

Date: Monday 19th November 2018
Time: 7.30pm
Venue: Bob Berg Activities Room
Wongaburra
210 Brisbane Street
Beaudesert Qld 4285

Who Are We?

Wongaburra is owned and run by the people of the Beaudesert District. It is administered by the Wongaburra Society, which is an incorporated body with membership open to the general public. Members of Wongaburra's Board donate the expertise and many hours of time required to successfully implement the administration of the complex.

The Wongaburra Society was formed as a result of a public meeting called by the Beaudesert District Chamber of Commerce in May 1965 and the first Hostel residents were welcomed in August 1970.

Gradually more Hostel buildings were added and in August 1984, the 30 bed Nursing Home opened. Regular extensions and upgrades have followed, culminating in the opening of our 64 bed facility on 20th July 2007. This new work means that we can now care for up to 128 residents. Residential care is provided for ACAT assessed low care, high care, respite and extra services. Community care is also an important aspect of what we do at Wongaburra. We offer Home Care Packages, Level 1 – 4 and Community Home Support Program including FOLKS Evening Respite and Men's Shed.

Mission Statement

Wongaburra is an Aged Care provider supplying residential and community services that is committed to provide a flexible high quality range of services to residents and community that is supportive and responsive to the needs of individuals and their families.

Vision

Wongaburra – Providers of Flexible Aged Care Services.

Values

We believe that the contentment and quality of life of our residents is of the utmost importance. We employ staff who are compassionate and caring and with a genuine understanding of the special needs of the aged. We encourage a workplace that is safe, dignified, and happy. We believe that care should be taken to ensure that no member of staff exerts any influence on resident's decision-making, particularly in financial matters.

Quality Statement

Wongaburra is committed to continuous quality improvement and follows processes that comply to accreditation guidelines.

We encourage all members of staff to share with us any ideas for improvement. It is the responsibility of all employees to actively participate and contribute to the activities of Continuous Improvement by attending service improvement meetings and completing continuous quality improvement forms.

The Board and management shall provide all resources necessary to achieve these ongoing improvements.

Wongaburra Board and Senior Management

Chairman:	Mark Hodgson
Vice Chairman:	Tim Kelly
Secretary:	Noela Lee
Audit Committee:	Noela Lee, Carlita Buchanan, Mark Hodgson, Tim Kelly and John Clark
Corporate Governance Committee:	Blair Atthow and Clint Spence
Performance and Risk Management Committee:	Mark Hodgson, Blair Atthow, Carlita Buchanan and Noela Lee
Projects and Works Committee:	Lindesay (Fred) McDonald
Strategic Planning Committee:	Mark Hodgson, Tim Kelly, Lindesay (Fred) McDonald, Clint Spence and John Clark
Chief Executive Officer:	Peter Kneen
Director of Nursing:	Atul Singh
Support Services Manager:	Joanne Windle
Human Resources Manager:	Tessa Schuh
Charge Nurse, Nursing Home And Little Wing:	Annette Kassulke
Hostel Supervisor – Yalboru And Francisia:	Alla Illarionova
Homecare Co-Ordinator:	Kylie Jones
Quality and Clinical Compliance Officer:	Sherie Rowan
ACFI Co-Ordinator:	Sherie Rowan



CHAIRMAN'S ANNUAL REPORT 2017-2018

Presented by Mark Hodgson

This year has again been one of both challenges and opportunities for your board, management team and loyal staff of Wongaburra.

Our industry is becoming so much more complex for providers, residents and their families. As a provider of Aged Care services we are continually being challenged to provide a high level of care to our residents, within a framework of government funding. Funding which at this present time is inadequate to cover the true costs of providing essential care. It is becoming a truly difficult balancing act.

Government departments and the general public are continually scrutinising our industry for the quality of care we provide to residents. This close examination is justified and welcomed by us as an age care provider. However, it seems little criticism is being aimed at the amount of government funding being provided per resident to maintain that quality of care.

Cost of age care, like all costs of living, are continually rising. Unfortunately government funding, provided to our industry is not keeping up with these increasing costs.

The present funding model is being directed to a more user pays principle, with far greater

emphasis on home care and the provision of packages to supplement this style of care. As I mentioned in my report last year, this would, and has provided us with opportunities to increase our revenue stream while servicing this expanding division of age care.

Over the last twelve months, and certainly in providing for the future, we have set aside extra funding and resources to capitalise on this market. It must also be noted that many of these home care clients could be our future residents.

The life expectancy of our population has improved, with the number of Australians aged 65 years and over, predicted to double by 2055. These new potential residents will be expecting a higher quality of service and special needs. There will be a far greater emphasis on maintaining living standards currently being experienced by them in their own homes. As a provider of their age care, we must be able to accommodate these needs. To help offset some of the extra costs in providing this service we have introduced an additional services fee.

On an ongoing basis we are providing more resources into training of our staff. It is these front line faces who will be responsible for implementing these special services. It is imperative they have the resources and are comfortable in creating an environment, so as our residents consider Wongaburra as their home.

Throughout the year Wongaburra has had several compliance inspections by the Australian Aged Care Quality Agency. These inspections are mandatory, necessary, and completely supported by all at Wongaburra. I thank Management and all our dedicated and passionate staff for their commitment to these principles and procedures.

I also congratulate all for attaining the Governments tick of approval with flying colours. The board realises these inspections are time consuming and at times stressful, but they are necessary. They reflect well on the procedures and quality of care provided by you all to our residents. Please refer to the AACQA Website <https://aacqa.gov.au> to read the Wongaburra Audit and Consumer Experience Reports.

It gives me great pleasure in thanking our wonderful team of volunteers. Their support and ongoing commitment of time and experience greatly improves the lifestyle and living standards of our residents. The lives of our residents would certainly be so much poorer if not for the many hours you all dedicate to this organisation.

I would also like to thank and acknowledge our CEO Peter, and Director of Nursing Atul and their committed management team for their combined efforts throughout a difficult year.

I say a big thank you to your board of directors, and our new assistant secretary Melissa Carr. This year has thrown up many challenges, especially from the financial aspect. I am very confident the decisions made throughout the year to help address our revenue shortfall have been the right ones and address the issues of concern. This next year will require even more thought from us all in relation to IT issues and strategic planning for the future. Much time must be devoted to these two issues to better equip our organisation for future changes, and maintain the comfortable lifestyle our residents and home care clients so rightly deserve.

Mark Hodgson
Chairperson



**CHIEF
EXECUTIVE
OFFICER
ANNUAL
REPORT 2018**
Presented by
Peter Kneen

It is my privilege to report to you as the Chief Executive Officer (CEO) of the Wongaburra Society for the 2017-18 Financial Year.

There have been numerous changes to the Commonwealth Governments' aged care legislation with the continued introduction of the Living Longer Living Better (LLLLB) Policy.

Home Care Programme

One of the major changes enforced on us on the 27th February, 2017 was the deregulation of the Home Care Package (HCP) service provision. Originally we were licenced to provide thirty-two, Level 2 Home Care Packages. Now that the restriction has been removed, we are currently providing HCP to forty-six Subsidised Clients, with package needs varying from Level 1 & 2 to Level 3 & Level 4 and an additional four Private Clients who are not subsidised by the Commonwealth, while on the National Waitlist awaiting approval to receive services. At the time of writing this report there were approx. 117,000 Clients nationally who have been approved by ACAT as eligible for services, but are held up from receiving services, as they have to ascend to the top of the nation waitlist which continues to grow. We are now open to more market driven competition forces, which has its advantages in that we can serve as many Clients as we can professionally manage at all four levels of care provision.

These competition forces are client driven and it is the clients who have told the Department of Health (DoH) via the older persons peak body advocacy group COTA that they want to be able to compare service costs through the My Aged Care Website. This has been heard by the Minister for Aged Care - Mr Ken Wyatt, who has legislated that all HCP Service Providers provide details of their costs on the My Aged Care website by the 30th November, 2018, with a further review and reformatted pricing to be in place by April, 2019. This means we will be locked into our service charges for approx. four months without the ability to adjust our prices to meet market driven changes. In addition to this the consumer has also asked for the DoH to withdraw Administration Fees, however, this decision has not yet been made by the Minister. This means that we, and the HCP industry, may have to increase our charge rates significantly to compensate for the possible loss of this assured income. I believe our strategy continues to be that we grow this part of our business to sixty packages, and aim to achieve this goal by 30 June, 2019, due to the slow release of packages by the DoH.

In addition to these HCP changes the Government has changed the rules as to where the money goes once a person leaves us as their Service Provider. Where a transfer to another Service Provider is arranged, we must forward any unspent funds held to the next Service Provider after paying us an "Exit Amount" of \$500. Should the Client die, the unspent funds will be returned to the Government. Our Current Liability on the Balance Sheet is \$265.6K as at 30 June,

2018. This has grown to \$351.7K to 30 September, 2018. I have set aside cash funds in a separate Bank account to offset this liability. The nation as a whole has approx. \$400M sitting on the balance sheets of service providers. The main reason for this growth is that Clients are reluctant to spend the total of their package, preferring to receive minimal services now and retain the surplus for an emergency. The problem with this strategy is that the client is restricting their ability gain "Wellness & Reablement" now and run the risk of losing these funds, should they need to seek accommodation as a Permanent Residential Resident. Please read the Homecare Coordinators Report for more details.

Community Home Support Programme

Our Community Home Support Program (CHSP) was originally expected to change on 1st July, 2018 by being incorporated into the Home Care Programme. This has officially been deferred until 1st July 2020, with the current "Block Funding" arrangements being extended until 2020. We currently provide Social Support & Allied Health services to as many in the community as possible and have been authorised to provide Transport, Maintenance and Gardening services with no additional funding provided. We find we are able to provide a broader range of services within the current funding model. This is evidenced by the increase of the Men's Shed activities from two days to three days a week, with demand looking at the possibility to expand to four days per week.

CHSP will become individualised, similar to the current HCP where each Client has an

individualised budget that informs the client what fees they pay, and subsidies received to provide Consumer Directed Care services to achieve the personal goals set to enable wellness & restorative care in their home.

Yes the cost of provision of Aged Care is changing due to legislation; however, Wongaburra continues to follow our culture of continuous improvement in caring for our current & prospective Residents & Clients.

We still need to do some considerable work to respond and keep pace with the changes but we are committed to responding to the challenges ahead.

More information about these changes can be accessed through the Department of Health Website www.myagedcare.gov.au.

Aged Care - Future Direction

It appears the Government has affected the Aged Care Industry through funding cuts to the point where 45.1% of all Aged Care Service Providers which participated in the StewartBrown Aged Care Financial Performance Survey 2018 are making a negative operating result. Wongaburra, with the assistance of the National Peak Bodies; LASA & ACSA, have a responsibility to follow the direction of the Government, which tends to cost us more in accreditation & compliance and usually a reduction to our funding base, each time a change is made. The RUCS Study commissioned by the DoH is being conducted by the University of Wollongong to gather information to identify from a broad sample of Service Providers what the true costs of care provision are. Hopefully this study will provide evidence to the government

that we need additional injections of funds to the Aged Care Industry as a whole if we are to continue to provide these essential community services to the elderly.

We are Wongaburra Society and our Vision: Wongaburra Society – Providers of Flexible Aged Care Services, anticipates change by stating we are flexible.

Wongaburra's Strategic Direction

On the point of Wongaburra's Strategic Direction, I find it necessary that we take this opportunity to respond to the many changes & challenges that the Living Longer Living Better Roadmap is taking us through.

The Wongaburra Board began a review of our Strategic Plan in light of having been approved for an additional forty-two residential places in 2015.

A Needs Analysis Report – Beaudesert and Logan River Valley Region was commissioned through James Underwood & Associates and has been analysed by the Board. It was encouraging to confirm that Beaudesert has above the National average need for Aged Care Services for the next 25 years based on 2016 ABS data provided in the report.

The Board have identified the need for assistance when considering our Strategic Plan and Master Building Plan for the future and have engaged the services of StewartBrown, renowned consultants to the Aged Care Sector in Accounting, Auditing and Strategic Direction Planning. StewartBrown offer a financial Benchmarking service second to none and conduct an Annual Aged Care Financial Performance Survey Report each

year covering some 24,952 HCP and 974 Residential care facilities in the 2018 Reports. I know the Board are keen to consult with our Residents, Clients, Staff & Community for input and feedback on the future direction of the Wongaburra Society. Evidence of this is their approval, to engage Reality Performance to conduct a series of Workshops from December 2017 to August, 2018 with our Staff entitled, "Strategic Engagement" – where we will look at our Vision, Mission, Values & Philosophy and "Moments of Truth" – a Culture Review & Customer Service Awareness Training programme. I am excited to think upon this time in the life of the Wongaburra Society as an opportunity to morph ourselves into the Aged Care Service Provider of choice for the next fifty years.

The Board & I will keep you informed of our progress during the next year.

Finances

I turn your attention to the major features of Wongaburra Society's financial performance for the year 2017-18.

Wongaburra's financial performance for the year is a **Total Operating Income of \$11,959,054** less **Operating Expenses of \$11,778,921** to report an Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA) of **\$180,133 Operating Surplus**. To determine our net performance for the year we deduct from the Operating Surplus the **Net Non-operating income & expenses of \$1,241,071** to record a **Net Deficit of (\$1,060,938)**.

To allow a comparison to the previous year, I have included the results for the 2016-17 financial year as follows: Total Operating Income of \$11,610,501 less Operating Expenses of \$10,941,072 to report an Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA) of \$669,429 Operating Surplus. To determine our net performance for the year we deduct from the Operating Profit the Net Non-operating income & expenses of \$867,422 to record a Net Deficit of (\$197,993).

The results for the 2017-18 financial year show a reduced performance on last financial year by \$862,945, mainly attributable to the once only adjustment to depreciation of \$447,543. This adjustment although accumulated over seven years needed to be adjusted as a whole in this financial year. Plus an estimated loss of income by \$113,801 due to regulatory changes to the claim for Complex Health Care (CHC), a reduced occupancy rate. An increase in the cost of wages of \$716,597 due to 2.5% wage raise and the need for additional Staff to care for the increase in resident & HCP care needs: a total of \$1,277,941 of additional costs & reduced income mainly due to depreciation adjustment, unavoidable regulatory changes and higher costs of operation.

We have invested current operating surpluses into accumulation of funds in cash deposits to add to our financial security and investment in future Buildings.

A detailed copy of our General Purpose Financial Reports (GPFR) and Auditors Report are included in this book of reports for the AGM.

Budget 2018-19

It is pleasing to advise that our income for the current Financial Year 2018-19 is budgeted to increase by \$740K due to increase in Residential Subsidies and Fees & Charges through the introduction of Additional Services and increased interest income through DAP & DAC and financial deposits.

Every effort is being made through our ACFI Coordinator & DON to maximise the gain in subsidy funds and to continue to provide essential pain management. We have made an application to generate more income by applying for the Hostel RACS to be recognised for having had major renovations invested since 2012. This should add approx. \$237K to our income, which has not been included in our Budget estimates. Our admissions processes have improved over the past six months, which results in higher occupancy rates and quicker turn around times.

We have budgeted for an increase in operating expenses by approx. two and one half percent, which is mainly due to increases in wages to staff, as documented in the Enterprise Agreements that were accepted in a Ballot held on 24th October, 2016. Taking into account these changes, I estimate that we are expecting to show a Net Deficit for the 2018-19 financial year of approx. (\$485,287).

I assure the Wongaburra Society we are looking at all expenses with a view to reduce our costs and identify any waste.

Volunteers

The programs which we provide and the depth of choice that our Residents have, is in no small way underpinned by the number of volunteers who assist us and the level of commitment they demonstrate towards Wongaburra and those we serve. The value of the work you do cannot be expressed in monetary terms, but rather by accepting our heart felt thanks. We hope that you notice the smiles on our Residents' faces. We certainly do and we encourage you to continue the great work and friendships you cultivate with our Residents and Clients.

Community, Board & Staff Support

We are here to serve the Beaudesert and surrounding community and there will always be a place for people to receive quality care from our loving & caring staff.

It's appropriate that I take a moment to thank a few people:

Firstly, to the Senior Management Team who have continued to grow in professionalism over the past twelve months. In particular, I would like to thank Atul Singh - DON, Jo Windle - MSS and Tessa Schuh - HRM for their unwavering support. Together we make a professional team that serves well the management needs of Wongaburra Society. It makes my role much more fulfilling to have these people dedicated to operating as a team. I also acknowledge the support provided by the Administration staff who continue to be flexible to change and an ever increasing workload.

Secondly, I would like to acknowledge the Board for their time, commitment and counsel. Their direction and support is central to ensuring we remain a viable and vibrant force into the future. I look forward to our Strategic Planning journey that will allow us an opportunity to plan for the future development and continued provision of excellent care to the Beaudesert and surrounding community.

To the Ladies Auxiliary who play such a vital role in the day to day fabric of Wongaburra. Through the years they have provided much equipment which has often been the seeding to great positive change within our business. Again this year they have been fantastic with their financial support, without which, the continued growth of our assets could not have happened.

I'd also like to acknowledge the broader Beaudesert Community for your ongoing and unwavering support. From community groups to our suppliers, your support has been tremendous.

I respectfully present my annual report for 2018-19.

Peter Kneen
Chief Executive Officer



**DIRECTOR OF
NURSING / ACTING
GENERAL
MANAGER
ANNUAL REPORT
2018**

Presented by Atul
Kumar Singh

It is my pleasure to present the Wongaburra Society, Director of Nursing/Acting General Manager Annual Report for 2018. It has been a privilege and honor to be in this position and to focus my attention of achieving quality of care and wellbeing for the Residents of Wongaburra, along with the growth and development of my nursing team.

Thankyou

Wongaburra Society has achieved exceptional outcomes this year and our achievements are a direct result of our staff and management sharing a vision which enables our residents to live in an environment of a caring and supportive community.

Our sincere thanks to our wonderful Ladies Auxiliary fund raisers for your many years' dedication and selfless hard work in supporting Wongaburra and its Residents. Management and Employees are full of gratitude for your donations which improves our Residents wellbeing, life experience and their stay at Wongaburra. Without your support, genuine caring nature and dedication, we would not have been able to expand and flourish to this level.

What a contribution!!! And many many thanks to each and every one of you for never ceasing efforts and everlasting support to Wongaburra.

It would be remiss of me not to acknowledge the wonderful support of our volunteers who willingly donate their time to improve the

quality of life of our residents. A sincere thank you is extended to all of the volunteers including the Board members for their unwavering support, dedication and contribution to Wongaburra, your selfless devotion, compliments and without your day to day efforts Wongaburra would not be able to provide the holistic care to our precious residents.

Unannounced Reaccreditation Audit

We are at the completion of another year, our reaccreditation application, audit and decision to reaccredit Wongaburra Society is now complete. In a year full of many challenges within the aged care sector, and high level of scrutiny placed on the assessment process, Wongaburra's unannounced reaccreditation audit was conducted on the 16, 17 and 18 October by the Aged Care Quality Agency. Initial feedback on our performance was very positive, which was confirmed in writing by the department one week later. An unannounced visit by the Aged Care Quality Agency served to confirm our position of delivering quality care.

It is apparent that there are very few facilities across Australia that have undergone the new system of unannounced reaccreditation audits who have successfully met all the standards in the current environment where Aged Care Providers are under intense scrutiny and pressure, from public, government departments, and in particular the media.

To achieve such a positive and good result, much planning and preparations has been undertaken by Wongaburra. We were not able to achieve this without positive engagement and participation of staff through training and

education and setting clear objectives and goals.

We not only reviewed the effectiveness of our systems and created hundreds of new policies, procedures and competencies, resources manuals, position descriptions, work instructions and many more, but also through constant and diligent monitoring, auditing, continuous evaluation and follow up, by a group of dedicated employees we were able to achieve a fantastic result.

We are grateful for the dedication, support and commitment shown by each individual Staff member, Management Team, and Volunteers. The care offered to our residents backed by a supportive community environment has continued to deliver exceptional results.

This outcome has also been possible because of a committed and unified management Board who freely give their time to ensure we enhance the quality of life for our residents in a caring and supportive community.

I extend my appreciation to our Wongaburra Society Board for the professional and supportive contribution they have given to all of us.

Our results this year are a testimony to the dedication of our staff who continue to strive for excellence across all facets of our facility.

ACFI Review Audit

In March 2018, we were audited by the government department who monitors and audits Aged Care funding claims.

Ten files were audited; two claims were scrutinised and subsequently downgraded, from the date of submission, a substantial loss in subsidies was incurred.

Sherie Rowan – ACFI Coordinator

successfully appealed the decision of these downgrades, and the claims were reinstated from original submission date and all subsidies back paid, which, in the table reference below is not easily achieved

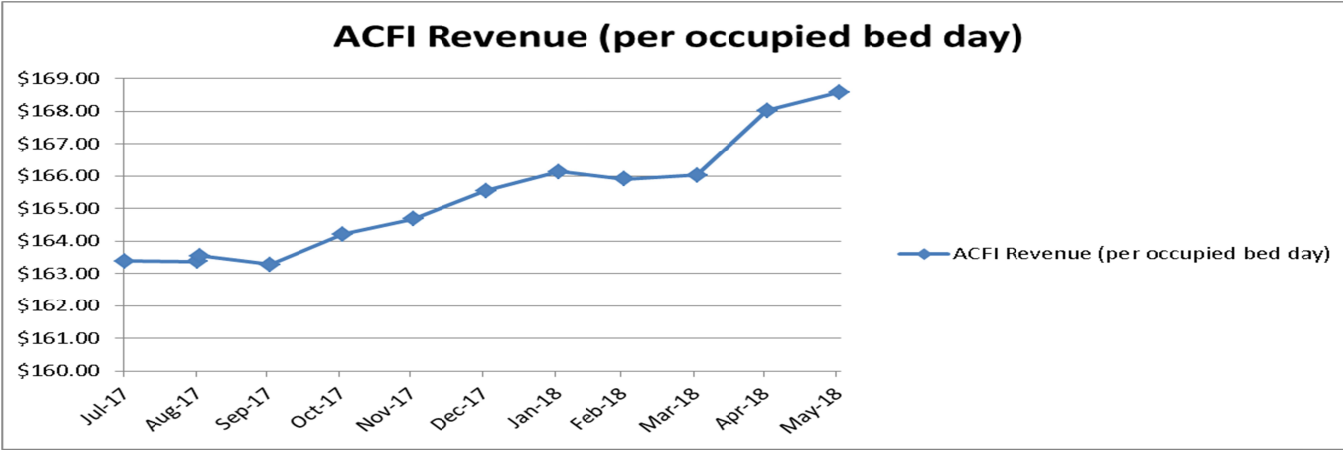
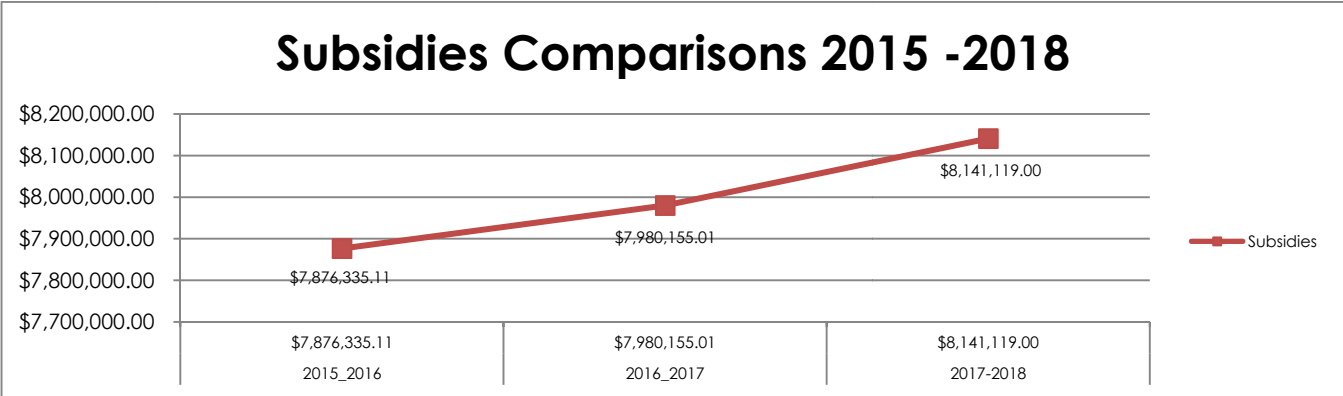
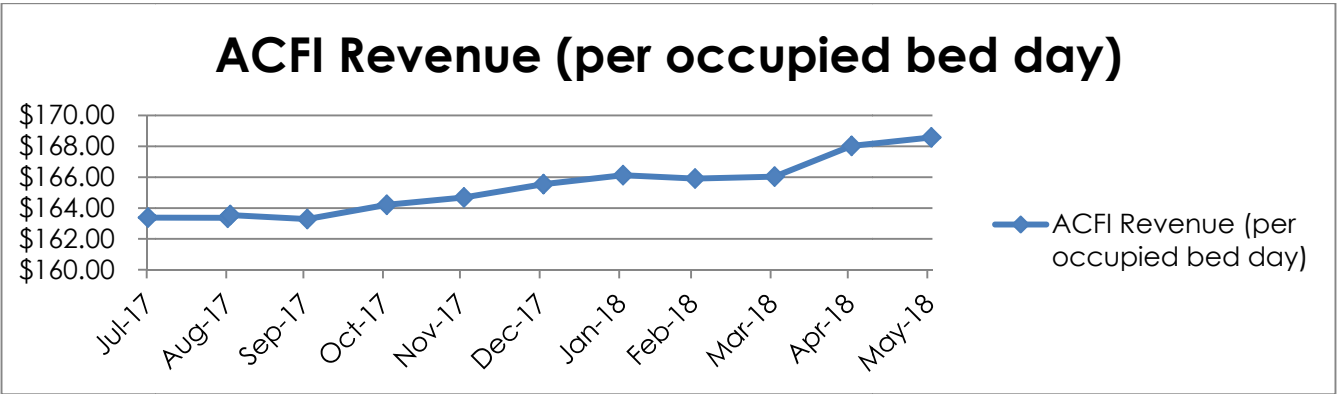
- National downgrade average was (June 2018 Quarter) = 39.5%
- Queensland State downgrade average for the same quarter was = 47.9 %
- Sherie's work has produced 0% downgrade.

ACFI performance 2017 -2018

Another area under the spotlight this year has been our endeavour to constantly improve our utilization of the Aged Care Funding Instrument parameters. Ongoing staff training; frequent ACFI meetings and feedback from care staff have enabled us to optimize our level of government funding. It is important to remember that all governments share the view that aged care funding is not a bottomless pit of money. Wongaburra's achievements in regards to ACFI funding are due to intensive management and attention to detail. Our ACFI Coordinator – Sherie Rowan is a dedicated employee of Wongaburra Society, who has managed and maintained our ACFI subsidies and funding, during a year of very high occupancy turnover

- December 2017 – Average ACFI per bed per Day was \$164.68
- November 2018 – Average ACFI per bed per day is \$172.27
- Average increase of approx. \$9.00 per bed per day

ACFI Performance 2017 - 2018



Aged Care Reform

The Australian aged care sector has undergone considerable reform over the past two decades, the most significant elements of which have taken place in the last seven years. Since 2012, the following key reforms have changed the aged care landscape:

- My Aged Care website and contact centre and the introduction of Consumer Directed Care (CDC) Home Care packages.
- The requirement for residential aged care providers to publish accommodation prices on My Aged Care; changes to means testing in home care and residential care; and the commencement of review of home care services by the Quality Agency.
- In 2015, the application of CDC to all home care packages, the roll out of the Commonwealth Home Support Program (in all states excluding Victoria and Western Australia, which have joined subsequently); and the management of all assessments and referrals for aged care through the My Aged Care portal.
- In 2016, the transferring of aged care complaints from the department to the Aged Care Complaints Commissioner.
- In 2017, the implementation of Increasing Choice in Home Care enabling consumers to choose and change their home care provider.
- In 2018, the Government restructure of the aged care program funding to enable unused funds from the residential aged care program to be retained and utilised for home care packages as part of its More Choices for a Longer Life budget measure, and funding of an additional 20,000 packages over 2017 Budget provisions.

Future reforms committed to by the current Government but not yet implemented include:

- The development of a Single Quality Framework which includes the introduction of new consumer focused aged care standards across both residential and home care, to come into effect on 1 July 2019, with a new single Charter of Aged Care Rights.
- The legislation for the Single Quality Framework was passed by Parliament on 11 September, and the new Standards have been released as an Exposure Draft.
- An in-principle support by the Government “to transition the allocation of residential care places through the Aged Care Approvals Round (ACAR) to alternative arrangements that provide real choice for older Australians” subject to an impact analysis to understand the effect of such and how it would best be implemented, which is now underway.
- From 1 January 2019, commencement of the new Aged Care Quality and Safety Commission, to merge existing functions of the Australian Aged Care Quality Agency, Aged Care Complaints Commissioner and from 1 January 2020, the sanction powers of the Department of Health.
- The Bill to implement this decision was introduced to Parliament on 12 September.
- The trialling of “aged care system navigators’ – face to face services to assist and guide older Australians and their families to get the best outcomes from the aged care system, including outreach services to help older Australians make informed choices about their aged care needs

- A range of other measures in the 2018 Federal Budget's More Choices for a Longer Life Package, which contained in total 19 aged care measures of which we have referenced four here.
- Mandatory requirement for approved care providers to publish their prices on My Aged Care by the end of December 2018 and participate in an aged care pricing comparison tool by May

Year Ahead

Residential Care

The Australian Government is making fundamental reforms to the aged care system to ensure that it provides high-quality services that meet consumer needs and preferences. The reforms place consumers at the center of their care, and have a significant focus on giving people greater choice and flexibility. Changes are being progressively implemented to create a competitive, market-based system where consumers drive quality and where red tape is reduced for organisations, which is contrary to recent announcement that Government is putting more Red Tape.

Currently, there are some changes that have been made in accreditation Standards, in terms of Consumers (Care recipients) surveys and interviews. Now the number of Resident satisfaction surveys has been increased, and the result will form a part of the reporting system which will be displayed on Government websites for public access.

It has also been confirmed that all Residential Aged Care and Home Care providers will now be charged for each unannounced support visit. In the past, only reaccreditation visits incurred these charges.

Royal Commission

In September 2018, the Minister for Aged Care and the Prime Minister announced an enquiry into Aged Care in the form of a Royal Commission.

The terms of reference were announced in October 2018. The expected duration of this enquiry is one year.

Home Care Accreditation

Our Home Care Accreditation expires in April 2019. Application for reaccreditation was submitted in October 2018. This visit should be an announced visit, to prepare Home Care Clients to participate in the audit. Based on our internal audits and client surveys, we expect a very positive outcome.

Additional support is being provided to the Home Care Coordinator to assist in ensuring a positive Accreditation outcome.

Home care providers are now required to publish their hourly rates on the website (My Aged Care) by 30th of November 2018.

Regulatory Changes

The new audit system was a key recommendation of the Review of National Aged Care Quality Regulatory Processes, released in October 2017, and was enacted by the Federal Government in March of this year.

Minister for Aged Care Ken Wyatt says the introduction of the unannounced audits, which will see aged care homes no longer receive notice of the date of their re-accreditation audit, marks the beginning of a “quantum shift” in aged care quality compliance and customer-directed care.

As well as the introduction of the unannounced audits, the Federal Government

has also been working on the nation's new independent Aged Care Quality and Safety Commission, which is set to begin operations on 1 January 2019, as well as dedicating a funding commitment of more than \$32 million for the Commission to "intensify compliance and strengthen risk profiling of aged care providers, with the aim of preventing care lapses before they occur."

Minister Wyatt highlights that the Commission will also combine the functions of the current Australian Aged Care Quality Agency, the Aged Care Complaints Commissioner and the aged care regulatory role of the Department of Health, as well as develop a Serious Incident Response Scheme, in consultation with the aged care sector.

Aged Care Workforce Strategy Taskforce

Australian Bureau of Statistics workforce data highlight aged care as one of the nation's fastest growing job markets. Yet evidence gathered through the course of the taskforce's work suggests that there are considerable challenges within the industry associated with:

- high employee turnover, including significant movement between organisations;
- poor employee engagement and enablement;
- difficulty in attracting talent;
- ineffective and inefficient design of work organisation and jobs;
- undervalued jobs with poor market positioning;
- suboptimal workforce planning;
- casualization of the workforce, particularly in home-based care;
- leadership effectiveness gaps;

- key capability gaps and skills and competencies misalignment;
- career progression bottlenecks;
- Ineffective recruitment, induction and onboarding processes.

These challenges are amplified outside major cities and metropolitan areas, particularly in remote and very remote settings.

Professor John Pollaers from Australia's Aged Care workforce strategy taskforce recommended fourteen strategic actions.

These recommendations provide aged care industry and the Government to prepare the workforce for the future and improve the quality of aged care for all.

It sets out the pragmatic actions to bring about lasting change for the people who matter most – consumers and the workforces that look after them.

1. Creation of a social change campaign to reframe caring and promote the workforce.
2. Voluntary industry code of practice.
3. Reframing the qualification and skills framework – addressing current and future competencies and skills requirement.
4. Defining new career pathways including accreditation.
5. Developing cultures of feedback and continuous improvement.
6. Establishing a new standard approach to workforce planning and skills mix modelling.
7. Implementing new attraction and retention strategies for the workforce.
8. Developing a revised workforce relations framework to better reflect the changing nature of work.
9. Strengthening the interface between aged care and primary/acute care.

10. Improved training and recruitment practices for the Australian Government aged care workforce.
11. Establishing a remote accord.
12. Establishing an Aged Care Centre for Growth and Translational Research.
13. Current and future funding considerations, including staff remuneration.
14. Transitioning the existing workforce to new standards.

These strategic actions will provide Wongaburra with the road map to shift views and attitudes in our quest to grow, sustain and provide aged care services that can meet the care needs of the wider community, our current resident's, future residents in both residential care and home care settings

New Aged Care Quality Standards

Organisations providing Commonwealth subsidised aged care services are required to comply with the Aged Care Quality Standards (Quality Standards). Wongaburra will be assessed and must be able to provide evidence of their compliance with and performance against the Quality Standards from 1 July 2019.

The Quality Standards focus on outcomes for consumers and reflect the level of care and services the community can expect from organisations that provide Commonwealth subsidised aged care services.

The Quality Standards are made up of eight individual standards:

Each of the Quality Standards is expressed in three ways:

- a statement of outcome for the consumer;
- a statement of expectation for the organisation;

- Organisational requirements to demonstrate that the standard has been met.

1. Consumer dignity and choice
2. Ongoing assessment and planning with consumers
3. Personal care and clinical care
4. Services and supports for daily living
5. Organisation's service environment
6. Feedback and complaints
7. Human resources
8. Organisational governance

Compliance with the Quality Standards is mandatory from the date of commencement. Wongaburra will be required to demonstrate performance on an ongoing basis to meet Australian Government requirements.

The Standards provide a framework of core requirements for quality and safety and depending on the types of care and services Wongaburra provides.

Wongaburra Management will be actively working to implement these changes through:

- aligning our system, policies and practices with the new standards;
- support staff to understand the requirements of the new standards;
- support care recipients and their families, carers and representatives to understand what the changes mean for them

The continuing trend of Residents entering Wongaburra Residential Care, for short stays only, with high palliative care needs, evidence by our statistics of "bed movements" from our system, with we have had 123 Residents permanently discharged since 01/01/2016 till the current date, 64 Discharges over the past

12 months, the aged of long term tenures in

Residential care is no more.

Occupancy Statistics 2017-2018										
Admission Type	Total	Male	Female	Discharged	Beds	Hospital	Home	RACS	Respite	Not Specified
Admission Permanent	62	29	33	21	9	9	29	5	6	4
Admission Respite	50	26	24	3	5	4	33	2		
Total	112	55	57	24	14	13	62	7	6	4
Discharge Type	Total	Male	Female	Discharged	Beds	Hospital	Home	RACS	Respite	Not Specified
Discharges Permanent	64	24	40	60	-	2	2	-		
Discharges Respite	45	22	23	3	5	4	33	2		
Total	109	46	63	63	5	6	33	2	0	0

Quality System Improvements

Quality Control and Auditing System/s

Again in 2017 we introduced a new modern and sophisticated auditing service, known as Moving on Audits (MOA). We moved to this service from QPS and our own in-house audits to a system that specialized in a contemporary and modern aged care industry practices and standards.

This system has allowed Wongaburra to conduct live auditing with real time results and reports. It utilizes the University of Queensland's research methodology, with evidence based guidelines and parameters to conduct audits and compare our results with similar sized facilities/organizations.

This service and outcomes proved invaluable in our preparations for accreditation and during our reaccreditation audit.

Sarah System

The strategic plan to utilize the capabilities of Sarah Software to remove or significantly reduce the time consuming and frequent of duplication and manual processes of data between systems is continuing.

The year ahead will see continued optimization of the current systems, training to

maintenance and support staff in the use of these systems will commence in 2019

Clinical Governance

We are on track with our Clinical Governance Management and continue to seek improvement and guidance in Corporate Governance, Regulatory Compliance, Risk Management, Continuous Improvement, HR Management, Documentation, Data Collection, Auditing, Safety, Quality and appropriate delivery of Resident Care.

Training and Education

Our modern approach in 2017 to implement more flexible staff training systems to staff to attend mandatory training, inductions and other relevant topics has proven to be popular, we have increased and improved attendants, staff skills and knowledge so they can competently and efficiently. Our reaccreditation and Consumer experience feedback, also confirmed staff have the skills to perform effectively in their roles.

Based on this successful trial in 2017 and subsequent feedback, Wongaburra has now purchased the complete W & L Online education and training modules to continue to provide staff with the flexibility to attend

ongoing education and our mandatory education requirements.

Aged Care Reform

Sectors financial viability hinges on increasing revenue streams

Regulatory changes and staff costs put undue pressure on residential facilities operators

The aged care sector is currently undergoing rapid transformation in respect of the aging population, consumer expectations and requirements, demographic influences and moving from a funded model to more of an equity model.

Its is clear that the cost associated with appropriately servicing increased resident and consumer acuity in residential aged care and in-home will require an increase to revenue streams to ensure the ongoing financial viability of the sector.

The impact of the regulatory change and costs pressures (particularly staff costs), has resulted in the alarming statistic that 45 per

cent of residential facilities reported an operating loss for the six months to June 2018, and even more disconcerting is that 21.3 percent of facilities had negative earnings before interest, taxes depreciation and amortization (indicating a cash loss from operations).

Of further note is that the direct care staffing hours per resident per day increased from 2.91 hours to 3.06 hours. With no addition revenue to compensate for these increased staffing hours and combined with wage rate increases from pre-existing enterprise agreements, rising staff costs have been a major contributor to these results.

The ACFI residential care subsidies are now increasing at a lower rate than the costs of providing direct (refer to below graph) and this will create further financial tension and risk the need to actually reduce staffing costs in an attempt to remain financially viable.

	2007 \$pbd	2017 \$pbd	Cumulative Increase
ACFI and Supplements (including Means Tested care fee)	\$96.66	\$171.84	77.8%
Expenditure – Direct Care Services	\$71.63	\$134.58	87.9%

Funding and work force reform

While the Australian Government's May Budget signalled some progress, much more work is need in the funding space.

The Budget provided some good news for older Australians seeking care in their own home with more than 14,000 new high- level home care packages funded over four years, following on from the extra 6000 high-level packages delivered in the second half of 2017.

However, funding cuts by successive governments to residential aged care services, combined with rising operating costs and growing acuity/complexity of residents, means we still face a crisis of sustainability, with an estimated 40 per cent of residential aged care facilities recording financial losses last financial year.

Appropriate and sustainable funding is vital to implement best practice models of care. The situation is even more serious in rural and

regional settings where access to staff and higher costs further compound the situation. Safety and quality in aged care is not negotiable and Wongaburra welcomes the government's announcement of \$50 million to assist residential aged care providers to transition to a new quality regime.

Significant refurbishment

Wongaburra has applied to the Department of Health for a significant refurbishment application for higher accommodation supplement. If approved by the department, Wongaburra will receive an additional 190 – 200K per year in additional funding for the Hostel RACS ID 5085.

Closing

Finally our hardworking staff and the Wongaburra Board Members dedication and compassionate support on which we base our reputation, is invaluable. Without them, we would not be able to supply many of the things residents currently enjoy.

Our sincere thanks to all of our staff, all of our volunteers, our ever present hardworking bank of ladies, the Ladies Auxiliary and community and resident donations.

From all of us at Wongaburra, stay well, and drive safely over the Christmas break, if you are intending to go away, have a happy Christmas and New Year.

We look forward to the Christmas festivities and seeing you all again in 2019.

Atul Kumar Singh

Director of Nursing/Acting General Manager
Wongaburra Society



SUPPORT SERVICES ANNUAL REPORT 2018

Presented by Joanne
Windle

Wongaburra continues to maintain a high standard and community reputation by providing a haven and home for our ageing population. 2017/18 has seen an incredibly high turnover of care recipients in residential care and an increase in Homecare and CHSP packages. This is one of the first years that the two areas of care have overlapped on many occasions and worked together transitioning from the home then finding a place at Wongaburra. It is now becoming a natural move forward. My Aged Care website, sprouted to be the “new best thing” in communication, but is still not an ideal solution for people to gain an insight into the many pros and cons of Aged Care and we continue to offer that support and assistance. Wongaburra has a hardworking and dedicated team of professional Managers and Coordinators who provide a varied and comprehensive range of skills across all areas of Residential and Community Care. This is why we can pat ourselves on the back and continue to shine the light on Aged Care Services in the Scenic Rim.

On the 16th 17th and 18th October Wongaburra received our three year accreditation site visit with an outstanding result. 44 out of 44 outcomes reached with exceptional comments and remarks from family members and our

own residents. We are very proud to represent the community and we look forward to a full year of exciting changes and maintaining our high standard of care.

EQUIPMENT, CAPITAL PURCHASES AND OPERATIONAL:

Along with myself, the DON Atul Singh and Administration staff member Catherine Schwarze we spent a considerable amount of time sourcing documentation and compiling data in an application for Significant Refurbishment funding. If approved we can expect approximately \$20.00 extra per day per resident for 72 residents. If approved we can expect to be paid from the time of submission which was in Mid September. We had to validate to the Government bodies that over the last 6 years (from 2012) we have spent over \$800,000 in Capital purchases, equipment, enhancements for the residents



benefit, and upgrades and refurbishments of rooms and living areas. We have shown that we have met the requirements and look forward to receiving a satisfactory response.

To give you an idea of some of the items that were listed in the application:

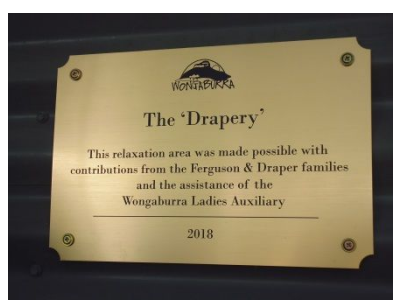
- The lift project at a cost of \$75,000 (partly funded to the tune of \$35,000)
- The LED sign for advertising purposes (\$70,000)
- The upgrade of Medsig, for medication management (\$24,000)
- The nurse call upgrade to overhead enunciators to assist with resident cares and safety (\$7500)
- Air conditioning of resident rooms and living areas across the facility.(\$45,000)
- The purchase of special beds to assist in cares. (7 Low beds at \$3,000 each)
- The repainting of the Hostel (over 200,000)
- New front fence (\$10,000)
- An outdoor Alfresco living area aptly named and dedicated as “The Drapery” after past resident families wished to assist with donating monies in remembrance and thanks to Wongaburra. This area was also partly funded by our Ladies auxiliary to the amount of \$5,000

These are only a few examples of the many quality improvements that ensure we provide

a safe environment for staff and residents alike.

Food Services and Laundry departments

are staffed Mondays to Fridays each week, with exceptions and adjustments over public holidays. Our goal is to provide a flexible and nutritious menu offering choice and variety and a complete laundry service which will benefit our resident base. The staff are skilled in their roles and competencies are conducted annually to ensure they remain up to date with new practices. The laundry has a “hot weather procedure” to ensure that the staff rotate between washing and folding in order to reduce risk of injury and fatigue. This is also to ensure a fair and equitable work solution to benefit by rotating into air conditioned work areas. Suitable summer uniforms also assist with heat and fatigue reduction. Staff and management liaise together to form a safe working solution. The washing side is not air conditioned but fans assist with air circulation. In the financial year till end of June 2018, the invaluable laundry staff over a five day week have washed, folded, ironed and delivered, upwards of **184,363 Kilos of DRY LINEN!** We also launder for Whiddon Star Beaudesert, and that component is **68,987 kilos!!!** I am very pleased to say that up to this date we have not had an infectious issue arise with any laundering completed on this



site. That is an achievement in itself. This work is laborious and tedious and this group of women all deserve much more for their dedication to quality care.

The **Food Services** department also work a five and a half day week, with exceptions over public holidays and special occasions. This area is constantly fraught with interruptions and additional requests for meals and the staff take each and every hurdle in their stride. A close team morale exists within this group and this enhances their effective production. Each day as an example, they must prepare for not only our 128 resident base but Meals on Wheels, Homecare clients, Staff and volunteers, private functions and Wongaburra functions. They also have to ensure the menu is flexible, full of choice and variety, pleasing to the eye and nutritious. Documentation across all support areas is plentiful and time consuming but this is necessary to ensure we are compliant. The Food Services department is audited annually by an external operator and we are also a licensed food selling business within the Scenic Rim council regulations. Paperwork and follow up is endless and necessary. To give you an example of the constant output and food preparation from this team, for the financial year ending June 2018 the kitchen produced **150,395 meals, which includes** 3 main meals a day, 3 snacks a day, one main dessert a day and numerous party food functions, main meal functions and specialty days during the year.



The **maintenance** and **cleaning departments** provide this facility with beautiful gardens and lawns and rooms and living areas that are environmentally clean and fresh. The comments from the residents and their families at the recent accreditation exemplify the high standard we display.

The **Wongaburra Ladies Auxiliary** continues to Support Wongaburra and we are privileged to have such a dedicated group in this community. **Our anticipated Resident and Family Christmas luncheon** is on Thursday 13th December in the Bob Berg room and will be starting at approximately 11.00 am onwards. This will be the one and only family and resident day to be organised to take place in the Bob Berg room. In days past, we had 3 of these family and residents days, but found the numbers were lacking in each of them and therefore the atmosphere was becoming lost. This is why we have condensed them to the one, and last year was a fun filled and well attended lunch. This same evening will see the community based **FOLKS** program holding their own Christmas celebration. Please make sure you ring reception on

55401400 and book early for this day. We have maintained the prices as per last year and the menu and prices are detailed as follows:



Christmas Menu

Roasted Ham/Chicken

Medley of Roasted Vegetables

Buttered greens

Gravy and condiments

Bread roll and butter

Choice warm Plum Pudding and custard or
Fresh Fruit salad

Beer, wine and punch and soft drink

Adults: \$25.00

Children over 4 and under 16: \$10.00

So, all in all some positive and exciting times are ahead for Wongaburra. In closing I would like to take this opportunity to thank you all for your continued support of our beautiful home. I am proud and privileged to be a member of the Wongaburra team, to share our progress with you all, and look forward to an exciting and prosperous 2019. Enjoy the festive season with your loved ones, families and friends and remember how important they are in your lives and please have a safe and Happy New Year.

Joanne Windle

Manager Support Services

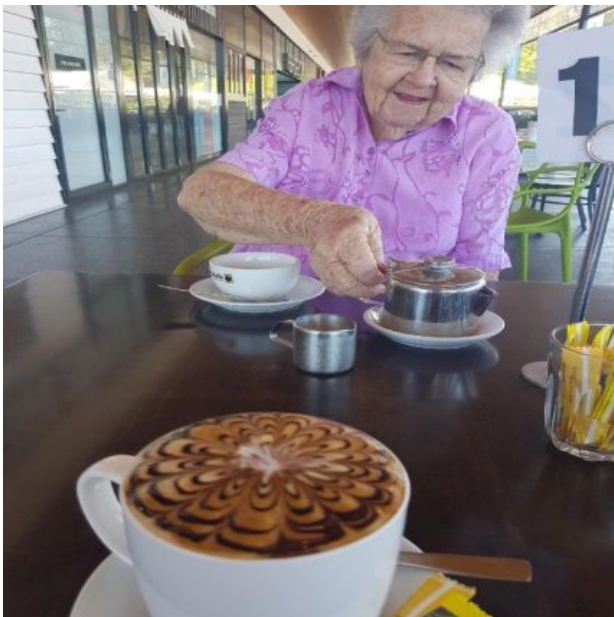


**HOME CARE SERVICES
ANNUAL REPORT 2018**
Presented by Kylie Jones,
Homecare Co-Ordinator

The Home Care Team has enjoyed another great year in 2018.

Our team has expanded to almost 30 staff supporting over 150 Home Care Package (HCP) and Community Home Support Program (CHSP) clients in the community.

Due to the increase in high care client needs, Home Care increased service availability to 24 hours per day to ensure client's can remain living at home for as long as possible. Staff did not hesitate to provide overnight care. Why wouldn't they when they can wake up to this beautiful sunrise.



Regardless of the weather our clients still require care. Rain, hail, shine and even livestock doesn't keep our staff from ensuring client's receive services.



Our days are never boring and we get to appreciate the community from a different perspective then we would by in Residential Care, and what a beautiful place we get to call home.

Our HCP subsidies have also increased since the deregulation of Home Care Packages. At the start of the change in February 2017 our monthly subsidies were just over \$35, 000. I'm pleased to report that our HCP monthly subsidies have increased to \$105, 000.

Our staff continue to be creative in their work to ensure our client's enjoy the last stage of their lives. Rather than "doing for", we "do with" our clients to ensure their independence and choices are maintained. Staff are spending days assisting clients to cook their favourite family recipes. We are also keeping families together and transporting client's to visit their loved ones in permanent care and as far as Northern NSW.

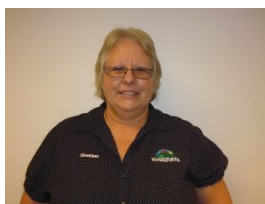
We continue to build relationships with other providers by brokering services to them, but also providing services for other providers where their staff skillset is lacking.

Our CHSP clients continue to enjoy a range of services provided by our skilled staff. We support people in their homes by providing cleaning and gardening assistance, and members of the community enjoy fun and enjoyable outings with our Folks Program. The Men's Shed continues to operate 3 days per week ensuring men in the community have a safe place to continue to utilise their skills and to build friendships with other men.

Our volunteers continue to do an amazing job supporting our Home Care and CHSP clients by providing transport to and from important appointments. Our clients are grateful for the service they provide.

Thank you from the Home Care Team





LEISURE AND LIFESTYLE REPORT 2018

Presented by Heather Rogers, Leisure and Lifestyle Co-Ordinator

Social life at Wongaburra is, as usual busy but motivating and is fast seeing 2018 coming to a close with the festive activities yet to begin.

Many families and friends this year have taken the opportunity to come and celebrate with loved ones on special occasions on the weekends, enhancing quality time for residents. Please I encourage everyone to join us in celebrating throughout the festive season.

PARKINSON SUPPORT GROUP – meet on the second Tuesday of each month at 10.00am in the Bob Berg Room. If there is anyone in the community who suffers from Parkinson please inform them that there is a Parkinson Support Group at Wongaburra. All are welcome, carers as well as clients. No cost to attend and a light morning tea is supplied.

ACTIVITIES – this year the Leisure and Lifestyle department have welcomed new staff, Honnay Spencer, Leeann Gascoyne and Claire Daniels bringing new ideas, stimulation and many years of experience. Activities have as usual kept the residents



busy and active, with a couple of new added activities, one being Creative Art

Tray Play which residents are really enjoying. This

displays each ones creativity and is very



stimulating for all who attends as it has a lots of sensory items which residents love to smell, feel and touch.

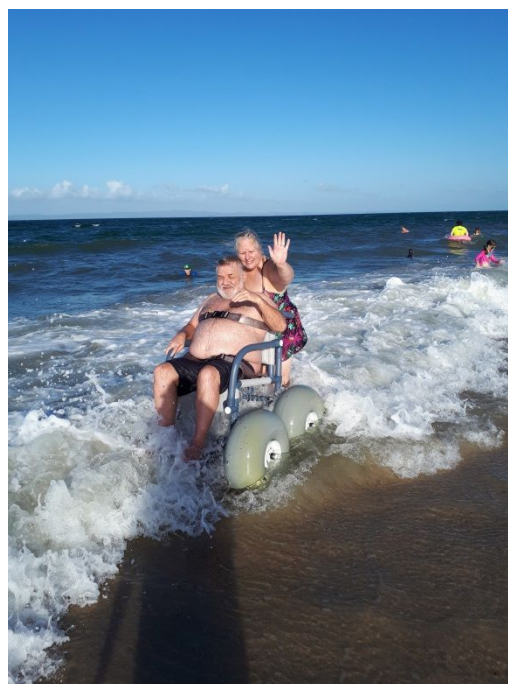


The most talked about day trip this year was the day to Toowoomba to the Carnival of Flowers. Many of the residents had never been to Toowoomba and had never experienced the beautiful array of themed flowers. Residents then enjoyed a picnic lunch in Laurel View Park while being entertained by the musical bands playing.

Pet therapy has been introduced with two silkie chickens living in the DSU area and now monthly visits of Alpacas from the local Alpaca farm.



BRIBIE ISLAND – as every year the holiday was hugely supported by residents and community clients. This years new attractions visited was the Aviation Museum at Caloundra and the Butterfly House at Bribie Island. The Aviation Museum was just so interesting that one resident spread the news and the Men's Shed visited as well and returned a second time to experience the Open Day when the aeroplane engines were fired up and people were able to climb into the cockpits of the planes. It was a one in a lifetime experience that has been continually talked about. One community client we took, that thoroughly enjoyed the day was a client who was a Spit Fire Pilot in the war.



GARAGE SALES – two garage sales are held annually by the Leisure and Lifestyle staff as well as few care staff and of course the committed volunteers. The garage sales is what raises the money and makes the annual Bribie Island holiday a success and possible for the residents. These funds raised subsidise the trip to enable all residents as well as those financially challenged the option of being able to attend, and for some I have learned have never been on a holiday.



This then brings me to the.....

VOLUNTEERS/LADIES AUXILIARY – there is no change in the tireless hours so unselfishly given, and the dedicated commitment that the volunteers provide to our residents/clients and the support to the Leisure and Lifestyle staff. To each and every one of you I offer the most heartfelt thank-you. Without you there is no doubt that I would not be able to implement, offer and deliver the large array of activities that enrich the lives of our residents. As the CHSP

transport has been added, you volunteers have been amazing meeting the times with appointments and transportation of residents and clients. Tom Moore and Rod Waters have kindly donated a day a month this year to come and entertain our residents with a musical and singing session which has been supported hugely by the residents. To all volunteers your massive contribution does not go unnoticed by staff, residents, clients and Management. It is truly appreciated.

Finally I wish to take the opportunity to personally thank the Leisure and Lifestyle staff for your dedication, unwavering support and continuing to strive to ensure that you make a difference in enhancing the lives of the residents. Keep up the enthusiasm ladies it is much appreciated.

Heather Rogers

Leisure and Lifestyle Co-Ordinator



**WONGABURRA
LADIES AUXILIARY
ANNUAL REPORT
2018**

Presented by
Heather Barnes,
President

On behalf of the Wongaburra Ladies Auxiliary, I have great pleasure in presenting the Auxiliary 50th Annual Report for the 12 month period of 2017 – 2018.

Our meetings are held every second month in February, April, June, August, November and our AGM in September. Meetings are held in the Bob Berg Room at 11am. We currently have 12 members.

Our Guest Speaker at last year's AGM was Councillor Michael Enright, who spoke about the Scenic Rim Council. Our Two Cent Auction was held in September 2017 and April 2018 and we were very successful. Thank you to the helpers and the public for their support.

Three Street Stalls were held in September 2017 and June 2018, which are held on the fifth Friday of those months and located outside Mitre 10 in William Street. The Ladies Auxiliary would like to thank Mitre 10 for storing the tables and helping to set up the tables on the Street Stall days.

Thank you to Dulcie and the residents for all the cooking they made for our Street Stall days. Thank you also to members for cakes, jam, pickles, cushions, crotchet items and to other people for their donations of knitting and crotchet rugs for our Cent Auctions and Street Stalls. Thank you to local residents that come along with preserves and cake for the stall, a very big thank you to all.

The Ladies Auxiliary would like to thank Jo Windle, Manager Support Services and the kitchen staff and volunteers for a lovely Christmas lunch held in the Bob Berg Room.

The Ladies Auxiliary enjoyed a four week break over the Christmas / New Year period.

The Auxiliary ladies work the trolley every Friday morning with a smile. This year the Auxiliary have donated \$5,000 to Wongaburra for the new area in Yalboru.

Members were saddened to hear of the passing of their dear member Marj Love, a member for over 40 years. She will be sadly missed.

The Ladies Auxiliary would like to thank the following:

- Mitre 10
- Joy Dresher for our news in the Beaudesert Times
- Jo Windle and the kitchen staff for cooking for our Cent Auctions and Street Stalls
- Ray Southwell and Associates for auditing our books at no cost

Finally, I would like to thank the executive and members for their friendship and hard work and support over the last 12 months.

Heather Barnes
President



Above: 2018 Ladies Auxiliary AGM

**Wongaburra Society
ABN 60 633 552 611
NAPS ID: 1003**

Financial Report

For the Year Ended 30 June 2018

Wongaburra Society
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For the Year Ended 30 June 2018

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Wongaburra Society
ABN 60 633 552 611

Committee Members' Report
30 June 2018

The committee members present their report on Wongaburra Society for the financial year ended 30 June 2018.

1. General information

Information on committee members

The names of each person who has been a committee member during the year and to the date of this report are:

Carlita Buchanan

Christopher Mark Hodgson

Clint Spence

John Clark (appointed November 2017)

John Franklin (resigned June 2018)

Ken Hargraves (appointed November 2017, resigned July 2018)

Lindsay Fred McDonald

Noela Lee

Robert Blair Atthow

Tim Kelly

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Wongaburra Society during the financial year was to provide residential aged care services.

No significant changes in the nature of the Society's activity occurred during the financial year.

2. Operating results and review of operations for the year

Operating results

The loss of the Society after providing for income tax amounted to \$1,060,938 (2017: loss of \$197,993).

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Society during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Society, the results of those operations or the state of affairs of the Society in future financial years.

Wongaburra Society
ABN 60 633 552 611

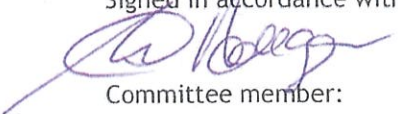
Committee Members' Report
30 June 2018

3. Other items

Objectives

The objective of the Society is to continue to provide residential and other aged care services to the community.

Signed in accordance with a resolution of the Committee Members:


Committee member:

Committee member: 

Dated this 22nd day of October 2018

Wongaburra Society
ABN 60 633 552 611

**Auditor's Independence Declaration
For the Year Ended 30 June 2018**



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY K L COLYER TO THE COMMITTEE MEMBERS OF WONGABURRA SOCIETY

As lead auditor of Wongaburra Society for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the section 60-40 of *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'K L Colyer', with a stylized flourish at the end.

K L Colyer
Director

BDO Audit Pty Ltd

Brisbane, 22 October 2018

Wongaburra Society
ABN 60 633 552 611

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	2	11,838,361	11,474,945
Other income		120,693	135,556
Employee benefits expense		(9,027,685)	(8,257,812)
Resident care expenses		(1,295,004)	(1,191,045)
Depreciation and amortisation expense		(1,241,071)	(867,422)
Occupancy expenses		(777,022)	(759,980)
Finance costs		(82,602)	(79,441)
Other expenses		(596,608)	(652,794)
Profit/(Loss) before income tax		(1,060,938)	(197,993)
Income tax expense		-	-
Profit/(Loss) for the year		<u>(1,060,938)</u>	<u>(197,993)</u>
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>(1,060,938)</u>	<u>(197,993)</u>

The accompanying notes form part of these Financial Statements.
These statements are unaudited and should be read in conjunction with the attached Compilation Report of BDO (QLD) Pty Ltd.

Wongaburra Society
ABN 60 633 552 611

Statement of Financial Position
As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,909,790	5,023,666
Trade and other receivables	5	347,559	216,330
Inventories	6	108,417	115,512
Other assets	7	152,080	179,647
TOTAL CURRENT ASSETS		5,517,846	5,535,155
NON-CURRENT ASSETS			
Property, plant and equipment	8	28,484,830	25,235,580
TOTAL NON-CURRENT ASSETS		28,484,830	25,235,580
TOTAL ASSETS		34,002,676	30,770,735
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	10,798,022	10,900,816
Borrowings	10	9,655	7,063
Employee benefits	11	805,050	907,007
TOTAL CURRENT LIABILITIES		11,612,727	11,814,886
NON-CURRENT LIABILITIES			
Borrowings	10	17,692	26,754
Employee benefits	11	427,513	258,143
TOTAL NON-CURRENT LIABILITIES		445,205	284,897
TOTAL LIABILITIES		12,057,932	12,099,783
NET ASSETS		21,944,744	18,670,952
EQUITY			
Reserves	12	19,249,163	14,914,433
Retained earnings	13	2,695,581	3,756,519
TOTAL EQUITY		21,944,744	18,670,952

The accompanying notes form part of these Financial Statements.
These statements are unaudited and should be read in conjunction with the attached Compilation Report of BDO (QLD) Pty Ltd.

Wongaburra Society
ABN 60 633 552 611

Statement of Changes in Equity
For the Year Ended 30 June 2018

2018

	Retained Earnings	General Reserve	Total
Note	\$	\$	\$
Balance at 01 July 2017	3,756,519	14,914,433	18,670,952
Loss attributable to members of the parent entity	(1,060,938)	-	(1,060,938)
Total other comprehensive income for the year	-	-	-
Increase in asset revaluation reserve	-	4,334,730	4,334,730
Balance at 30 June 2018	<u>2,695,581</u>	<u>19,249,163</u>	<u>21,944,744</u>

2017

	Retained Earnings	Reserves	Total
Note	\$	\$	\$
Balance at 01 July 2016	3,954,512	14,914,433	18,868,945
Loss attributable to members of the parent entity	(197,993)	-	(197,993)
Total other comprehensive income for the year	-	-	-
Balance at 30 June 2017	<u>3,756,519</u>	<u>14,914,433</u>	<u>18,670,952</u>

The accompanying notes form part of these Financial Statements.
These statements are unaudited and should be read in conjunction with the attached Compilation Report of BDO (QLD) Pty Ltd.

Wongaburra Society
ABN 60 633 552 611

Statement of Cash Flows
For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	11,240,214	10,990,343
Payments to suppliers and employees	(11,536,487)	(10,690,994)
Interest received	355,345	246,453
Net bonds received / (repaid) to residents	(48,301)	(1,169,776)
Other receipts	48,823	247,782
Net cash provided by/(used in) operating activities	<u>59,594</u>	<u>(376,192)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(167,000)</u>	<u>(566,031)</u>
Net cash used by investing activities	<u>(167,000)</u>	<u>(566,031)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds / (repayment) of borrowings	<u>(6,470)</u>	<u>(37,533)</u>
Net cash used by financing activities	<u>(6,470)</u>	<u>(37,533)</u>
 Net increase/(decrease) in cash and cash equivalents held	(113,876)	(979,756)
Cash and cash equivalents at beginning of year	<u>5,023,666</u>	<u>6,003,422</u>
Cash and cash equivalents at end of financial year	4 <u><u>4,909,790</u></u>	<u><u>5,023,666</u></u>

The accompanying notes form part of these Financial Statements.
These statements are unaudited and should be read in conjunction with the attached Compilation Report of BDO (QLD) Pty Ltd.

Wongaburra Society
ABN 60 633 552 611

Notes to the Financial Statements
For the Year Ended 30 June 2018

The financial report covers Wongaburra Society (the entity of the society) trading as Wongaburra Nursing Home, as an individual entity. Wongaburra Society is a not-for-profit Society incorporated in Queensland under the *Associations Incorporation Act (QLD) 1981* (as amended by the *Associations Incorporation and Other Legislation Amendment Act (QLD) 2007*) ('the Act').

The principal activities of the Society for the year ended 30 June 2018 was the operation of residential aged care facilities.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB), the Australian Charities and Not-for-profits Commission Act 2012, the Aged Care Act 1997 and associated regulations. Wongaburra Society is a not-for-profit entity for the purpose of preparing the financial statements.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared, except for the cash flow information, on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial report is presented in Australian dollars, which is the functional and presentation currency of the Society and rounded to the nearest dollar.

The financial statements were authorised for issue on 27 October 2018 by the members of the Society.

New, revised or amending Australian Accounting Standards and Interpretations adopted during the year

The entity has adopted all of the new, revised or amending Australian Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

The adoption of these Australian Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the entity.

(b) Comparative Amounts

Where necessary, comparative information has been reclassified or amended to achieve consistency in disclosure with current financial year amounts and other disclosures.

(c) Income Tax

No income tax is payable as the Society is exempt from income tax in accordance with Section 50(30) of the Income Tax Assessment Act 1997.

Wongaburra Society
ABN 60 633 552 611

Notes to the Financial Statements
For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(d) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Society and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

Government subsidies

Government subsidies are recognised as an accrual based on actual resident clients with any adjustments being made upon receipt of funds from the Government.

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

Revenue in relation to rendering of services to residents is recognised when the services is provided to the resident.

Retention amounts

The retention amount for accommodation bonds is recognised monthly in accordance with the retention amount allowed under the terms of the Accommodation Bond agreement and in compliance with the Aged Care Act 1997 (Cth).

(e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(f) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Society are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Wongaburra Society
ABN 60 633 552 611

Notes to the Financial Statements
For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(f) Leases

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(g) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash and cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position where applicable.

(i) Trade and Other Receivables

Receivables are recognised at original invoice amounts less an allowance for uncollectible amounts. Collectability of receivables is assessed on an ongoing basis. Receivables which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that the entity will not be able to collect all amounts due according to the original items. On confirmation that the receivable will not be collectible the gross carrying value of the asset is written off against the associated provision.

(j) Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the entity becomes party to the contractual provisions of the financial instrument. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred and no longer controlled by the entity. A financial liability is removed from the Statement of Financial Position when the obligation specified in the contract is discharged or expires.

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

Wongaburra Society
ABN 60 633 552 611

Notes to the Financial Statements
For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(j) Financial instruments

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as Loans and Receivables.

Loans and Receivables are measured at amortised cost using the effective interest method less impairment. Interest income is recognised by applying the effective interest rate.

Financial liabilities

Financial liabilities are recognised when the Society becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Society uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Society's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

(k) Impairment of non-financial assets

At the end of each reporting period the Society determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

These notes should be read in conjunction with the attached Compilation Report of BDO (QLD) Pty Ltd.

Wongaburra Society
ABN 60 633 552 611

Notes to the Financial Statements
For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(l) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the group.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The fair value measurement of a nonfinancial asset takes into account the market participants ability to generate economic benefits by using the asset at its highest and best use or by selling it to another market participant that would use the asset at its highest and best use.

In measuring fair value, the Society uses valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurements.

For recurring and nonrecurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Society becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

(m) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(n) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment.

Wongaburra Society
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Notes to the Financial Statements
For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(n) Property, plant and equipment

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is estimated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The carrying amount of property, plant and equipment is reviewed annually by Committee Members to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal. The decrement in the carrying amount is recognised as an expense in the net profit or loss in the reporting period in which the recoverable amount writedown occurs. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

Property, excluding freehold land, is depreciated on a straight-line basis and plant and equipment is depreciated on a reducing balance basis over the assets useful life to the Society, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	10% to 66.67%
Furniture, Fixtures and Fittings	10% to 50%
Motor Vehicles	10% to 25%
Website	33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When the assets are disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

(o) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the entity prior to the year end and which are unpaid. These amounts are unsecured and in the case of trade creditors have payment terms of up to 60 days. In the case of other payables the term is by arrangement.

Wongaburra Society
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Notes to the Financial Statements
For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(p) Accommodation bonds and refundable accommodation deposits

A liability is recorded in respect of accommodation bonds and refundable accommodation deposits received by residents upon their admission. The recorded amount represents the amount received less any retention, interest amounts and other charges due in accordance with the terms of the resident agreement in compliance with the Age Care Act 1997 (Cth). Any applicable retention amount is calculated based on the entry anniversary date each month. Accommodation bonds and refundable accommodation deposits liabilities are classified as current liabilities as the entity does not have the unconditional right to defer settlement for at least 12 months after the reporting date. The obligation to settle could occur any time.

(q) Employee benefits

Provision is made for the Society's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Society does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(r) Provisions

Provisions are recognised when the Society has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(s) Going concern

As at the reporting date, current liabilities exceed current assets by \$6,094,881. Notwithstanding the deficiency in net assets, the Society has determined the financial report should be prepared on the going concern basis for the following reasons:

- Based on current occupancy levels at the aged care facilities, adequate cash flows will be generated in the next 12 months to meet current debt commitments;
- \$9,719,003 (2017: \$9,947,895) of current liabilities relate to resident accommodation bonds and refundable accommodation deposits which are required by accounting standards to be recognised as current liabilities. However, based on historical refunds of accommodation bonds, it is unlikely that all accommodation bonds and refundable accommodation deposits would have to be refunded in the next 12 months;

Wongaburra Society
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Notes to the Financial Statements
For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(s) Going concern

- The entity continues to receive the support of its external financiers.

Having regard to these factors, the Society is of the opinion that it will be able to pay its debt as and when they fall due.

(t) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Society. The committee members have decided against early adoption of these Standards, and does not expect the adoption of these standards to have any material impact on the reported position or performance of the Society in the future.

(u) Critical accounting estimates and judgments

The committee members make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements. However, as additional information is known, then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of plant and equipment

The Society assesses impairment at the end of the reporting year by evaluating conditions specific to the Society that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - estimation of useful lives of assets

The Society determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or nonstrategic assets that have been abandoned or sold will be written off or written down.

Wongaburra Society
ABN 60 633 552 611

Notes to the Financial Statements
For the Year Ended 30 June 2018

	2018	2017
	\$	\$
2 Revenue and Other Income		
Operating revenue		
- Government subsidies	8,277,699	8,050,438
- Revenue from residents	2,962,515	2,939,905
- Recoverable expenses	223,238	192,253
- Accommodation bond retentions	19,564	45,896
	<u>11,483,016</u>	<u>11,228,492</u>
Finance income		
- Bank interest	87,744	101,035
- Interest on unpaid bonds	267,601	145,418
	<u>355,345</u>	<u>246,453</u>
Total Revenue	<u><u>11,838,361</u></u>	<u><u>11,474,945</u></u>
3 Result for the Year		
The result for the year was derived after charging / (crediting) the following items:		
Finance Costs		
- Interest paid	68,602	59,155
- Other finance costs	14,000	20,286
Total finance costs	<u>82,602</u>	<u>79,441</u>
4 Cash and Cash Equivalents		
Cash at bank	4,899,011	5,021,842
Other cash and cash equivalents	10,779	1,824
	<u><u>4,909,790</u></u>	<u><u>5,023,666</u></u>
Reconciliation of cash		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	4,909,790	5,023,666
Balance as per statement of cash flows	<u><u>4,909,790</u></u>	<u><u>5,023,666</u></u>

Wongaburra Society
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Notes to the Financial Statements
For the Year Ended 30 June 2018

	2018 \$	2017 \$
5 Trade and Other Receivables		
CURRENT		
Trade receivables	420,891	286,809
Provision for impairment	(79,709)	(79,709)
	<u>341,182</u>	<u>207,100</u>
GST receivable	6,377	9,230
Total current trade and other receivables	<u><u>347,559</u></u>	<u><u>216,330</u></u>
The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.		
A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired.		
6 Inventories		
CURRENT		
At cost	108,417	115,512
	<u><u>108,417</u></u>	<u><u>115,512</u></u>
7 Other Assets		
CURRENT		
Prepayments	152,080	179,647
	<u><u>152,080</u></u>	<u><u>179,647</u></u>
8 Property, plant and equipment		
Land and Buildings		
Freehold land		
At fair value	3,500,000	2,900,000
Total Land	<u><u>3,500,000</u></u>	<u><u>2,900,000</u></u>
Buildings		
At fair value	24,115,000	25,974,129
Accumulated depreciation	-	(4,803,255)
Total Buildings	<u><u>24,115,000</u></u>	<u><u>21,170,874</u></u>
Total land and buildings	<u><u>27,615,000</u></u>	<u><u>24,070,874</u></u>

Wongaburra Society
ABN 60 633 552 611

Notes to the Financial Statements
For the Year Ended 30 June 2018

	2018 \$	2017 \$
8 Property, plant and equipment		
Plant and Equipment		
Capital works in progress		
At cost	24,537	14,522
	<u>24,537</u>	<u>14,522</u>
Plant and equipment		
At cost	2,632,490	3,190,556
Accumulated depreciation	(2,132,308)	(2,672,379)
	<u>500,182</u>	<u>518,177</u>
Furniture, fixture and fittings		
At cost	1,021,178	908,133
Accumulated depreciation	(788,017)	(464,797)
	<u>233,161</u>	<u>443,336</u>
Motor vehicles		
At cost	310,229	458,326
Accumulated depreciation	(206,799)	(279,155)
	<u>103,430</u>	<u>179,171</u>
Computer software		
At cost	13,486	10,793
Accumulated depreciation	(4,966)	(1,293)
	<u>8,520</u>	<u>9,500</u>
Total plant and equipment	<u>869,830</u>	<u>1,164,706</u>
Total property, plant and equipment	<u><u>28,484,830</u></u>	<u><u>25,235,580</u></u>

(a) Valuations of Land and Buildings

The basis of valuation of land and buildings is fair value as disclosed in Note 1(n). The land and buildings were valued as at 30 June 2018 by an independent valuer. The valuation amounted to \$27,615,000 compared to a carrying value of \$23,280,270. The increase between the carrying value and the fair value is adjusted to the Asset Revaluation Reserve account (Note 12).

Wongaburra Society
ABN 60 633 552 611

Notes to the Financial Statements
For the Year Ended 30 June 2018

8 Property, plant and equipment

(b) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land \$	Buildings \$	Capital Works in Progress \$	Plant and Equipment \$
Year ended 30 June 2018				
Balance at the beginning of the year	2,900,000	21,170,874	14,522	518,177
Additions	-	33,503	10,015	98,998
Disposals	-	-	-	-
Depreciation	-	(824,107)	-	(116,993)
Revaluation increase	600,000	3,734,730	-	-
Balance at the end of the year	3,500,000	24,115,000	24,537	500,182
	Furniture, Fixtures and Fittings \$	Motor Vehicles \$	Website developmen t costs \$	Total \$
Year ended 30 June 2018				
Balance at the beginning of the year	443,336	179,171	9,500	25,235,580
Additions	21,791	-	2,693	167,000
Disposals	-	(11,409)	-	(11,409)
Depreciation	(231,966)	(64,332)	(3,673)	(1,241,071)
Revaluation increase	-	-	-	4,334,730
Balance at the end of the year	233,161	103,430	8,520	28,484,830

Wongaburra Society
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Notes to the Financial Statements
For the Year Ended 30 June 2018

		2018	2017
		\$	\$
9 Trade and other payables			
CURRENT			
Trade payables		262,268	344,702
Accommodation bonds & refundable accommodation deposits		9,719,003	9,947,895
Other payables		816,751	608,219
		<u>10,798,022</u>	<u>10,900,816</u>
10 Borrowings			
CURRENT			
Secured liabilities:			
Lease liability	14	<u>9,655</u>	<u>7,063</u>
Total current borrowings		<u>9,655</u>	<u>7,063</u>
NON-CURRENT			
Secured liabilities:			
Lease liability	14	<u>17,692</u>	<u>26,754</u>
Total non-current borrowings		<u>17,692</u>	<u>26,754</u>
Total borrowings		<u>27,347</u>	<u>33,817</u>
(a) Assets pledged as security:			
The overdraft facility has a limit of \$2,000,000 of which no amount has been utilised at balance date.			
Lease liabilities for laundry equipment are secured against the assets to which the borrowings relate. Refer to Note 14 for leasing commitments.			
11 Employee Benefits			
CURRENT			
Provision for annual leave		740,818	734,190
Provision for long service leave		64,232	172,817
		<u>805,050</u>	<u>907,007</u>
NON-CURRENT			
Provision for long service leave		427,513	258,143
		<u>427,513</u>	<u>258,143</u>

These notes should be read in conjunction with the attached Compilation Report of BDO (QLD) Pty Ltd.

Wongaburra Society
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Notes to the Financial Statements
For the Year Ended 30 June 2018

	2018 \$	2017 \$
12 Reserves		
Asset realisation reserve	18,350,187	14,015,456
General reserve	898,976	898,977
	<u>19,249,163</u>	<u>14,914,433</u>
(a) Asset revaluation reserve		
The asset revaluation reserve records realised gains on revaluation of property, plant and equipment recorded at fair value.		
(b) General reserve		
The general reserve records Government subsidies received for capital projects undertaken in past years.		
13 Retained Earnings		
Retained earnings (accumulated losses) at the beginning of the financial year	3,756,519	3,954,512
Net profit attributable to beneficiaries of the entity	(1,060,938)	(197,993)
Retained earnings at end of the financial year	<u>2,695,581</u>	<u>3,756,519</u>
14 Capital and Leasing Commitments		
(a) Finance Leases		
Minimum lease payments:		
- not later than one year	9,655	7,063
- between one year and five years	17,692	26,754
Minimum lease payments	<u>27,347</u>	<u>33,817</u>
Finance lease commitments includes contracted amounts for laundry equipment secured under finance leases expiring within five years.		
(b) Operating Leases		
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	28,748	45,035
- between one year and five years	74,659	32,235
	<u>103,397</u>	<u>77,270</u>

Wongaburra Society
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Notes to the Financial Statements
For the Year Ended 30 June 2018

14 Capital and Leasing Commitments

(b) Operating Leases

A contract with Programmed Property Maintenance Group for painting and maintenance of paintwork in the nursing home and hostel complex, was renewed in the year and for a period of further 5 years ending on 30 June 2023.

A contract was entered into starting October 2015 for lease of laundry equipment. The lease expires in 2021.

15 Contingencies

Wongaburra Society had the following contingent liabilities at the end of the reporting period:

(a) Queensland Department of Housing

The Society has entered into an agreement with the Queensland Department of Housing whereby the Department provided a grant of \$321,000 for the Society to construct three, one bedroom duplex buildings. These buildings are to be rented to aged and disabled persons. The grant monies of \$321,000 were provided during the 1991 financial year. In accordance with the terms of the agreement, should the Society sell or otherwise dispose of the property, or use the property for another purpose, the Society will be required to repay the grant monies adjusted for CPI since 1991. No provision has been recognised in these financial statements.

(b) Scenic Rim Regional Council

The Society has an agreement with the Scenic Rim Regional Council for the completion of landscaping on the grounds of the Society. If the landscaping is not completed to the satisfaction of the Council, the bond will be forfeited.

Queensland Department of Housing	558,923	548,437
Scenic Rim Regional Council	40,000	40,000
	<u>598,923</u>	<u>588,437</u>

16 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Society is \$ 365,754 (2017: \$ 306,108).

17 Related Parties

(a) Key management personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 16: Key Management Personnel Disclosures.

Wongaburra Society
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Notes to the Financial Statements
For the Year Ended 30 June 2018

17 Related Parties

Other transactions with KMP and their related entities are shown below.

(b) Transactions with related parties:

There were no transactions with related parties during the current or previous year.

18 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Society, the results of those operations, or the state of affairs of the Society in future financial years.

19 Entity details

The registered office and principal place of business of the Society is:

Wongaburra Society
210 Brisbane Street
BEAUDESERT QLD 4285

20 Accreditation

Wongaburra Society has achieved accreditation from the Aged Care Standards and Accreditation Agency Ltd as follows:

Wongaburra Garden Settlement Hostel	(RACS ID: 5085)	Accreditation Until 6 February 2019
Wongaburra Nursing Home	(RACS ID: 5521)	6 February 2019

Wongaburra Society
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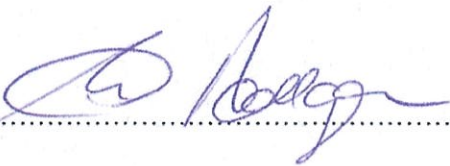
Directors' Declaration

The directors of the Society declare that:

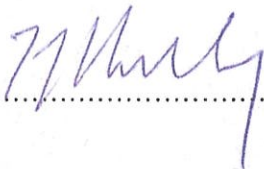
1. The financial statements and notes, as set out on pages 4 to 23, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, the Aged Care Act 1997 and the ACNC Regulations 2013 and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Society.
2. In the directors' opinion, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



Director



Dated this 22nd day of October 2018

INDEPENDENT AUDITOR'S REPORT

To the members of Wongaburra Society

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Wongaburra Society (the registered entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion, the accompanying financial report of Wongaburra Society, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's committee members' report, but does not include the financial report and our auditor's report thereon.

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



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

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

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

K L Colyer
Director

Brisbane, 22 October 2018