

# THE VOICE OF THE AGED RESIDENTIAL CARE SECTOR

ANNUAL REPORT

21/22







*Thank you to Te Hopai Home and Hospital, and its staff, residents and families who kindly allowed us to photograph them for this report.*

“

**Two factors will be critical to moving forward: being solutions-focused and united as a sector.**

— Simon O'Dowd Chair

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# HIGHLIGHTS

## MEMBERSHIP

NZACA membership remained stable, accounting for 93% of the almost 40,000 ARC beds. We are the largest and most influential association representing all parts of New Zealand's aged residential care (ARC) sector.

## NURSING LEADERSHIP GROUP

Our Nursing Leadership Group (NLG) is well established as the recognised voice of ARC nursing, regularly providing input into both Ministry of Health (MOH) and NZACA clinical and workforce policy development.

## IMMIGRATION

It was confirmed in May that the Care and Support Workforce has been lined up for an Immigration Sector Agreement, set to come into effect in September/October 2022.

## THE 2021 RESIDENT VISA

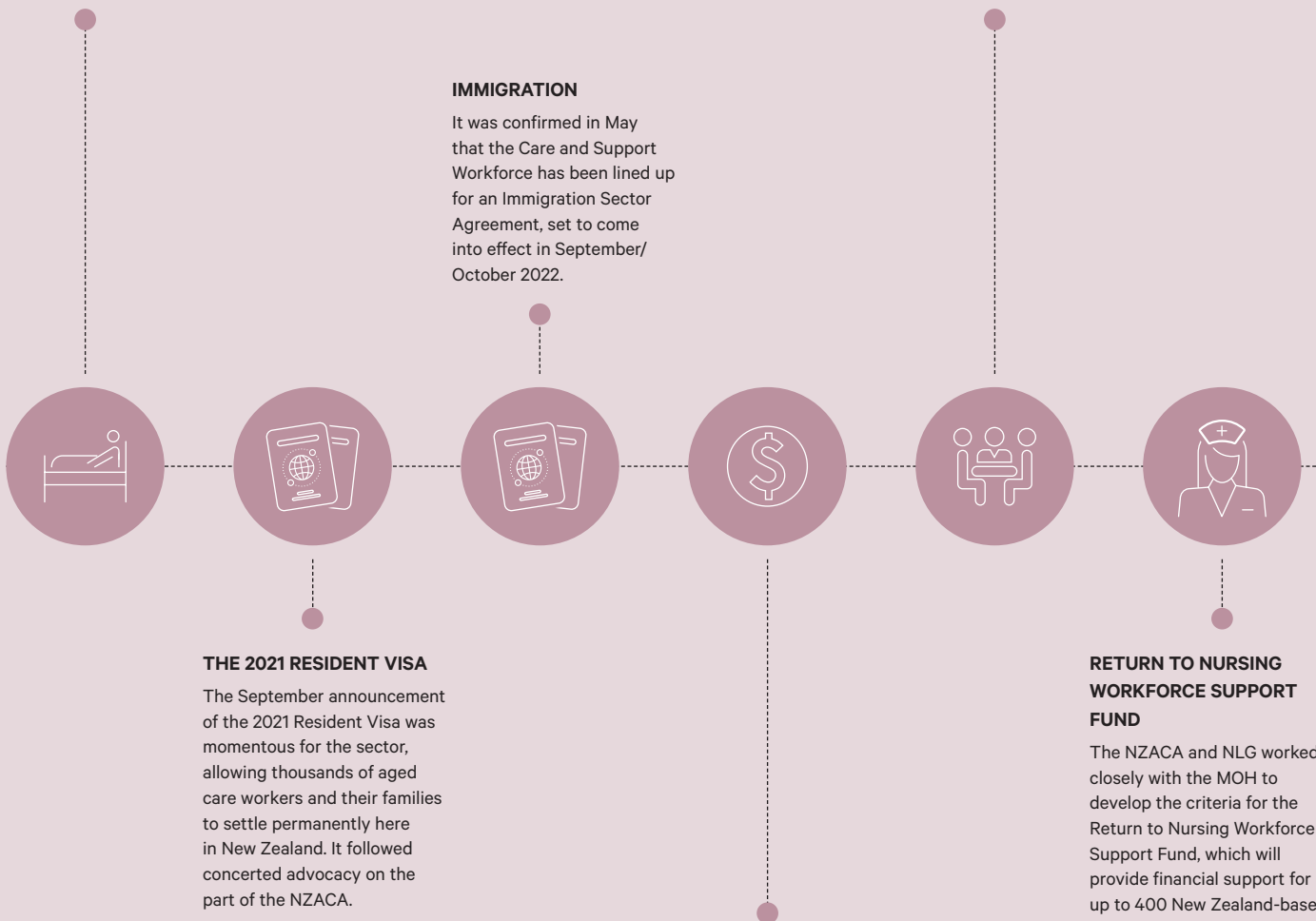
The September announcement of the 2021 Resident Visa was momentous for the sector, allowing thousands of aged care workers and their families to settle permanently here in New Zealand. It followed concerted advocacy on the part of the NZACA.

## FUNDING

A 5.5% price increase in Age Related Residential Care funding for the 2022/2023 year was agreed. This was the best increase in more than 10 years

## RETURN TO NURSING WORKFORCE SUPPORT FUND

The NZACA and NLG worked closely with the MOH to develop the criteria for the Return to Nursing Workforce Support Fund, which will provide financial support for up to 400 New Zealand-based nurses not currently practising to return to a nursing role.



**THE VOICE**

Our role as the voice for aged care has been once again affirmed as we continue to be the media's first port of call on all matters related to older people.

**POLITICAL ENGAGEMENT**

Political engagement is ongoing and frequent across the political spectrum, including regular contact and access with relevant portfolio Ministers, as well as with Opposition MPs. NZACA insight is increasingly relied on by Opposition MPs to inform Parliamentary Questions.

**BRANCHES**

We held four in-person regional branch meetings, when Covid settings allowed, as well as hosting quarterly Zoom meetings with representatives from our 17 branches.

**STAFF**

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

**DATA AND INSIGHT**

A biennial *Aged Residential Care Industry Profile* was released in March, which is the most comprehensive report on the state of the ARC industry. We also released new interRAI analysis research *Supporting equitable and timely access to aged residential care*.

**MEDIA**

Our presence in mainstream media has been unparalleled in a year where the NZACA has fronted the issues of most importance to our members in more than 300 appearances across television, print and online.

**WORKSHOPS AND WEBINARS**

Demand for NZACA Education Trust workshops continued to grow, with the highest attendance of any round of workshops seen at the November/December 2021 series for Managers and Aspiring Leaders in ARC.



# CHAIR'S REPORT



**“**  
**We must be optimistic that the true cost and value of the care we provide, and the shared responsibility of that care, will be recognised.**

## **I'm pleased to present my report to the Annual General Meeting (AGM) of the New Zealand Aged Care Association (NZACA) for 2021-22.**

Over the last year, the impact of systemic challenges to New Zealand's aged residential care (ARC) sector have become ever more dire and more visible to the public and government.

I would like to thank the NZACA office team and our Chief Executive Simon Wallace who have again risen to the challenge with huge workloads and whose steadfast advocacy on behalf of members has also resulted in some significant wins in the last year.

These include the 2021 Resident Visa, a one-off pathway to residency that will be life changing for thousands of our workers and their families.

The Association has advocated strongly for these measures and the Government has heard. However, our industry faces the ongoing challenge of pay parity for our nurses and until that is addressed, retention of nurses will continue to undermine the industry.

We also face the ongoing challenges of pay equity for care and support workers, chronic funding shortfalls, staffing and regulation.

## **HEALTH SECTOR REFORM**

As we build a working partnership with Te Whatu Ora/Health New Zealand and Te Aka Whai Ora/Māori Health Authority, our focus is on providing a full understanding of our sector and its issues.

Te Whatu Ora's platform is to make healthcare accessible to all New Zealanders and it will take time to understand what that means for ARC. However, we must be optimistic that the true cost and value of the care we provide, and the shared responsibility of that care, will be recognised.

As I write this, the NZACA has just finished our first joint industry conference with the Retirement Villages Association. This not only reflects the strong relationship between the two organisations, but reflects the increasing overlap between the sectors with the rising use of the ORA (Occupational Right Agreement). This, alongside the increased use of accommodation supplements across ARC facilities, reflects a funding system that does not cover the costs of care.

Our focus is to ensure Te Whatu Ora understands that every one of ARC's 40,000 beds has a true cost, irrespective of where it is, and the current fee system does not reflect that cost. Likewise, every one of those beds helps prevent the drastically overrun 13,000 hospital beds from being overwhelmed.

We want Te Whatu Ora to see ARC not as a cost centre but instead as part of the solution to achieving its goal of making healthcare accessible to all New Zealanders. If it fails to do so it risks creating a two-tier ARC system where those that can pay a supplement or ORA are privileged and the lives of those who can't are put at risk.

## LOOKING FORWARD

In addressing these critical challenges, the NZACA has now increased our people capacity in the office, particularly in the areas of research, policy advice and analysis.

As well as being in an environment of health reform, the General Election next year will provide further opportunities for us to shape and influence political party agendas for the campaign.

Two factors will be critical to moving forward – being solutions focused and united as a sector. I do believe that the distressing challenges of the last two years, the way the industry has navigated this period and the huge visibility of this in the public sphere, have served to further highlight ARC's role as a central, integral, and critical part of our health system

## ACKNOWLEDGEMENTS

In February, Carolyn Cooper resigned from the Board and as Managing Director of Bupa to take up the role of New Zealand's first Aged Care Commissioner. Carolyn has generously brought her extensive knowledge and experience of health systems to the Board table.

We see Carolyn's new appointment as very positive for ARC given her deep understanding of the sector at a clinical, executive and governance level.

Bupa's place on the Board was taken by Dwayne Crombie.

I would also like to acknowledge Gordon MacLeod who stepped down from the Board at the end of 2021 and who has made a significant contribution to our cause over many years. .

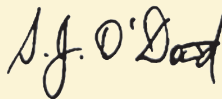
We welcome David Bennett, Chief Financial Officer at Ryman Healthcare. Dave brings his strong financial knowledge and deep relationships across the sector to the table.

A thank you also to Warick Dunn, who in his first term as Deputy Chair of the Board has generously provided his expertise, insight and support to the NZACA office and me as Chair.

Again, the work of the NZACA Nursing Leadership Group (NLG) has been exemplary. Chaired by Dr Frances Hughes, this group of senior leaders continue to 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.

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 and justifiably occupy.

Yet again our membership retention has been strong and represents 93 percent of the almost 40,000 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**  
CHAIR

# CHIEF EXECUTIVE'S REPORT



**“  
Having a single  
unified voice for  
the sector is critical  
to successful  
engagement with  
politicians and  
policymakers.**

## Kia ora tātou

It's been another eventful year for the NZACA membership and the wider sector. With the advent of Covid vaccinations, the urgency surrounding the pandemic has eased. However, it has not come without a cost to aged residential care (ARC) with the sad loss of lives of some older New Zealanders. There have also been unprecedented nursing shortages. These challenges have come about at the same time as a major reform of the health system compounding an already difficult situation for many of our members.

The nursing shortage in ARC must be called what it is, a crisis. In a sector that relies on the specialist skills and expertise of registered nurses (RNs), a shortage of 1,200 RNs, or 25 percent of the workforce, has put at risk the ability to provide optimal level care. Instead of compromising the quality of care, more than 1,000 beds have closed around the country displacing vulnerable older New Zealanders and at the same time causing distress for families.

There are no easy answers or quick fixes to a nursing shortage that is being felt globally, although the NZACA has put up solutions to the Government. Clearly pay parity for ARC nurses would put our sector on a level playing field with nurses working in the public hospital system, as would targeted investment in training and education to get more New Zealanders into nursing. Immigration settings must give migrant nurses residency from day one and tie them to an employer in our sector for two years. These solutions have been well publicised but require the political will to be implemented.

Through the media, the NZACA has successfully highlighted the workforce crisis, its impact on care homes and a range of other matters. Our Association has carved out a reputation as the go-to organisation for media that can be relied upon to bring an evidence base to its public advocacy and policy positions. Over the course of the past 12 months, the NZACA has appeared on behalf of the sector no less than 300 times across radio, television, and print. It is through this visibility the challenges facing the aged care sector have more empathy and are better understood by policymakers, politicians, and the general public.

It is sometimes easy to dwell on the negatives, but there have again been some wins for the membership over the past year. Perhaps one that has been forgotten was the announcement in September last year of the 2021 Residence Visa. The NZACA led pan-industry advocacy was key to getting this result. For thousands of workers in our sector, it created an immediate pathway to residency, providing certainty not only for them, but continuity of care for our residents and improved retention for our care home members. Advocacy is a long game, but as one member said to me, “the hard work of the Association has not only given relief to our membership, but it has also given hope and certainty to our migrant staff and thousands of families”.



In recent weeks, a 5.5 percent price increase for our annual contract was agreed and while this will never be enough to support pay parity for our nurses, it represented the best annual increase in more than a decade. As it does with all its work, the NZACA brings a strong evidence base to the annual price round each year with accurate data and insight to support cost pressures affecting members' businesses.

As the Chair said in his report, the health reforms and creation of both Te Whatu Ora and Te Aka Whai Ora will require us to work differently. Gone are the DHBs and if the new reforms deliver on their promise of equitable healthcare for New Zealanders, then the post-code lottery that has affected ARC will hopefully be gone as well. The NZACA is working closely and regularly with both new entities, so the voice of aged care is seen and heard.

The Association's political networks continue to broaden and deepen, meeting regularly with Ministers whose portfolios intersect with our sector, namely those in health and immigration. In the past 12 months, we have worked very closely with MPs from the Opposition parties too. As we head into an election next year, these relationships mean the Association is well placed to help shape and influence policies that support the ARC sector.

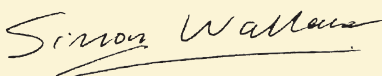
The pandemic and fluctuating Covid settings meant we could not stage our Conference in the 2021/2022 year. I look forward to sharing the highlights of our joint conference with the RVA, held in Christchurch in August.

Besides the many members that support the day-to-day work of the NZACA, another group has complemented the efforts of the Association this year. The Nursing Leadership Group (NLG) is now well established and the senior nurses amongst its membership have been working day in and day out. Their work is often below the radar but is invaluable in protecting the interests of our sector.

Going into the next year, both the Society and the Trust remain in a sound financial position to continue our work programme in the interest of members. Having a single unified voice for the sector is critical to successful engagement with politicians and policymakers.

In closing, I would like to thank my Board for their support throughout another challenging and interesting 12 months and my team in the Wellington office who have responded well to a myriad of challenges this past year.

Ngā mihi



**Simon Wallace**  
CHIEF EXECUTIVE



# DEMOGRAPHICS OF THE AGEING POPULATION

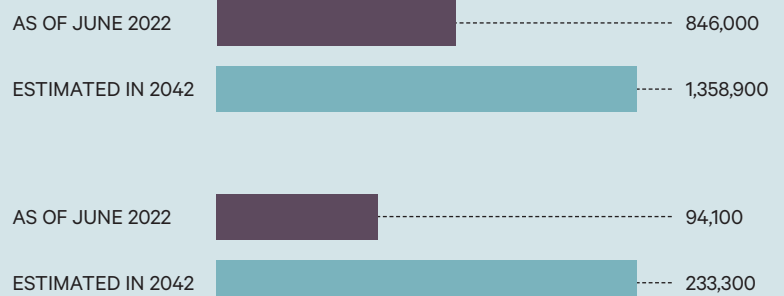
## POPULATION OF NEW ZEALAND

AGED 65+

**+60%**

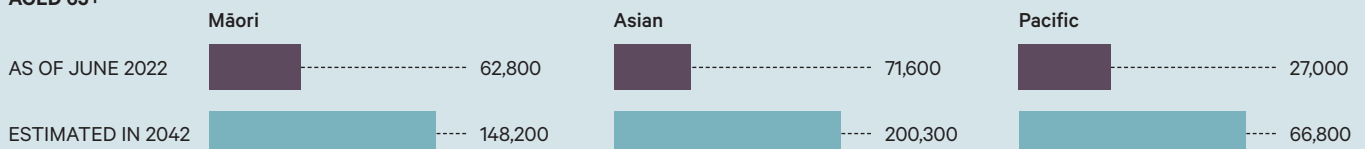
AGED 85+

**+147%**

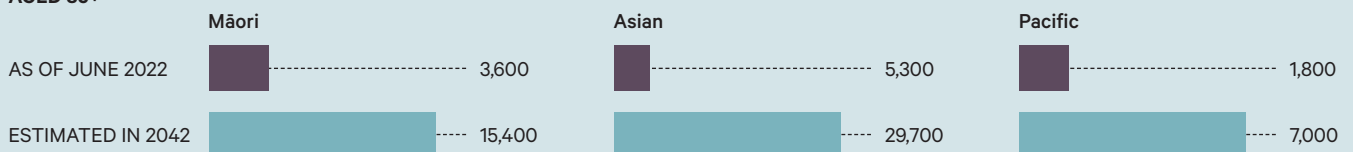


## ETHNIC CHANGE

AGED 65+

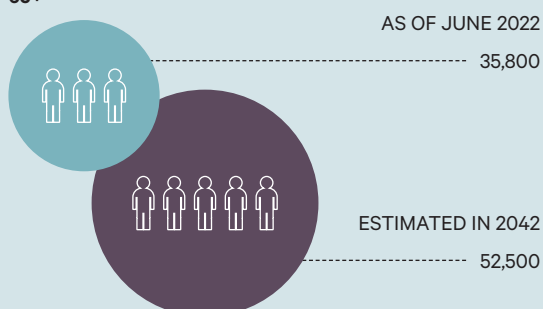


AGED 85+



## NUMBER OF DEATHS

65+



85+

**37%**  **53%**

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

## AGED RESIDENTIAL CARE BEDS

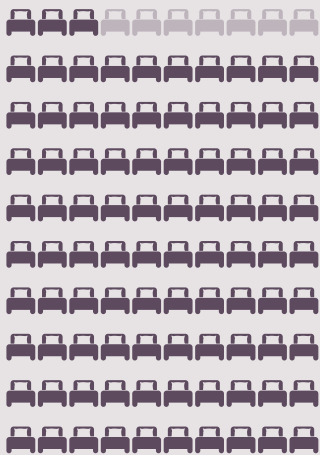




# WHO WE ARE



## NZACA MEMBERS



# 93%

NZACA member care facilities provide **93%** of the total **40,745** ARC beds.

The median number of beds in NZACA member care facilities is continuing to increase and is **58 beds** as at 30 June 2022.



## OCCUPANCY



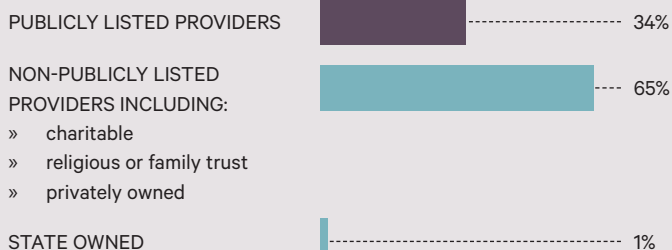
# 90.4%

Occupancy of non-ORA beds as at 30 June 2021, allowing for beds that are not operational due to the nurse shortage. This is about the same occupancy as June 2021.

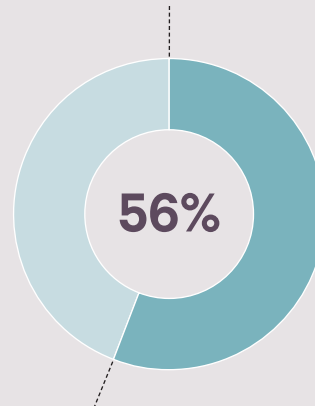


## BED SUPPLY DISTRIBUTION

### BY OWNERSHIP MODEL



## ARC RESIDENTS



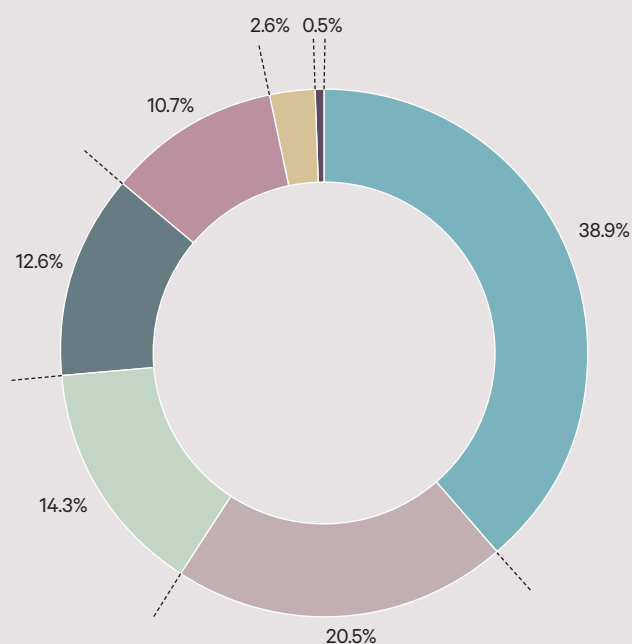
# 34,708

**34,708** residents were in ARC facilities as at on 30 June 2022, **56%** of whom are at one of the higher levels of care.



## BED BREAKDOWN

AS AT 30 JUNE 2022



- Dual service beds (non-ORA)
- Dedicated rest home beds
- Dedicated hospital beds
- Dementia beds
- ORA beds
- Psychogeriatric beds
- Young Persons Disability/Other beds



## ORAS ON THE RISE

### ORA BEDS

**+2.5%**

2.5% increase of ORA beds over the past 12 months, compared to a slippage of – 0.2% of non-ORA beds.

### NON-ORA BEDS

**-0.2%**

On 30 June 2022 there were **4,343** ORA beds, an increase of 105 since 30 June 2021.

Based on data from the TAS ARC Quarterly Reporting Survey, June 2022.



## ESTIMATED BEDS NOT OPERATIONAL

DUE TO RN SHORTAGE JUNE 2021

BED TYPE	ESTIMATED NUMBER
Dedicated Rest Home Beds	210
Dedicated Hospital Beds	220
Dual Service Beds	370
Dementia Beds	120
Psychogeriatric Beds	10
<b>Total non-ORA Beds</b>	<b>930</b>

Source: NZACA estimates based NZACA Bed Supply Survey April 2022 and Offer Feedback Survey June 2022

# MEMBER SUPPORT AND BENEFITS

## MEMBER BENEFITS

### 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 2021/22 year saw 209 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 May 2022. Available to members only, the FCP template reduces time and compliance costs for our care facility members to meet the Food Act 2014 and Health and Disability Services (Safety) Act 2001.

### NZACA CONFERENCE

During this reporting period NZACA joined RVA to organise a summit, that was held in August. The Association looks forward to sharing highlights of the summit next year.

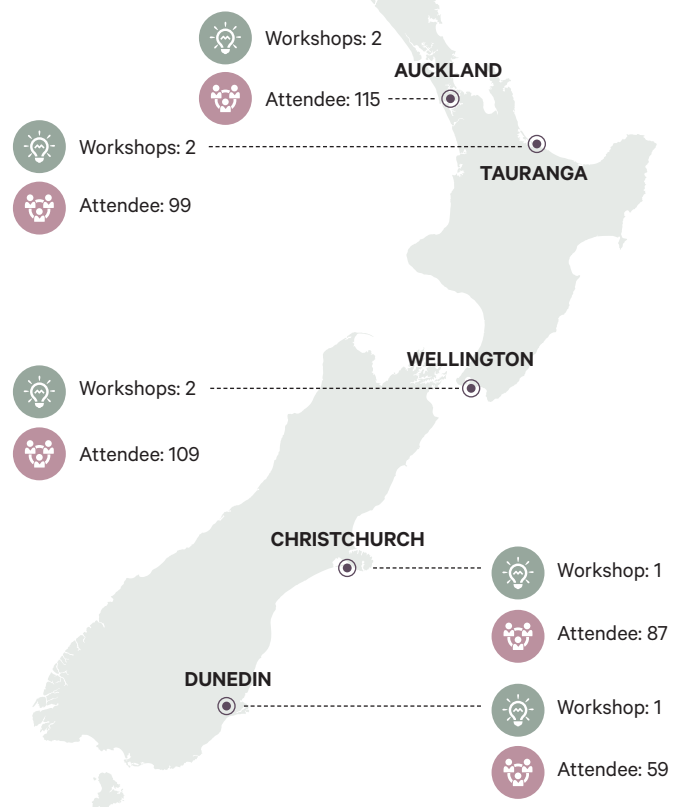


## WORKSHOPS

A total of eight workshops were held during the 2021/22 year, with 469 participants attending:

### WEBINAR

Attendee: 92







## SUPPORTING MEMBER PERFORMANCE

### NZACA EDUCATION TRUST WORKSHOPS

Two rounds of in-person training and professional development workshops were held over the past year, one for managers and aspiring leaders and the other for registered nurses and clinical nurse managers. The workshops were facilitated by our Clinical Advisor, Rhonda Sherriff, in Auckland, Tauranga, Wellington, Christchurch, and Dunedin.

One paid online webinar was also hosted on the topic of Health and Safety and Employment Issues during the pandemic. This attracted 92 registrations.



### 0800 HELPLINE

Again, this past year, NZACA Clinical Advisor, Rhonda Sherriff, was available to answer members' clinical questions Monday-Friday from 9.00am-5.00pm.



### IN TOUCH AND OTHER COMMUNICATIONS

We sent 105 email campaigns over the year (including our weekly e-newsletter, In Touch and regular Covid updates), a total of 163,596 individual emails. In Touch and our other one-off email updates are integral in keeping members informed of sector issues and to provide support for the day-to-day management of 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

For the first time since the pandemic began, the NZACA was able to visit some regions to hold in-person branch meetings. Meetings were held in Christchurch, Dunedin, and Invercargill during November 2021 and a joint meeting of Auckland, Counties Manukau and Waitemata was held in February 2022. Quarterly meetings via Zoom with representatives from the 17 regional branches also continued over the year.





# 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

We want to acknowledge NZACA members who have gone above and beyond to keep Covid at bay. The Association worked hard early in the year to help members prepare for the likelihood of Covid entering their facilities during the Omicron outbreak and has provided advice and support to all who did have outbreaks.

The NZACA lobbied successfully for mandatory vaccinations and fast booster rollouts for our residents and for rapid access to PPE.

We also had weekly meetings with the Ministry of Health to provide advice and guidance on Covid settings, including on vaccinations, testing, PPE, and visiting.

Meanwhile our team ensured members were kept up to date on all changes alongside providing support and advice to individual members.

## IMMIGRATION

### 2021 RESIDENT VISA

For years our members have been calling for a residence pathway for their dedicated migrant workers and in turn, the NZACA has been steadfast in our lobby.

So, it was a great day for ARC and for our migrant workers when, on 30 September, Immigration Minister Hon Kris Faafoi announced the 2021 Resident Visa, offering a simplified pathway to residence for around 165,000 migrants currently in New Zealand, including over 5,000 health and aged care workers.

This was a significant win, representing many hours of advocacy work over the last few years to provide relief for our members and to see our migrant workers treated with respect. This will be truly life-changing for them, ensuring they and their families have a permanent home and the ability to plan their lives.

The one-off arrangement for the new 2021 Resident Visa will see the majority of applications granted within a year of the category opening. Applications for the 2021 Resident Visa opened in two phases; on 1 December 2021 and 1 March 2022.

“The NZACA has stood steadfast in its advocacy of our many thousands of migrant workers in aged care. And today they and their families have a new permanent home and the ability to plan their lives. A truly great day,” Gordon MacLeod, Board member at the time.

“

**Today they and their families have a new permanent home and the ability to plan their lives. A truly great day.**

— Gordon MacLeod former Board member



## AUDIT AND REGULATION

### NGĀ PAEREWĀ HEALTH AND DISABILITY SECTOR STANDARD

The NZACA has strongly lobbied for HealthCERT to take a non-punitive approach to transitioning to Ngā Paerewa requirements. We were pleased with the announcement of a transition period of up to 18 months for the full implementation of the Standard.

The NZACA provided advice and support to our members on the implementation of the Standard which came into effect at the end of February 2022. This included delivery of workshops across the country for our members.

### AGED CARE COMMISSIONER

While we were sorry to lose Carolyn Cooper from our Board to take up the role of Aged Care Commissioner, we were reassured to know that she brings a vast understanding and experience of the aged care sector to the role.

Carolyn has since presented to the NZACA Board about her role and we will continue to work closely with her.

### END OF LIFE CHOICE ACT

The NZACA continued to provide clinical guidance and expertise to the Ministry of Health up to the implementation of the Act in early November 2021. Since then we have supported our members with any queries they had regarding the Act and will continue to do so.

## SUBMISSIONS

The NZACA 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](https://nzaca.org.nz)

- **October 2021** Submission to the Productivity Commission's Issues paper on Immigration, Productivity and Wellbeing.
- **November 2021** Submission to TAS on the 2022/2023 ARRC and ARHSS agreements.
- **December 2021** Submission to the Productivity Commission's paper "Immigration – Fit for the future: preliminary findings and recommendations".
- **March 2022** Submission to the Health Quality & Safety Commission New Zealand on the draft Code of Expectations.
- **May 2022** Submission to the Nursing Council of New Zealand's consultation on Proposed changes to the Internationally Qualified Nurse Competence assessment process and English language standard.
- **May 2022** Submission to the Education and Workforce Committee on the Fair Pay Agreements Bill.



# DATA AND INSIGHT

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

## ARC INDUSTRY PROFILE 2021/22

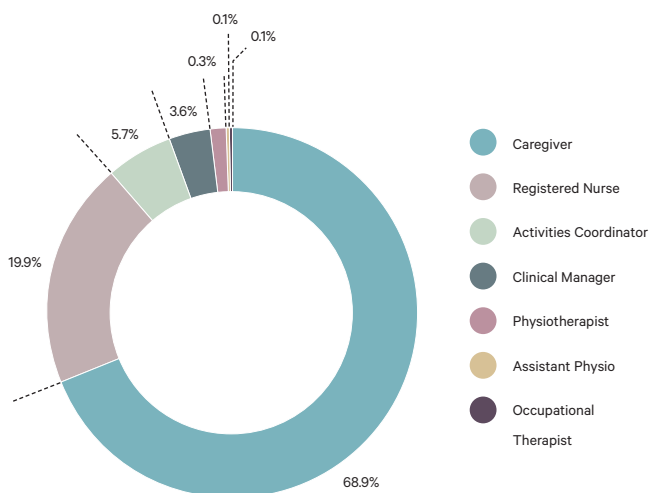
In March 2022, the NZACA released its biennial *Aged Residential Care Industry Profile*, which is the most comprehensive report on the state of the aged residential care industry.

The report was compiled from NZACA's own Member Profiling Survey that was carried out by BERL in late 2021 and gives long-term trend analysis using data from previously published NZACA reports.

The *ARC Industry Profile* is also informed by the TAS Quarterly Bed Surveys and a range of other sources.

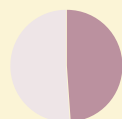
The high response rates that were received for these surveys mean the findings reported on are robust and representative of the entire ARC industry.

## COMPOSITION OF THE CARE STAFF WORKFORCE, DECEMBER 2021



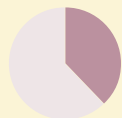
# 93%

On 30 June 2022, NZACA member care facilities provided **93 percent** of the total **40,941** aged residential care (ARC) beds.



# 49%

**Forty nine percent** of all New Zealand ARC facilities are operated as part of a major group of care facilities, **50 percent** are individual/minor group facilities and **1 percent** are owned by DHBs.



# 39%

Dual service beds are the largest bed category at **38 percent**. Dedicated rest home beds constitute **22 percent** of the supply, dedicated hospital beds **15 percent**, and ORA ARRC-certified beds<sup>1</sup> **10 percent**.



# 60

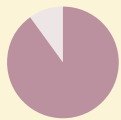
The median number of beds in care facilities is continuing to increase and now stands at **60** beds.



# 34,708

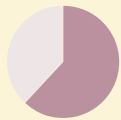
There were **34,708** residents at ARC facilities on 30 June 2022, **57 percent** of whom are at one of the higher care levels (hospital, dementia, or psychogeriatric).





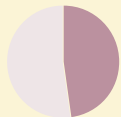
# 90.4%

On 30 September 2021, average occupancy (including ORAs) is **90.4%**. Over the year to September 2021 there has been a **1.9 percent** decrease in occupancy rate.



# 62%

Rooms carrying accommodation supplements make up the majority of rooms provided (**62 percent**). The median size of these is 15m<sup>2</sup>, compared to 12m<sup>2</sup> for standard rooms.



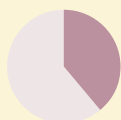
# 48%

Turnover of registered nurses (RNs) over the year to December 2021 is **48 percent**, up from **33 percent** in December 2019.



# 43%

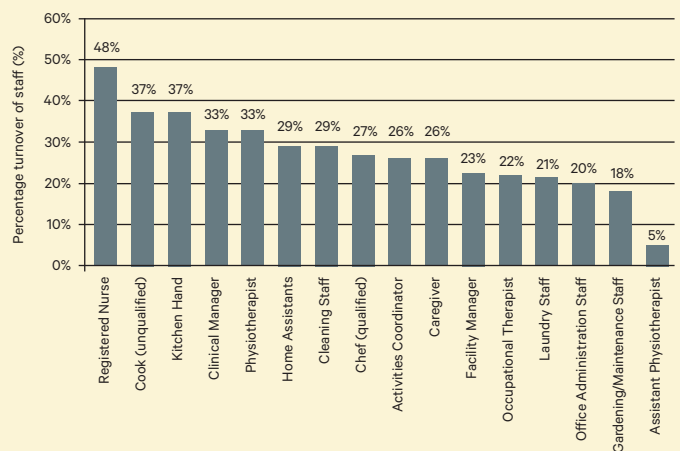
The percentage of RNs on a visa is **43 percent**, while around one third of the caregiver workforce (made up of healthcare assistants, activities coordinators and diversional therapists) is on a visa.



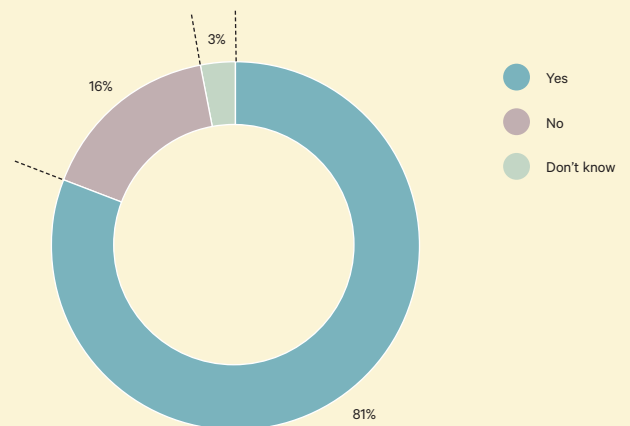
# 39%

The Philippines (**39 percent** of RNs, **35 percent** of caregivers on visas) and India (**37 percent** of RNs and **40 percent** of caregivers on visas) are the main countries of origin for ARC workers on visas.

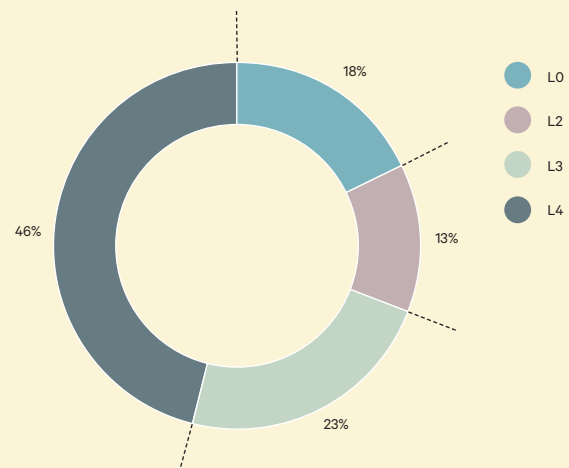
ANNUAL TURNOVER BY STAFF CATEGORY COMPARED WITH 2019



PERCENTAGE OF RESPONDENTS WITH STAFF ON VISAS – DECEMBER 2021



NUMBER OF CAREGIVERS/HCAs AT EACH PAY BAND – DECEMBER 2021







“

**The median length of time to recruit a registered nurse had doubled from around two months before the pandemic to around four months.**

## SUPPORTING EQUITABLE AND TIMELY ACCESS TO AGED RESIDENTIAL CARE

In July 2022, the NZACA released a new research report *Supporting equitable and timely access to aged residential care*, analysing data collected through interRAI during 2020/21. This report updates our 2018 *Caring for our older Kiwis: The right place, at the right time* report.

The latest analysis strongly suggests that decisions around both when a person can access ARC, and the level of care they receive when they do, continues to vary according to where they live as was the finding in 2018. This raises serious concerns about how we are supporting some of our older New Zealanders to live as well as they can in their most vulnerable years.

While progress has been made since the previous report, with some regions showing improved access to care and also care at the right level, other regions have actually gone backwards.

The report also provides clear evidence that the acuity of residents' needs on admission to each care level is increasing, and that the consequent increase in average cost of care at each level is not being compensated for in funding.

These are concerning issues that need to be addressed. The aim of this new report is to assist the newly created Te Whatu Ora/Health New Zealand and Te Aka Whai Ora/Māori Health Authority in their goals of improving both equity and access to healthcare for New Zealanders.



## SURVEYS

Along with the NZACA Member Profile survey, we also surveyed our members to inform our Minimum Wage Submission and work on quantifying the ongoing costs of Covid precautions.

### NZACA REGISTERED NURSES PAY AND SHORTAGE SURVEY SEPTEMBER 2021

The NZACA surveyed its members in September 2021 to gather further data on the ARC Registered Nurse (RN) shortage, and to gauge the effect of the shortage on RN pay.

Over the period 1 January 2021 to 1 September 2021 median RN pay rose by 3.2%. Some 76% of respondents had raised RN wages since 1 January 2021 to try to stem the flow of their RNs to DHBs, and to offer prospective recruits a more competitive package.

The median length of time to recruit an RN had doubled from around two months before the pandemic to around four months. The survey found that it is common for providers to recruit an internationally qualified nurses (IQN) in New Zealand who is unable to start due to CAP, registration, or visa issues.

### NZACA BED SUPPLY SURVEY APRIL 2022

The NZACA surveyed its members in April 2022 to obtain data on beds that are non-operational, i.e., vacant but not available to new residents, due to the RN shortage.

Some 2.2% of non-ORA beds in the sample were reported as non-operational, at least in part to the RN shortage. At that time, we estimated there were some 780 beds non-operational at the industry level. A further survey in June asked for updated information on non-operational beds. The table below shows our estimates of beds not operational due to RN shortages as at June based on the data collected in the two surveys.

We also used the April survey to gather updated and more detailed information on the supply of standard rooms versus premium rooms that carry accommodation supplements. Overall, 61.7% of beds provided by respondents were ORAs or carry accommodation supplements. This leaves only 38.3% of ARC beds being accessible to older people unable to afford an ORA or accommodation supplement.



# NZACA NURSING LEADERSHIP GROUP (NLG)

## When the NLG was formed in January 2020, we had no way of knowing just how critical its work would become.

Not only has the group provided support and leadership for NZACA members through the different phases of the Covid pandemic, but its advice has also been incorporated by the Ministry of Health to create official guidance for the 650-plus ARC facilities across Aotearoa New Zealand.

At times throughout the pandemic NLG members have met daily, a huge voluntary commitment, all while keeping their own operations running. Of course, Covid has not been the sole focus of the NLG over its first two years, with progress being made in the areas of workforce and education also.

As per the NLG's Terms of Reference, at the end of each two-year term, three members must stand down to allow for new members to be appointed. In April 2022, three of the group's original members stood down, these were Gillian Robinson of Healthcare Compliance Solutions Ltd, Metlifecare's Tanya Bish and Virginia Sisson (previously the Selwyn Foundation).

At the same time, we welcomed three new members to the group – Ann Coughlan, CEO Mercy Parklands; Lynda Irvine, Summerset's Head of Clinical Services, and Wendy Rowe, Manager of Waihi Lifecare.

## NLG MEMBERS AS AT JUNE 2022

### FRANCES HUGHES – CHAIR

General Manager of Nursing & Clinical Strategy, Oceania Healthcare

### RHONDA SHERRIFF – NZACA CLINICAL ADVISOR

Owner and Operator, Chatswood Rest Home & Retirement Village

### CHEYNE CHALMERS

Chief Operations Officer, Ryman Healthcare

### ANNA BLACKWELL

Owner and Manager, Cook Street Nursing Care Centre

### ANN COUGHLAN

CEO Mercy Parklands

### LYNDA IRVINE

Head of Clinical Services, Summerset

### WENDY ROWE

Manager, Waihi Lifecare

## NLG WORKPLAN

The NLG has had an increasingly central role to play in supporting policy development and implementation across key areas:

### NURSING WORKFORCE PIPELINE PROJECT

The NLG continues to be involved in this project of significant importance that is now being run out of Te Whatu Ora Health New Zealand. Both Dr Frances Hughes and Cheyne Chalmers represent the NLG on this group and consult the NLG for advice and feedback on this.

### RETURN TO NURSING WORKFORCE SUPPORT FUND

The NLG worked closely with the Ministry of Health to develop the criteria for this support fund to help nurses who are not currently practising to return to a nursing role, with the goal of helping grow the workforce to meet increased demand, support safe staffing, and improve access to care.

### WORKFORCE FEASIBILITY

The NLG was commissioned by the Ministry of Social Development to produce a feasibility study into the current workforce challenges within ARC. This was a "blue skies thinking" report into potential solutions to recruit and retain more nurses in ARC.

### interRAI

The NLG meets quarterly with the interRAI team at TAS-Te Whatu Ora to discuss opportunities to improve efficiency and effectiveness.

The NLG has been involved in other smaller projects as and when these have come up, for example the implementation of the End-of-Life Choice Act, and support on the implementation of the Ngā Paerewa Health and Disability Services Standard.







# BOARD OF DIRECTORS

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



## 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 several reviews of the Funding Model.



## 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, Wanganui and Masterton.



## NORTHERN REPRESENTATIVE

### Sue Brown

Chair of Whangaroa Health Services, Northland

Sue is currently the Chair of Whangaroa Health Services, a charitable trust which operates Kauri Lodge care home in Kaero, Northland. Sue was the owner/operator of Papatoetoe Residential Care in South Auckland for 10 years until April 2022, where she played a very active role as Executive Director.



## NORTHERN REPRESENTATIVE

### 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, with St Andrew's having provided specialised care to residents with dementia for over 20 years.



## 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.



## 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 offers rest home, hospital and specialist dementia care, while Chatsford is a resort-style retirement community.



#### LARGE PROVIDER REPRESENTATIVES

**Carolyn Cooper**  
Managing Director, Bupa

**Dwayne Crombie**  
Managing Director, Bupa



#### LARGE PROVIDER REPRESENTATIVE

**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. Brent is a qualified chartered accountant and has held senior executive roles in New Zealand corporations including the telecommunications and financial service industries.



#### LARGE PROVIDER REPRESENTATIVE

**David Bennett**  
Chief Financial Officer,  
Ryman Healthcare

Dave joined Ryman in 2013 and is responsible for ensuring Ryman's strong financial performance. This includes building relationships with shareholders, the wider investment community and Ryman's banking partners. Dave has a Bachelor of Commerce degree and is a chartered accountant. Before joining Ryman, he worked as an accountant and auditor.



#### LARGE PROVIDER REPRESENTATIVE

**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 older people.

#### BOARD MEETING ATTENDANCE REGISTER FOR 2021/22:

SEAT	DIRECTOR	AUG 21	DEC 21	FEB 22	APR 22	JUN 22
Chair	Simon O'Dowd	Yes	Yes	Yes	Yes	Yes
Northern	Sue Brown	Yes	Yes	Yes	Yes	Yes
Northern	Andrew Joyce	Yes	Yes	Yes	Yes	No
Midland	David Hall	No	Yes	Yes	Yes	Yes
Central	Warick Dunn	Yes	Yes	Yes	Yes	No
Upper Southern	Rhonda Sherriff	Yes	Yes	Yes	Yes	Yes
Lower Southern	Malcolm Hendry	Yes	Yes	Yes	Yes	Yes
Large Group – Bupa	Carolyn Cooper/Dwayne Crombie/Julie Sellar	Yes	Yes	Yes	Yes	Yes
Large Group – Oceania	Brent Pattison	Yes	Yes	Yes	Yes	Yes
Large Group – Radius Care	Brien Cree	Yes	Yes	Yes	Yes	Yes
Large Group – Ryman	Gordon MacLeod/David Bennett	Yes	Yes	Yes	Yes	Yes

# NZACA TEAM



**Simon Wallace**  
Chief Executive Officer



**Kathryn Maloney**  
Principal Policy Analyst



**John McDougall**  
Data and Insight Specialist



**Rebecca Chapman**  
Policy Analyst



**June Murugan**  
Events and Marketing Specialist



**Lili Bush**  
Marketing and Events Coordinator



**Kelly Wallace**  
Office Administrator



**Rhonda Sherriff**  
Clinical Advisor



**Min Su**  
Accounts







# FINANCIAL STATEMENTS

## NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

### SPECIAL PURPOSE CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2022

	NOTES	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Revenue</b>					
Trading Revenue	1	156,526	710,532	6,370	6,075
Member Subscriptions		899,191	835,015	899,191	835,015
Preferred Supplier Rebates		34,869	27,009	34,869	27,009
Interest Revenue		10,277	9,550	782	379
Sundry Income	1	65,215	3,499	65,215	3,499
Secretarial Fee		–	–	290,426	221,467
<b>Total Revenue</b>		<b>1,166,077</b>	<b>1,585,606</b>	<b>1,296,852</b>	<b>1,093,444</b>
<b>Expenses</b>					
Trading Expenses	2	65,844	390,012	3,243	6,773
AGM Costs		2,308	3,050	2,308	3,050
Audit Fees		17,855	19,246	10,520	11,715
Bad Debts		4,357	–	4,357	–
Branch Costs		4,301	–	4,301	–
Executive Expenses	2	56,011	53,804	56,011	53,804
Communications	2	22,448	22,882	22,192	22,858
Depreciation	3	14,591	23,737	14,591	23,737
Employee Related Costs	2	743,424	633,378	743,424	633,378
Insurance		6,648	6,829	4,573	4,647
Media and Public Relations		50,220	39,408	50,220	39,408
Media Campaign Costs		–	29,065	–	29,065
Member Survey Costs		16,500	–	16,500	–
Office Expenses	2	35,030	33,153	31,021	32,138
Office Rent		51,238	51,238	51,238	51,238
Pay Equity Project		52,540	–	52,540	–
Professional Fees	2	203,617	100,369	171,017	96,869
<b>Total Expenses</b>		<b>1,346,933</b>	<b>1,406,171</b>	<b>1,238,056</b>	<b>1,008,681</b>
<b>Surplus/(Deficit) before Taxation</b>		<b>(180,855)</b>	<b>179,435</b>	<b>58,796</b>	<b>84,763</b>
<b>Income Tax Expense</b>	<b>6</b>	<b>3,799</b>	<b>1,463</b>	<b>3,799</b>	<b>1,463</b>
<b>Net Surplus/(Deficit) for the Period</b>		<b>(184,655)</b>	<b>177,971</b>	<b>54,996</b>	<b>83,300</b>

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 2022

	NOTES	RESERVES \$	ACCUMULATED SURPLUS \$	TOTAL EQUITY \$
<b>Group</b>				
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
Opening Equity 1 July 2021		313,932	1,038,615	1,352,547
Surplus/(Deficit)		–	(184,655)	(184,655)
Transfers – Reserves	5	(5,544)	5,544	–
Closing Equity 30 June 2022		308,387	859,505	1,167,892
<b>Association</b>				
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
Opening Equity 1 July 2021		–	119,959	119,959
Surplus/(Deficit)		–	54,996	54,996
Closing Equity 30 June 2022		–	174,956	174,956

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 2022

	NOTES	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	3	1,879,504	1,158,892	617,144	278,684
Accounts Receivable	3	175,446	213,774	140,295	83,326
Interest Receivable		3,277	1,478	–	–
Prepayments	3	84,763	69,789	5,411	12,148
Term Investments		550,376	550,376	–	–
<b>Total Current Assets</b>		<b>2,693,367</b>	<b>1,994,309</b>	<b>762,850</b>	<b>374,158</b>
<b>Non Current Assets</b>					
Plant and Equipment	3	23,457	29,692	23,457	29,692
<b>Total Non Current Assets</b>		<b>23,457</b>	<b>29,692</b>	<b>23,457</b>	<b>29,692</b>
<b>Total Assets</b>		<b>2,716,825</b>	<b>2,024,001</b>	<b>786,308</b>	<b>403,850</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	4	410,560	69,740	410,089	121,745
Income in Advance	4	1,016,686	495,813	330	–
Loan from Branches		4,569	4,855	4,569	4,855
Loan from NZACA Education Trust	4	–	–	100,000	100,000
GST Payable		50,289	51,322	29,536	7,566
Provision For Tax		3,664	1,398	3,664	1,398
Holiday Pay Accrual		61,873	46,660	61,873	46,660
Other Current Liabilities	4	1,292	1,668	1,292	1,668
<b>Total Current Liabilities</b>		<b>1,548,932</b>	<b>671,454</b>	<b>611,352</b>	<b>283,891</b>
<b>Total Liabilities</b>		<b>1,548,932</b>	<b>671,454</b>	<b>611,352</b>	<b>283,891</b>
<b>Net Assets</b>	<b>1</b>	<b>1,167,892</b>	<b>1,352,547</b>	<b>174,956</b>	<b>119,959</b>
<b>Represented by:</b>					
<b>Accumulated Funds</b>					
Accumulated Surplus		859,505	1,038,615	174,956	119,959
Reserves	5	308,387	313,932	–	–
<b>Total Accumulated Funds</b>		<b>1,167,892</b>	<b>1,352,547</b>	<b>174,956</b>	<b>119,959</b>

For and on behalf of the Board:

Chairman:

Date: 3 October 2022

## NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

### STATEMENT OF ACCOUNTING POLICIES

For the year ended 30 June 2022

#### 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.

## NEW ZEALAND AGED CARE ASSOCIATION INCORPORATED

### NOTES TO THE SPECIAL PURPOSE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2022

#### NOTE 1 – ANALYSIS OF REVENUE

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Trading Revenue</b>				
Conference Revenue	–	527,571	–	–
Seminar Revenue	150,156	176,886	–	–
Advertising Revenue	6,370	6,075	6,370	6,075
<b>Total</b>	<b>156,526</b>	<b>710,532</b>	<b>6,370</b>	<b>6,075</b>

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Sundry Income</b>				
CHT Aged Care Fund Grant	42,000	–	42,000	–
Ministry of Social Development Contract Fee	23,000	–	23,000	–
Other Sundry Income	215	3,499	215	3,499
<b>Total</b>	<b>65,215</b>	<b>3,499</b>	<b>65,215</b>	<b>3,499</b>

#### NOTE 2 – ANALYSIS OF EXPENSES

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Trading Expenses</b>				
Conference Costs	–	287,857	–	–
Seminar Costs	62,601	95,382	–	–
Advertising Costs	3,243	6,773	3,243	6,773
<b>Total</b>	<b>65,844</b>	<b>390,012</b>	<b>3,243</b>	<b>6,773</b>

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Executive Expenses</b>				
CEO Expenses	3,387	3,385	3,387	3,385
Board Expenses	21,423	19,028	21,423	19,028
Honorarium & Board Meeting Fees	31,200	31,391	31,200	31,391
<b>Total</b>	<b>56,011</b>	<b>53,804</b>	<b>56,011</b>	<b>53,804</b>
	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Communications</b>				
Telephone & Internet	6,501	6,013	6,245	5,989
Website & IT Costs	15,947	16,869	15,947	16,869
<b>Total</b>	<b>22,448</b>	<b>22,882</b>	<b>22,192</b>	<b>22,858</b>
	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Employee Related Costs</b>				
ACC	1,323	1,072	1,323	1,072
Staff Training & Recruitment	10,007	19,624	10,007	9,624
Staff Travel	2,165	94	2,165	94
Salaries	729,929	612,589	729,929	612,589
<b>Total</b>	<b>743,424</b>	<b>633,378</b>	<b>743,424</b>	<b>633,378</b>
	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Office Expenses</b>				
Bank Fees	394	(678)	133	(366)
Office Expenses	16,354	14,257	12,650	14,257
Postage & Courier	2,412	2,802	2,412	2,802
Printing & Stationery	6,343	5,926	6,343	5,926
Subscriptions	7,910	7,626	7,910	7,626
Sundry Expenses	1,617	3,042	1,573	1,715
Temporary Staff	-	178	-	178
<b>Total</b>	<b>35,030</b>	<b>33,153</b>	<b>31,021</b>	<b>32,138</b>

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Professional Fees</b>				
Accounting Fees	77,600	46,000	45,000	42,500
Legal & Consulting Fees	126,017	54,369	126,017	54,369
<b>Total</b>	<b>203,617</b>	<b>100,369</b>	<b>171,017</b>	<b>96,869</b>

**NOTE 3 – ANALYSIS OF ASSETS****CURRENT ASSETS**

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Cash and Cash Equivalents</b>				
Cheque Accounts	547,768	379,362	341,841	203,969
Savings Account	831,736	579,477	275,302	74,663
Short Term Deposits & Other	500,000	200,052	–	52
<b>Total</b>	<b>1,879,504</b>	<b>1,158,892</b>	<b>617,144</b>	<b>278,684</b>

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Accounts Receivable</b>				
Trade Debtors	175,446	213,774	140,295	83,326
Sundry Debtors	–	–	–	–
<b>Total</b>	<b>175,446</b>	<b>213,774</b>	<b>140,295</b>	<b>83,326</b>

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Prepayments</b>				
Conference Prepayments	72,064	51,908	–	–
Seminar Prepayments	5,676	4,196	–	–
Other Prepayment	7,024	13,686	5,411	12,148
<b>Total</b>	<b>84,763</b>	<b>69,789</b>	<b>5,411</b>	<b>12,148</b>



**NON CURRENT ASSETS****PLANT AND EQUIPMENT 2022**

ASSET CLASS	OPENING CARRYING AMOUNT	PURCHASED	SALES/ DISPOSALS	CURRENT YEAR DEPRECIATION & IMPAIRMENT	CLOSING CARRYING AMOUNT
Computers (including software)	22,983	5,143	–	12,447	15,679
Office Equipment	4,013	–	–	1,452	2,561
Furniture and Fixtures	2,696	3,212	–	692	5,217
<b>Total</b>	<b>29,692</b>	<b>8,356</b>	<b>–</b>	<b>14,591</b>	<b>23,457</b>

**PLANT AND EQUIPMENT 2021**

ASSET CLASS	OPENING CARRYING AMOUNT	PURCHASED	SALES/ DISPOSALS	CURRENT YEAR DEPRECIATION & IMPAIRMENT	CLOSING CARRYING AMOUNT
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
<b>Total</b>	<b>50,709</b>	<b>2,720</b>	<b>–</b>	<b>23,737</b>	<b>29,692</b>

**NOTE 4 – ANALYSIS OF LIABILITIES**

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Accounts Payable</b>				
Trade Creditors	173,303	30,453	156,602	25,990
Sundry Creditors	237,258	39,287	210,557	21,121
Funds owed to Trust	–	–	42,930	74,635
<b>Total</b>	<b>410,560</b>	<b>69,740</b>	<b>410,089</b>	<b>121,745</b>

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Income In Advance</b>				
Conference Income In Advance	978,746	482,709	–	–
Seminar Income In Advance	37,610	13,104	–	–
Other Income In Advance	330	–	330	–
<b>Total</b>	<b>1,016,686</b>	<b>495,813</b>	<b>330</b>	<b>–</b>

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Other Current Liabilities</b>				
ASB Credit Cards	1,292	1,668	1,292	1,668
<b>Total</b>	<b>1,292</b>	<b>1,668</b>	<b>1,292</b>	<b>1,668</b>

**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 it's 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 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
Canterbury Education Reserve	308,387	313,932	–	–
<b>Total</b>	<b>308,387</b>	<b>313,932</b>	<b>–</b>	<b>–</b>

**NOTE 6 – TAXATION EXPENSE**

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
Surplus/(Deficit) Per Consolidated Statement of Financial Statements	(180,855)	179,435	(180,855)	179,435
Less NZACAE Trust Surplus/(Deficit)	(239,651)	94,671	(239,651)	94,671
<b>Gross Surplus/(Deficit) for NZACA Inc.</b>	<b>58,796</b>	<b>84,763</b>	<b>58,796</b>	<b>84,763</b>
Less NZACA Inc. Non Taxable Items	(44,226)	(78,536)	(44,226)	(78,536)
Taxable Surplus/(Deficit) for the Year	14,570	6,227	14,570	6,227
Less Not for Profit Income Tax Rebate	(1,000)	(1,000)	(1,000)	(1,000)
<b>Net Taxable Surplus/(Deficit) for the Year</b>	<b>13,570</b>	<b>5,227</b>	<b>13,570</b>	<b>5,227</b>
Taxation Expense at 28%	3,799	1,464	3,799	1,464

**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

	GROUP 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
<b>Commitments To Lease or Rent Assets</b>				
Office Rental (Lease to 14 December 2022)	23,484	74,722	23,484	74,722

**Capital Commitments**

There were no capital commitments at the reporting date. (2021: \$nil)

**Contingent Liabilities & Guarantees**

There were no contingent liabilities or guarantees at the reporting date (2021: \$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 2022 \$	GROUP 2021 \$	ASSOCIATION 2022 \$	ASSOCIATION 2021 \$
Value of transactions	49,450	42,800	46,250	30,000

**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 PANDEMIC**

On March 11 2020 The World Health Organisation (WHO) declared the Covid outbreak a global pandemic. While there were ongoing alert level changes around the country, there were 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 (the "Group") on pages 28 to 38 which comprise the special purpose consolidated statement of financial position as at 30 June 2022, 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 2022, 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 and as a member of the organisation on normal terms and conditions, we have no relationship with, or interests 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 Members and the Board of Directors and should not be distributed to or used by parties other than the Members and the Board of Directors. Our opinion is not modified in respect of this matter.

#### Board of Directors Responsibilities for the Consolidated Financial Statements

The Board of Directors 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 on behalf of the entity 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 Board of Directors either intend 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-7/>

### Restriction on use of our report

This report is made solely to the Group's Members and Board of Directors, 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's Members and Board of Directors, as a body, for our audit work, for this report or for the opinion we have formed.

**Grant Thornton New Zealand Audit Limited**



**B Kennerley**

**Partner**

**Wellington**

**3 October 2022**

# CONTACT NZACA

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