide-ranging funding review of the industry.

Speakers included a range of experts both within and beyond the sector in both plenary and breakout sessions. Delegates were able to interact with exhibitors on the conference floor and enjoy the great networking opportunities.

The social events included the welcome function on the first day, and the prestigious gala dinner and awards ceremony on the second night, attended by more than 400 guests.



BOARD OF DIRECTORS

The NZACA is governed by a Board of Directors that represents our diverse industry.

We would like to make a special acknowledgement and extend thanks to Max Robins who, after more than 20 years of unstinting service to the NZACA announced that he would step down from the Board.

Max has had a long and distinguished career in the health sector that has spanned more than 30 years. Over this time, Max has made an immeasurable contribution not only to the organisations that have employed him, but through his voluntary work, to the health and well-being of older New Zealanders.

Max's involvement in advocacy and insight work for the sector goes back to the early 2000s when he headed up the New Zealand Private Hospitals Association (NZPHA). The NZPHA later merged with Healthcare Providers New Zealand (HCPNZ) to become a single industry body, now the NZACA, representing both private hospitals and rest homes.

There are countless examples of how Max's work has made a difference, but one that stands out is the contribution he made to the Equal Pay work between 2015 and 2017. Max was without question the sector expert through two years of very challenging work. He would bring his extraordinary intellect, sector knowledge and evidence base to every discussion and this was what stood out for all those involved. While Max worked hard to protect the interests of employers in the sector, he understood the contribution of staff just as much as anyone, which meant he was able to work alongside unions and government officials in a constructive way.

Max is thought of highly in the public and private sectors and while he is both strong analytically and strategically, he does not let these attributes in any way demean the contributions of others because of his calm and respectful manner.

At the end of this year, Max will also be retiring from his role as Chief Executive of the CHT, an organisation he has led for more than 20 years. On behalf of the NZACA Board, management and membership, we thank Max for his exceptional service. While he is stepping away, we all hope he will continue his involvement and contribution to the sector in some way.



CHAIR

Simon O'Dowd

Managing Director, Alpine Retirement Group Ltd, Christchurch

Managing Director of Qestral Corporation, Simon has been working in the sector for more than 30 years and is a long-standing member of NZACA. In addition to his role as NZACA Chair, he is involved in many aspects of the sector, including the ARRC negotiations, training and the Funding Model Review.



NORTHERN REPRESENTATIVES

DEPUTY CHAIR

Max Robins

Chief Executive, CHT, Auckland

Max is Chief Executive of CHT, an independent healthcare trust which provides residential care facilities, dementia, hospital and home care services from 15 different locations in the Auckland and Bay of Plenty regions.



Ann Coughlan

Chief Executive, Mercy Parklands Ltd, Auckland

Ann has worked in the New Zealand healthcare sector for almost 40 years, holding operational, project management and senior executive roles. For the past 17 years she has been Chief Executive of Mercy Parklands Ltd, a private hospital with 97 hospital-level care beds.



MIDLAND REPRESENTATIVE

David Hall

Chief Executive, Cambridge Resthaven Trust, Cambridge

David was appointed Chief Executive of Cambridge Resthaven Trust in 2001. The Trust provides rest home and hospital care, together with a retirement village.



CENTRAL REPRESENTATIVE

Warick Dunn

Chief Executive, The Masonic Villages Trust, Wellington

Warick has been Chief Executive of the Masonic Villages Trust since 2004. The Trust operates eight care facilities in Lower Hutt, Palmerston North, Levin, Napier, Marton, Wanganui and Masterton.



UPPER SOUTHERN REPRESENTATIVE

Rhonda Sherriff

Director, Chatswood Rest Home and Retirement Village, Christchurch

Rhonda is the co-owner of Chatswood Rest Home and Retirement Village and oversees it operationally on a part-time basis. Rhonda has worked in the industry for over 25 years in quality coordination, management and operational management roles. She is also the NZACA's Clinical Advisor.



LOWER SOUTHERN REPRESENTATIVE

Malcolm Hendry

Chief Executive, Birchleigh Residential care and Chatsford Lifestyle Community, Mosgiel, Dunedin

Malcolm became Chief Executive of Birchleigh Residential Care and Chatsford Lifestyle Community in 2007. Both businesses are located in Mosgiel. Birchleigh is an 83-bed care facility, offering rest home and hospital and specialist dementia care. Chatsford is a 267-unit resort-style retirement community.



LARGE PROVIDER REPRESENTATIVE

Carolyn Cooper

Managing Director Bupa Villages & Aged Care New Zealand

Carolyn is part of the Executive Leadership team that runs Bupa Villages and Care in New Zealand. A registered nurse, Carolyn has extensive on-the-ground and leadership experience in New Zealand and Australia across emergency nursing, aged care, rehabilitation, orthopaedics and executive management.



LARGE PROVIDER REPRESENTATIVE

Earl Gasparich

Chief Executive, Oceania Healthcare

Earl is Chief Executive at Oceania Healthcare, which operates 39 aged care and retirement village facilities across New Zealand. He joined Oceania in August 2014, following previous experience in the aged care sector in his role as Chief Financial Officer of Qualcare, which was sold into the Oceania Group in early 2008.



LARGE PROVIDER REPRESENTATIVE

Gordon MacLeod

Chief Executive, Ryman Healthcare

Gordon is Chief Executive at Ryman Healthcare, which he joined in 2007. He was previously a Corporate Finance Partner with Pricewaterhouse Coopers and a Finance Director of a London-listed hi-tech engineering company. Gordon holds a Bachelor of Commerce from the University of Canterbury and is a Chartered Accountant.



LARGE PROVIDER REPRESENTATIVE

Brien Cree

Managing Director, Radius Care

Brien is the Managing Director of Radius Care, which has 22 aged care facilities across New Zealand. He is the majority shareholder in Radius Care, having started the company in 2003. With more than 25 years' experience in the aged care sector, Brien has an in-depth knowledge of the market and issues affecting the elderly.

BOARD MEETING ATTENDANCE REGISTER FOR 2019/2020

DIRECTOR	DECEMBER 2019	FEBRUARY 2020	APRIL 2020	JUNE 2020	AUGUST 2020
Ann Coughlan	Yes	Yes	Cancelled due to COVID-19	Yes	Yes
Brien Cree	No	Yes	Cancelled	Yes	Yes
Carolyn Cooper	Yes	Yes	Cancelled	Yes	Yes
David Hall	No	Yes	Cancelled	Yes	Yes
Earl Gasparich	Yes	Yes	Cancelled	Yes	Yes
Gordon MacLeod	Yes	No	Cancelled	Yes	Yes
Malcolm Hendry	Yes	Yes	Cancelled	Yes	Yes
Max Robins	Yes	Yes	Cancelled	Yes	Yes
Rhonda Sherriff	Yes	Yes	Cancelled	Yes	Yes
Simon O'Dowd	Yes	Yes	Cancelled	Yes	Yes
Warick Dunn	Yes	No	Cancelled	Yes	Yes

THE NZACA TEAM



Simon Wallace
Chief Executive Officer



Neil Miller
Senior Policy Analyst



John McDougall
Data and Insight Specialist



June Murugan
Events and Marketing Specialist



Rebecca Chapman
Business Support Coordinator



Rhonda Sherriff
Clinical Advisor



Catarina Lou-Hewitt
Accounts

NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

Special Purpose Consolidated Statement of Financial Performance

For the year ended 30 June 2020

	NOTES	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Revenue					
Trading Revenue	1	712,727	655,374	12,130	15,378
Member Subscriptions		716,383	710,836	716,383	710,836
Preferred Supplier Rebates		42,744	42,743	42,744	42,743
Interest Revenue		29,404	22,026	4,690	8,070
Sundry Income		1,210	5,115	1,210	5,115
Secretarial Fee		–	–	195,663	199,139
Total Revenue		1,502,469	1,436,094	972,820	981,281
Expenses					
Trading Expenses	2	474,499	509,147	7,231	9,242
AGM Costs		9,005	10,082	9,005	10,082
Audit Fees		16,149	18,881	9,939	12,881
Bad Debts		1,889	2,458	1,889	2,458
Branch Costs		875	7,436	875	7,436
Executive Expenses	2	67,836	68,922	67,836	68,922
Communications	2	28,499	23,807	28,333	23,807
Depreciation	3	13,247	12,898	13,247	12,898
Employee Related Costs	2	580,189	493,362	580,189	493,362
Insurance		8,288	8,508	5,350	5,406
Media and Public Relations		41,877	35,010	41,877	35,010
Media Campaign Costs		77,070	–	77,070	–
Member Survey Costs		17,589	17,525	17,589	17,525
Office Expenses	2	29,560	37,217	28,697	36,685
Office Rent		52,337	59,000	52,337	59,000
Professional Fees	2	91,588	94,437	88,088	91,437
Total Expenses		1,510,498	1,398,690	1,029,554	886,151
Surplus/(Deficit) before Taxation		(8,029)	37,404	(56,734)	95,130
Income Tax Expense	6	2,841	4,777	2,841	4,777
Surplus/(Deficit) after Taxation		(10,870)	32,627	(59,575)	90,353
Other Expenses					
Donation to NZACAE Trust		–	–	–	788,736
Total Other Expenses		–	–	–	788,736
NET SURPLUS/(DEFICIT) FOR THE PERIOD		(10,870)	32,627	(59,575)	(698,384)

This financial statement should be read in conjunction with the accompanying notes.

NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

Special Purpose Consolidated Statement of Movements in Equity

For the year ended 30 June 2020

Group				
	NOTES	RESERVES \$	ACCUMULATED SURPLUS \$	TOTAL EQUITY \$
Opening Equity 1 July 2018		356,963	789,974	1,146,937
Surplus/(Deficit)		–	32,627	32,627
Transfers – Reserves	5	(24,922)	24,922	–
Closing Equity 30 June 2019		332,041	847,523	1,179,564
Opening Equity 1 July 2019		332,041	847,523	1,179,564
Surplus/(Deficit)		–	(10,870)	(10,870)
Transfers – Reserves	5	(11,253)	11,253	–
Closing Equity 30 June 2020		320,788	847,906	1,168,694

Association			
	RESERVES \$	ACCUMULATED SURPLUS \$	TOTAL EQUITY \$
Opening Equity 1 July 2018	–	788,736	788,736
Surplus/(Deficit)	–	(698,384)	(698,384)
Closing Equity 30 June 2019	–	90,353	90,353
Opening Equity 1 July 2019	–	90,353	90,353
Surplus/(Deficit)	–	(59,575)	(59,575)
Closing Equity 30 June 2020	–	30,777	30,777

This financial statement should be read in conjunction with the accompanying notes.

NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

Special Purpose Consolidated Statement of Financial Position

As at 30 June 2020

	NOTES	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Assets					
Current Assets					
Cash and Cash Equivalents	3	547,273	1,283,812	110,323	163,645
Accounts Receivable	3	12,653	174,444	57,556	57,551
GST Refund		23,396	–	7,934	–
Interest Receivable		4,084	1,723	6	3
Prepayments	3	28,438	50,432	6,518	4,177
Term Investments		700,376	160,000	–	–
Total Current Assets		1,316,221	1,670,412	182,337	225,376
Non Current Assets					
Plant and Equipment	3	50,709	23,402	50,709	23,402
Capital Projects		–	6,525	–	6,525
Total Non Current Assets		50,709	29,927	50,709	29,927
TOTAL ASSETS		1,366,930	1,700,339	233,046	255,303
Liabilities					
Current Liabilities					
Accounts Payable	4	94,642	62,699	144,319	100,893
Income in Advance	4	45,645	364,696	–	–
Loan from Branches		4,987	4,966	4,987	4,966
GST Payable		–	29,680	–	358
PAYE		15,037	13,168	15,037	13,168
Provision For Tax		13	3,832	13	3,832
Holiday Pay Accrual		37,230	36,428	37,230	36,428
Other Current Liabilities	4	682	5,306	682	5,306
Total Current Liabilities		198,236	520,775	202,269	164,951
Total Liabilities		198,236	520,775	202,269	164,951
Net Assets		1,168,694	1,179,564	30,777	90,353
Represented by:					
Accumulated Funds					
Accumulated Surplus		847,906	847,523	30,777	90,353
Reserves	5	320,788	332,041	–	–
TOTAL ACCUMULATED FUNDS		1,168,694	1,179,564	30,777	90,353

For and on behalf of the Board:

Chairman:

Date:

This financial statement should be read in conjunction with the accompanying notes.

NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

Statement of Accounting Policies

For the year ended 30 June 2020

REPORTING ENTITY

The financial statements presented here are for the New Zealand Aged Care Association Incorporated (NZACA Inc.) and its subsidiary the New Zealand Aged Care Association Education Trust (NZACAE Trust), together "the Group".

NZACA Inc. was incorporated under the Incorporated Societies Act 1908 on 4 March 2005 and was previously a registered charity. However as Charities Services did not consider all of the Society's activities to be of a 'charitable' nature, NZACA Inc. was deregistered as of 1 July 2018 but remained operational as an incorporated society.

The NZACAE Trust was established as a registered Charity with Charities Services in May 2018. (Reg. No. CC55451).

The Trust took over the educational activities of the Society on 1 July 2018. In relinquishing its charitable status, NZACA Inc. donated net assets valued to be \$1,146,937 at 30 June 2018 to the Trust. The Society has controlling interest in the Trust and the financial statements are presented in a special purpose consolidated group format.

BASIS OF PREPARATION

STATEMENT OF COMPLIANCE

The special purpose consolidated financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and is intended for presentation to members of NZACA Inc. as required by the Association's rules, and for taxation purposes using the Inland Revenue minimum financial reporting requirements.

CHANGE IN ACCOUNTING FRAMEWORK/POLICIES

There have been no significant changes in accounting policies during the reporting period.

FUNCTIONAL AND PRESENTATION CURRENCY

The special purpose consolidated financial statements are presented in New Zealand Dollars rounded to the nearest whole dollar.

MEASUREMENT BASIS

The special purpose consolidated financial statements have been prepared on the historical cost basis.

GOING CONCERN

At the end of June 2020 the Association had a negative working capital of \$19,932. However Management have made an assessment and consider the entity to be a going concern and they believe the entity can meet its obligations and remain solvent for at least the 12 months after the signing of the audit opinion. The negative working capital arose due to a timing issue between when costs for election campaign activity were incurred and when the corresponding revenue being collected (as part of a levy within the membership fee in the new financial year). These costs were greater than the in-year deficit and negative working capital. Management remain confident of the ongoing solvency of the Association because the 2021 budget was prepared to include said levy within the 2020/21 subscription fee which would cover all anticipated costs for that financial year.

SPECIFIC ACCOUNTING POLICIES

REVENUE

Revenue is accounted for as follows:

Trading Revenue

Conference, Seminar and Advertising revenue is recognised when the events take place.

Membership Subscriptions

Revenue from membership subscription is recognised in the year it relates to.

Preferred Supplier Rebates

Preferred Supplier Rebates are sub-agent fees or commission received and are recognised on an accruals basis.

Interest Income

Interest income is recognised on an accruals basis.

Sundry Income

All other income is accounted for on the accruals basis in accordance with the substance of the transaction.

EXPENSES

Expenses are accounted for as follows:

Trading Expenses

Conference, Seminar and Advertising costs are recognised when the events take place.

Sundry Expenses

All other expenses are accounted for on an accruals basis.

INCOME TAX

The Income Tax expense is calculated on the surplus achieved for NZACA Inc. prior to consolidation with NZACAE Trust accounts.

Income Tax has been calculated using the taxes payable method.

CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise of cash balances and bank balances, including short term deposits with original maturities of 90 days or less.

GOODS AND SERVICES TAX (GST)

The Consolidated Statement of Financial Performance has been prepared so that all components are stated exclusive of GST. All amounts in the Consolidated Statement of Financial Position are stated net of GST with the exception of accounts receivable and accounts payable.

DEBTORS

Debtors are carried at estimated realisable value after providing against debts where collection is doubtful. Debts considered uncollectable are written off as bad debts.

PLANT AND EQUIPMENT

Plant and equipment are shown at cost less any accumulated depreciation and impairment losses.

Depreciation has been calculated using the diminishing value method based on their estimated useful lives.

The depreciation rates associated with major classes of asset areas are as follows:

PLANT AND EQUIPMENT	DEPRECIATION
Computers (including software)	48% – 50% DV
Office Equipment	14%. – 48% DV
Furniture and Fixtures	8%. – 18% DV

BASIS FOR CONSOLIDATION

The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. NZACA Education Trust meets the definition of a controlled entity and NZ Age Care Association Inc. is required to consolidate the financial statements of NZACA Inc. and NZACA Education Trust. In preparing the special purpose consolidated financial statements, all inter-entity balances and transactions and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entities are consistent with the policies adopted by the Group and all entities within the Group have a 30 June reporting date.

NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

Notes to the Special Purpose Consolidated Financial Statements

For the year ended 30 June 2020

NOTE 1 – ANALYSIS OF REVENUE

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Trading Revenue				
Conference Revenue	631,098	526,553	–	–
Seminar Revenue	69,499	113,443	–	–
Advertising Revenue	12,130	15,378	12,130	15,378
TOTAL	712,727	655,374	12,130	15,378

NOTE 2 – ANALYSIS OF EXPENSES

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Trading Expenses				
Conference Costs	409,777	391,331	–	–
Seminar Costs	57,491	108,574	–	–
Advertising Costs	7,231	9,242	7,231	9,242
TOTAL	474,499	509,147	7,231	9,242

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Executive Expenses				
CEO Expenses	8,594	6,107	8,594	6,107
Board Expenses	27,683	32,063	27,683	32,063
Honorarium & Board Meeting Fees	31,559	30,751	31,559	30,751
TOTAL	67,836	68,922	67,836	68,922

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Communications				
Telephone & Internet	7,494	6,777	7,329	6,777
Website & IT Costs	21,005	17,030	21,005	17,030
TOTAL	28,499	23,807	28,333	23,807

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Employee Related Costs				
ACC	812	1,397	812	1,397
Staff Training & Recruitment	25,279	20,132	25,279	20,132
Salaries	554,098	471,832	554,098	471,832
TOTAL	580,189	493,362	580,189	493,362

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Office Expenses				
Bank Fees	981	358	162	(174)
Loss on Sale of Assets	4,405	59	4,405	59
Office Expenses	10,390	13,634	10,390	13,634
Postage & Courier	1,133	5,171	1,133	5,171
Printing & Stationery	4,807	9,898	4,807	9,898
Subscriptions	4,859	4,133	4,859	4,133
Sundry Expenses	586	2,461	541	2,461
Temporary Staff	2,399	1,504	2,399	1,504
TOTAL	29,560	37,217	28,697	36,685

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Professional Fees				
Accounting Fees	43,500	43,000	40,000	40,000
Legal & Consulting Fees	48,088	51,437	48,088	51,437
TOTAL	91,588	94,437	88,088	91,437

NOTE 3 – ANALYSIS OF ASSETS

Current Assets

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Cash and Cash Equivalents				
Cheque Accounts	104,033	195,291	70,890	77,656
Savings Account	293,146	287,954	39,339	85,798
Short Term Deposits & Other	150,094	800,568	94	191
TOTAL	547,273	1,283,812	110,323	163,645

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Accounts Receivable				
Trade Debtors	4,161	174,378	49,064	57,006
Sundry Debtors	8,493	67	8,493	67
Funds held by NZACAE Trust	–	–	–	479
TOTAL	12,653	174,444	57,556	57,551

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Prepayments				
Conference Prepayments	8,187	6,559	–	–
Other Prepayment	20,251	43,873	6,518	4,177
TOTAL	28,438	50,432	6,518	4,177

Non Current Assets

2020 ASSET CLASS	OPENING CARRYING AMOUNT	PURCHASED	SALES/ DISPOSALS	CURRENT YEAR DEPRECIATION & IMPAIRMENT	CLOSING CARRYING AMOUNT
Plant and Equipment					
Computers (including software)	17,568	39,970	4,406	11,934	41,198
Office Equipment	2,084	4,990	–	726	6,348
Furniture and Fixtures	3,750	–	–	587	3,163
TOTAL	23,402	44,960	4,406	13,247	50,709

2019 ASSET CLASS	OPENING CARRYING AMOUNT	PURCHASED	SALES/ DISPOSALS	CURRENT YEAR DEPRECIATION & IMPAIRMENT	CLOSING CARRYING AMOUNT
Plant and Equipment					
Computers (including software)	21,310	7,669	59	11,352	17,568
Office Equipment	2,868	–	–	785	2,084
Furniture and Fixtures	4,512	–	–	762	3,750
TOTAL	28,690	7,669	59	12,899	23,402

NOTE 4 – ANALYSIS OF LIABILITIES

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Accounts Payable				
Trade Creditors	70,015	34,915	66,300	24,239
Sundry Creditors	24,626	27,784	18,532	16,658
Funds owed to Trust	–	–	59,487	59,995
TOTAL	94,642	62,699	144,319	100,893

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Income In Advance				
Conference Income In Advance	45,645	364,696	–	–
TOTAL	45,645	364,696	–	–

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Other Current Liabilities				
Nurses Liability Insurance	–	3,647	–	3,647
ASB Credit Cards	682	1,659	682	1,659
TOTAL	682	5,306	682	5,306

NOTE 5 – BREAKDOWN OF RESERVES

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Canterbury Education Reserve	320,788	332,041	–	–
TOTAL	320,788	332,041	–	–

NOTE 6 – TAXATION EXPENSE

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Surplus/(Deficit) Per Consolidated Statement of Financial Statements	(8,029)	37,404	(8,029)	37,404
Less NZACAE Trust Surplus/(Deficit)	48,705	(57,726)	48,705	(57,726)
Gross Surplus/(Deficit) for NZACA Inc.	(56,734)	95,130	(56,734)	95,130
Less NZACA Inc. Non Taxable Items	67,880	(77,068)	67,880	(77,068)
Taxable Surplus/(Deficit) for the Year	11,146	18,062	11,146	18,062
Less Not for Profit Income Tax Rebate	(1,000)	(1,000)	(1,000)	(1,000)
Net Taxable Surplus/(Deficit) for the Year	10,146	17,062	10,146	17,062
TAXATION EXPENSE AT 28%	2,841	4,777	2,841	4,777

NOTE 7 – COMMITMENTS AND CONTINGENCIES

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Commitments To Lease or Rent Assets				
Office Rental (Lease to 14 December 2022)	125,960	27,042	125,960	27,042
Capital Commitments				
There were no capital commitments at the reporting date. (2019: \$nil)				
Contingent Liabilities & Guarantees				
There were no contingent liabilities or guarantees at the reporting date. (2019: \$nil)				

NOTE 8 – RELATED PARTY TRANSACTIONS

Rhonda Sherriff is a board member who receives fees in exchange for providing consulting services to NZACA members and for educational presentations in seminars run by NZACA Education Trust.

	GROUP 2020 \$	GROUP 2019 \$	ASSOCIATION 2020 \$	ASSOCIATION 2019 \$
Value of transactions	33,975	37,825	29,175	23,920

NOTE 9 – EVENTS AFTER THE REPORTING DATE

No events occurred after the balance date that would have a material impact on the Special Purpose Consolidated Financial Statements.

NOTE 10 – IMPACT OF COVID-19 PANDEMIC

On March 11 2020 The World Health Organisation (WHO) declared the COVID-19 outbreak a global pandemic. On 26 March New Zealand entered Level 4 COVID-19 lockdown which temporarily shut down many industries except for those providing an essential service. As The NZ Aged Care sector was considered to be an essential service provider, many of the Society's members were forced to operate under strict health guidelines as well as enduring financial limitations during this period.

Demand for the NZACA Education Trust's activities were affected as they were not considered to be an essential service provider. The educational seminars scheduled for the final quarter of the 2020 financial year were cancelled. The Trust annual conference was also deferred from August 2020 to November 2020 to cater for an expected smaller number of trade exhibitors and delegates.

INDEPENDENT AUDITOR'S REPORT



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TO THE MEMBERS OF NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of New Zealand Aged Care Association Incorporated on pages 25 to 34 which comprise the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of financial performance and consolidated statement of movements in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the financial position of New Zealand Aged Care Association Incorporated as at 30 June 2020, and of its financial performance for the year then ended, in accordance with Special Purpose Financial Reporting Framework For Profit Entities ("The Framework") issued by the New Zealand Institute of Chartered Accountants (now known as Chartered Accountants Australia and New Zealand).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm has no other interest in the Group.

EMPHASIS OF MATTER

We draw attention to the Statement of Compliance within the consolidated financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with a special purpose framework and, therefore, may not be suitable for another purpose. Our report is intended solely for the Group and should not be distributed to or used by parties other than the Group. Our Opinion is not modified in respect of this matter.

THE MEMBER'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Members are responsible on behalf of the Group for the preparation and fair presentation of these consolidated financial statements in accordance with The Framework and for such internal control as those charged with governance determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, those charged with governance are responsible for assessing the Group'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 the Members either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs (NZ) 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 these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>

RESTRICTION ON USE OF OUR REPORT

This report is made solely to the Group's Members, as a body. Our audit work has been undertaken so that we might state to the Group's Members, as a body, those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's Members, as a body, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited



B SMITH

Partner

Wellington

6 October 2020

CONTACT NZACA

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