



New Zealand
Aged Care Association

Annual Report 2020/21

The Voice of the Aged
Residential Care Industry



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Membership

The largest and most influential association representing all parts of New Zealand's aged residential care (ARC) sector, NZACA members account for 93% of the 40,000 plus ARC beds.



COVID-19 Vaccine Rollout

We played an integral part in the COVID-19 vaccine rollout to ARC, working closely with the Ministry of Health (MOH) and DHBs, and providing regular updates to keep members informed.



Nursing Leadership Group

Our established Nursing Leadership Group (NLG) forged ahead with its workforce initiatives and provided valuable clinical input to the work of the Association.



Branches

We hosted quarterly Zoom meetings with representatives from our 17 branches to keep the regions informed of our work.

Highlights Snapshot



Funding

We negotiated a 2.8 per cent increase in funding for the coming year, an injection of close to \$50 million. As part of this year's negotiation, we successfully lobbied for an advance payment from the Government for Pay Equity, including a forecasted Labour Cost Index adjustment.



Funding

The news of the alignment of the Young Persons Disability (YPD) rates with ARC bed-day rates came as a relief to many members who provide care to some 700 YPD clients.



Pay Parity

The campaign we launched in June 2020 calling for fair pay for aged care nurses has gathered momentum over the past 12 months.



Training

Following NZACA advocacy and with the support of Careerforce, the creation of an Apprenticeship for Healthcare Assistance programme was welcomed by many in the sector.



Immigration

Immigration policy settings have supported the sector, with multiple changes coming after direct representations by NZACA to the Government.



The Voice

Our role as the voice for aged care was asserted as we continued to be a first port of call for Government officials and media on matters related to the aged care sector.



Media

Our presence across mainstream media remains strong, with NZACA fronting regularly on the issues of most importance to our members.



Political engagement

Political engagement has been ongoing and frequent across the political spectrum, including regular contact with relevant portfolio Ministers, as well as with Opposition MPs.



Data and Insight

Our data and insight repository continued to expand, supporting the evidence base the NZACA brings to its policy and advocacy work.



Conference

Ours was one of the few industry conferences able to be held in-person in 2020, with over 400 delegates and trade personnel attending.



Awards

We had a high calibre of entries into our annual Excellence in Care Awards programme, showcasing members and individuals delivering outstanding care and service to their residents.



Staff

Our team has grown to support an increased workload, with six full-time staff now based in our Wellington National Office.



“It is critical that Government ceases viewing ARC as a cost centre and instead as part of the solution.”

Chairman's Report

I'm pleased to present my report to the Annual General Meeting (AGM) of the New Zealand Aged Care Association (NZACA) for 2020-21.

At a time when New Zealand's aged residential care (ARC) sector is ever more critical to our nation's well-being, the challenges to its future are greater than ever before.

The issues we are dealing with can be encapsulated in three areas that are the main focus of the NZACA's work – workforce, funding and investment, and the health sector reforms.

Over the last year, we've seen the forces of COVID-19 and chronic underfunding of the sector converge to drive unprecedented workforce shortages. Most critically, our sector has been losing registered nurses, down by some 900 as of mid-2021 (a figure that is estimated to be higher at the time of writing this report), as they leave for the higher pay rates on offer from District Health Boards (DHBs). This will be exacerbated even further by the anticipated settlement of the DHB nurses' pay claim.

Compounding this situation is the restricted border which means aged care providers can't bring nurses into the country due to a lack of space in Managed Isolation and Quarantine (MIQ) combined with the lengthy and frustrating visa processing system.

Retirement villages and transition to care

Over the last 20 years there have been no new standalone care facilities developed due to a funding system that does not justify the capital expenditure. All new facilities built have been and continue to be part of retirement village developments.

The ability to charge an accommodation supplement has paved the way for use of the retirement village ORA (Occupational Right Agreement) system over care facility rooms.

With this, ARC and retirement villages have become almost synonymous in the eyes of the public and the media, blurring the issues around funding and cost.

A key focus for the NZACA has been to communicate the facts. Every residential care bed has a true cost, irrespective of where it is, and the current fee system does not reflect that cost.

This is a huge challenge for existing standalone facilities – especially in rural and regional areas. Due to lack of investment, many are struggling to remain fit for purpose, particularly in the area of infection control. Further, many are unable to charge an accommodation supplement as they do not have the requisite extra facilities or are located in an area where potential residents do not have the financial means to pay over and above the subsidised fee rate.

In failing to recognise the true cost of care, the Government, Ministry of Health and DHBs run the risk of creating a two-tier system where those that can pay a supplement or ORA will be perceived as privileged and the lives of those who can't, put at risk.

Likewise, the demise of standalone rest homes outside of metropolitan areas is putting the lives and livelihoods of these communities at risk.

Health sector reforms

I am cautiously optimistic that with the health sector reforms announced in 2021 to replace DHBs with a single health authority and Māori health authority, we will be able to have the true cost – the true value – of ARC recognised.

ARC in New Zealand is the largest private-public partnership, and the Ministry of Health and the DHBs (soon to be replaced by the new health authorities) will increasingly rely on ARC's 40,000 plus beds to prevent the 13,000 public hospital beds being overwhelmed. It is critical that Government ceases viewing ARC as a cost centre and instead as part of the solution.

The reforms must also address workforce shortages, in particular a system where aged residential care must compete with its funding agency (DHBs) for registered nurses, exponentially pushing up labour costs which our fee system does not reflect and undermining the ability of care homes to function.

With a growing cohort of vulnerable people who need care and the very real possibility of further COVID-19 outbreaks and new variants impacting on the mortality rates of our older people, the members of this organisation have demonstrated their increasingly critical role in our health care system.

Looking forward

In addressing these critical challenges, the NZACA Board has committed to increasing our people capacity in the Wellington office, focusing on the areas of policy analysis, advice, lobbying and research.

We must continue to work in partnership with government and agencies. We need to see government being more publicly supportive of ARC and an acknowledgement of the true cost and the shared responsibility of that care.

Acknowledgements

I would like to acknowledge and thank the NZACA office team led by our Chief Executive Simon Wallace who have risen to the challenge of increased workloads and ever increasingly complex issues.

This year I would like to make special mention of Earl Gasparich, who stood down from his involvement with the NZACA Board at the beginning of 2021 after resigning from his role as Chief Executive of Oceania Healthcare.

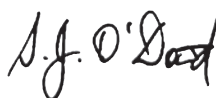
With Earl's departure, I would like to welcome Oceania Healthcare's new Chief Executive Brent Pattison to the Board. Brent brings significant expertise to the table, an accountant who has held senior executive roles in New Zealand corporations and has a keen interest in improving the aged care and retirement living experience.

I would also like to acknowledge Warick Dunn, appointed by the Board as our new Deputy Chair replacing Max Robins who stood down last year. Warick, Chief Executive of The Masonic Villages Trust since 2004, has made significant contributions to the NZACA as a Board member, particularly through the ARC Steering Group, and negotiations with DHBs and Ministers.

The work of the NZACA Nursing Leadership Group (NLG) has been exemplary. Chaired by Dr Frances Hughes, this group of senior leaders has put in a significant amount of their own time and expertise for the benefit of the sector. Likewise, the companies that employ them have made them available for this purpose.

I also want to acknowledge the excellent working relationship the NZACA and the Board have with the Retirement Villages Association's Chair Graham Wilkinson and Executive Director John Collins. We value the partnership in advocacy areas representing our members' shared interests.

Finally, 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 93% of the 40,729 beds in the sector. It means we are well placed to continue our advocacy work which is so vital to your interests.



Simon O'Dowd

CHAIRMAN



Chief Executive's Report

“While some economic commentators expected the pandemic to result in high unemployment, the reverse has been true and in the absence of New Zealanders to fill vital care roles in nursing and caregiving, migrants have become ever more valuable.”

The past year has been anything but dull as the spectre of COVID-19 created ongoing challenges for the sector and the need for efficient and rapid responses.

In part due to the pandemic, serious nursing shortages have impacted almost every NZACA member with staff actively recruited by DHBs or as COVID-19 vaccinators, while the border restrictions have affected the ability to bring in migrant workers. A raft of new regulations has added extra pressure and compliance burden to an already stretched workforce.

On the plus side, the Association's campaign for Pay Parity for aged care nurses that started prior to the 2020 General Election has gained prominence. The message to the Government and the public at large on the pay inequity that exists between ARC nurses and DHB nurses is clear and gaining resonance. With the costs quantified, the ongoing advocacy by the NZACA and the membership has been focused on reinforcing the importance of a nurse-led workforce to the health and well-being of the country's older, more vulnerable population.

Other positives have included immigration policy settings supporting the sector, a new funded training programme for caregivers and alignment of Young Persons with Disabilities (YPD) rates was finally achieved. The Nursing Leadership Group (NLG) has been forging ahead and making good progress on workforce initiatives for the sector.

From very early on this year, the Association worked daily with the Ministry of Health (MOH) on the COVID-19 vaccine rollout to give officials clear direction on the requirements for its members backed up by frequent communication on progress. While our cohort was identified in the Government's sequencing framework as a Priority Group Two, it was disappointing the speed of the rollout was not matched by the intent. Meantime, hats must be raised to the membership for what have become textbook responses to the multiple COVID-19 outbreaks. The pandemic will be with us for some time to come, but ARC is well prepared.

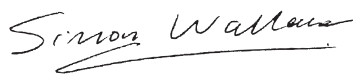
While some economic commentators expected the pandemic to result in high unemployment, the reverse has been true and in the absence of New Zealanders to fill vital care roles in nursing and caregiving, migrants have become ever more valuable. Led by the NZACA, policy concessions were achieved on a number of fronts in immigration, including extensions for temporary work permit holders (mostly caregivers) and the removal of the border entry deadline for critical health workers. However, while useful, these settings are temporary with the ongoing advocacy by the Association focused on providing certainty and a path to residency for this group of workers.*

New regulations have not made our members' jobs any easier over the past year. The Health and Disability Services Standard to be implemented in early 2022 will consume more time and add more cost, as will the Chief Ombudsman's inspections of secure dementia units. The End-of-Life Choice Act to be enacted in early November is also an area our members will need to be across. While the Association opposed the creation of an Aged Care Commissioner, our efforts will now go into working with the office in the best interests of the sector. As with all these regulations, while the NZACA cannot prevent them, our efforts are on limiting the impact of the extra compliance burden the regulations create.

While our role is to react in the best way we can to the matters that impact our sector, the Association must also look ahead and focus on the things that are critical to the sector's success. In his report, the Chair has alluded to the Health and Disability Sector Reforms to which the NZACA is already contributing, and it is important our voice is heard in the new structures that will commence from 1 July 2022. It is vital too that ARC's interests are protected in the Funding Model Review work that guides Government investment in the sector. Workforce can be added as another important strand of our future work and to this end the NLG will play a critical role to help build what is a sustainable nursing workforce for ARC. COVID-19 will have a focus of its own too as the sector learns to operate in an environment of a reopened border with community transmission of the virus. These are all big-ticket items for the Association on top of business-as-usual activity and will require extra capacity in the Wellington office.

This report would not be complete without mentioning the annual conference held in Wellington in November 2020, one of few such events of scale to take place in person anywhere in New Zealand last year. As many delegates said, it was certainly 'one out of the box' with a stellar line-up of top-notch speakers that engaged and enthralled delegates. The pandemic has delayed this year's event until March 2022 but subject to COVID-19, the Association is committed to delivering an in-person Conference as we know the value that members, trade personnel and sponsors all gain from attending.

In closing, I would like to thank my Wellington office team and my Board for their support during another challenging year. And finally, thank you to the membership for continuing to support the Association and its work. I am proud to report again that membership retention has been strong and that is the key ingredient to the NZACA and its success as a visible and respected advocacy body.



Simon Wallace

CHIEF EXECUTIVE

* On 30 September 2021, the Government announced the new 2021 Resident Visa, providing a residence pathway for many of ARC's valuable migrant workers.

Demographics of the aging population

Population of New Zealand as of June 2021

65+

2021: 816,738
Forecast for 2041:
1,344,441



85+

2021: 91,702
Forecast for 2041:
224,601



Number of deaths 65+

Increase from 33,900 deaths per annum to 51,500 deaths per annum in 2041.

Currently some 37% of deaths are in the 85+ group and in 20 years this is forecast to rise to over 53%.

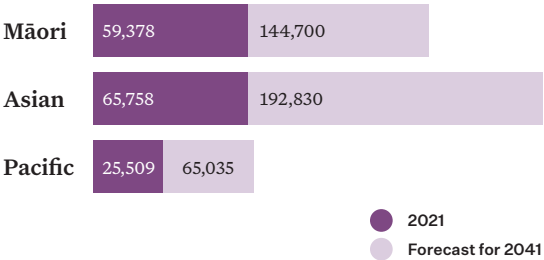


Aged residential care beds

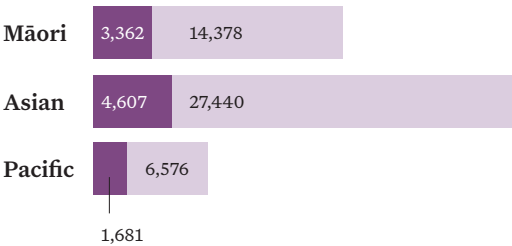
June 2021: 40,729

Estimated needed in 2030: 53,000 – 57,500

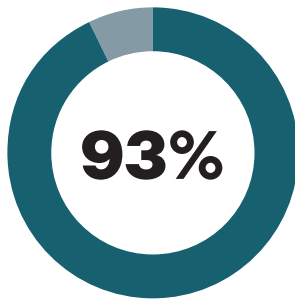
Ethnic change 65+



Ethnic change 85+



Who we are?



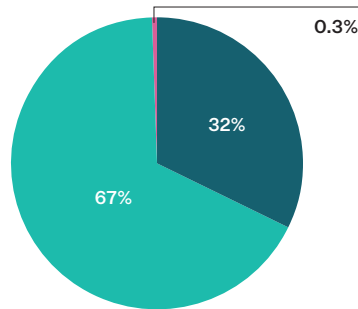
NZACA member care facilities provide 93% of the total 40,729 ARC beds.



65 Beds



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



Bed supply distribution by ownership model:

(September 2020)

- Publicly listed providers
- Non-publicly listed providers including:
 - » Charitable
 - » Religious or family trust
 - » Privately owned
- DHB-owned

Occupancy



87.3%

Average occupancy is 87.3%, up by 0.5% over the last year.

ARC Facilities



35,554

residents at ARC facilities on 30 June 2021, 56% of whom are at one of the higher levels of care.

Bed breakdown

Dual service beds (non-ORA)	36.6%
Dedicated rest home beds	21.9%
Dedicated hospital beds	15.8%
Dementia beds	12.3%
ORA beds	10.4%
Psychogeriatric beds	2.3%
Young Persons Disability/Other beds	0.5%

ORAs on the rise



+ 14.2%

Increase of ORA beds over the past twelve months.

Common within the retirement village sector, Occupational Right Agreement (ORA) beds are the fastest growing category in aged care.

On 30 June 2021 there were 4,238 ORA beds, an increase of 14.2% since 1 July 2020.

Based on data from the TAS ARC Quarterly Reporting Survey, June 2021, unless otherwise stated.



Member benefits

Aside from our advocacy, following are some of the benefits available to our members.



Nurses Liability Insurance

The NZACA has continued to offer a liability insurance package for nurses in aged care through our partnership with Aon New Zealand. The 2020/21 year saw 296 nurses from member organisations join or renew their cover under the scheme.



Supplier agreements

Our preferred supplier agreements with ASB Bank, EBOS Healthcare, Goodman Fielder, and Aon Insurance continue to provide benefits and savings to members and their staff.



Discounted rates for workshops and conference

NZACA members can take advantage of special discounted rates when attending any of our educational workshops or annual conference.



Food Control Plan

The NZACA Food Control Plan (FCP) was updated in January 2021. Available to members only, the FCP template reduces time and compliance costs for ARC facilities in meeting their legislative requirements in this area.



Supporting member performance

661

Participants registered
at 16 Workshops

129,453

Member communications
sent by email over
the year

17

Regional branches
connecting via Zoom

Workshops

Three rounds of training and professional development workshops were held over the past year, two for Registered Nurses and one for managers in aged care. The workshops were facilitated by our Clinical Advisor, Rhonda Sherriff, at main centres across New Zealand. A total of 16 workshops were held with 661 participants registering.

Registered Nurses in Aged Care Workshops

August/October 2020:

Auckland, Tauranga, Wellington, Christchurch, Dunedin

May/June 2021:

Auckland, Tauranga, Wellington, Christchurch, Dunedin

Managers and Aspiring Leaders in Aged Care Workshops

February/March/April 2021:

Auckland, Tauranga, Palmerston North, Nelson, Christchurch, Dunedin

0800 Helpline

Members utilised the expertise of NZACA Clinical Advisor, Rhonda Sherriff, who was available via phone and email to answer clinical questions Monday-Friday from 9.00am-5.00pm, except public holidays.

In Touch and other communications

We sent 107 email campaigns over the year (including our weekly e-newsletter, In Touch), a total of 129,453 individual emails. In Touch and other one-off email updates are integral to keeping members informed of sector issues and to provide support for the day-to-day challenges of running an aged care facility.

Members only section

The private members' section of our website contains documents, publications, and past issues of In Touch that are available exclusively to members of the NZACA.

Branch representative meetings

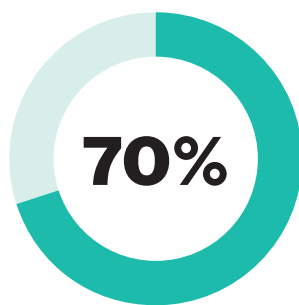
Due to the ongoing COVID-19 pandemic, we were unable to hold in-person branch meetings this past year. Instead, our office team held quarterly meetings via Zoom with representatives from the 17 regional branches. In turn, the branch representatives circulated information at a local level and reported back to us on any regional issues. We look forward to getting around the country to meet members once our team is fully vaccinated and the Alert Levels allow.

Policy and Advocacy

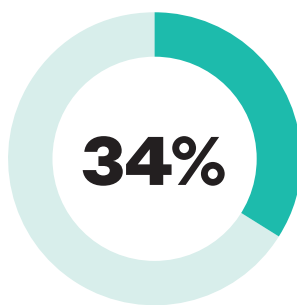
Our policy agenda over the past 12 months has been immense with a raft of policies to respond and submit to on behalf of our membership.

COVID-19 Vaccine rollout

From March 2021, we worked closely with the Ministry of Health and DHBs to inform their planning and ensure a smooth rollout of the COVID-19 vaccine for ARC residents and staff. We were able to give the Ministry a clear picture of ARC's requirements in part due to a March survey of members around the number of authorised and potential vaccinators at each facility.



of residents had received dose 1 of the vaccine in early June 2021



of residents had received dose 2 of the vaccine in early June 2021

From March through to May we provided members with a regular COVID-19 Vaccine Update by email which featured information on various aspects of the rollout including vaccine sequencing, timing of the influenza vaccination, workforce, consent and privacy issues, and vaccine hesitancy. A follow up survey in early June provided a snapshot of how the COVID-19 vaccine rollout was progressing in ARC, at which point some 70% of respondents said their residents had received dose 1 of the vaccine and 34% said their residents had received dose 2. By the end of June, staff and residents at most of the country's 668 rest homes had received at least their first dose.

Pay parity

Again this past year, pay parity for aged care nurses has been a dominant feature of our advocacy work. Following our 'Fair Pay for Aged Care Nurses' petition of June 2020, the issue has been in front of the Health Select Committee and discussed with both Ministers and Opposition MPs with an interest in aged care and health. The pay disparity between ARC and DHB nurses has regularly been in the media, with representation by both the NZACA and our members.





“It is a priority for the Association to ensure the changeover from DHBs to Health NZ and the Māori Health Authority recognises the value of the ARC sector and does not disrupt the delivery of care to residents.”

Immigration

We had multiple gains on the immigration front over the year including:

- » the stand down period for low-paid Essential Skills visa holders was postponed until July 2022, meaning many migrant workers currently in New Zealand can stay and work here for longer.
- » employer-assisted work visa holders had their visas automatically extended by six months.
- » after initially being extended to 31 March 2021, the entry deadline for critical health workers was removed altogether.
- » the Government introduced border exceptions allowing offshore visa applications for the families of aged care workers in New Zealand.
- » implementation of the Accredited Employer Work Visa (AEWV) was pushed back until mid-2022.

Health System Reform

Since it was announced in April that a single nationwide health service will emerge from 1 July 2022, we have been in regular contact with the Department of Prime Minister and Cabinet’s (DPMC) Health Transition Unit. It is a priority for the Association to ensure the changeover from District Health Boards to Health NZ and the Māori Health Authority recognises the value of the ARC sector and does not disrupt the delivery of care to residents.

Accommodation supplements

We negotiated a favourable outcome with DHBs on behalf of the sector around the requirement to publish accommodation supplements on ARC provider websites. From 1 November 2020, providers were required to publish at least the current minimum and maximum accommodation supplements applying to new residents. In exchange, the notice period for a resident wishing to opt out of an accommodation supplement was extended from two to six months and a financial hardship clause included.

Education and workforce

We worked with Careerforce on a range of initiatives to benefit the aged care sector, including the creation of an Apprenticeship for Healthcare Assistance in Aged Care, entry into which was fees free under the Targeted Training and Apprenticeship Fund (TTAF). We also collaborated with Careerforce in the development of a new Level 4 Certificate in Advanced Care and Support (120 credits).



Ngā Paerewa Health and Disability Services Standard (HDSS)

While we supported the HDSS being updated and agreed with the principles of Te Tiriti o Waitangi behind many of the new criteria, we have been vocal in our opposition of the new Standard due to the increased cost of compliance for our members. After twice voting against the publication of the aspirational 2021 Standard, we engaged PwC to carry out a cost impact analysis which will inform future discussions about the funding, education, and resources required to help the ARC sector meaningfully meet the new Standard.

Aged Care Commissioner

In May, Budget 2021 confirmed the creation of an Aged Care Commissioner role. While the NZACA previously spoke out against the idea, once the role was confirmed, we immediately began to work with the Minister for Seniors to help scope the role and its job description.

End of Life Choice Act

At the 2020 General Election, the End-of-Life Choice Bill referendum passed with a majority vote. Despite submitting against the Bill, we have been working with the Ministry of Health to ensure a smooth implementation for our members when the Act is enacted in November 2021. The NLG has been providing clinical guidance and expertise into our work on this issue.

Chief Ombudsman's OPCAT (Optional Protocol to the Convention against Torture) inspections

We worked with the Office of the Ombudsman to inform its planned inspections of ARC dementia facilities, commencing on 1 July 2021, and ensure our members' concerns about the visits and their potential implications were heard.

Submissions

We submitted on a range of issues relevant to our membership. Copies of our submissions can be found in the advocacy and policy section of nzaca.org.nz

October 2020

Submission to the Ministry of Business, Innovation and Employment (MBIE) on the 2020 Minimum Wage Review.

November 2020

Submission to TAS on the 2021/2022 ARRC and ARHSS agreements.

January 2021

Submission to MBIE on the Health and Disability Services Standard review.

February 2021

Submission on the Reform of Vocational Education (RoVE) Health, Community and Social Services Workforce Development Council (WDC).

March 2021

Submission to the Commission for Financial Capability's White Paper on the Retirement Villages' Legislative Framework: Assessment and Options for Change 2020.

June 2021

Submission to the Social Services and Community Committee on the petition of Sue Brown: Retirement villages must have capacity when residents move to next level of care.

Data and Insight

Our work in data and insight has continued to grow and strengthen, giving us a strong evidence base to support our advocacy work.

Pay Parity – wage alignment for Registered Nurses (RNs) in ARC

In December 2020, together with the Ministry of Health and DHBs, we assessed the wage gap between nurses working in public hospitals and those in ARC.

Together we estimated the average pay gap between DHB and ARC nurses to be at least \$10,000 a year. If however, an RN in a DHB role has substantial opportunities for working night, weekend and public holiday shifts, the difference in earnings can approach \$20,000.

All parties agreed an annual figure of \$85 million would be needed to achieve wage alignment for ARC RNs with those working in a public hospital setting.

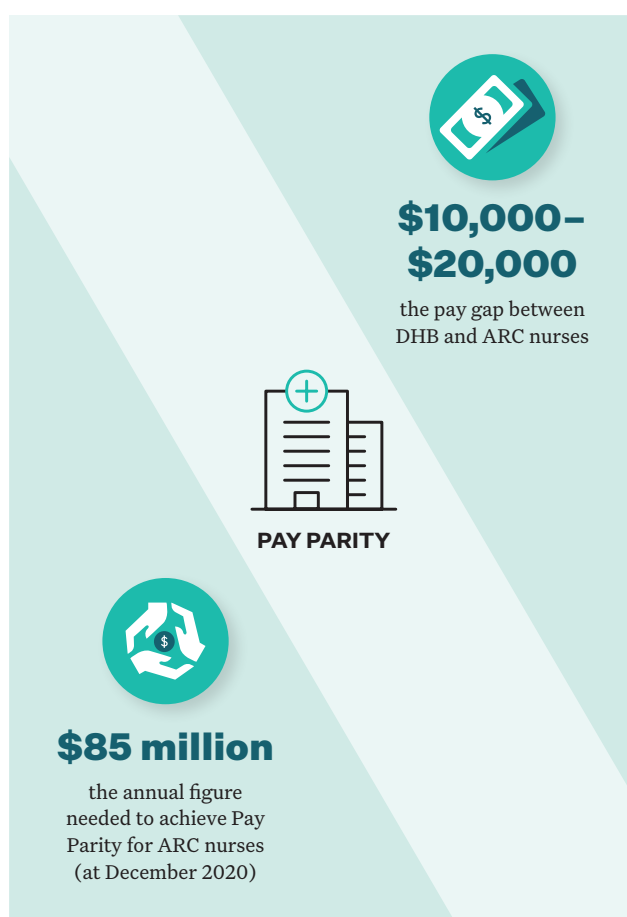
Capacity issues brought forward by COVID-19 infection control

Our analysis of bed occupancy data from the TAS ARC Quarterly Reporting Survey has shown pressing capacity issues in some regions and bed types. By convention in ARC, “full capacity” means an occupancy rate of 95%; when occupancy rates above this prevail, there can be delays in people accessing the care they need.

These capacity issues have been brought forward by the success of infection control precautions taken by facilities against COVID-19 in reducing other respiratory illnesses among residents. As a further example of this, discharges in the September quarter 2020 were down by 16%, compared with September quarter 2019.

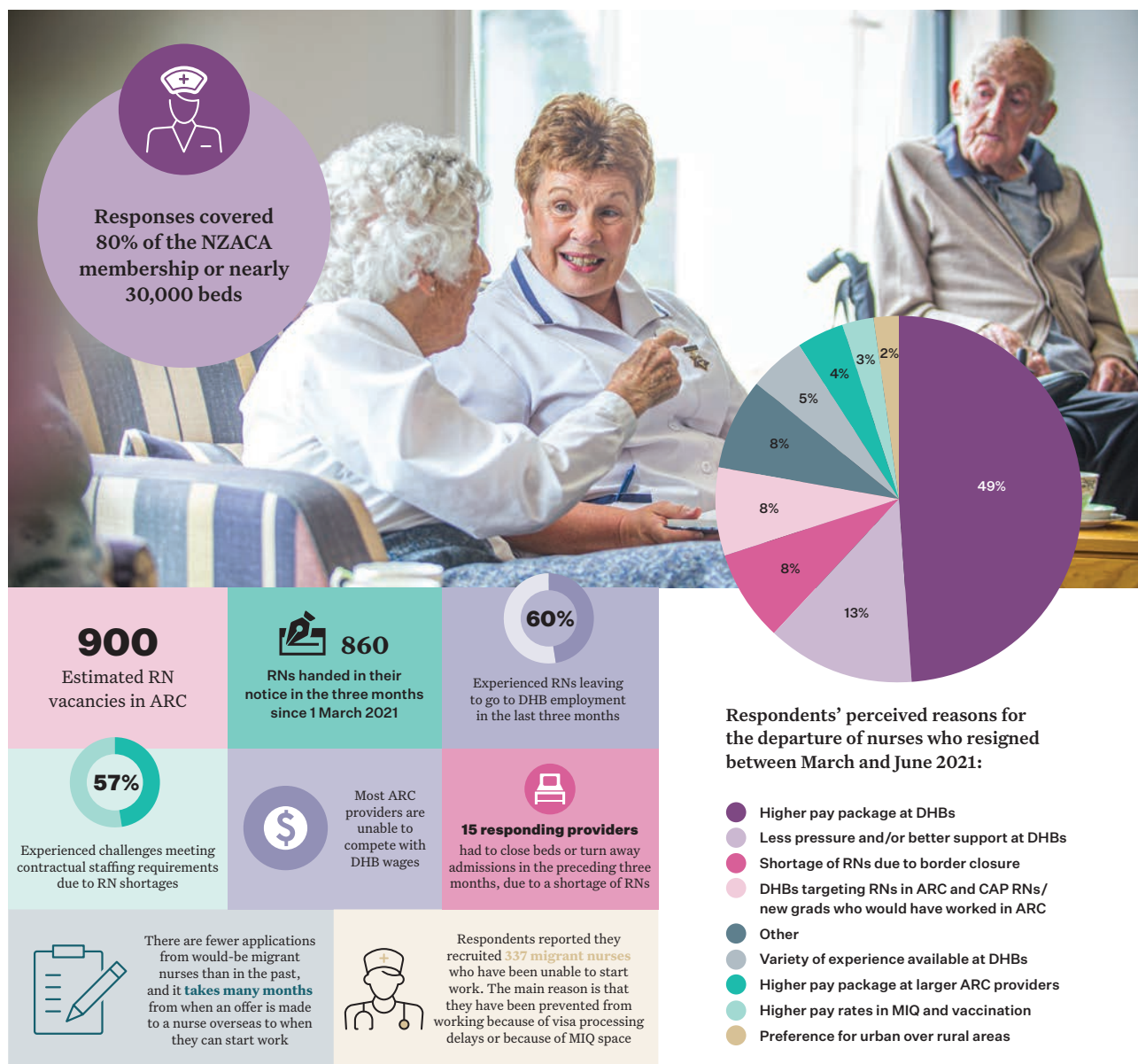
In March 2021:

- » psychogeriatric beds were at full capacity in 12 DHBs
- » dementia beds were at full capacity in nine DHBs
- » dedicated hospital beds were at full capacity in seven DHBs.



RN Vacancy and Turnover Survey of June 2021

With a growing workforce crisis in ARC, we undertook an urgent survey to gather data on current RN vacancies. Key findings of the survey were:



Surveys

Along with those previously mentioned, we also surveyed our members to inform our Minimum Wage Submission and work on quantifying the ongoing costs of COVID-19 precautions.

Minimum wage submission survey, October 2020

Nearly two-thirds of respondents (63%) said they expected a negative impact from the 2021 increase in the minimum wage on the financial bottom line.

Most respondents reported wanting to pay above the minimum wage, but that it was becoming increasingly difficult to do so.

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Ongoing costs of COVID-19 precautions survey, April 2021

This survey gathered data on the cost of compliance, consumables, and additional ongoing costs from implementing the cluster review recommendations. Results showed the cost of these amounted to \$1.75 per resident day, and this figure was accepted by the DHBs and included in the price offer as part of the 21/22 annual price negotiation.

NZACA Nursing Leadership Group (NLG)

Formed in January 2020, the NLG quickly established itself as the recognised voice of aged care nursing.

Frances Hughes – Chair

General Manager of Nursing & Clinical Strategy, Oceania Healthcare

Rhonda Sherriff

Owner and Operator, Chatswood Rest Home & Retirement Village

Cheyne Chalmers

Chief Operations Officer, Ryman Healthcare

Tanya Bish

Clinical Director, Metlifecare

Anna Blackwell

Owner and Manager, Cook Street Nursing Care Centre

Virginia Sisson

Operations Manager, The Selwyn Foundation

Gillian Robinson

Director, Healthcare Compliance Solutions Ltd

The NLG is leading the charge in building a more sustainable nursing workforce, as well as supporting clinical managers in aged residential care, and advocating on clinical issues on behalf of the sector.

Workforce

In mid-2020, the NLG authored a paper, “Building a sustainable nursing workforce for aged residential care services” which was presented to the Ministry of Health (MOH). This outlined the critical issues being faced by the ARC sector in meeting the increasing need for nurses. Work within the NLG over the last year has followed up recommendations from the report, including support for NZ graduates to become Registered Nurses, nurse entry to practice for ARC, Nurse Practitioner funding and focus, and professional development and recognition programmes.

Member support

An ongoing part of NLG work is to provide advice and support to the NZACA membership, particularly around implementation of new policy. Over the last year, this has included advice on the monitoring of dementia facilities by the Chief Ombudsman, assisted dying, and the Ngā Paerewa Health and Disability Services Standard. Two webinars have been held enabling ARC nurse leaders to raise common issues and gain a greater understanding of the clinical and workforce concerns in the sector. A significant contribution also has been made by NLG members in responding to and assisting with queries from members of the NZACA.



MP meeting at Parliament, 3 December 2020

Back L-R: Simon Wallace (NZACA), Stuart Smith (National, Kaikoura), Rhonda Sherriff (NLG), Cheyne Chalmers (NLG), Louisa Wall (Labour List), Anna Blackwell (NLG), Gillian Robinson (NLG), Virginia Sisson (NLG).

Front L-R: Ricardo Menéndez March (Green Party), Ian McKelvie (National, Rangitikei), Frances Hughes (Chair NLG), Ingrid Leary (Labour, Taieri), Tanya Bish (NLG).

COVID-19 support

Since the start of the COVID-19 pandemic, the NLG has been working closely with NZACA members and the MOH. Work since July 2020 has included the development of New Zealand Aotearoa Pandemic Response Policy and pandemic tool kit for Aged Residential Care and implementing recommendations for the MOH Cluster Review. They also worked with NZACA and the MOH to support the COVID-19 vaccination rollout across DHBs and more recently have been strongly advocating for saliva testing as the primary test for COVID-19 surveillance testing within ARC. NLG advice has informed policy around mask wearing, isolation, and testing for both the NZACA and the MOH.

Stakeholder engagement

Members of the NLG have represented ARC nationally over the past year on many leadership groups, advisory boards, and working groups. These include the MOH/DHB Clinical Advisory Group, the National Nursing Leadership Group, the Prime Minister’s advisory group on antimicrobial resistance, the MOH End of Life Choice Act implementation programme, Ngā Paerewa Health and Disability Services Standard development and implementation, the National Nursing pipeline group and the MOH Palliative Care Policy Project. Members of NLG also represent ARC on regional committees, boards and groups including those of several DHBs, universities and education providers. Material developed by the MOH for ARC has been peer reviewed by NLG members.

Media and communications

Members of NLG have responded to and supported NZACA in numerous radio and print media commentaries.

Conference

After two postponements and a location change due to COVID-19, Conference 2020 was one out of the box with a stellar line up of speakers and sessions over what proved to be a successful two-day format.

Aged Care in a Pandemic World

17-18 November 2020

TSB Arena and Shed 6, Wellington

As you would expect, the COVID-19 pandemic was a prominent feature of the programme at Conference 2020. Speakers discussed the impacts of COVID-19 from many different perspectives including health and science, leadership, policy, business resilience, and the economy. Delegates heard about New Zealand's experience of the pandemic from leading experts including Director-General of Health Dr Ashley Bloomfield, the Prime Minister's Chief Science Advisor Professor Dame Juliet Gerrard, and Professor of Public Health Michael Baker.

Over the packed two-day programme, delegates found time to network amongst the 70-plus exhibition stands, where tea and lunch breaks were served. The social functions again proved popular, with Health Metrics sponsoring the Welcome Function, and ASB sponsoring the gala dinner which was attended by more than 300 guests.



Clockwise: Director-General of Health Dr Ashley Bloomfield, the Prime Minister's Chief Science Advisor Professor Dame Juliet Gerrard, and Professor of Public Health Michael Baker.



NZACA/EBOS Healthcare Excellence in Care Awards 2020



Despite the challenging year, we were thrilled to receive many exceptional award entries from across the membership.

For the first time, entrants were required to submit their nominations into the awards electronically. This enabled our independent panel of judges to quickly access the entries and carry out parts of the judging process online. The winners were announced at the conference gala dinner on 18 November at the TSB Arena, Wellington. Congratulations to the following winners.



Overall winner

EBOS Health Care Overall Excellence in Aged Care Award

The CARE Village, Rotorua

Care home categories

Bidfood Excellence in Food Award for Care Homes and Hospitals

Terrace View Retirement, Ashburton

Kalandra Community Connections Award

Lady Allum Village, Auckland

Arjo Training and Staff Development Award

Summerset Group Holdings

Jackson Van Interiors Built and Grown Environment Award

The CARE Village, Rotorua

Invacare Small Operator Industry Award

Southanjer Rest Home, Oamaru

Individual categories

Leecare Solutions Stand-out Individual Award

Jeffin Gopi from Beattie Home, Otorohanga

VCare Legendary Service to the Aged Residential Care Sector Award

Barbara Mador and Heather Rye from Kapiti Rest Home and Kena Kena Rest Home

Board of Directors

The NZACA is governed by a Board of Directors that represents our diverse industry. The 2020 Board Election saw two new Directors appointed, Sue Brown and Andrew Joyce, both representing the Northern region.



Chair

Simon O'Dowd

Managing Director, Qestral Corporation Ltd, Christchurch

Managing Director of Qestral Corporation, Simon has been working in the sector for more than 40 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.



Deputy Chair and 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, Whanganui and Masterton.



Northern Representatives

Sue Brown

Executive Director, Papatoetoe Aged Residential Care, South Auckland

Sue has been the owner/operator of Papatoetoe Aged Residential Care in South Auckland for the last ten years where she plays a very active role as Executive Director. Sue is currently serving on several Boards and spent three years as Deputy Chair of the Northland District Health Board.



Andrew Joyce

Chief Executive, St Andrew's Village, Auckland

Andrew is the CEO of St Andrew's Village in Glendowie, which is one of the largest single site not-for-profit villages in the country. Andrew also has an interest in dementia and is currently working on the creation of a specialist dementia village within St Andrew's grounds.



Midland Representative

David Hall

Chief Executive, Cambridge Resthaven Trust, Cambridge

David is the CEO of Cambridge Resthaven Trust, a long-standing, progressive community trust that operates two residential care centres, a retirement village, and support and recreational services for seniors in the Cambridge community.



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 aged care industry for over 25 years and is also the NZACA's Clinical Advisor.



Lower Southern Representative

Malcolm Hendry

Chief Executive, Birchleigh Residential Care and Chatsford Lifestyle Community, 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, hospital and specialist dementia care. Chatsford is a large resort-style retirement community.



Large Provider Representatives

Carolyn Cooper

Managing Director, Bupa Villages & Aged Care New Zealand

Carolyn is part of the Executive Leadership team that runs Bupa Villages and Aged 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.



Brent Pattison

Chief Executive, Oceania Healthcare

Brent was appointed Chief Executive Officer at Oceania Healthcare in March 2021, after an initial 15-month tenure as Chief Financial Officer and replaced previous Oceania CE, Earl Gasparich, on the Board of the NZACA. Brent is a qualified chartered accountant and has held senior executive roles in New Zealand corporations including the telecommunications and financial service industries.



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 PwC 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.



Brien Cree

Executive Chairman, Radius Care

Brien is the Executive Chairman 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 2020/21:

Region	Director	Aug 20	Oct 20	Dec 20	Feb 21	Apr 21	Jun 21
Chair	Simon O'Dowd	Yes	Yes	Yes	Yes	Yes	Yes
Northern	Ann Coughlan	Yes	Yes	–	–	–	–
	Max Robins	Yes	Yes	–	–	–	–
	Sue Brown	–	–	Yes	Yes	Yes	Yes
	Andrew Joyce	–	–	Yes	Yes	Yes	Yes
Midland	David Hall	Yes	Yes	No	No	Yes	Yes
Central	Warick Dunn	Yes	Yes	Yes	Yes	Yes	Yes
Upper Southern	Rhonda Sherriff	Yes	Yes	Yes	Yes	Yes	Yes
Lower Southern	Malcolm Hendry	Yes	No	Yes	Yes	Yes	Yes
Large Group Representatives	Carolyn Cooper	Yes	Yes	Yes	Yes	No	Yes
	Gordon MacLeod	Yes	Yes	Yes	Yes	Yes	Yes
	Brien Cree	Yes	No	No	Yes	Yes	No
	Earl Gasparich	Yes	Yes	Yes	Yes	–	–
	Brent Pattison	–	–	–	–	Yes	Yes

NZACA team



Simon Wallace
Chief Executive Officer



June Murugan
Events and Marketing Specialist



Kathryn Maloney
Principal Policy Analyst



Rebecca Chapman
Support Analyst –
Policy and Data



John McDougall
Data and Insight Specialist



Kelly Wallace
Office Administrator

Rhonda Sherriff
Clinical Advisor

Min Su and Geeta Unka
Accounts

Financial Statements

New Zealand Aged Care Association Incorporated

Special Purpose Consolidated Statement of Financial Performance

For the year ended 30 June 2021

	Notes	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Revenue					
Trading Revenue	1	710,532	712,727	6,075	12,130
Member Subscriptions		835,015	716,383	835,015	716,383
Preferred Supplier Rebates		27,009	42,744	27,009	42,744
Interest Revenue		9,550	29,404	379	4,690
Sundry Income		3,499	1,210	3,499	1,210
Secretarial Fee		–	–	221,467	195,663
Total Revenue		1,585,606	1,502,469	1,093,444	972,820
Expenses					
Trading Expenses	2	390,012	474,499	6,773	7,231
AGM Costs		3,050	9,005	3,050	9,005
Audit Fees		19,246	16,149	11,715	9,939
Bad Debts		–	1,889	–	1,889
Branch Costs		–	875		875
Executive Expenses	2	53,804	67,836	53,804	67,836
Communications	2	22,882	28,499	22,858	28,333
Depreciation	3	23,737	13,247	23,737	13,247
Employee Related Costs	2	633,378	580,189	633,378	580,189
Insurance		6,829	8,288	4,647	5,350
Media and Public Relations		39,408	41,877	39,408	41,877
Media Campaign Costs		29,065	77,070	29,065	77,070
Member Survey Costs		–	17,589	–	17,589
Office Expenses	2	33,153	29,560	32,138	28,697
Office Rent		51,238	52,337	51,238	52,337
Professional Fees	2	100,369	91,588	96,869	88,088
Total Expenses		1,406,171	1,510,498	1,008,681	1,029,554
Surplus/(Deficit) before Taxation		179,435	(8,029)	84,763	(56,734)
Income Tax Expense	6	1,463	2,841	1,463	2,841
Net Surplus/(Deficit) for the Period		177,971	(10,870)	83,300	(59,575)

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 2021

Group				
	Notes	Reserves	Accumulated Surplus	Total Equity
	\$	\$	\$	\$
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
Opening Equity 1 July 2020		320,788	847,906	1,168,694
Surplus/(Deficit)		–	177,971	177,971
Legacy Funds Introduced		–	5,882	5,882
Transfers – Reserves	5	(6,857)	6,857	–
Closing Equity 30 June 2021		313,932	1,038,615	1,352,547

Association				
	Notes	Reserves	Accumulated Surplus	Total Equity
	\$	\$	\$	\$
Opening Equity 1 July 2019		–	90,353	90,353
Surplus/(Deficit)		–	(59,575)	(59,575)
Closing Equity 30 June 2020		–	30,777	30,777
Opening Equity 1 July 2020		–	30,777	30,777
Surplus/(Deficit)		–	83,300	83,300
Legacy Funds Introduced		–	5,882	5,882
Closing Equity 30 June 2021		–	119,959	119,959

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 2021

	Notes	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Assets					
Current Assets					
Cash and Cash Equivalents	3	1,158,892	547,273	278,684	110,323
Accounts Receivable	3	213,774	12,653	83,326	57,556
GST Refund		–	23,396	–	7,934
Interest Receivable		1,478	4,084	–	6
Prepayments	3	69,789	28,438	12,148	6,518
Term Investments		550,376	700,376	–	–
Total Current Assets		1,994,309	1,316,221	374,158	182,337
Non Current Assets					
Plant and Equipment	3	29,692	50,709	29,692	50,709
Capital Projects		–	–	–	–
Total Non Current Assets		29,692	50,709	29,692	50,709
Total Assets		2,024,001	1,366,930	403,850	233,046
Liabilities					
Current Liabilities					
Accounts Payable	4	69,740	94,642	121,745	144,319
Income in Advance	4	495,813	45,645	–	–
Loan from Branches		4,855	4,987	4,855	4,987
Loan from NZACA Education Trust	4	–	–	100,000	–
GST Payable		51,322	–	7,566	–
PAYE		–	15,037	–	15,037
Provision For Tax		1,398	13	1,398	13
Holiday Pay Accrual		46,660	37,230	46,660	37,230
Other Current Liabilities	4	1,668	682	1,668	682
Total Current Liabilities		671,454	198,236	283,891	202,269
Total Liabilities		671,454	198,236	283,891	202,269
Net Assets		1,352,547	1,168,694	119,959	30,777
Represented by:					
Accumulated Funds					
Accumulated Surplus		1,038,615	847,906	119,959	30,777
Reserves	5	313,932	320,788	–	–
Total Accumulated Funds		1,352,547	1,168,694	119,959	30,777

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 2021

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 specific accounting policies set out below 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

The special purpose consolidated financial statements have been prepared under the assumption that NZACA Inc. is a going concern.

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 NZACA 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.

Note 1 – Analysis of Revenue

	Group 2021	Group 2020	Association 2021	Association 2020
	\$	\$	\$	\$
Trading Revenue				
Conference Revenue	527,571	631,098	–	–
Seminar Revenue	176,886	69,499	–	–
Advertising Revenue	6,075	12,130	6,075	12,130
Total	710,532	712,727	6,075	12,130

Note 2 – Analysis of Expenses

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Trading Expenses				
Conference Costs	287,857	409,777	–	–
Seminar Costs	95,382	57,491	–	–
Advertising Costs	6,773	7,231	6,773	7,231
Total	390,012	474,499	6,773	7,231

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Executive Expenses				
CEO Expenses	3,385	8,594	3,385	8,594
Board Expenses	19,028	27,683	19,028	27,683
Honorarium & Board Meeting Fees	31,391	31,559	31,391	31,559
Total	53,804	67,836	53,804	67,836

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Communications				
Telephone & Internet	6,013	7,494	5,989	7,329
Website & IT Costs	16,869	21,005	16,869	21,005
Total	22,882	28,499	22,858	28,333

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Employee Related Costs				
ACC	1,072	812	1,072	812
Staff Training & Recruitment	19,624	25,279	19,624	25,279
Staff Travel	94	–	94	–
Salaries	612,589	554,098	612,589	554,098
Total	633,378	580,189	633,378	580,189

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Office Expenses				
Bank Fees	(678)	981	(366)	162
Loss on Sale of Assets	–	4,405	–	4,405
Office Expenses	14,257	10,390	14,257	10,390
Postage & Courier	2,802	1,133	2,802	1,133
Printing & Stationery	5,926	4,807	5,926	4,807
Subscriptions	7,626	4,859	7,626	4,859
Sundry Expenses	3,042	586	1,715	541
Temporary Staff	178	2,399	178	2,399
Total	33,153	29,560	32,138	28,697

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Professional Fees				
Accounting Fees	46,000	43,500	42,500	40,000
Legal & Consulting Fees	54,369	48,088	54,369	48,088
Total	100,369	91,588	96,869	88,088

Note 3 – Analysis of Assets

Current Assets

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Cash and Cash Equivalents				
Cheque Accounts	379,362	104,033	203,969	70,890
Savings Account	579,477	293,146	74,663	39,339
Short Term Deposits & Other	200,052	150,094	52	94
Total	1,158,892	547,273	278,684	110,323

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Accounts Receivable				
Trade Debtors	213,774	4,161	83,326	49,064
Sundry Debtors	–	8,493	–	8,493
Total	213,774	12,653	83,326	57,556

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Prepayments				
Conference Prepayments	13,686	8,187	–	–
Seminar Prepayments	4,196	–	–	–
Other Prepayment	51,908	20,251	12,148	6,518
Total	69,789	28,438	12,148	6,518

Non Current Assets

2021 Asset Class	Opening Carrying Amount	Purchased	Sales/ Disposals	Current Year Depreciation & Impairment	Closing Carrying Amount
Plant and Equipment					
Computers (including software)	41,198	2,720	–	20,935	22,983
Office Equipment	6,348	–	–	2,335	4,013
Furniture and Fixtures	3,163	–	–	467	2,696
Total	50,709	2,720	–	23,737	29,692

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

Note 4 – Analysis of Liabilities

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Accounts Payable				
Trade Creditors	30,453	70,015	25,990	66,300
Sundry Creditors	39,287	24,626	21,121	18,532
Funds owed to Trust	–	–	74,635	59,487
Total	69,740	94,642	121,745	144,319

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Income In Advance				
Conference Income In Advance	482,709	45,645	–	–
Seminar Income In Advance	13,104	–	–	–
Total	495,813	45,645	–	–

	Group 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Other Current Liabilities				
Nurses Liability Insurance	–	–	–	–
ASB Credit Cards	1,668	682	1,668	682
Total	1,668	682	1,668	682

Loan from NZACA Education Trust

In June 2021 NZACA Education Trust gave NZACA Incorporated Society a loan of \$100,000. The purpose of the loan was to assist the society with its working capital requirements for future years. The loan is repayable on demand as set out in the Deed of Acknowledgment of Debt.

Note 5 – Breakdown of Reserves

	Group 2021	Group 2020	Association 2021	Association 2020
	\$	\$	\$	\$
Canterbury Education Reserve	313,932	320,788	–	–
Total	313,932	320,788	–	–

Note 6 – Taxation Expense

	Group 2021	Group 2020	Association 2021	Association 2020
	\$	\$	\$	\$
Surplus/(Deficit) Per Consolidated Statement of Financial Statements	179,435	(8,029)	179,435	(8,029)
Less NZACAE Trust Surplus/(Deficit)	94,671	48,705	94,671	48,705
Gross Surplus/(Deficit) for NZACA Inc.	84,763	(56,734)	84,763	(56,734)
Less NZACA Inc. Non Taxable Items	(78,536)	67,880	(78,536)	67,880
Taxable Surplus/(Deficit) for the Year	6,227	11,146	6,227	11,146
Less Not for Profit Income Tax Rebate	(1,000)	(1,000)	(1,000)	(1,000)
Net Taxable Surplus/(Deficit) for the Year	5,227	10,146	5,227	10,146
Taxation Expense at 28%	1,464	2,841	1,464	2,841

Note 7 – Commitments and Contingencies

	Group 2021	Group 2020	Association 2021	Association 2020
	\$	\$	\$	\$
Commitments To Lease or Rent Assets				
Office Rental (Lease to 14 December 2022)	74,722	125,960	74,722	125,960

Capital Commitments

There were no capital commitments at the reporting date. (2020: \$nil)

Contingent Liabilities & Guarantees

There were no contingent liabilities or guarantees at the reporting date. (2020: \$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 2021 \$	Group 2020 \$	Association 2021 \$	Association 2020 \$
Value of transactions	42,800	33,975	30,000	29,175

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. While there were ongoing alert level changes around the country, there was no financial impact on the activities of the Association or the Trust.

Independent Auditor's Report



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To the Members of New Zealand Aged Care Association Incorporated

Report on the Audit of the Special Purpose Consolidated Financial Statements

Opinion

We have audited the special purpose consolidated financial statements of New Zealand Aged Care Association Incorporated on pages 21 to 31 which comprise the special purpose consolidated statement of financial position as at 30 June 2021, and the special purpose consolidated statement of financial performance and special purpose consolidated statement of movements in equity for the year then ended, and notes to the special purpose consolidated financial statements, including a summary of significant accounting policies

In our opinion, the accompanying special purpose consolidated financial statements present fairly in all material respects, the financial position of New Zealand Aged Care Association Incorporated as at 30 June 2021, 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 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) 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.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Emphasis of Matter

We draw attention to the Statement of Accounting Policies within the consolidated financial statements, which describes the basis of accounting. The financial statements special purpose financial statements prepared in accordance with the accounting policies set out within, therefore, may they 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.

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/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

Restriction on use of our report

This report is made solely to the Association's Members, as a body. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association'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
23 September 2021

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