



ANNUAL REPORT

2023/24

Ardrossan Community Hospital Inc

Email: administration@ardrossanseaview.com.au

Website: www.ardrossanseaview.com.au

Tel: (08) 8837 3021

37 Fifth Street, Ardrossan SA 557



We would like to acknowledge the traditional lands for the Narungga/Nharangga people and that we respect their spiritual relationship with their country. We also acknowledge the Narungga/Nharangga people as the traditional custodians of Yorke Peninsula and that their cultural and heritage beliefs are still as important to the living Narungga/Nharangga people today.



AGM MINUTES

ANNUAL GENERAL MEETING MINUTES

Tuesday 21st November 2023
ARDROSSAN COMMUNITY HEALTH CENTRE

Meeting Opened 7.00pm

1. Welcome –

Chairperson Margaret Tomsen welcomed everyone and thanked everyone for coming. Margaret reminded everyone that this is an AGM so only financial members that are here are entitled to vote. Everyone is welcome to speak though. Margaret welcomed Fraser who is our local MP.

Narita the CEO of ACH read Acknowledgement of Country.

2. **Present:** Annette Rowntree, Don Waters, Margaret Tomsen, Judy Foster, Annette Lodge, Kate Paech, Don Hosking, Craig Farrow, Irene Greig, Peter Ward, Greg Vandepeer, Gail Marsh, Jan Westley, Alison Black, Kathryn Williams, Tiffany Clarke, Louise Hollitt, Hannah Kenney, Howard Hill, Jan Hill, Brenda Bowman, Meg Brown, Georgina Drewery, Ros Hatcher, Lorena Mikolajczyk, Fraser Ellis, Michelle Daw, Narita Stone, Rikki Parkinson, Fiona Harrison.

Apologies: Annette Aldridge, Alan Aldridge, Rob Hollitt, Maria Hollitt, Katie Lawrie, Damian Lawrie, Brett Stone, Stewart Lodge.

The attendance/apologies sheets are attached to these minutes.

3. **Confirmation of minutes – 16th November 2022:**

That the minutes of the Annual General Meeting held on November 16th, 2023, as circulated, be taken as read and confirmed as a true and accurate record.

Moved: Brenda Bowman

Seconded: Rikki Parkinson

Confirmed

4. **Business Arising from the Minutes:**

No business arising from the minutes.

5. **Chairperson Report – Margaret Tomsen.**

The Chairperson report is incorporated in the ACH Annual report.

The Chair made the following comments.

Ardrossan Community Hospital is a small, almost unique facility, that has survived for over 100 years --- almost entirely on community support.

This is something we have always been extremely proud of... and rightly so.

Our facility has effectively given successive governments a century-long, free ride when it comes to providing any health services in our community.

But unfortunately, you will see from my report that we have finally reached the stage where we just can't continue supplying necessary health services on our own -- and that nominal subsidies from any Government are no longer the answer.

The list of organisational and financial obstacles and expectations we face on an almost daily basis has become insurmountable for us to deal with on our own.

Accordingly, the Board has been negotiating at length with various consultants --- as well as the Yorke and Northern Local Health Network (YNLHN), our local MP Fraser Ellis, the SA Health Department and Minister Picton ---- in an attempt to find an acceptable and sustainable solution for the provision of health services in Ardrossan.

We have had assurances that our community won't be abandoned; that there will be health facilities and services in Ardrossan --- but the delivery of them and the precise scope of them will have to change.

Thankfully there seems to be good will on all sides as there is such a lot to work through.

There's been a lot going on behind the scenes. e.g., I received a message a little over an hour ago advising that the CEO and Chair of the YNLHN and our local MP are meeting at parliament house tomorrow morning at the Minister's request. This gives a clear indication that our pleas are not falling on deaf ears and that our situation is recognised as urgent.

That said, I can still stand here proudly tonight, to stress that despite everything, our determination to deliver high quality care has not changed.

Even in the face of all the challenges thrown at us, we have met all the new aged care reforms such as the increase staffing minutes requirement, having an RN on site 24/7, wage increases, increased governance obligations and we've met all the quality indicators. We have made numerous improvements in our policies, procedures and our risk management.

We remain accredited until 2025 and we have increased our star rating to 4 stars. A truly amazing achievement.

None of this happens by accident. The work and commitment that has gone into this year is demonstrated in all the reports within the annual report booklet and I hope you take the time to read them fully.

I am sure many of you here tonight will have questions to ask and we will give you an opportunity to do this towards the end of the meeting."

6. CEO Report – Narita Stone.

The Chairperson report is incorporated in the ACH Annual report. Narita read out.

7. DON Report – Georgina Drewery.

The DON report is incorporated in the ACH Annual report. Georgina read a summary of the report.

8. Finance Report

The Finance report is incorporated in the ACH Annual report.

Acceptance of above reports.

Moved: Ros Hatcher

Seconded: Craig Farrow

Confirmed

9. General Business

- Composition of Board was outlined by the Chair:

The Board consists of a maximum of 6 elected members plus up to 3 appointees. Elected members fulfil two-year terms and can seek re-election when their tenure expires. Appointee positions are on a year-to-year basis.

Nominations for elected positions must be in writing and in the hands of the returning officer (our CEO) 14 days prior to the AGM. There were no new nominations received this year.

Rikki Parkinson and I still have a year remaining to serve. Retiring members Gail Marsh and Don Hosking both indicated their willingness to continue.

As there were no other nominations received by the required date, the elected Board members for 2023/2024 will be Margaret Tomsen, Rikki Parkinson, Gail Marsh and Don Hosking.

Appointed positions:

The requirements of the Aged Care Commission now largely determine the makeup of governing bodies. Having Board appointees means the Board can analyse its own strengths and weaknesses and then actively pursue the people it feels it needs.

Brenda Bowman has regrettably declined to continue as an appointee this year. She has been an appointee for the last three years, and in total she has served as a Board member for over 15 years. She has a vast knowledge of local and regional health and always shows a very reasoned approach to any issue. On behalf of all of you I thank Brenda for her invaluable input over such a prolonged period. She will certainly be greatly missed at our meetings.

Annette Lodge has been appointed because of her Clinical knowledge and her past experience as an ACH Board member. She is a retired RN and a previous DON of ACH.

Craig Farrow is a Chartered Accountant with a background in economics. He also has qualifications in Business Management and Financial Services.

He has significant experience in the medical, allied health and not for profit sectors, and is a past chairperson of Doctors Health SA and General Practice SA.

Both Annette and Craig have agreed to continue as appointees for another year.

To summarise: The Board for 2023/2024 will be Margaret Tomsen, Rikki Parkinson, Don Hosking, Gail Marsh, Annette Lodge and Craig Farrow, and as allowed for in the constitution, the Board will use its discretion regarding filling remaining vacancies.

Moved: Ros Hatcher

Seconded: Brenda Bowman

Confirmed

- Membership Fee for 2023/2024

Currently \$10 – to stay the same, no need for increase.

Moved: Rikki Parkinson

Seconded: Craig Farrow

Confirmed

10. Appointment of Auditors:

The Board recommended re-appointing current auditors Accru.

Moved: Narita Stone

Seconded: Brenda Bowman

Confirmed

11. Other Business:

The Chair invited any questions or comments from the floor on the above report/s.

- **Q.** Alison black commented that the public meeting in May was positive and asked if there would be another public meeting to let community know what's going on.

A. Chair replied -- That meeting was six months ago, and it was hot on the heels of having a consultant (Michelle Smith) come and tell us she could see mutual advantages in us and SA Health forming a partnership. She was a private consultant hired and paid for by Minister Picton and had extensive experience and a genuine passion for regional health. Unfortunately, hers and our optimism was misplaced -- nothing ever eventuated, and it seems she never completed a full report. Chair gave further examples of how things are changing all the time and said we are now at the mercy of a second consultant contracted to make recommendations to SA Health. The community will be kept informed when there is some certainty about our options. "Where we go in the future won't be entirely up to us. It'll be up to the people we're dealing with."

- **Q.** Alison Black then asked if the Country Times would print something that brings the town up to date with what's going on.

A. Chair - It was on the front page of the Country Times last week and is also in this week's issue. Country Times reporter Michelle Daw has been asking for comment, but we have been bound by confidentiality and at this stage there is nothing more to report.

- **Q.** Irene Grieg asked when The Board found out the partnership broached at May public meeting was not going ahead.

- **A.** Having spent several months trying to follow up the consultant's report, Board and LHN concluded in late July that the envisaged partnership was not going to eventuate.

- **Q.** Louise Hollitt asked if the Hospital H (hospital) road signs could be taken down.

A. Rikki Parkinson will contact the council to have these signs removed.

- **Q.** Peter Ward asked if the hospital was still a BUPA provider.

A. Narita stated that there are no Ardrossan acute services anymore so there will no longer be a relationship with BUPA. If something was to happen to a resident who subsequently went to Adelaide for further treatment, then Bupa would be accepted in Adelaide.

It would be advisable for everyone in Ardrossan to have SA Ambulance Cover

- **Q.** Peter also asked:
 - i. if the hospital received the annual \$180,000 funding that was promised by the Liberal Party.
 - ii. would Board be able to re-open hospital if we received similar support to Keith
 - iii. if the Government did not support Ardrossan Hospital would arrangements be made for a demonstration
 - iv. were Residents' RADS guaranteed
 - v. why a town meeting was not held about Acute services closing

- Chair's replies:
 - i. Stated funds had been received and present Government was continuing to help financially even though Ardrossan is a private hospital.
 - ii. The Board was optimistic about an upcoming meeting tomorrow with Fraser, the CEO of YNLHN and Minister Picton at Parliament House. A partnership with SA Health is the only way Board can see acute services continuing in Ardrossan.
 - iii. Talk of holding a demonstration is premature and the likelihood of it achieving anything very doubtful.
 - iv. Yes, RADS were guaranteed.
 - v. The decision needed to be made quickly. There was simply no option. The Board is elected by the Community to act on behalf of the Community.

- **Q.** Fraser asked The Board what the dream outcome would be.

A. Chair - Our dream outcome at the beginning of our discussions with SA Health was exactly what Michelle Smith envisaged; that we could retain aged care and run it at a profit and that SA health could viably take over and run accident and emergency and other acute services, hopefully with couple of day beds or public beds. Further to that, the acute services would be located in the Health Centre so that we had a clean footprint over the road for aged care.

- **Q.** Michelle Daw from the YPCT asked how many residents are residing in Aged Care facility

A. Narita replied 29.

- **Q.** Alison Black asked our local MP Fraser Ellis if the ambulance services were paid on the Yorke Peninsula.

- **A.** Fraser replied that in the Minlaton area they currently doing a planning study about lack of volunteers. Fraser is hoping that this will lead SA Ambulance to stationing paid paramedics on the Yorke Peninsula.

- **Various other comments throughout the meeting –**

Peter Ward (resident of the Dinham Wing) made several comments including the history of the hospital; the Community's ongoing need of a hospital; how the community had always rallied around to save the hospital; varied support from different political parties. Chair and Narita explained at length that staffing requirements, availability of doctors, increased legislative requirements and compliance standards dictate that past solutions are no longer tolerable.

Alison Black (retired senior RN) commented that she is surprised that A & E has stayed opened for such a long time, this is a credit to all Board members and staff. It seems that the Government don't really care about the town and hospital services. There are a lot of holiday makers to the Yorke Peninsula and Ardrossan is the first town and the last for this side of the Peninsula, so emergency health services are needed. Medical occurrences have proven this -- for example the birth of a baby only recently.

Hannah Kenny (current staff RN) asked if reasons for hospital closure could be publicised more widely (e.g. Facebook). Negative comments from the Community may subside if they better understood the complete situation.

Many other comments from the floor during the meeting giving examples of how the hospital closure had affected people and lamenting the position we're in. Most acknowledged however that every possible option had been (or was being) considered by the Board.

Margaret thanked everyone for their attendance, their patience, and the support of the vast majority of people present.

Meeting Closed at 8:10pm

CHAIRPERSON REPORT

On behalf of the Board, I am pleased to present my overview of the successes and challenges of the past year and address the possible future of Ardrossan Seaview.

Despite our precarious financial position, resident care remained high throughout the year. We exceeded our 24/7 Registered Nurse requirements, and we were within a minute or two of our total care minutes target. We maintained a 4 Star rating in every category: compliance, resident experience, quality measures and staffing. We passed a snap Commission Audit in July and the annual Food audit in August.

We continued to encourage consumer feedback and added two more residents to our Consumer Representative Committee and recruited a family member to our Quality Control Advisory Board (Q-CAB). Resident meetings were well attended by residents, their families, management and Board members. We have held a public meeting, staff meetings, attended Op Shop meetings and written articles in the Antics to help keep our stakeholders informed.

Disappointingly, our financial situation remained extreme throughout the year, even though we increased our occupancy rate to near capacity. The spiralling costs of relying on agency nursing was without doubt the main cause of our situation, as in addition to their higher wages, most demand that their travel and accommodation costs be covered too.

We tried many avenues to turn our finances around. We have advertised dozens of times offering contracted staff positions with little to no luck. We investigated employing overseas nurses, but it was well beyond our resources and would have been a long-term solution not the quick fix we needed. We undertook two lengthy financial reviews with different consultants - one was paid for by the State Government and the other by the Australian Government - with neither suggesting any satisfactory solutions. We investigated partnerships with other providers and at one point our optimism was high when we signed a memorandum of understanding with a large and successful operator. Unfortunately, this fell through when the Australian Government Department of Health and Aged Care ("the Department") and the Aged Care Quality and Safety Commission ("the Commission") considered them not a good fit and therefore would not support the merger.

As you know, we permanently closed our acute services in March 2024 and surrendered our private hospital licence. The decision certainly wasn't taken lightly but the financial costs and the personnel required to meet accreditation, the lingering impact of Covid, the absence of full-time doctors, a shortage of permanent nursing staff, and almost no admissions, all contributed to it being impossible to keep the hospital open.

With the surrender of the hospital licence, it became misleading to still badge ourselves as Ardrossan Community Hospital Inc. Although "The Ardrossan Community Hospital Inc" remains the registered business name, since 1st April 2024 we have been trading as Ardrossan Seaview, with Aged Care our core business.

====

Closing our acute services section allowed the Board to concentrate on preserving a sustainable aged care facility. A separate community-based committee under the leadership of Don Hosking was formed to pursue other health services for the area.

====

Unfortunately, even without the hospital, it became evident to the Board that the resources and expertise necessary to operate a successful aged care facility had gone beyond our capabilities. Expectations of the Government, the Commission and the public keep growing exponentially. The accreditation process is relentless. Rostering is a nightmare. Monthly losses are the norm. Throughout the sector, facilities such as ours are being driven towards mergers, but potential suitors are only interested in services that can help them increase their bottom line. Despite being asset rich, our ongoing losses were painting us an unattractive proposition.

Consequently, we entered into crises talks with the Department and the Commission, with all parties agreeing that continuity of aged care services in Ardrossan was vital. Government representatives have been on site several times, and they have always observed strong, positive, caring connections with the residents. They consider us a much-needed

service in the area, especially as the entire Yorke Peninsula region is predicted to see a marked increase in its aged care population over the next 10 years.

After many discussions and with no other options evident, the Board finally resolved in May 2024 to accept the Department's invitation to apply for inclusion in the Market Adjustment Program. (MAP)

This program is by invitation only and provides funding to:

- avoid untimely aged care service closures
- support orderly exits and service consolidation, where appropriate.

The Minister for Health and Aged Care, Annika Wells, eventually approved our application in August and Ardrossan Seaview Board immediately appointed Deborah Stokoe from McGrathNicol (Business Administrators) to lead us through the transition process.

The amount of approved MAP funding is very substantial and is intended to facilitate making Ardrossan as attractive as possible to prospective suitors. Among other things, suitors will expect that we hand over our aged care assets, pass a full accreditation in the new year, and stem our staffing costs. They will also no doubt seize on the chance to press the Department for additional funding to upgrade the "hospital" section to expected aged care standards.

The Board has conceded that meeting these demands will be essential if we expect to get multiple offers, so we are fully cooperating with McGrathNicol's recommendations. The entire process may take several months, but if successful, the main beneficiaries will ultimately be our current and future consumers.

====

In closing, I wish to acknowledge the outstanding commitment of our CEO Narita Stone, and all Board members. The extra hours required this year have been immense.

I also need to specifically thank the Op Shop Auxiliary and its volunteers for their amazingly generous support throughout the year, as well as local clubs, associations, businesses, farmers, and anyone else who has contributed in any way.

The full financials are in the Annual Report.

Very briefly:

We have reported a loss of \$ 519,057 for the Y/E 30/6/2024 having incurred a loss in 2022/2023 of \$880,468.

The losses were driven again by a mix of:

- July – November Acute/Accident and Emergency
(the period prior to shutting the acute services)
- Agency costs

From an overall balance sheet perspective, we remain with strong net assets of \$6,918,186, down from \$7,437,243 as at June 2023.

Aged Care numbers are now steady at near capacity each month.

Closing acute services has helped stem some losses but reliance on agency has been by far the biggest factor contributing to our losses. Agency wages remain approximately \$40,000/mth above budgeted figures.

As at 30th June 2024 the Board was in discussions with the Australian Government Department of Health and Aged Care about transitioning our services to another provider.

Margaret Tomsen
Board Chairperson

CEO REPORT

Dear Members and Stakeholders of Ardrossan Seaview

It is my privilege to provide the CEO Report for Ardrossan Seaview Aged Care Service for the 2023-2024 year. This past year has been another year of trying times and daily wins and is a testament to the commitment of our team in providing compassionate and comprehensive care to the older persons of our community.

2023/2024 has been a year of great activity by all involved in Ardrossan Seaview.

Providing person centred care to our residents and supporting our resident's loved ones is the reason we do what we do. In order to do this we are committed to meeting and hopefully exceeding expected levels of service. I am pleased to report we have been able to achieve average occupancy rate of 84.50% over the year and we have met all new Government reporting requirements and service levels.

However, 2023/2024 has again been marked by further uncertainty and financial challenges. It has certainly been an unpredictable time in both the hospital and aged care sections and with a heavy heart the Board made the decision to close our hospital operations as at March 31st for good.

We are now focusing on the future of Ardrossan Seaview to ensure we can continue to deliver exceptional person-centred aged care into the future.

Staffing continues to be a challenge for all aged care service providers – especially those in regional areas and we are not exempt from this.

The Board are currently working with the Department of Health and Aged along with Business advisors McGrath Nicol to allow our services to continue. We will continue to provide updates as they progress.

I personally would like to thank the tremendous efforts of our care, kitchen, grounds and administrative staff throughout the year and the consistent over and above support to our residents you have provided despite the challenges of staffing levels across the sector – thank you – we cannot do what we do without this effort and commitment you do on a daily basis.

In 2024 we celebrated some special staff milestones:

20 years of service Dianne Pedersen, 10 years Juliet Barr and Sue Dobie, 5 years Amber George, Naomi Yard, Nikita Badari and Deb Angel.

Congratulations to you all for your support and dedication to AS.

Volunteer involvement is crucial to the wellbeing of the older person we provide for, and we thank you all for the time that you give.

I also acknowledge the ongoing financial support from our local Ardrossan Community Op Shop.

Without all their help, we would not be able to support the health, independence, and connection of our residents.

In closing, I wish to thank the Board of Directors, Management team, all Ardrossan Seaview staff and all Agency staff working in all areas for their support and understanding throughout another challenging year, and we look forward to the future.

With thanks

Narita Stone
Chief Executive Officer

Aged Care Manager Report

2024 was another challenging year with many changes occurring, one of which is that we are solely running as an aged care facility now. This came with many changes for our staffing, as we sadly had to say goodbye to our acute RNs who chose to continue their nursing careers in the acute care sector on the peninsula. We wish them all the best and thank them for all their contributions while we were Ardrossan Community Hospital.

Despite the shortage of staff, residents' care remained our priority, with positive feedback from our residents during our audits by the quality agency visits this year. We appreciate the ongoing commitment of staff, who cover the roles in hospitality, cleaning services, maintenance, and administration roles, and our lifestyle team members, who have continued to provide Lifestyle programs and escort residents without families to external appointments. The Registered and enrolled nurses and personal care workers have continued to step up and fill additional hours on the roster to support Ardrossan Seaview and the residents in their care. The new leadership team members are working very hard to secure permanent staff and have successfully booked agency staff in blocks, so the residents have continuity in their care. We have had many agency staff from all over Australia come and be part of the Ardrossan clinical and caring teams who bring a fresh approach and ideas to share with us all.

Another year with COVID outbreaks, but we were able to manage them successfully with the support of the residents and family members and their understanding of the infection control and practices undertaken by staff and residents to contain the spread throughout the facility. We thank our valued staff, residents, and family members who ensured we had a high rate of vaccinations for Influenza, COVID-19 and shingles and this assists in the prevention of illness and promoting the health and well-being of all.

Our residents come from our community and share amazing stories about Ardrossan and surrounding towns. They also provide feedback, which is encouraged through their resident meetings held throughout the year. The feedback is generally far more positive than negative, which always helps the Ardrossan Seaview team improve our services.

The lifestyle programs are always being reviewed, and the favourite activities are singalongs and Friday sessions with Steve Nettle and his guitar, bus trips, and this year, the Olympic games day. It was so good to see the residents, staff, and volunteers having so much fun.

Thank you to the CEO, Narita Stone, who worked with Ardrossan and team members to ensure we have been able to provide personal-centred care to all of the residents who have resided here in the past year.

A very big thank you to the board for giving me the opportunity to be a part of this wonderful team. Your support and guidance have been invaluable, and I am truly grateful for the opportunity to serve in this role.

I look forward to the New Year and hope to see Ardrossan Seaview prosper as a Residential aged care facility for our community.

Juliet Vincent
Registered Nurse

Staff Years of Service



Dianne 20 years



Juliet 10 years



Naomi 5 years



Nikita 5 years

Naidoc Week



Aged Care - Activities for 2024



Aged Care - Activities for 2024



SAFETY & QUALITY REPORT

AGED CARE STAR RATING

Residential aged care homes receive an overall Star Rating and ratings against four sub-categories: Compliance, Residents' Experience, Staffing and Quality Measures.

Star Ratings helps older people in residential aged care, and their families and carers, to understand how their service is performing and prompt conversations with their provider about their plan for improvement, if needed.

The ratings are also an essential tool for those who are researching aged care home options and would like to find out about the quality of homes in their area.

Star Ratings have been designed in partnership with older people, their families, and carers, to ensure they are easy to navigate, transparent and informed by data.

Overall Star Rating

★★★★☆ Good



This rating is based on this organisation's performance in relation to Compliance, Quality Measures, Residents' Experience, and Staffing. The ratings for each of the subcategories that make up the Overall Star Rating are shown below. The Overall Star Rating was most recently updated on 28 July 2024.

[Learn how this is calculated](#)

Compliance

★★★★☆



Quality Measures

★★★★★



Residents' Experience

★★★★☆

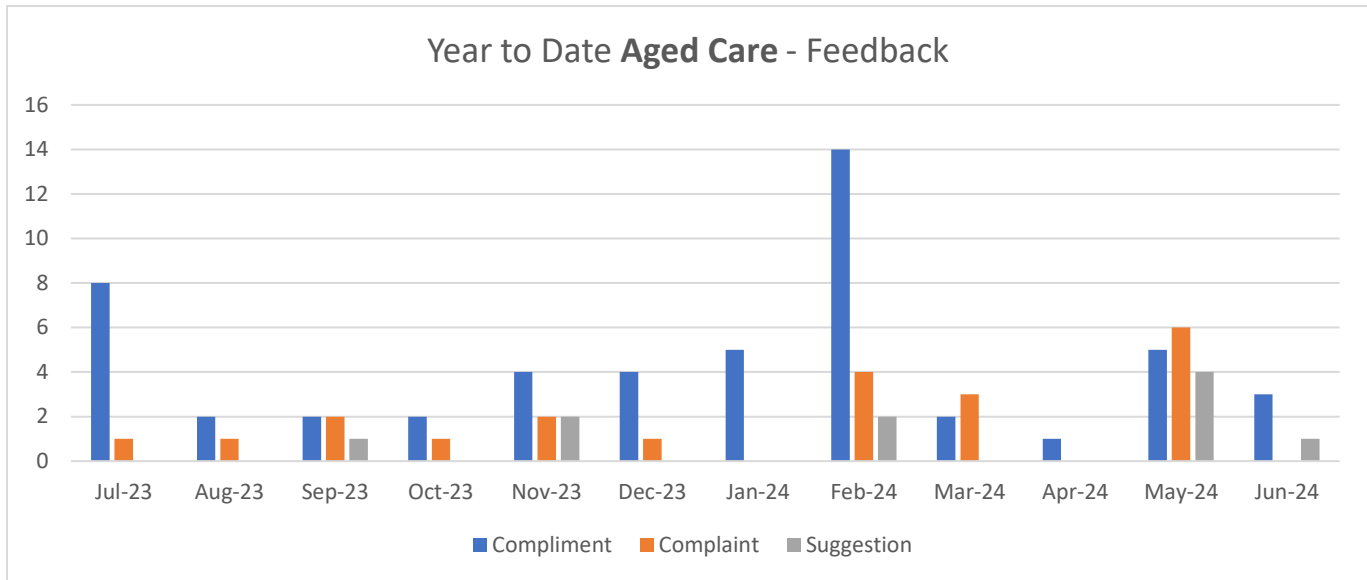


Staffing

★★★★☆



FEEDBACK



All complaints and suggestions received at Ardrossan Seaview are followed up by the Management Team according to our Complaints Management policy.

STAFFING

Aged care facilities across Australia are encountering a workforce shortage. While this has been occurring for the last two decades, the situation has worsened at an increasing pace since COVID-19. Small sites situated in small rural communities, such as Ardrossan are severely affected by the workforce shortage as workers choose to work in the city or move to acute hospitals for employment.

The workforce shortage has meant that Ardrossan Seaview has needed to recruit nurses and carers from agencies across Australia. We are grateful for the ability to engage agency so that we can continue to care for our residents, but this comes at a much higher cost for the organisation.

ACUTE BED DAYS

The acute hospital statistics indicated a decline in bed days with the past six months results being a total of 427 bed days out of a possible 1448 days available being a 29.49% occupancy.

The past 6 months has seen a decline in the number of people retaining private health cover and this negatively affected private hospital revenue.

It was a difficult year from a rural doctor's perspective, and this resulted in a lack of 'traditional/doctor-assisted' support for the accident and emergency services and doctors choosing to admit acute patients to other hospitals.

Difficult decisions were made throughout the year, resulting in the closure of the hospital beds and the accident and emergency services, which was effective 13 November 2023 and finally confirmed in 2024.

STAFF EDUCATION

Ardrossan Seaview provides their staff with an online platform to complete majority of their mandatory training. Some staff training is provided by other means, for example the National Hand Hygiene Initiative, Bob May Fire Training and the Australian Resuscitation Council to name a few. Mandatory training at Ardrossan Seaview includes:

Advanced Life Support	Pressure Injuries	Cultural Diversity	Arthritis
Basic Life Support	Preventing & Reporting abuse	Serious Incident Response Scheme (SIRS)	Aseptic Non-touch technique
Open Disclosure	Catheter Care	Food Handling	Blood safe
Dementia	Pain Management	Medication Management	Antimicrobial Stewardship
Aged Care Code of Conduct	Managing Dysphagia	Drug calculations	Workplace bullying & harassment
Manual Handling	Donning & Doffing	Infection Control	Food and Hydration
Restrictive Practice	Consumer dignity & choice	Hand Hygiene	

CONTINUOUS IMPROVEMENT

Continuous improvement is a systematic, ongoing effort to improve care and services. It:

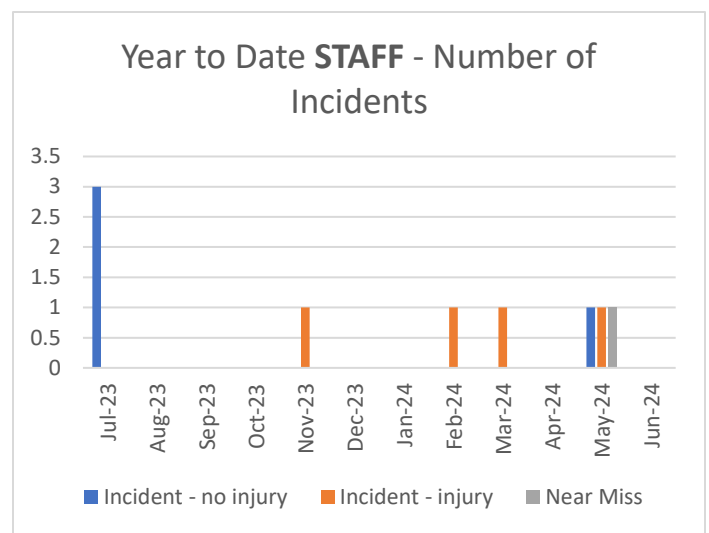
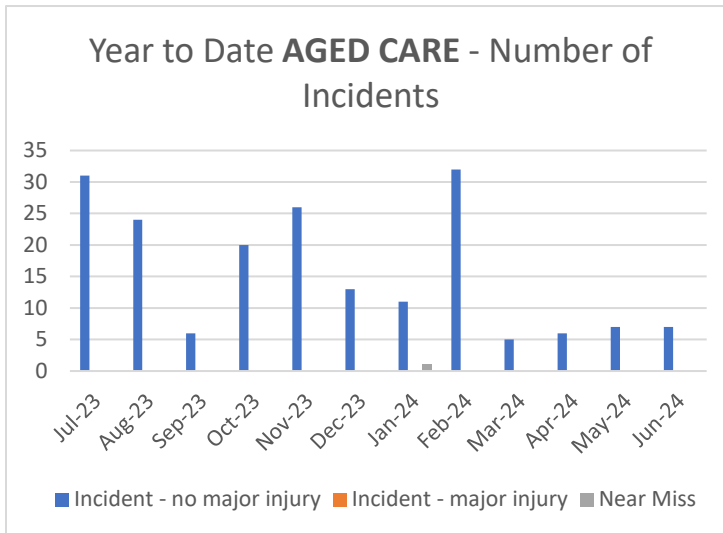
- Considers the needs of people receiving care and may involve them in improvement activities.
- Is part of a quality system that assesses how well a provider's systems are working and the standard of care and services achieved.
- Focuses on outputs and outcomes.

The below points are essential to continuous improvement:

- Person-centred focus.
- Innovation.
- Involvement and accountability of key stakeholders:
 - People receiving care, their representatives and carers.
 - Staff and volunteers.
 - Committee and board members.
 - Advocates.
- Achievement through planned steps, and
- Regular monitoring and evaluation of progress.

For the period of 1st July 2023 – 30th June 2024, Ardrossan Seaview initiated 58 new continuous improvement activities and completed 60 continuous improvement activities.

INCIDENTS (includes, but is not limited to skin tears, bruises, medication, behavioural)



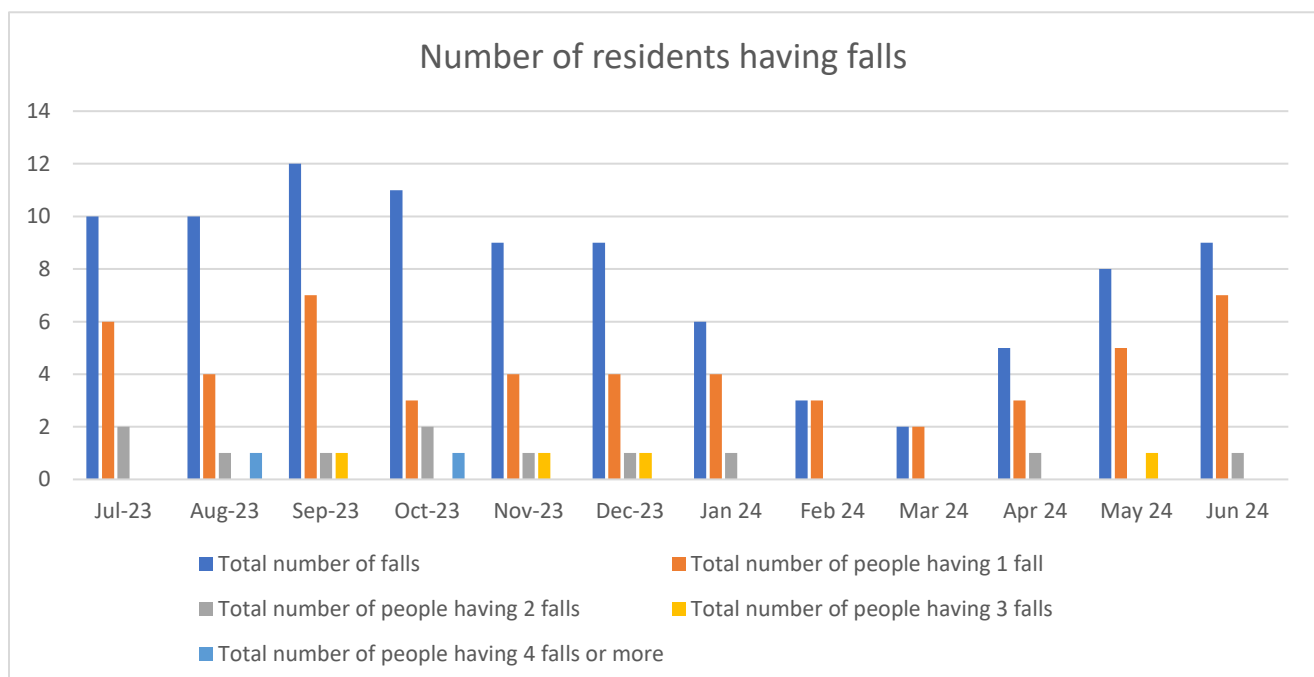
The acute hospital statistics indicated a decline in bed days with the past six months results being a total of 427 bed days out of a possible 1448 days available being a 29.49% occupancy.

The past 6 months has seen a decline in the number of people retaining private health cover and this negatively affected private hospital revenue.

It was a difficult year from a rural doctor's perspective, and this resulted in a lack of 'traditional/doctor-assisted' support for the accident and emergency services and doctors choosing to admit acute patients to other hospitals.

Difficult decisions were made throughout the year, resulting in the closure of the hospital beds and the accident and emergency services, which was effective 13 November 2023 and finally confirmed in 2024.

FALLS

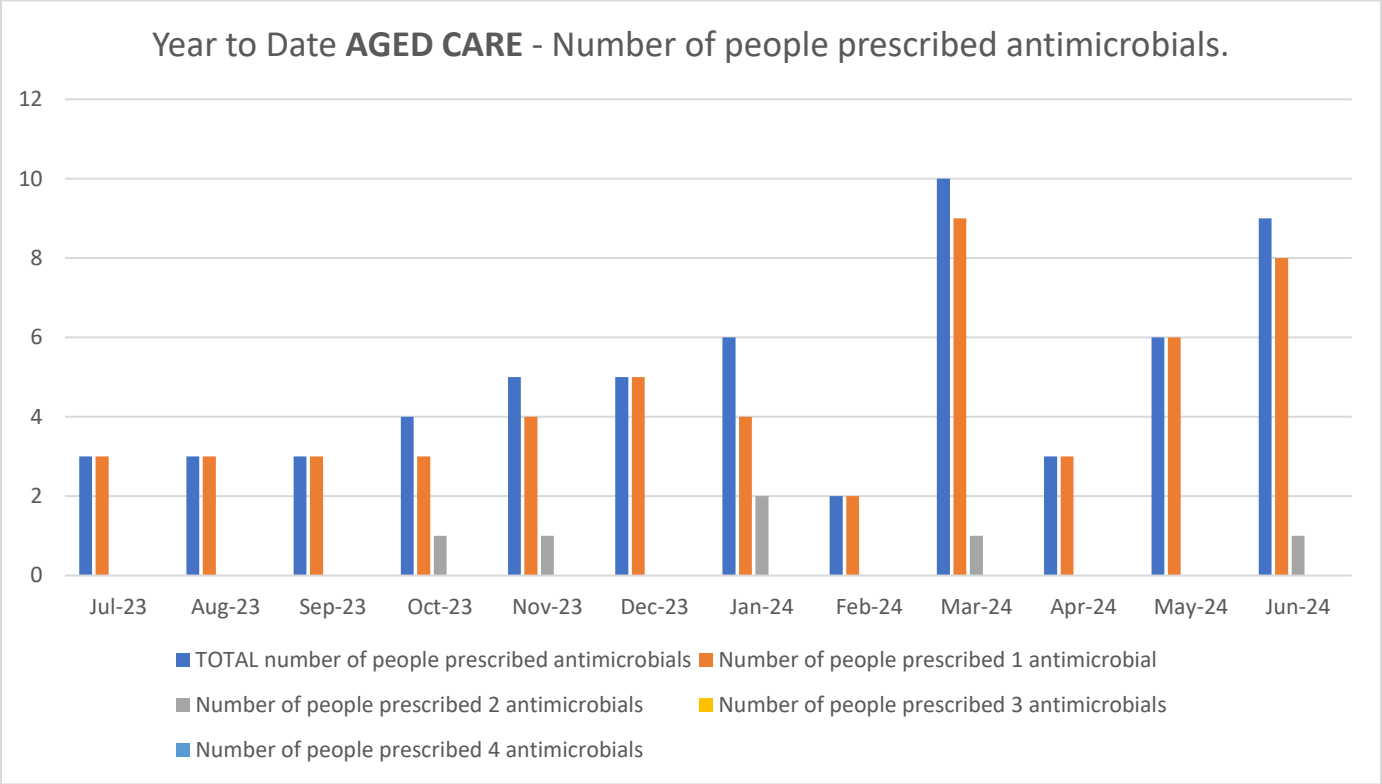


Risk assessments and dignity if risk assessments are conducted for consumers and mitigation strategies are used to help prevent falls from occurring. Some strategies in place include sensor mats, 4-wheel walkers, assessing feet and footwear, reviewing medications, and providing education to consumers.

ANTIMICROBIAL STEWARDSHIP

Antimicrobials include antibiotics, antivirals, antifungals and antiparasitics.

Antimicrobial stewardship (AMS) is defined as an ongoing effort by a health service organisation to optimise antimicrobial use among consumers to improve consumer outcomes, ensure cost-effective therapy and reduce adverse sequela (a condition which is the consequence of a previous disease of injury) of antimicrobial use (including antimicrobial resistance).



At Ardrossan Seaview the use of antimicrobials is closely monitored by the Clinical Management Team, the Clinical Advisory Committee, the Quality Care Advisory Body and is reported to the Board of Directors.

RISK MANAGEMENT

Ardrossan Seaview has a documented framework for managing risk. We keep a comprehensive risk register that is reviewed at least bi- monthly at our Risk Management meetings. The meetings are attended by management staff and a member of the Board of Directors. Our risks are monitored and reviewed according to their rating for example, extreme risks are reviewed and reported on monthly, and our low risks are reviewed and reported on annually. Risks are identified in a variety of ways including from internal and external audits, feedback from stakeholders and incident and near miss analysis just to name a few. Individual consumer risks are identified through assessment tools and are continuously monitored and reviewed.

AUXILIARY REPORT

THE ARDROSSAN COMMUNITY OP SHOP INCORPORATED

Our AGM was held in July this year and at the meeting a Special Resolution was made to make amendments to our existing Constitution. This came about as our hospital closed, so we had to change our name and also the purposes of our association.

Our new committee voted in at the AGM:

President:	Jan Westley	Vice President:	Raelene Rowe
Secretary:	Judy Foster	Assist. Secretary:	Sandy Germein
Treasurer:	Sue Schroder	Assist. Treasurer:	Meg Brown
Committee Member 1:	Jennifer Windebank		
Committee Member 2:	Ann Petersen		

A sub-committee appointed by the committee to assist in managing the shop:
Jan Westley, Judy Foster, Raelene Rowe, Lorna Carter, Dawn Phillips

After voting and in consultation with all of our volunteers, our new name is: "The Ardrossan Community Op Shop Incorporated" and we are continuing to commit to raising funds for the purchase of equipment and ancillary services for Ardrossan Seaview and also committed to help provide funding for additional health services in Ardrossan.

Over the last 12 months we have donated over \$130,000 to Ardrossan Seaview and have contributed funds towards the visa application for a new doctor to practice solely in Ardrossan, who began at Medical HQ in August this year. We are hopeful that this will improve the doctor availability in Ardrossan.

The Op Shop also funded a Treatment chair, Dermatoscope, Overhead treatment light, Ear micro suction equipment including head set & cleaning & sterilizing equipment to Medical HQ who are now starting clinics at the Medical Centre for skin checks etc which will be beneficial to the wider Ardrossan community.

Our committee meets on the third Monday of each month and is responsible for decisions regarding the running of the shop. At present we have 8 men and over 70 ladies who all volunteer their time to work in varying capacities. Our men are mainly responsible for the collection & delivery of furniture and household items, tagging electrical equipment, pricing and generally organising the running of the shed/furniture section of our Op Shop.

The volume of clothing and general Bric-a-brac has increased significantly, so our ladies are always kept very busy, sorting, pricing, cleaning, displaying all the items and clothing that we are so fortunate to receive.

Prescription glasses and bags of clothing are collected and forwarded to Adelaide to be distributed overseas. Clothes are forwarded to the APY Lands, and we have helped the Hutt Street Centre.

A big thank you to all our Ardrossan visitors who visit our shop which is open 4 days a week - Wednesday to Saturday.

We would also like to take this opportunity to thank all our wonderful volunteers because without them, we would not have such a successful shop and of course all of our community who generously donate and also shop. Thank you.

We do recognise the enormous challenges that rural health is presently facing, and our Op Shop is pleased to play such an important and ongoing role in helping to maintain the best possible health services for our town.

The Ardrossan Community Op Shop

Ardrossan Community Hospital Incorporated

ABN 17 142 913 461

Financial Statements

For the Year Ended 30 June 2024

Ardrossan Community Hospital Incorporated
ABN 17 142 913 461

Contents

For the Year Ended 30 June 2024

	Page
Financial Statements	
Committee's Report	1
Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012	2
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Responsible Persons' Declaration	25
Independent Audit Report	26

Committee's Report

30 June 2024

The committee members present their report on Ardrossan Community Hospital Incorporated for the financial year ended 30 June 2024.

Committee Members

The names of the committee members in office at any time during, or since the end of, the year are:

Margaret Tomsen (Chair)
Donald Hosking (Vice Chair)
Brenda Bowman (resigned 21/11/23)
Gail Marsh
Rikki Parkinson (resigned 1/6/24)
Craig Farrow
Annette Lodge

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 Ardrossan Community Hospital Incorporated during the financial year was the provision of health services to Ardrossan and surrounding districts.

The following significant changes in the nature of the principal activities occurred during the financial year:

- Closure of hospital operations in December 2023.

Benefits as a result of contracts

During the financial year, there were no benefits received or entitled to be received as a result of a contract between an officer, firm or body corporate and the Association.

Operating result

The surplus(deficit) of the Association for the financial year amounted to \$ (519,057)(2023: \$ (880,468)).

Future developments and results

Likely developments in the operations of the Association and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Association.

Signed in accordance with a resolution of the Members of the Committee:

Committee member: 
Margaret Tomsen (Chair)

Committee member: 
Gail Marsh

Dated this 30th day of Oct 2024

**AUDITOR'S INDEPENDENCE DECLARATION
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

To the Committee Members of Ardrossan Community Hospital Incorporated:

As lead auditor for the audit of Ardrossan Community Hospital Incorporated for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

- + no contraventions of the independence requirements of s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- + no contraventions of any applicable code of professional conduct in relation to the audit.



AHO AUDIT PTY LTD



**LUKE BOLLMEYER
DIRECTOR**

Dulwich, 30 October 2024

172 Fullarton Road
Dulwich, South Australia 5065
Australia

Telephone +61 8 8431 1488
Facsimile +61 8 8431 1441
Email dulwich@accruadel.com.au
Web www.accruharrisorchard.com.au

Business + Personal + Financial Solutions
Adelaide + Sydney + Melbourne + Brisbane
Perth + Hobart

Adelaide Offices
Dulwich + Clare

2

AHO Audit Pty Ltd ABN 55 670 721 712 is an autonomous and separately accountable member of Accru and MGI Worldwide.
Liability limited by a scheme approved under Professional Standards Legislation

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2024

		2024	2023
	Note	\$	\$
Revenue	4	4,468,897	4,004,035
Other income	4	601,489	420,335
Employee benefits expense		(3,736,288)	(3,795,822)
Depreciation and amortisation expense		(170,877)	(249,739)
Other expenses		(1,387,044)	(1,033,581)
Finance expenses	5	(295,234)	(225,898)
Surplus (deficit) for the year		(519,057)	(880,488)
Total comprehensive income (deficit) for the year		(519,057)	(880,488)

The accompanying notes form part of these financial statements.

Statement of Financial Position
As At 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	1,718,280	2,027,331
Trade and other receivables	8	223,236	196,229
Inventories	9	15,000	23,000
TOTAL CURRENT ASSETS		1,956,516	2,246,560
NON-CURRENT ASSETS			
Property, plant and equipment	10	9,362,310	9,492,936
Intangible assets	11	21,000	21,000
TOTAL NON-CURRENT ASSETS		9,383,310	9,513,936
TOTAL ASSETS		11,339,826	11,760,496
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	320,494	293,334
Borrowings	13	59,085	52,903
Employee benefits	15	509,426	474,123
Accommodation bonds and RADs	14	630,000	700,000
TOTAL CURRENT LIABILITIES		1,519,005	1,520,360
NON-CURRENT LIABILITIES			
Borrowings	13	422,218	480,843
Employee benefits	15	15,417	27,050
Accommodation bonds and RADs	14	2,465,000	2,295,000
TOTAL NON-CURRENT LIABILITIES		2,902,635	2,802,893
TOTAL LIABILITIES		4,421,640	4,323,253
NET ASSETS		6,918,186	7,437,243
EQUITY			
Reserves		3,805,037	3,805,037
Retained earnings		3,113,149	3,632,206
TOTAL EQUITY		6,918,186	7,437,243

The accompanying notes form part of these financial statements.

Ardrossan Community Hospital Incorporated
ABN 17 142 913 461

Statement of Changes in Equity

For the Year Ended 30 June 2024

2024

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2023	3,632,206	3,805,037	7,437,243
Surplus (deficit) for the year	(519,057)	-	(519,057)
Balance at 30 June 2024	3,113,149	3,805,037	6,918,186

2023

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 July 2022	4,512,674	3,805,037	8,317,711
Surplus (deficit) for the year	(880,468)	-	(880,468)
Balance at 30 June 2023	3,632,206	3,805,037	7,437,243

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	4,507,401	4,038,924
Payments to suppliers and employees	(5,067,600)	(5,093,250)
Donations received	207,738	126,564
Interest received	85,192	47,950
Interest paid	(45,773)	(41,819)
Net cash provided by/(used in) operating activities	<u>(313,042)</u>	<u>(921,631)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment	<u>(43,566)</u>	<u>(158,393)</u>
Net cash provided by/(used in) investing activities	<u>(43,566)</u>	<u>(158,393)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net credit card funds	(224)	882
Borrowing repayments	(52,219)	(54,447)
RADs received	1,970,000	1,595,000
RADs paid	<u>(1,870,000)</u>	<u>(1,300,000)</u>
Net cash provided by/(used in) financing activities	<u>47,557</u>	<u>241,435</u>
Net increase/(decrease) in cash and cash equivalents held	(309,051)	(838,589)
Cash and cash equivalents at beginning of year	<u>2,027,331</u>	<u>2,865,920</u>
Cash and cash equivalents at end of financial year	<u>7</u> <u>1,718,280</u>	<u>2,027,331</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2024

The financial report covers Ardrossan Community Hospital Incorporated as an individual entity. Ardrossan Community Hospital Incorporated is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Ardrossan Community Hospital Incorporated is Australian dollars.

The financial report was authorised for issue by those charged with governance on 25 October 2024.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared 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.

Material accounting policy information relating to the preparation of these financial statements are presented below, and are consistent with prior reporting periods unless otherwise stated.

The Association has adopted the amendments to AASB 101 Presentation of Financial Statements which require only the disclosure of material accounting policy information rather than significant accounting policies and therefore policy information which does not satisfy one of the following requirements has been removed from these financial statements:

- Relates to change in accounting policy
- Policy has been developed in the absence of an explicit accounting standard requirement
- Documents an accounting policy choice
- Relates to an area of significant judgement or estimation
- Relates to a complex transaction and is required to explain the treatment to the user.

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(a) Revenue and other income

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Government subsidies (Aged Care)

Revenue comprises daily Federal Government care and accommodation funding and resident fees, the majority of which are determined in accordance with Federal Government authorised rates. These fees are regulated by the Federal Government and are accrued by the Association during the resident's period of occupancy.

Resident Fees and Contributions (Aged Care)

Revenue from the rendering of a service or supply of a good to a resident is recognised upon the delivery of the service or good to the resident, which is when the performance obligation is considered to be satisfied.

Government Grants

The Association enters into grant funding agreements with the Commonwealth and State Governments where the Association is contracted to deliver on specific performance obligations over the term of the agreement.

The contracts contain sufficiently specific performance obligations and are considered enforceable under the applicable laws and revenue from the contracts is recognised either on receipt, overtime or at a point in time, dependent on when the Associations satisfied the specific performance obligations.

Fee For Service (Hospital Services)

The Association enters into fee for service contracts with customers to provide specific medical services. Revenue from fee for service contracts is recognised at completion when the Association has provided the service.

Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations

The revenue recognition policies for the principal revenue streams of the Association are:

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the Association gains control of the asset.

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(b) Income tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) 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 impairment.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line and reducing balance basis over the asset's useful life to the Association, 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	2.5 - 100
Furniture, Fixtures and Fittings	2.5 - 66.67
Motor Vehicles	25
Computer Software	2.5 - 100
Kitchen Plant & Equipment	2.5 - 50
Garden Improvements	13.33
Plant & Equipment - Dental	10 - 30
Plant & Equipment - 36 Crane	2.5 - 20
Structural Improvements - Health Centre	2.5
Plant & Equipment - Health Centre	2.5 - 100

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.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(d) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is 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.

(e) Intangible assets

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(f) Employee benefits

Provision is made for the Association's liability for employee benefits, those 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 high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(g) Provisions

Provisions are recognised when the Association 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.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(h) Going concern

The financial statements have been prepared on a going concern basis. The Association has reported a deficit for the year of \$519,057 (2023: \$880,488 deficit). Ongoing deficits and deterioration in operational cash available to fund deficits gives rise to a material uncertainty in respect to the Association's ability to pay its debts as and when they become due and payable, and accordingly its ability to continue as a going concern.

The Association's Board of Directors has determined that the Association cannot continue as a going concern under its current model of community ownership and needs to merge or otherwise transfer into the ownership of another entity to be able to achieve economies of scale.

To assist in this transition the Association has received a grant from the Department of Health and Aged Care under its Market Adjustment Program, to enable them to continue to operate and meet quality of care for residents while they undertake an expression of interest process to transition to another provider.

If the Association is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Association not continue as a going concern.

(i) Economic dependence

Ardrossan Community Hospital Incorporated is dependent on the State and Federal Governments for the majority of its revenue used to operate the business. At the date of this report the committee members have no reason to believe the State and Federal Governments will not continue to support Ardrossan Community Hospital Incorporated, except for the matters noted in Note 2(h) and Note 22.

3 Critical Accounting Estimates and Judgments

Those charged with governance 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 property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association 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 - property held at fair value

Land and Buildings held by the Association are measured at fair value for financial reporting purposes. In estimating the fair value of an asset, the Association uses market-observable data and third party qualified valuers. The committee has adopted the valuation based on the assets' highest and best use.

Notes to the Financial Statements

For the Year Ended 30 June 2024

3 Critical Accounting Estimates and Judgments

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgments - Accommodation Bonds and RADs

Hostel bonds and RADs are presented as current liabilities, as the Hospital does not have an unconditional right to defer settlement of them. The balance held has been split and reported based on estimated settlement dates within 12 months and longer than 12 months. These estimates have been based on historic settlement amounts and expected deterioration of current residents.

4 Other Revenue and Income

Revenue from continuing operations

	2024	2023
	\$	\$
Revenue from contracts with customers (AASB 15)		
- sale of goods	16,028	24,104
- provision of services	954,671	1,269,692
- grant revenue	3,415,093	2,648,567
- rental income	83,105	61,672
Total revenue form contracts with customers	4,468,897	4,004,035
Other revenue		
- insurance recoveries	1,133	1,587
- interest received	334,654	231,827
- other income	265,702	186,921
Total other revenue	601,489	420,335

5 Finance Income and Expenses

Finance expenses

	2024	2023
	\$	\$
Interest expense		
Interest paid	45,772	41,819
Interest paid - RADs	249,462	183,877
Total finance expenses	295,234	225,696

Notes to the Financial Statements

For the Year Ended 30 June 2024

6 Operating Segments

Segment information

Identification of reportable segments

The Association has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Association is managed primarily on the basis of product category and service offerings as the diversification of Ardrossan Community Hospital Incorporated's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Performance is measured based on segment profit before income tax as included in the internal financial reports.

Basis of accounting for purposes of reporting by operating segments

(a) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(b) Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to Ardrossan Community Hospital Incorporated as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Notes to the Financial Statements
For the Year Ended 30 June 2024

6 Operating Segments

(c) Segment performance

	Residential Aged Care Services		Other Operations		Total	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
REVENUE						
Resident fees	954,671	865,903	-	-	954,671	865,903
Government subsidies	3,210,943	2,468,567	180,000	180,000	3,390,943	2,648,567
Interest received	334,654	231,827	-	-	334,654	231,827
Donations received	195,346	100,602	12,391	25,962	207,737	126,564
Other revenue	94,274	23,302	88,406	470,237	182,680	493,539
Total segment revenue	4,789,888	3,690,201	280,797	676,199	5,070,685	4,366,400
Wages and superannuation	(3,628,885)	(2,853,645)	(31,131)	(745,900)	(3,660,016)	(3,599,545)
Staff on-costs	(119,647)	(79,143)	(760)	(20,625)	(120,407)	(99,768)
Repairs and maintenance	(83,358)	(75,686)	(476)	(19,532)	(83,834)	(95,218)
Insurance	(66,336)	(58,716)	(7,142)	(15,153)	(73,478)	(73,869)
Motor vehicle expenses	(20,440)	(12,100)	(129)	(3,123)	(20,569)	(15,223)
Utilities	(89,665)	(70,726)	(5,272)	(18,252)	(94,937)	(88,978)
Depreciation	(168,098)	(124,703)	(2,779)	(29,820)	(170,877)	(154,523)
Interest expenses	(291,547)	(217,118)	(3,686)	(8,578)	(295,233)	(225,696)
Other expenses	(1,037,561)	(723,660)	(32,831)	(170,388)	(1,070,392)	(894,047)
Total segment expenses	(5,505,538)	(4,215,497)	(84,205)	(1,301,370)	(5,589,743)	(5,516,866)
Segment operating profit	(715,650)	(525,296)	196,593	(355,172)	(519,057)	(880,466)

Notes to the Financial Statements

For the Year Ended 30 June 2024

6 Operating Segments

(d) Segment assets

	Residential Aged Care Services		Other operations		Total	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Segment assets						
Cash	1,718,280	1,978,333	-	48,998	1,718,280	2,027,331
Trade and other receivables	210,141	124,205	10,092	66,936	220,233	191,141
Other current assets	17,280	2,898	-	25,190	17,280	28,088
Goodwill	-	-	21,000	21,000	21,000	21,000
Property, plant & equipment	9,328,612	5,675,782	33,695	3,817,154	9,362,307	9,492,936
Total segment assets	11,274,313	7,781,218	64,787	3,979,278	11,339,100	11,760,496

Notes to the Financial Statements

For the Year Ended 30 June 2024

6 Operating Segments

(e) Segment liabilities

	Residential Aged Care Services		Other Operations		Total	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Short term borrowings	658	709	-	173	658	882
Trade & other payables	319,768	237,581	-	55,753	319,768	293,334
Employee provisions	524,843	397,319	-	103,853	524,843	501,172
Accommodation bonds & RADs	3,095,000	2,995,000	-	-	3,095,000	2,995,000
Long term borrowings	480,645	423,558	-	109,308	480,645	532,864
Total segment liabilities	4,420,914	4,054,167	-	269,085	4,420,914	4,323,252

	Residential Aged Care Services		Other Operations		Total	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Net Assets	6,853,400	3,727,051	64,786	3,710,192	6,918,186	7,437,243

Notes to the Financial Statements

For the Year Ended 30 June 2024

7 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash at bank and in hand	952,960	1,027,331
Deposits at call	1,000,000	1,000,000
Less bank overdraft	(234,680)	-
Total cash and cash equivalents	1,718,280	2,027,331

13

8 Trade and Other Receivables

	2024	2023
	\$	\$
CURRENT		
Trade receivables	116,413	161,288
Provision for impairment	-	(2,000)
GST receivable	13,954	9,540
Government subsidies receivable	87,924	-
Accrued revenue	2,665	23,021
Bonds held	2,280	4,380
Total current trade and other receivables	223,236	196,229

9 Inventories

	2024	2023
	\$	\$
CURRENT		
Consumables	15,000	23,000
Total inventories	15,000	23,000

10 Property, Plant and Equipment

	2024	2023
	\$	\$
Land and buildings		
At fair value	9,239,039	9,239,039
Accumulated depreciation	(298,676)	(273,161)
Total land and buildings	8,940,363	8,965,878
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	556,140	703,699
Accumulated depreciation	(473,855)	(594,228)
Total plant and equipment	82,285	109,471
Furniture, fixtures and fittings		
At cost	620,117	618,701
Accumulated depreciation	(421,140)	(394,016)
Total furniture, fixtures and fittings	198,977	224,685

Notes to the Financial Statements

For the Year Ended 30 June 2024

10 Property, Plant and Equipment

	2024 \$	2023 \$
Motor vehicles		
At cost	84,243	84,243
Accumulated depreciation	(67,454)	(61,858)
Total motor vehicles	<u>16,789</u>	<u>22,385</u>
Computer software		
At cost	189,593	195,801
Accumulated depreciation	(123,891)	(85,666)
Total computer software	<u>65,702</u>	<u>110,135</u>
Kitchen fixtures & equipment		
At cost	19,550	19,870
Accumulated depreciation	(14,776)	(19,270)
Total Kitchen fixtures & equipment	<u>4,774</u>	<u>600</u>
Garden Improvements- Dinham		
At cost	34,006	34,006
Accumulated depreciation	(33,750)	(33,256)
Total Garden Improvements- Dinham	<u>256</u>	<u>750</u>
Plant & Equipment - Dental		
At cost	3,105	3,105
At cost	3,105	3,105
Accumulated depreciation	(2,963)	(2,914)
Total Plant & Equipment - Dental	<u>142</u>	<u>191</u>
Plant & Equipment - 36 Crane Avenue		
At cost	40,640	40,640
Accumulated depreciation	(21,172)	(18,170)
Total plant & equipment - 36 Crane Avenue	<u>19,468</u>	<u>22,470</u>
Health Centre - structural improvements		
At cost	33,217	33,217
Accumulated depreciation	(5,989)	(5,159)
Total health care centre	<u>27,228</u>	<u>28,058</u>
Health Centre - plant & equipment		
At cost	46,109	51,194
Accumulated depreciation	(39,783)	(42,881)
Total Health Centre - plant & equipment	<u>6,326</u>	<u>8,313</u>
Total plant and equipment	<u>421,947</u>	<u>527,058</u>
Total property, plant and equipment	<u>9,362,310</u>	<u>9,492,936</u>

Notes to the Financial Statements

For the Year Ended 30 June 2024

10 Property, Plant and Equipment

(a) 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	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Computer Software	Kitchen Plant & Equipment	Garden Improvements - Dinham	Plant & Equipment - Dental	36 Crane Avenue	Structural Improvements - Health Centre	Plant & Equipment - Health Centre	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2024												
Opening balance	8,965,877	109,471	224,685	22,385	110,135	600	750	191	22,470	28,058	8,313	9,492,935
Additions	-	-	26,630	-	7,933	4,962	-	-	-	-	-	39,525
Disposals	-	-	(105)	-	-	-	-	-	-	-	-	(105)
Depreciation	(25,514)	(28,103)	(52,233)	(5,596)	(52,366)	(788)	(494)	(49)	(3,002)	(830)	(1,898)	(170,873)
Other movements	-	917	-	-	-	-	-	-	-	-	(89)	828
Closing balance	8,940,363	82,285	198,977	16,789	65,702	4,774	256	142	19,468	27,228	6,326	9,362,310

(b) Fair value measurement

The Association measures the following property, plant and equipment at fair value on a recurring basis:

Property, plant and equipment	Basis for determining value
Land and buildings	Independent third party valuation

Notes to the Financial Statements

For the Year Ended 30 June 2024

11 Intangible Assets

	2024	2023
	\$	\$
Intangible assets		
Goodwill		
Cost	21,000	21,000
Accumulated impairment losses	-	-
Net carrying value	21,000	21,000
Bed licences		
Cost	100,000	100,000
Accumulated amortisation and impairment	(100,000)	(100,000)
Net carrying value	-	-
Total Intangible assets	21,000	21,000

(a) Movements in carrying amounts of intangible assets

	Bed licences	Goodwill	Total
	\$	\$	\$
Year ended 30 June 2024			
Balance at the beginning of the year	-	21,000	21,000
Additions	-	-	-
Amortisation	-	-	-
Closing value at 30 June 2024	-	21,000	21,000

12 Trade and Other Payables

	2024	2023
	\$	\$
CURRENT		
Trade payables	133,767	85,166
GST payable	7,529	480
Sundry payables and accrued expenses	179,198	188,698
Subsidies repayable	-	18,990
Total trade and other payables	320,494	293,334

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 30 June 2024

13 Borrowings

	2024 \$	2023 \$
Unsecured liabilities:		
Credit card	658	882
Total unsecured	658	882
Secured liabilities:		
Homestart loan	58,427	52,021
Total secured	58,427	52,021
Total current borrowings	59,085	52,903
NON-CURRENT		
Secured liabilities:		
Homestart loan	422,218	480,843
Total secured	422,218	480,843
Total non-current borrowings	422,218	480,843
Total borrowings	481,303	533,746

Summary of borrowings

The Association has a secured loan with Homestart Finance, secured by a first registered mortgage over 37 Fifth Street, Ardrossan. The loan has a variable rate with the variable of 7.64% applied as at 30 June 2024. The loan has a term of 23 years and a loan end date in June 2037.

Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

14 Accommodation Bonds & RADs

	2024 \$	2023 \$
CURRENT		
Bonds and RADs	630,000	700,000
Total current	630,000	700,000
NON-CURRENT		
Bonds and RADs	2,465,000	2,295,000
Total non-current	2,465,000	2,295,000

Notes to the Financial Statements

For the Year Ended 30 June 2024

15 Employee Benefits

	2024	2023
	\$	\$
Current liabilities		
Long service leave	218,676	197,590
Annual leave	290,750	276,533
Total current	509,426	474,123
Non-current liabilities		
Long service leave	15,417	27,050
Total non current	15,417	27,050

16 Reserves

(a) Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

17 Financial Risk Management

	2024	2023
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	1,952,960	2,027,331
Trade and other receivables	223,236	196,229
Total financial assets	2,176,196	2,223,560
Financial liabilities		
Financial liabilities measured at amortised cost	4,131,475	3,822,080
Total financial liabilities	4,131,475	3,822,080

18 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Association is \$ 190,811 (2023: \$ 345,798).

19 Auditors' Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor, Accru Harris Orchard, for:		
- auditing the financial statements	9,300	9,233
Total	9,300	9,233

Notes to the Financial Statements
For the Year Ended 30 June 2024

20 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2024 (30 June 2023:None).

21 Related Parties

(a) The Association's main related parties are as follows:

Key management personnel - refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	Purchases \$	Sales \$	Other \$	Balance outstanding	
				Owed to the association \$	Owed by the association \$
KMP related parties					
Consulting services	22,250	-	-	-	-

22 Events After the End of the Reporting Period

Aged Care Support - Market Adjustment Program

As detailed in Note 2(h), the Association has received a grant from the Department of Health and Aged Care under its Market Adjustment Program (grant agreement executed on 28 August 2024), to enable them to continue to operate and meet quality of care for residents while they undertake an expression of interest process to transition to another provider.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Ardrossan Community Hospital Incorporated
ABN 17 142 913 461

Notes to the Financial Statements

For the Year Ended 30 June 2024

23 Statutory Information

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

Ardrossan Community Hospital Incorporated
37 Fifth Street
Ardrossan SA 5571

Ardrossan Community Hospital Incorporated
ABN 17 142 913 461

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person 
Margaret Tomsen (Chair)

Responsible person 
Gail Marsh

Dated this 30th day of October 2024

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ARDROSSAN COMMUNITY HOSPITAL INCORPORATED**

Opinion

We have audited the financial report of Ardrossan Community Hospital Incorporated (the Association), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and responsible persons' declaration.

In our opinion the financial report of Ardrossan Community Hospital Incorporated has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the registered Association's financial position as at 30 June 2024 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Simplified Disclosure Standard 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 Association in accordance with 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 and the independence requirements of Division 60-40 of the Australian Charities and Not-for-profits Commission Act 2012.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2(h) in the financial report, which indicates that the Association has received grant funding from the Department of Health and Aged Care to assist the Association to continue to operate while undertaking an expression of interest process to transition the aged care facility to another provider. The Association's future operations and financial viability are reliant on a transition to another provider. As stated in Note 2(h), these events or conditions, along with other matters as set forth in Note 2(h), indicate that a material uncertainty exists that may cast significant doubt on the Association's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Accounting Standards – Simplified Disclosure Standard and *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

172 Fullarton Road
Dulwich, South Australia 5065
Australia

Telephone +61 8 8431 1488
Facsimile +61 8 8431 1441
Email dulwich@accruadel.com.au
Web www.accruharrisorchard.com.au

Business + Personal + Financial Solutions
Adelaide + Sydney + Melbourne + Brisbane
Perth + Hobart

Adelaide Offices
Dulwich + Clare

26

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association'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.

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

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

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


LUKE BOLLMEYER
DIRECTOR


AHO AUDIT PTY LTD

Dulwich, 30 October 2024

INDEPENDENT AUDITOR'S REPORT

TO THE COMMITTEE MEMBERS OF ARDROSSAN COMMUNITY HOSPITAL INCORPORATED AND THE SECRETARY OF THE DEPARTMENT OF HEALTH AND AGED CARE.

Report on Ardrossan Community Hospital Incorporated's compliance with the *Aged Care Act 1997* (the Act) and the *Fees and Payments Principles 2014 (no.2)* (Fees and Payments Principles).

We have audited the compliance of Ardrossan Community Hospital Incorporated with the requirements of Part 5, Part 6 and Part 7 of the Fees and Payments Principles for the period 1 July 2023 to 30 June 2024.

Opinion

In our opinion Ardrossan Community Hospital Incorporated has complied, in all material respects, with the requirements of Part 5, Part 6, and Part 7 of the Fees and Payments Principles (as amended) for the period 1 July 2023 to 30 June 2024.

Report on other legal and regulatory requirements

In accordance with the requirements of the Guide to audit of an approved provider's compliance with the prudential requirements (the Guide), we are required to report all instances of non-compliance with the requirements of the Act and the Fees and Payments Principles by Ardrossan Community Hospital Incorporated that came to our attention during the course of our audit. There are no matters to report.

Committee Members' responsibility

The Committee Members of Ardrossan Community Hospital Incorporated are responsible for compliance with the Act Fees and Payments Principles and for such internal control as the Committee Members determine is necessary for compliance with the Act and the Fees and Payments Principles. The responsibilities of the Committee Members include requirements under the Act and the Fees and Payments Principles for the preparation and presentation of the Annual Prudential Compliance Statement (APCS) and compliance with the Prudential Standards contained within the Fees and Payments Principles.

Auditor's responsibility

Our responsibility is to form and express an opinion on Ardrossan Community Hospital Incorporated's compliance with the matters reported on in the Annual Prudential Compliance Statement.

Our audit has been conducted in accordance with the applicable Standards on Assurance Engagements (ASAE 3100 Compliance Engagements), issued by the Auditing and Assurance Standards Board and with the requirements of the Department of Health and Aged Care as set out in the Guide to audit of an approved provider's compliance with the prudential requirements (the Guide). Our audit has been conducted to provide reasonable assurance that Ardrossan Community Hospital Incorporated has complied with the requirements of Part 5, Part 6, and Part 7 of the Fees and Payments Principles. ASAE 3100 requires that we comply with relevant ethical requirements.

Audit procedures selected depend on the auditor's judgement. The auditor designs procedures that are appropriate in the circumstances and incorporate the audit scope requirements set out in the Guide. The audit procedures have been undertaken to form an opinion on compliance of Ardrossan Community Hospital Incorporated Part 5, Part 6, and Part 7 of the Fees and Payments Principles. Audit procedures include obtaining evidence relating to refundable deposits, accommodation bonds and entry contributions held; refunds of refundable deposits, accommodation bond balances and entry contribution balances; limits on charging accommodation bonds; compliance with the Prudential Standards relating to liquidity, records, governance and disclosure; and use of refundable deposits and accommodation bonds.

Use of report and restriction on distribution

This auditor's report has been prepared for the Committee Members of Ardrossan Community Hospital Incorporated and the Secretary of the Department of Health and Aged Care for the purpose of fulfilling the requirements of the Disclosure Standard. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Committee Members and the Secretary of the Department of Health and Aged Care, or for any purpose other than that for which it was prepared. Our report is intended for the Committee Members of Ardrossan Community Hospital Incorporated and the Secretary of the Department of Health and Aged Care and should not be distributed to other parties.

Inherent limitations

Because of the inherent limitations of any compliance procedures, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements of the Act and Fees and Payments Principles, as the audit procedures are not performed continuously throughout the year and are undertaken on a test basis.

The auditor's opinion expressed in this report has been formed on the above basis.



AHO AUDIT PTY LTD



LUKE BOLLMEYER
DIRECTOR

Authorised Audit Company #553709

Dulwich, 30 October 2024