

UNITING  
AGED  
CARE  
VICTORIA  
AND  
TASMANIA

2007  
ANNUAL  
REPORT

*caring every day*

Uniting Aged Care



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## Our vision

To work together to ensure Uniting Aged Care Victoria & Tasmania (UACV&T) is a leader in the provision of creative options for the older person. In doing so we seek to value the individual and build community.

## Our values

### Faith

Our long term direction is grounded in the experience, wisdom and theology of the Uniting Church in Australia.

### Respect

We recognise that each person is an individual with physical, spiritual, emotional and social needs.

### Choice

We believe that every person has the right to age with dignity, to have genuine opportunities to make old age a meaningful part of life, and to have real options in deciding the environment in which they prefer to spend their later years.

### Social justice and equity

We focus on care and support for the disadvantaged, in all our services, irrespective of age, gender, sexual orientation, ability, class, colour, creed or cultural origins.

### Responsiveness

We develop innovative and high quality services and programs, responsive to individual and community need.

### Environment and participation

We facilitate the involvement of individuals, families and communities in the identification of needs and issues impacting upon older people, and in the planning and development of strategies to address these. We work in partnership to achieve mutually satisfying outcomes.

### Community development and capacity building

We promote co-operation between agencies, other churches and community groups to enhance responsive and viable service development and to support the invaluable community infrastructure of civil society.

### Stewardship of resources

We recognise that stewardship of resources, in particular our staff and financial management, is also integral to our vision.

# Chairperson's Report

Janet Wood



'A major task of Uniting Aged Care Victoria & Tasmania is to help re-cast age and ageing as positive elements in our society.'

A REVOLUTION IS UNDERWAY in the form of a re-shaping of the age profile of Australians. By 2047, 25% of the population will be over the age of 65 and 5.6% will be over the age of 85. We are indeed an ageing Australia. 'Ageing' is not a neutral term. It frequently appears in speeches, reports and the media in a dismal shade of grey.

A MAJOR TASK OF UACV&T, an agency of the Uniting Church in Australia, is to help re-cast age and ageing as positive elements in our society. UACV&T's particular concern is with those who need care and support in order to live their lives as fully as possible.

THE UACV&T BOARD is committed to providing a continuum of care for older Victorians and Tasmanians. This is in tune with the wishes of older people, and of governments, that they remain as independent as possible for as long as possible. For this to happen, support services need to be in place which are readily accessible and that take account of the needs of carers as well as those in need of care. The Board congratulates those

who lead the UACV&T vision for the provision of community-based and local services.

IT IS THE PROVISION of residential aged care which furrows the brows of Board members. There is a great responsibility in covenanting to provide care which is appropriate and respectful to the individual person. Residential aged care operates in a highly regulated and under-funded context. It also operates in the glare of the public stare. The Board has worked hard to ensure that policies and systems are in place to deliver aged care of a standard which assures governments, communities but most especially residents and their families that UACV&T is a quality service organisation.

TO RETAIN AND DEVELOP the capacity of UACV&T, the Board has encouraged the Executive Director in her program for staff skills development and for research. There are national and international links which will keep us all thinking about what it means to live in a century where three score year and ten is not an end but another beginning.

THIS HAS BEEN A YEAR OF CHANGE. A major and difficult decision was made to bring all governance under the UACV&T Board. It has inherited the many years of commitment and service given by members of local boards. It was also a year of changing staff leadership. Dr Maureen Corrigan, the first CEO, resigned for reasons of health. Maureen brought the gift of passionate dedication to seeing the highest quality of care as a daily imperative and not a distant vision. We then enjoyed the wit and wisdom of Gary Henry as interim Executive Director. Now, UACV&T is fortunate to have the highly skilled and experienced Robyn Batten for its next years of development.

IN THIS MY FINAL REPORT as Chairperson of the UACV&T Board, I thank Board and committee members who have considered, debated, discussed and decided on so many issues, large and small and who have supported me, each other and the work of Uniting Aged Care Victoria & Tasmania.

# Executive Director's Report

Robyn Batten



IN JUNE 2006, the Standing Committee of the Synod of Victoria and Tasmania resolved to re-shape the structure of Uniting Aged Care withdrawing the delegated powers of the boards of individual agencies and centralising governance responsibilities with the UACV&T Board. Consequently, over the last year there has been a focus on the major internal changes required to implement this decision.

GOVERNANCE AND PROCESS changes have required boards, managers and staff to work closely together through some difficult issues and to accept new roles and responsibilities. The extent of change achieved in one year is a testament to the commitment and skill of all involved. By June 2007, the corporate governance, reporting, financial, human resource, property management and quality systems were consolidated.

DURING THIS PERIOD of system consolidation, there was also a focus on the future. A *Strategic Plan 2007–2010* was developed through a consultative process involving many staff. There is now a clear strategic

direction which is broadly understood and supported across Victoria and Tasmania. The five key result areas identified in the strategic plan form the basis of annual operating plans developed by each region in June 2007.

IN JANUARY 2007, UACV&T purchased a new 60 bed facility in the municipality of Wyndham, Manor Lakes. The facility did not meet accreditation standards when purchased. However, managers and staff, from across UACV&T, worked tirelessly and in a few months achieved full accreditation. By May 2007, Manor Lakes met community expectations, regulatory requirements and all accreditation standards.

UACV&T IS COMMITTED to providing a continuum of care from community to residential care meeting high care needs. We will further refine the UACV&T model of care over the coming years as we aspire to meet the changing preferences of the community. The planning for new capital infrastructure, both the replacement of current facilities which no longer meet community

**'The extent of change achieved in one year is a testament to the commitment and skill of all involved.'**

expectations (Broadmead, Gwennap and Trewint), and the development of a new facility in Coburg will be based on the UACV&T model of care. These four capital projects will progress in 2007–2008.

THE COMING YEAR will bring new challenges with major changes to the Australian Government funding model, continued workforce shortages and an exciting capital development program as UACV&T builds new facilities. We will meet these challenges as we have a strong board, skilled managers, committed staff and the support of the Uniting Church in Australia.

I LOOK FORWARD TO WORKING with all stakeholders to realise our vision, the provision of creative options for the older person, and in doing so seek to value the individual and build community.



## Highlights



### Governance

On 1 September 2006, all facilities came under direct governance of the UACV&T Board. Subsequently, the State Committees, for Victoria and Tasmania, were established.

### Quality and accreditation

All residential facilities were fully compliant with all accreditation standards in June 2007. Throughout the year there were continuous improvement activities in all services; 1,800 improvement activities were logged in the quality and risk data base. Staff made an outstanding effort to ensure Manor Lakes achieved three-year accreditation, just four months after it was purchased as a non-compliant facility.

### Planning

The *Strategic Plan 2007–2010* developed through a consultative process with senior staff provides a clear direction for UACV&T over the next three years. The *Property & Service Strategic Direction, Victoria, 2007–2022* provides clear guidelines concerning facility development well into the future in Victoria. A similar plan will be developed for Tasmania in 2007–2008.



## Systems

A fully-integrated business solution incorporating finance, payroll and customer relations management was implemented in Melbourne Residential Services and Melbourne Community Care. In 2007–2008, this system will be rolled out across Strath-Haven, Strathdon Community and Kalkee Community. Further enhancements, including roll-out to Tasmania, will be made in 2008–2009.

## Residents and clients

Community workers, artists and volunteers have assisted residents and clients to demonstrate their skills, achievements and the wisdom of their years. Such programs are:

- » *The Knitting Room* installation which was the most popular exhibit at the Tasmanian Government's *Ten Days on the Island*
- » The work of residents and clients in the *Men's Shed* at Strath-Haven
- » The *Intergenerational* and *Living History* projects at Kalkee Community, Melbourne Community Care (Elgin Street) and Strath-Haven
- » The group craft project at Aldersgate which won first prize at the Launceston show.

## Staff

The staff of UACV&T have demonstrated commitment and dedication in a year of major change. Their contribution to future directions is highly valued.

## Volunteers

Volunteers provide outstanding support to residents, clients and staff of UACV&T.

Has Gwyn Nicholls achieved a record? She retired after working for 43 years with the Aldersgate Auxiliary and she's been baking a cake every year to celebrate Aldersgate's birthday for even longer, 48 years!

Ruth Hosking won a *National Thanksgiving Day* award for her tireless work with Strath-Haven.

Alcoa made Marion Neil its *Community Hero of the Year* for her outstanding work as manager of the Kalkee Community Op-shop.

Aldersgate residents, under the guidance of Edna Lewes, won first prize for a group craft exhibit at the Launceston Show in October 2006. Edna has been a volunteer since 1992 assisting residents with a range of artistic and craft endeavours.

## Bequests, donations and in-kind support

UACV&T gratefully acknowledges the support of a wide range of individuals, trusts and foundations, bequests, businesses, municipal councils, community groups and schools. We cannot acknowledge them all by name but are most appreciative of their support.

The Kalkee Community received a generous bequest from the estate of the late Beryl Bravo, a former Independent Living Unit and Murray Hostel resident.

Strathdon Community received generous bequests from the estates of the late Erica Wareham Cromwell and the late L Ian Roach.

## Who we are



UACV&T is the largest not-for-profit provider of services to aged people in Victoria and Tasmania.

We offer a continuum of care with the full range of services available across the organisation. These services include residential aged care, independent living accommodation, community day programs, carer support programs and packages for aged care in the community.

Volunteers and auxiliaries provide valuable support services to residents and clients through a range of activities including fund-raising, committee membership, providing social and recreational programs and entertainment, and assisting allied health staff. The chaplaincy service offers pastoral care in the residential facilities to residents, families and staff.

The Uniting Church in Australia has a long tradition of ministry to aged people in the community. Uniting Aged Care was established in Victoria in July 2004 and UACV&T was established in January 2005.

We do not own or lease any property independent of the Church. The Uniting Church in Australia Property Trust (Victoria) and the Uniting Church in Australia Property Trust (Tas) are the approved providers for UACV&T.

We are also part of the Uniting Church's national *UnitingCare* network.

# Where we are



UACV&T provides residential care and community services in Melbourne, Bendigo and Geelong, in Victoria. In Tasmania, services are provided in Hobart, Launceston and Devonport.



# Chart of services

**HC**B HIGH CARE BEDS  
**LC**B LOW CARE BEDS  
**RBD** RESPITE BED DAYS  
**ILU**s INDEPENDENT LIVING UNITS

**CACP**s COMMUNITY AGED CARE PACKAGES  
**EACH** EXTENDED AGED CARE AT HOME  
**EACH D** EXTENDED AGED CARE AT HOME/DEMENTIA

**DCC** DAY CARE CENTRE  
**CR** COMMUNITY RESPITE  
**DTC** DAY THERAPY CENTRE

AGENCY/SERVICE	LOCATION/CONTACT	HC	LC	RBD	ILU	CACP EACH/ EACH D	DCC	CR	DTC
<b>Melbourne Residential Services</b>									
Bodalla	Kew T (03) 9853 1355	100							
Box Hill	Box Hill T (03) 9843 2200	60	60	730					
Broadmead	Hawthorn T (03) 9819 2111		79	730					
Carnsworth	Kew T (03) 9862 0000	147		730					
Condare Court	Camberwell T (03) 9809 1558		61	730	10				
Girrawheen	Brighton T (03) 9596 2914	31							
Gwennap	Kingsville T (03) 9689 4800		66	730	5				
Manor Lakes	Wyndham Vale T (03) 9742 7201	40	20						
Marivale	Ascot Vale T (03) 9375 4166	30							
Moorfields ILUs	Hawthorn T (03) 9818 4156				76				
Nangare ILUs	Burwood T (03) 9818 0738				20				
Sefton Lodge	Hawthorn T (03) 9818 7519		13	365					
Tanderra	Camberwell T (03) 9836 1565		40	730					
Trewint	Noble Park T (03) 9793 3799	45		365					
Valkstone ILUs	Bentleigh T (03) 9818 0738				16				
<b>Melbourne Community Care</b>									
Carnsworth (HKC/Gatehouse/ADO)	Kew T (03) 9853 0884						✓		
Community Respite Services	Hawthorn T (03) 9818 0738							✓	
Elgin Street Centre	Hawthorn T(03) 9815 0155						✓		✓
Girrawheen Day Centre	Brighton T (03) 9596 0347						✓		
Kangerong Day Care Centre	Box Hill T (03) 9898 7405						✓		
Kingsville Community Programs	Kingsville T (03) 9362 7477					42/20	✓		
Leighmoor Adult Day Centre	Moorabbin T (03) 9532 1094						✓	✓	
Lumeah Day Therapy	West Preston T (03) 9485 1885								✓

AGENCY/SERVICE	LOCATION/CONTACT	HCB	LCB	RBD	ILUs	CACP <sub>3</sub> EACH/ EACH D	DCC	CR	DTC
Moorfields Rehabilitation Programs	Oakleigh 3166 T (03) 9568 0466						✓		✓
Sefton Day Centre	Hawthorn T (03) 9818 7519						✓		
Trewint Community Programs	Noble Park T (03) 9793 4618 Narre Warren T (03) 8790 5177					52/10	✓	✓	✓
<b>Strathdon Community</b>									
Strathdon Community	Forest Hill T (03) 9877 5144	90	106		40	100	✓		✓
Yernga Retirement Village	Mount Waverley T (03) 9877 5144				31				
<b>Strath-Haven Bendigo</b>									
Strath-Haven	Bendigo T (03) 5434 3000		96	365	30	39		✓	
White Hills Haven	White Hills T (03) 5442 3322				11				
<b>Kalkee Community, Geelong</b>									
Kalkee Community – Care Program	Belmont T (03) 5243 9566				23	39		✓	
Kalkee Community – Murray Hostel	Belmont T (03) 5243 9566		40	365					
Kalkee Community – Nangatta Hostel	Belmont T (03) 5243 9566		51	365					
Costa Court Serviced Apartments	Belmont T (03) 5243 9566				10				
<b>Northern Tasmania</b>									
Aldersgate Kings Meadows	Kings Meadows T (03) 6341 1400	27	40	365		34			
Aldersgate Village	Newnham T (03) 6323 8200		66		13				
Denison Court	George Town T (03) 6341 1400				8				
Glenrowan Village	Perth T (03) 6341 1400				24				
Strathdevon	Latrobe T (03) 6426 2844	36		365	10	36			
Toosey Aged & Community Care*	Longford T (03) 6391 1202		46		10	10	✓		
Wesley Court	Sth Launceston T (03) 6341 1400				33				
<b>Southern Tasmania</b>									
Kingston Units	Kingston T (03) 6249 8288				10				
Lillian Martin	Mornington T (03) 6282 1111	53	44		37	32/25/5	✓		
Montrose ILUs	Montrose T (03) 6208 3200				14				
New Town ILUs	New Town T (03) 6208 3200				3				
Ningana	Sorell T (03) 6269 1000	19	53						
Strathaven	Berriedale T (03) 6272 7575	60	25	365					
Strathglen	Berriedale T (03) 6249 8766	45		365	8				
	<b>Total</b>		<b>1,689</b>		<b>7,665</b>	<b>444</b>	<b>12</b>	<b>5</b>	<b>5</b>
* Managed by UACV&T. UACV&T had 132 off-line bed licences, June 2007									

# Residential care

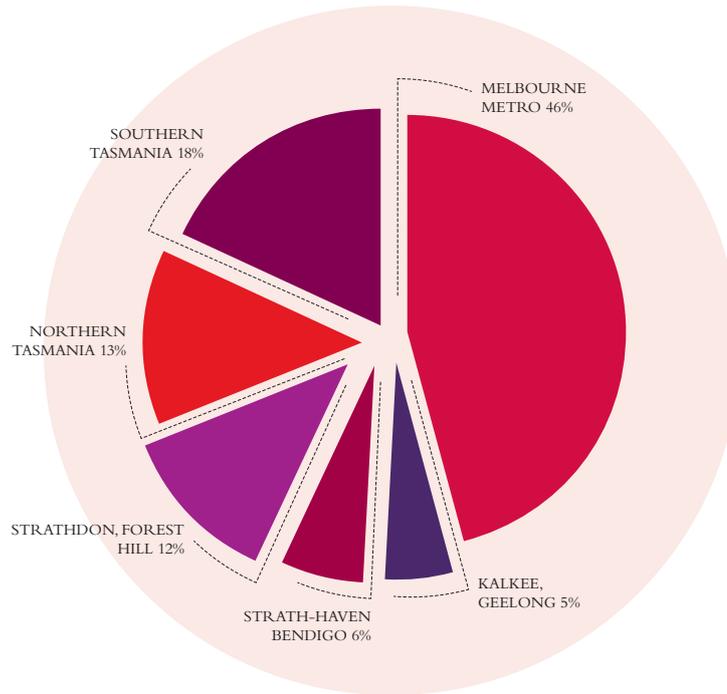


UACV&T provides a continuum of care for residents across its range of facilities, a number of which are able to offer the most comprehensive continuum of care on one site. Continuum of care in residential services means that residents are offered services according to their needs, such as independent living, assisted living units\*, respite care, dementia care, high care, low care or transitional care.

\*Assisted living units (ALUs) provide accommodation and services to older people in their own units. Services include cleaning, assistance with showering and dressing, assistance with medications, food services and home nursing. Residents in ALUs pay a daily fee for these services which are included as a condition of entry. ALUs are an emerging trend assuming the role that low care facilities provided in the past.

UACV&T has 24 residential facilities in Victoria and Tasmania with 1,689 beds (high care, low care, respite) and offers 7,665 days of respite accommodation. UACV&T has 442 Independent Living Units (ILUs) on 21 different sites. Eleven of the residential facilities have ILUs on site.

## Operating bed numbers June 2007



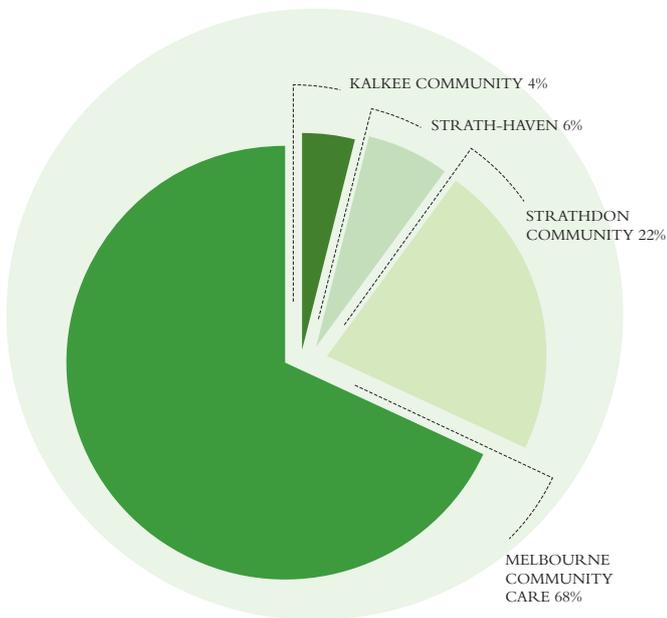
Region	Number	Percentage
Melbourne Metropolitan	792	46%
Kalkee, Geelong	91	5%
Strath-Haven, Bendigo	96	6%
Strathdon, Forest Hill	196	12%
Northern Tasmania	215	13%
Southern Tasmania	299	18%
<b>TOTAL</b>	<b>1,689</b>	<b>100%</b>

# Community services

UACV&T delivers community care to clients through services in Victoria, (Melbourne, Geelong and Bendigo) and in Northern and Southern Tasmania. Community care comes in a range of forms according to the needs of the clients – *Community Aged Care Packages (CACPs)*, *Extended Aged Care at Home (EACH)* packages, *Extended Aged Care at Home Dementia (EACH D)* packages, *Day Therapy*, *Home and Community Care Planned Activity Groups (HACC PAG)* and *National Respite for Carers Program (NRCP)*.

UACV&T provided 4002 clients with a total of 403,063 hours of service in Victoria and Tasmania in 2006–2007.

## Community clients in Victoria 2006–2007



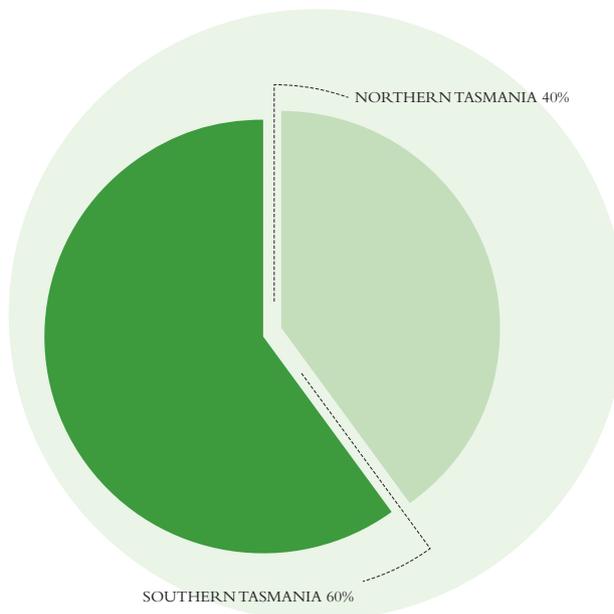
Area	Number	%
Kalkee Community	142	4%
Strathdon Community	848	22%
Strath-Haven	209	6%
<b>Melbourne Community Care (MCC)</b>		<b>68%</b>
Lumeah	192	
Oakleigh	365	
Elgin Street	665	
HKC/GH/ADO*	61	
Leighmoor	49	
Girrawheen	69	
Sefton	31	
Kangerong	83	
Kingsville	255	
Community Respite	248	
Trewint	567	
<b>TOTAL</b>	<b>3,784</b>	<b>100%</b>

\* HKC Club, Gatehouse Club, A Day Out

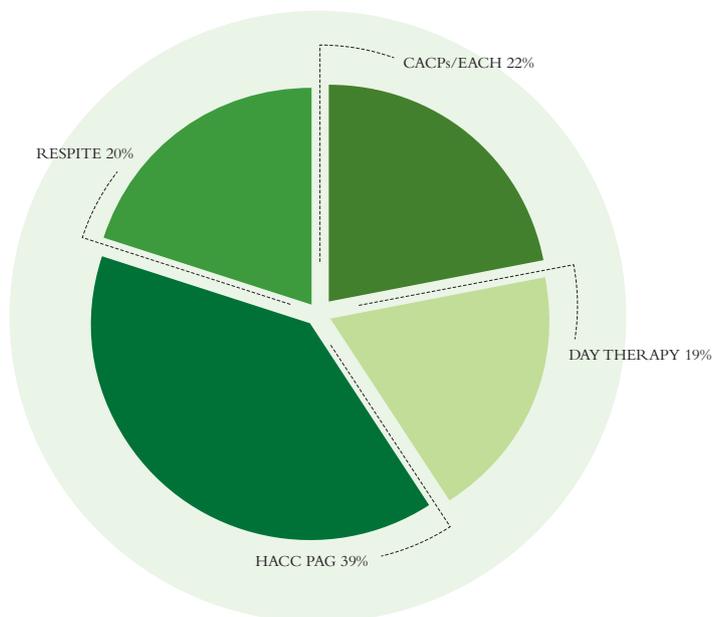


### Community clients in Tasmania 2006-2007

	Number	Percentage
Northern Tasmania	87	40%
Southern Tasmania	131	60%
<b>TOTAL</b>	<b>218</b>	<b>100%</b>

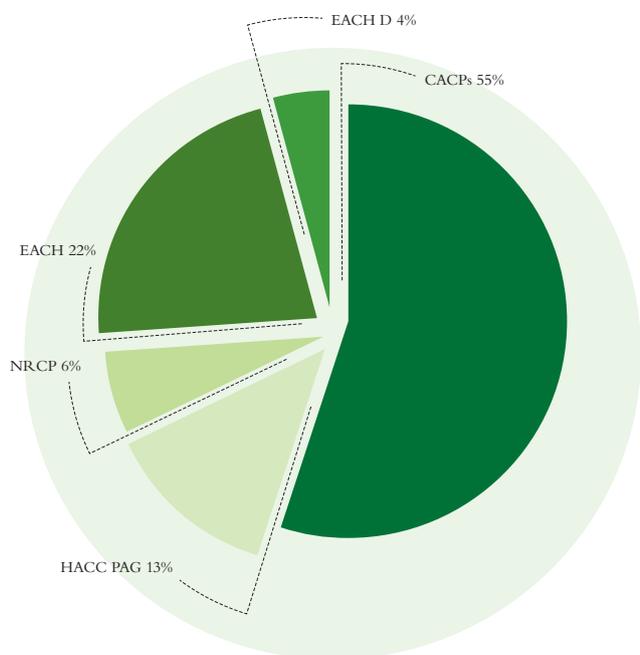


## Community services hours in Victoria 2006-2007



	CACPs/EACH	Day Therapy	HACC PAG	Respite	Total
Kalkee Community	8,280		13,458		21,738
Strathdon Community	20,006	16,358	12,112		48,476
Strath-Haven	12,573			18,130	30,703
<b>Melbourne Community Care</b>					
Trewint	20,650	23,452	14,400		58,502
Kingsville	16,772		18,952		35,724
Lumeah		10,530			10,530
Elgin St		8,053	12,084		20,137
Oakleigh		6,406	2,619		9,025
Sefton Club			11,508		11,508
HKC,GH,ADO			12,046		12,046
Kangerong			11,167		11,167
Leighmoor			12,361		12,361
Girrawheen			15,740		15,740
Community respite				50,469	50,469
<b>Total</b>	<b>78,281</b>	<b>64,799</b>	<b>136,447</b>	<b>68,599</b>	<b>348,126</b>

## Community services hours in Tasmania 2006-2007



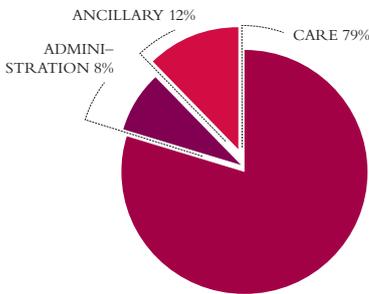
	CACPs	HACC PAG	NRCP	EACH	EACH D	TOTAL
Northern Tasmania	21,496	234				21,730
Southern Tasmania	9,011	6,640	3,040	12,179	2,337	33,207
<b>TOTAL</b>	<b>30,507</b>	<b>6,874</b>	<b>3,040</b>	<b>12,179</b>	<b>2,337</b>	<b>54,937</b>

### Brokered services

UACV&T brokers provision of some care and services to clients in the community while maintaining case management responsibility. This enables UACV&T to provide appropriate care and services to clients who are ethnically diverse and geographically dispersed. It also provides flexibility in the workforce by facilitating the contracting of care and services, on a short-term basis, as required.

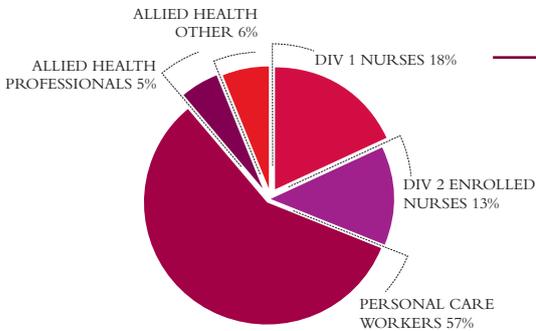
# Staff profile

The majority of staff, (79%) are employed to care for residents and clients. Personal Care Workers are the largest group of staff (57%) employed to care for residents and clients. The majority of staff (87%) are either part-time or casual. The majority of staff are female (93%). Many UACV&T services contract out their hotel services such as catering, cleaning, laundry and maintenance.



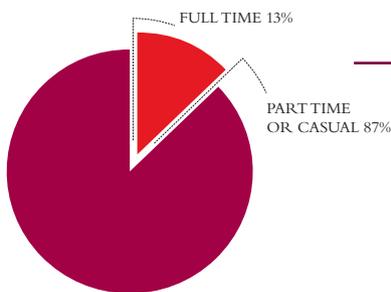
## Staff positions 2006-2007

Care	1,638	79%
Administration	176	8%
Ancillary	259	12%
<b>Total</b>	<b>2,073</b>	<b>100%</b>



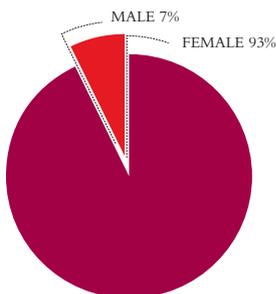
## Care positions 2006-2007

Registered Nurses Div 1	295	18%
Registered/Enrolled Nurses Div 2	221	13%
Personal Care Workers	935	57%
Allied Health Professionals	83	5%
Allied Health Other	104	6%
<b>Total</b>	<b>1,638</b>	<b>100%</b>



## Employment mode of staff 2006-2007

Full-time	271	13%
Part-time or casual	1,802	87%
<b>Total</b>	<b>2,073</b>	<b>100%</b>

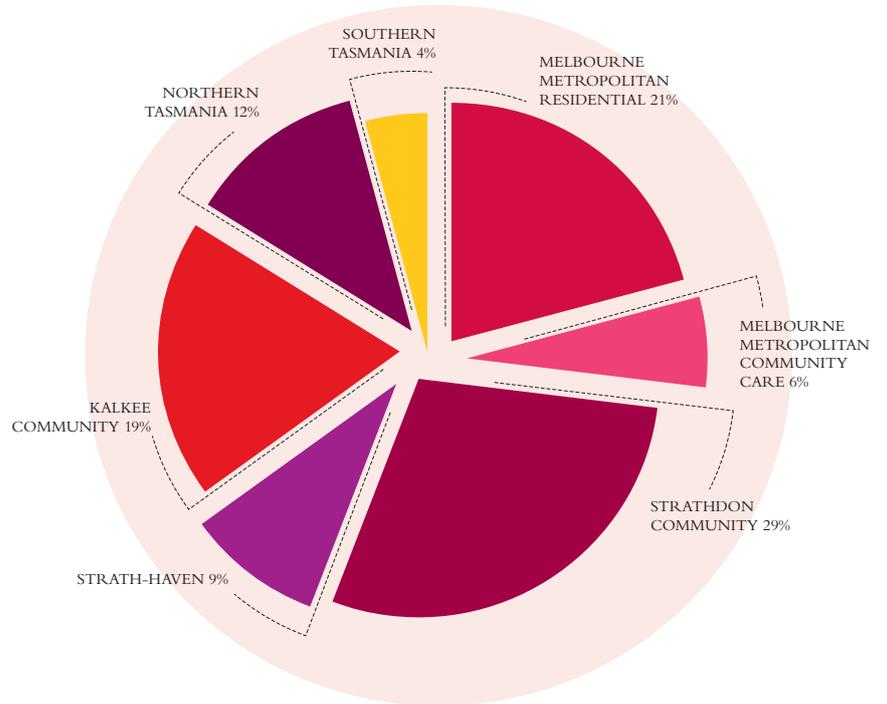


## Gender of staff 2006-2007

Female	1,936	93%
Male	137	7%
<b>Total</b>	<b>2,073</b>	<b>100%</b>

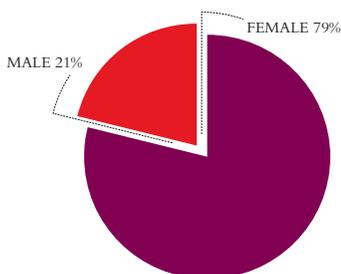
# Volunteers

Volunteers greatly enhance the services UACV&T provides to residents and clients through many hours of service offered over many years. In 2006–2007, a total of 844 volunteers supported UACV&T, 79% of the volunteers were female and 21% were male.



## Volunteers in 2006-2007

Melbourne Metropolitan Residential	181	21%
Melbourne Metropolitan Community Care	49	6%
Strathdon Community	243	29%
Strath-Haven	72	9%
Kalkee Community	164	19%
Northern Tasmania	101	12%
Southern Tasmania	34	4%
Total	844	100%



## Gender of Volunteers 2006-2007

Female	663	79%
Male	181	21%
Total	844	100%

# The Board

## Mrs Janet Wood

BA BEd BD MTh  
Chairperson

Janet is an active member of the Uniting Church in Australia with particular involvement in the areas of ecumenism, mission, social justice, overseas aid and advocacy for women.

She has chaired the Ministerial Advisory Council of Senior Victorians and serves on state and federal government working groups in areas of concern to older people.

## Mrs Barbara Haddon

RN  
Deputy Chairperson

Barbara chairs the State Committee – Victoria and the Quality & Safety Committee. She chaired the Remuneration & Nominations Committee until May 2007.

Barbara is a nurse with extensive residential aged care knowledge and experience having worked for the Commonwealth Department of Health and Ageing for 12 years before becoming an aged care consultant. She is also a founding director of a software company and was responsible for developing the content of an electronic care documentation system.

## Mr Joe Dicks

BCom GradDip Accounting CA

Joe has been a Chartered Accountant for over 24 years in Melbourne, London and Durban and is now a partner in the Melbourne office of PPB.

Chairing the Finance Committee, Joe oversees the financial management of UACV&T. Together with Imas Thompson, he was on the steering committee which established UACV&T.

## Mrs Beth Horsfield

BA(Soc Sc) GradDip  
Adult Ed & Training

Beth was appointed to the Board in August 2006; she became chair of the Remuneration & Nominations Committee in June 2007.

Beth's professional life has been as a Learning & Development practitioner. She has worked in Australia and Asia for an international corporation, managed her own consultancy business and lately worked as a part-time consultant in the area of change management. Beth is an active member of the Uniting Church who has served on a variety of Synod committees.

## Ms Karen Janiszewski

BEng GradDip Prop Dev  
Grad Dip Proj Mgt

Karen is Senior Project Director, Affordable Housing, Lend Lease Communities. She is responsible for implementing Lend Lease's Affordable Housing objectives on projects in Victoria and South Australia.

Karen has 20 years of construction and development experience and is a member of the Planning and Infrastructure Committee for the Property Council of Australia.

## Mr Henk Kremer

MBA FIEAust CPEng MIIA(Aust)

Henk chairs the State Committee – Tasmania. He has spent his working career in Tasmania as a civil engineer with the Hydro-Electric Commission where he participated in the design and construction of major hydro-electric power developments. In recent years he managed Aurora Energy's internal audit function.

Henk feels his greatest strength lies in his search for the optimal solution to any strategic problem.



Front row Joe Dicks, Janet Wood, Karen Janiszewski, Ken Tabart  
Back row Barbara Haddon, Libby Pallot, Henk Kremer, Beth Horsfield

### **Ms Libby Pallot**

**BA LLB (Hons)**

Libby is a partner in the law firm, Russell Kennedy and a specialist in all aspects of industrial and employment law. In particular, Libby has extensive experience in providing employment and industrial law advice in the aged care industry.

Libby is also an active member of the Law Institute of Victoria Workplace Section, Discrimination Law Committee.

### **Mr Ken Tabart**

**CPEng FIE(Aust)**

Ken chairs the Property & Development Committee. He is a consulting civil engineer employed by GHD, international consultants. He is a Principal Professional, Infrastructure and a GHD Practice Support Mentor, working from the Morwell office.

His skills include planning, design and construction, and organisation strategic planning. Ken spent 33 years in Tasmania and previously chaired various Tasmanian Synod committees.

### **Mrs Imas Thompson**

**MBA BHA RN**

Imas retired after a long career in nursing, health administration and aged care. She held senior appointments with hospitals, government and church aged care organisations. She is a member of the Synod's Property Trusts and was on the steering committee which established UACV&T.

Imas Thompson retired from the Board on 25 July 2006 .

### **Ex-officio**

### **Rev Rob Brown**

**BA BTh DipEd DipPS MSocSc**

Rob is a Minister of the Word in the Uniting Church in Australia ordained in 1982 and currently serving as General Secretary of the Victorian and Tasmanian Synod.

His ministry placements have included parish/congregational placements, church school chaplaincy, presbytery placements and time as a synod consultant. He is a former Moderator of the Synod of Tasmania.

There were 14 board meetings during the year; attendance was as follows:

## Board Meetings

Director	Eligible	Attended
Mrs Janet Wood, Chairperson	14	14
Mrs Barbara Haddon, Deputy Chairperson	14	12
Mr Joe Dicks	14	12
Mrs Beth Horsfield	12	10
Ms Karen Janiszewski	14	13
Mr Henk Kremer	14	12
Ms Libby Pallot	14	13
Mr Ken Tabart	14	13
Mrs Imas Thompson	1	1
<b>Ex Officio</b>		
Rev Rob Brown, General Secretary	11	11
Rev Allan Thompson, Associate General Secretary	3	3

The Board has the following committees: Audit, Finance, Quality & Safety, Property & Development, Remuneration & Nominations, and State Committees for Victoria and Tasmania. The State Committees were established in 2006.

### State Committee - Victoria

**Members** Barbara Haddon (Chairperson), Prof Margaret Bennett, Megan Cooper, Ted Gretgrix, Sue Henty, Beth Horsfield, Mal Ward

**Ex Officio** Rev Rob Brown – General Secretary, Janet Wood – Chairperson, UACV&T Board

The inaugural meeting of the committee took place in Melbourne on 1 December, 2006. Meetings are convened bi-monthly.

The purpose of the committee is to report to the UACV&T Board identifying community needs and opportunities for incorporation into the strategic plan, which are congruent with the values and ethos of the Uniting Church in Australia.

Committee members were provided with a *Resource Portfolio* to assist them with their work. Gerard Mansour, Chief Executive Officer – Aged & Community Care Victoria addressed the committee informing them about the aged care operating environment in terms of current and future trends.

The committee discussed the *Strategic Plan 2007–2010* with Robyn Batten, the Executive Director and the *Property & Service Strategic Direction, Victoria, 2007–2022* with Ann Turnbull, Executive Manager, Property & Projects.

### State Committee - Tasmania

**Members** Henk Kremer (Chairperson), Rev Keith Allcock, Mary Barnard, Heather Butler MHA, Rev Tony Duncan, Dr Bruce Felmingham, Assoc Prof Sally Garratt

**Ex Officio** Rev Allan Thompson – Associate General Secretary, Janet Wood – Chairperson, UACV&T Board

The inaugural meeting of the committee took place in Launceston on 26 November 2006. Meetings occur bi-monthly, alternating between Hobart and Launceston.

The committee provides advice to the Board on the development of new services, needs analyses, withdrawal of services, risk and residents' concerns.

The committee has been in dialogue with the Tasmanian Minister for Health in relation to:

- » Workforce shortages
- » Extending the length of the funding agreement
- » Tasmania's property and service plan
- » Housing and transport issues
- » Younger people and residential care.



Front row Ann Turnbull, Robyn Batten, Talya Goldsmith, Helen Baker Back row June Edmiston, Graham Woods, Julie Wiskin, Dale Eastley, Peter Folliot, Jo McKemmish, David Fraser, Glenn Cottee

## The Executive



Executive Director	<b>Robyn Batten</b> BSocWk MSocWk MBA AFACHSE
Executive Manager Finance	<b>Peter Folliot</b> BBus CPA
Executive Manager Infrastructure Development	<b>Glenn Cottee</b> MBA (Health) GDHSM DipMechEng DipElecEng FIEAust FIHEA AFACHSE
Executive Manager Property & Projects	<b>Ann Turnbull</b> RN RM BAppSci Admin GradDipEval GradCertProjMgt
Executive Manager Quality & Risk	<b>Mary Pearson</b> RN BNurs GradDipBus MAppSc
Director – Human Resource Services	<b>Helen Baker</b> BMus DipEd MBA GradDip LabRelLaw
Executive Assistant	<b>Carmel Leyden</b>
Regional Manager, Melbourne Community Care	<b>Julie Wiskin</b> RN Dip FacMgt CertVAssess&Train
Regional Manager, Melbourne Residential Services	<b>Jo McKemmish</b> RN PBONC GradDipBus
General Manager, Uniting Aged Care – Strathdon Community	<b>June Edmiston</b> RN
General Manager, Uniting Aged Care – Kalkee Community	<b>Graham Woods</b> Cert IV ResAgedCareMgt
General Manager, Uniting Aged Care – Strath-Haven	<b>David Fraser</b> RN RPsychN DipAppScEd GradDipEdAdmin MClinNurs Qualified Quality Assessor
Regional Manager, Uniting Aged Care – Northern Tasmania	<b>Talya Goldsmith</b> RN GradCertBusMgt
Regional Manager, Uniting Aged Care – Southern Tasmania	<b>Dale Eastley</b> BBus CPA GRAICD MAFACHSE

## Quality & Risk Management

The Quality & Risk Management program, with its focus on continuous improvement, is an integral part of all UACV&T's activities. Having implemented an organisation-wide approach to quality and risk, 2006–2007 saw consolidation and growth of key quality activities:

- » Organisational policies and practice standards implemented across all sites and programs
- » Ongoing clinical risk management, compliance and incident management
- » Development of an organisation-wide system for quality monitoring and auditing in residential care
- » The quality and risk database became functional in most sites and programs, providing evidence of our maturing quality system, with over 1,800 improvement activities logged
- » Consolidation of a quality system for UACV&T community programs
- » Satisfaction monitoring of residents and families in residential facilities resulting in 93% of residents or their families stating UACV&T had met their expectations
- » Rationalisation of residential benchmarking with each service monitoring a minimum of 20 key activities, comparing their performance internally and against industry standards
- » Plans initiated for broader benchmarking activities in community care.

Staff training sessions conducted over the year responded to organisation, site/program and individual requirements, and included clinical care, quality monitoring and auditing, incident management, root cause analysis, and linking results to quality improvements.

A review of UACV&T's quality structure and system, conducted by an external consultant in May/June, found the organisation has a comprehensive, evidence-based and contemporary Quality and Risk Program. The organisation has embraced the recommendations of the report which provide a clear vision and structure for the quality and risk program to move collaboratively into the future.

## Property & projects

One of the most significant projects undertaken this year was to develop the *Property & Service Strategic Direction, Victoria, 2007–2022* to ensure that UACV&T maintains its position as the leading provider of aged care. The broad strategy is for older facilities to be refurbished or sold and under-serviced areas to be targeted for development. The *Property & Service Strategic Direction, Tasmania* is currently underway.

In line with the Victorian strategy, the following developments have been undertaken:

- » Purchase of Wyndham Manor, (now called Uniting Aged Care – Manor Lakes) a relatively new 60 bed facility in Wyndham Vale
- » Purchase of properties strategically located around existing facilities
- » Sale of Gladstone Lodge, Moonee Ponds and Regent Lodge, Elsternwick
- » Construction and occupation of four Independent Living Units (ILUs) at Kalkee Community, Geelong
- » Feasibility study for upgrading Strath-Haven, Bendigo
- » Discussions with Whittlesea Regional Mission Council with a view to developing a residential aged care facility in Mernda on Uniting Church in Australia property

- » Continued discussions with the Maribyrnong Valley Presbytery with a view to developing a residential aged care facility and associated community programs in Campbellfield.

UACV&T's role as a quality provider was recognised when the Victorian State Government invited UACV&T to build and operate a 90 bed facility on land at Pentridge Village, Coburg. Detailed planning work for this site is underway.

The following developments have been undertaken in Tasmania:

- » First residents moved into Independent Living Units at Aldersgate Village, Newnham
- » Building approval for one additional unit at Denison Court, George Town
- » Construction and selling of ILUs at the Queenborough Rise development
- » Completion of stage two and upgrade of St Margaret's Wing at Aldersgate, Kings Meadows
- » Completion of stage one refurbishment at Strathaven, Berriedale.

## Human Resource Services

Human Resource Services include recruitment and selection, performance management, remuneration management, equal opportunity, change management, advice on industrial relations, negotiation of agreements, mediation, staff education, management of disciplinary procedures and occupational health and safety advice.

In 2006–2007, Human Resource Services developed and implemented a clear framework for the delivery of best practice human resources through the introduction of organisation-wide policies and procedures. This key resource for managers and staff enables consistency and equity in management of workplace issues, with direct support provided by Human Resource Services when issues are difficult or complex.

Facilitation of change management continues to be a constant requirement as integration of the organisation is achieved. This year saw the following achievements:

- » Seamless migration of employees into UACV&T following the purchase of Manor Lakes
- » Strath-Haven, Bendigo and Box Hill (Melbourne Residential Services) reviewed and restructured to provide more effective delivery of care
- » Clinical Care Coordinator positions introduced in Northern Tasmania.

Strategic development of a sustainable UACV&T workforce is also in the forefront of Human Resource Services' activities. Recruitment and retention are critical in the current labour market where the workforce is ageing and quality candidates are limited. A range of effective initiatives has been introduced including a new look advertising profile for the organisation and career development opportunities for staff.

Provision of a healthy and safe workplace is also critical for the organisation and an Occupational Health and Safety Manager will commence with the Human Resource Services in July. The Occupational Health and Safety Manager will work collaboratively with managers, staff and volunteers to drive a culture of workplace health and safety across the organisation.

Human Resource Services will focus on occupational health and safety together with workforce recruitment and retention in the coming year.

## Melbourne Community Care

Melbourne Community Care (MCC) provides a range of services to enable people to remain living independently in the community across the Melbourne metropolitan region. MCC's second year as an operational team has seen development in many areas, including funding for:

- » 20 new *Extended Aged Care at Home* packages
- » 10 new *Community Aged Care Packages*
- » A short term project to develop a *Carers Awareness Network* to provide education to carers of people with dementia, particularly those from a culturally and linguistically diverse background
- » The expansion of two day centre programs
- » The development of *Well for Life* programs in seven day centres.

Another new initiative has been the *Positive Ageing Digital Storytelling Intergenerational Project* that involves staff and clients from the Elgin Street Centre working with students from Hawthorn Secondary College to create video documentaries of elderly people's lives. The project has resulted in strong bonds developing between students and elderly participants and the exchange of a living history. One client commented that the experience had 'restored his faith in today's youth.'

This year has also seen a strong emphasis on further developing the quality of services by implementing a quality reporting framework and documenting the Standards and Guidelines for packaged care, *Day Therapy* and *Home and Community Care* programs. Implementing the Standards and Guidelines has assisted the achievement of:

- » 20/20 results for the National Services Standards audit at Kingsville, Leighmoor and Auburn day centres
- » Excellent results in the Department of Health and Ageing audits for packaged care at Kingsville and for the *National Respite for Carers* program at Leighmoor.

In the coming months, MCC looks forward to developing stronger working relationships with colleagues within UACV&T and the *UnitingCare* Network.

## Melbourne Residential Services

Melbourne Residential Services provides the full range of residential care services across 11 locations in metropolitan Melbourne. These services include low care, high care, ageing in place, dementia care, day respite and overnight respite care. In addition, Independent Living Units (ILUs) are provided at five locations.

A significant achievement in 2006–2007 was the acquisition and accreditation of Manor Lakes, a 60 bed facility. The facility when acquired was under sanction and non-compliant. Within four months, an audit found 44/44 outcomes achieved and full three-year accreditation was granted.

Successful full accreditation audits were also conducted at Trewint and Carnsworth with 44/44 outcomes achieved and three-year accreditation granted.

The *Pastoral Care Review* identified opportunities for increasing services, enhancing outcomes for residents and strengthening connections with local Uniting Church in Australia presbyteries and congregations.

Staff capacity was developed through a number of professional development activities including:

- » Accredited medication management training for Personal Care Workers and Division 2 Nurses in low care
- » Development program for managers and the regional management team
- » Scholarships for two staff to continue their education in nursing and palliative care.

The food safety risk management program was implemented. A dietitian was appointed to work across the region and implement the *Food First* program which was developed by the regional consultant dietitian.

Research partnerships, to increase knowledge and understanding of issues concerning older people, were established:

- » with Deakin University and Beyondblue – a program, training staff in the use of screening tools, which will inform an organisational practice standard in the assessment and monitoring of late onset depression
- » with Monash University – an evaluation of the cognitive effects of diversional therapies in populations with dementia of the Alzheimer's type.

## Strathdon Community

Strathdon Community is a large aged care complex located in the eastern suburbs of Melbourne. It offers a continuum of care ranging from community care to residential high care for elderly people. Facilities and services include *Community Aged Care Packages* (CACPs), *Day Therapy* and the Mingara Day Activity Centre, ILUs, Transitional Care beds (a partnership with Eastern Health), the Richard McGarvie Hostel, the Jack Faichney Memorial Hostel (Dementia Specific) and a nursing home.

The Community Centre also forms part of the complex. It includes a chapel, kiosk, hairdressing salon, a consultancy room along with function and activity rooms.

The new Facility Council, which will provide advice to the UACV&T Board, was established. An Honour Board was installed to recognise the faithful work of the Strathdon Community Governance Council over many years.

Strathdon Community acquired an additional 30 CACPs making a total of 100. The Mingara Day Activity Centre successfully passed assessment against the National Standards Instrument. The centre was also successful in acquiring a seeding grant from the Victorian Department of Human Services to implement the *Well for Life* program.

The bed replacement appeal resulted in funds being raised to purchase 33 new beds for the residential facilities.

Dr Rosalie Hudson was guest speaker on Presentation Day which recognises the service of volunteers and staff. Other important annual events were the Volunteers Luncheon, the ExxonMobil Day of Caring and Pancake Day.

The Chaplain provides pastoral care to residents, families and staff and holds Remembrance Services for residents who pass away during the year. The Canterbury Road Community of Congregations continues to provide valuable support to the Strathdon Community and the opportunity for shared Bible study and worship.

The Community Centre held a number of art shows, exhibitions and fundraising concerts. These events were enjoyed by residents and the local community.

## Strath-Haven

Strath-Haven, Bendigo provides residential and community services in the Central and Lower Loddon region of Victoria. Services are responsive to individual need, catering to elderly citizens living in residential care, semi-independent care, Independent Living Units (ILUs) or in their own homes.

This year has been an exciting and innovative time. In September 2006, Strath-Haven became a part of UACV&T increasing the opportunity for the development of more viable and sustainable management systems. Under the new structure, a Facility Council was established, with many ex-board members embracing the new structure and future directions.

Organisational and site restructure facilitated the ongoing development of a culture of a continuum of care through the increased integration of community and residential care services. This has been achieved in a number of ways:

- » through the *Day Respite* program that allows carers to have a break from their caring role
- » the development of a married couple's overnight respite program
- » participation of day respite and hostel residents in a new *Men's Shed* program.

Strath-Haven is able to respond to most carers' requests for respite because of the wide range of respite options available - community access, in home, small groups, overnight respite house and residential. Two new respite programs commenced this year, the overnight respite house and day respite for employed carers.

Strath-Haven commenced a facility redevelopment; a major room refurbishment program was undertaken with 13 rooms completed, 99% occupied and a growing waiting list of potential residents. A sensory garden was completed particularly for the benefit of patients with dementia. A gazebo was built for residents to shelter in while waiting for families and taxis.

A new *Life History* program has produced positive communication and beneficial relationships between Monash University medical students and residents.

A new staffing structure was introduced and a Quality Manager appointed.

## Kalkee Community

Kalkee Community, Geelong provides a continuum of care through residential care in two facilities, one for frail aged people in general and the other for people with moderate to high levels of dementia. It also provides community care both through *Community Aged Care Packages (CACPs)* and to private clients. It has ILUs, serviced apartments, a *Day Respite* program for people with dementia and an Op-shop managed and staffed by volunteers.

Kalkee Community commenced operation in 1972 and until June 2006 was governed by a local Board with fully delegated powers. The major challenge for Kalkee in 2006-2007 was to change from being a locally governed organisation to become a fully-integrated part of UACV&T. Senior staff set the example and all staff responded with enthusiasm.

Other major achievements were:

- » Successful unannounced support visits by the Aged Care Standards & Accreditation Agency at the Murray and Nangatta residential facilities
- » An excellent quality reporting result for the CACPs program
- » A 20/20 assessment from the Home and Community Care (HACC) National Service Standards Agency
- » Successful assessment for the *HACC Program Activity Group Day Respite Dementia Program*
- » A high rating from the Victorian Department of Human Services for the *Day Respite Cultural Action Plan*
- » Four new ILUs were completed by May and fully occupied by the end of June
- » Presentations to the *International Intergenerational Conference* in Melbourne, the *International Nurse Symposium* in St Louis USA, the *Hammond Care National Dementia Conference* in Sydney and the 'Caring for our Carers Project' at the UACV&T *Community Care Conference*
- » A working partnership formed between the *Community Care* program and Pastoral Health Services to participate in their 'Care for the Carers' days
- » The Kalkee Op-Shop, run entirely by volunteers, made a profit of \$94,000.

Graham Woods, General Manager, was invited twice during the year to update the Barwon Presbytery meeting on the work of Kalkee Community. He is a member of the Uniting Community Services Network, a committee consisting of Uniting Church agency and Presbytery representatives in Geelong.

## Northern Tasmania

UACV&T Northern Tasmania has residential facilities at Aldersgate Kings Meadows, Aldersgate Village, Strathdevon, and Toosey Aged and Community Care. Toosey Aged and Community Care is managed but not owned by UACV&T.

UACV&T Northern Tasmania offers *Community Aged Care Packages* from three sites and has Independent Living Units (ILUs) at six sites in the region. Strathdevon in Devonport, which was previously managed by Strathcare, Southern Tasmania, was transferred to UACV&T Northern Tasmania in September 2006.

All facilities are well known and respected within the community. This is evidenced by the large number of volunteers who in the past year have given 13,960 hours of their time to enhance the lives of residents and clients.

The completion of the St Margaret's Wing in March 2007 at Kings Meadows has been very favourably received by the community as it offers spacious high care accommodation for married couples.

Toosey Aged Care and Community Care was successfully audited in November 2006, receiving the maximum three-year accreditation. Toosey opened their doors to the community during Rural Health week running a *Complementary Therapies* program with demonstrations of different therapies coupled with a light afternoon tea and lots of fun.

An innovative and active Chaplaincy program has seen a significant increase in participation and enjoyment by all those involved in the *Northern Tasmania Pastoral Care Program*.

Memorial Remembrance Services held six monthly are attended by residents, staff and families in large numbers. Interdenominational services are celebrated at residential facilities weekly and/or monthly, as requested by residents and families, creating a warm and spiritual lifestyle. The Chaplain is well-known for her commitment to families and the dignity she gives to those who are in the palliative stage of their lives. The respectful ethos of this program is integral to the way UACV&T responds to the challenge of aged care in Northern Tasmania.

## Southern Tasmania

UACV&T Southern Tasmania provides a continuum of care from community to residential care delivered through four facilities.

There are ILUs in five suburbs of Hobart and a *Day Respite* program in Mornington. Respite services are provided in three community-based settings.

UACV&T Southern Tasmanian was formed in September 2006 bringing together EastSide Care and Strathcare, organisations which had operated since 1960 and 1956 respectively. The primary focus since amalgamation has been to bring the organisations together within the framework of UACV&T.

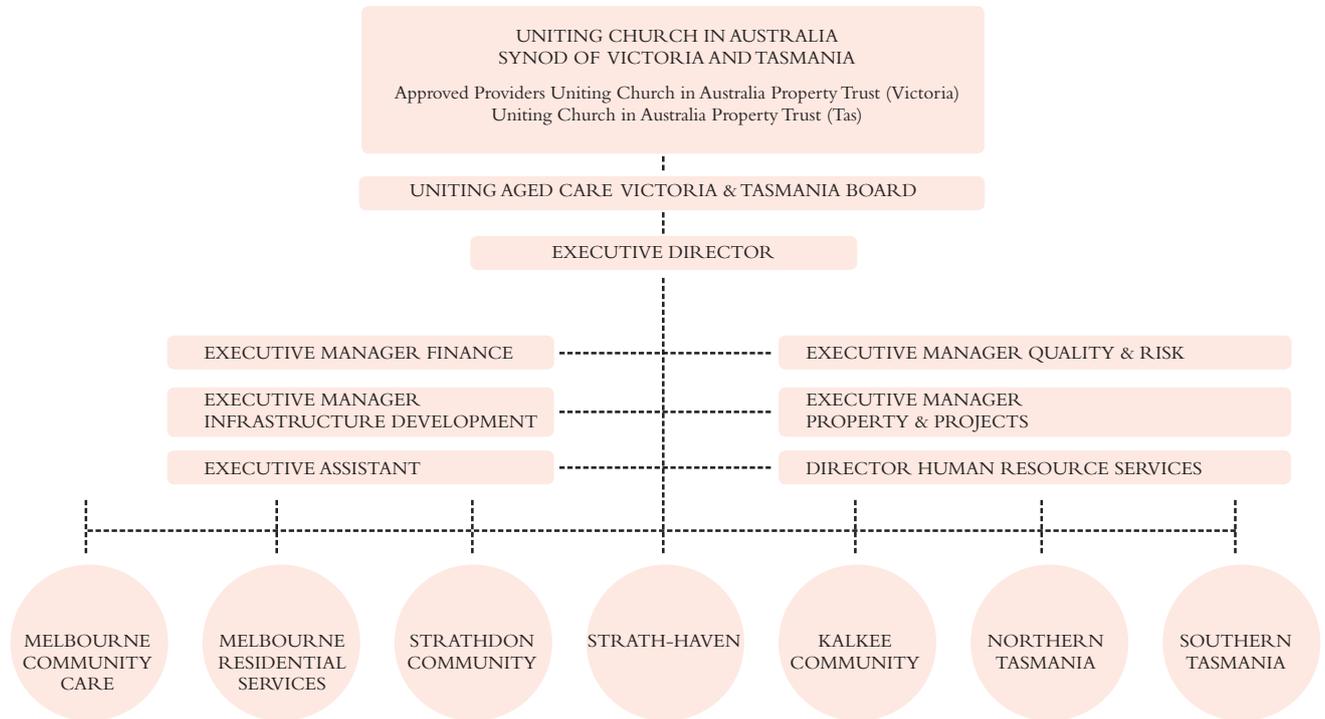
This has been a positive experience with significant challenges. Staff have focused their attention on the delivery of quality care to residents and this has been reflected in positive accreditation results. Accreditation and other external reviews have confirmed that the region has met its regulatory obligations.

Residents at Strathaven, Berriedale have benefited from a major refurbishment. The Queenborough Rise development at Sandy Bay, comprising 60 aged care beds and 30 ILUs, was planned and approved. The ILUs, the first stage of the development, are nearly complete and are selling fast.

Over the past three to five years, there has been an active collaboration between the former organisations and the workers' compensation insurer to improve work practices. UACV&T Southern Tasmania is now enjoying the benefit of that work as the number and duration of injuries has reduced significantly.

*The Knitting Room*, a community arts project designed and developed by residents and staff from Strathaven and Strathglen, was part of the State Government's arts program, *Ten Days on the Island*. *The Knitting Room* was an installation covering all aspects of a 1950s house and surrounds. It attracted the highest number of visitors of any event and was made a feature article in *Textile*, the national magazine of Australian Forum Textile Arts.

# Organisational chart



PLANNED ACTIVITY GROUPS	<u>BODALLA</u>	STRATHDON NURSING HOME	STRATH-HAVEN & ILUs	KALKEE COMMUNITY MURRAY HOSTEL	ALDERSGATE KINGS MEADOWS	LILLIAN MARTIN & ILUs
A Day Out	<u>BOX HILL</u>	McGARVIE HOSTEL	STRATH-HAVEN CACPs	KALKEE COMMUNITY NANGATTA HOSTEL	ALDERSGATE VILLAGE & ILUs	NINGANA
HKC/Gatehouse	<u>BROADMEAD</u>	JACK FAICHNEY HOSTEL	STRATH-HAVEN COMMUNITY RESPIRE	KALKEE CACPs	ALDERSGATE CACPs	STRATHAVEN
Girrawheen	<u>CARNSWORTH</u>	STRATHDON TRANSITIONAL CARE UNIT	WHITE HILLS HAVEN ILUs	KALKEE ILUs	STRATHDEVON	STRATHGLEN & ILUs
Kangerong	<u>CONDARE COURT &amp; ILUs</u>	STRATHDON ILUs		COSTA COURT SERVICED APARTMENTS	STRATHDEVON CACPs	EASTSIDE CARE CACPs/EACH/ EACH D
Leighmoor	<u>GIRRAWHEEN</u>	<u>YERNGA ILUs</u>		KALKEE DAY RESPIRE (DEMENTIA)	DENISON COURT ILUs	KINGSTON ILUs
Scott Club	<u>GWENNAP &amp; ILUs</u>	STRATHDON CACPs			GLENROWAN VILLAGE ILUs	MONTROSE ILUs
Oakleigh	<u>MANOR LAKES</u>	STRATHDON DAY THERAPY CENTRE			WESLEY COURT ILUs	NEW TOWN ILUs
Auburn	<u>MARIVALE</u>	MINGARA DAY CARE CENTRE				
Gwennap	<u>MOORFIELDS ILUs</u>					
Vietnamese	<u>NANGARE ILUs</u>					
Sefton Club	<u>SEFTON LODGE</u>					
	<u>TANDERRA</u>					
DAY THERAPY	<u>TREWINT</u>					
Elgin Street Centre	<u>VALKSTONE ILUs</u>					
Lumeah						
Moorfields Oakleigh						
Trewint						
CACPs/EACH						
Kingsville						
CACPs/EACH						
Trewint						
CACPs/EACH						
COMMUNITY RESPITE						
Eastern Region						
Southern Region						
						*MANAGED BY UACV&T

## Uniting Aged Care Financial Performance 2006/2007

The consolidated result of UACV&T reported a net surplus of \$7.296 million for the 2006–2007 financial year. A significant component of this result was an 'abnormal' item of \$6.093 million representing a transfer of net assets from the Victorian and Tasmanian Synod to UACV&T. Excluding this 'abnormal' item UACV&T reported a net surplus of \$1.203 million.

Whilst total revenue (excluding the 'abnormal' item) decreased compared to the previous year, this was largely due to the exceptional level of bequests received in 2005/06 from a one-off gift. Operational revenue increased by 5% during 2006–2007 compared to the previous year. Whilst part of this increase is attributable to indexed government funding, the expansion of community related programs was a significant factor in this increase in turnover. Unfortunately this increase was more than offset by increases in expenditure. These increases arose from a combination of restructure costs occurring at some of the Tasmanian sites, an increase in the level of operations of community programs and increases in general labour related costs. UACV&T, like many aged care providers, is constantly seeking to improve its financial performance whilst still continuing to deliver quality care over and above that required for compliance with aged care standards. However this is becoming increasingly difficult particularly in the provision of low care (hostels) and high care (nursing home) services.

UACV&T welcomes the additional funding that is expected to become available to aged care providers with the introduction of the Federal Government's *Securing the Future* package and the new ACFI funding regime during 2007/08. However further additional funding will be required to ensure aged care providers remain financially viable in the long-term.

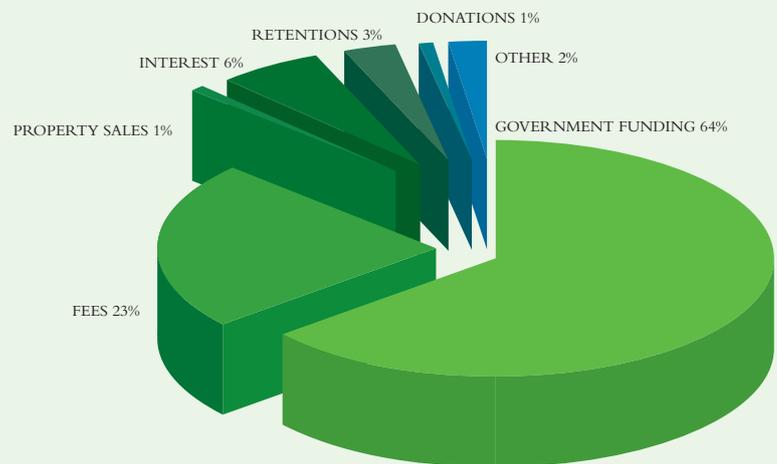
The value of UACV&T's net assets increased by \$2.969 million during 2006–2007. Significant developments included the purchase of a new aged care facility together with additional bed licences at Wyndham Vale in Victoria, the construction of the Queenborough Rise aged care complex at Hobart and the major upgrade of existing properties including Strathaven in Hobart.

It was also pleasing to note in the Cash Flow Statement that UACV&T generated surplus cash of \$6.3 million from operating activities during 2006–2007 and was able to also fund significant capital development and repay existing debt.

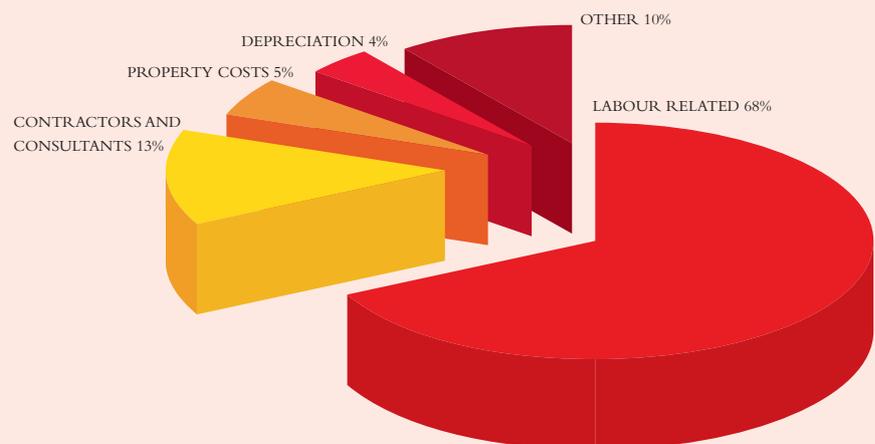
UACV&T is currently in a sound financial position which can be used to develop the organisation in coming years.

## Revenue and expenditure

### Sources of revenue 2006–2007



### Expenditure categories 2006–2007



## Board of Governance Report

Your members of the Board of Governance present their report on the aggregated entity for the financial year ended 30 June 2007.

### Board of Governance Members

The names of the members in office at any time during the financial year and until the date of this report are as follows:

Mrs Janet Wood, Chairperson  
Mr Joe Dicks  
Mrs Barbara Haddon, Deputy Chairperson  
Mrs Beth Horsfield (appointed 1 August 2006)  
Mr Henk Kremer  
Mr Ken Tabart  
Mrs Imas Thompson (resigned 25 July 2006)  
Ms Karen Janiszewski  
Ms Libby Pallot  
Ex-officio Rev Rob Brown, General Secretary

Members of the Board of Governance have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Operating results

The consolidated profit of the aggregated entity for the financial year amounted to \$7,296,443.

### Review of operations

A review of the operations of the aggregated entity during the financial year and the results of those operations found that during the year, the aggregated entity continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

### Significant changes in state of affairs

During the financial year there was no significant change in the state of affairs of the entity other than referred to in the accounts or notes thereto.

### Principal activity

The principal activity of the aggregated entity during the financial year was the provision of aged care services.

No significant change in the nature of this activity occurred during the year.

### After balance date events

On 24 August 2007, subsequent to the end of the financial year, Uniting Aged Care Victoria & Tasmania (UACV&T) closed the Broadmead low care service facility. All residents were transferred to suitable alternative approved accommodation. UACV&T expects to demolish the current building at the Broadmead site. The potential financial effect of this demolition has not yet been quantified. The financial effects of this transaction have not been included in this financial report at 30 June 2007.

### Likely developments

The aggregated entity expects to maintain the present status and level of operations and hence there are no likely material developments in the aggregated entity's operations.

### Environmental issues

The aggregated entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

## Meetings of Members

	BOARD OF GOVERNANCE MEETINGS		AUDIT COMMITTEE		REMUNERATION & NOMINATIONS COMMITTEE		FINANCE COMMITTEE		QUALITY & SAFETY COMMITTEE		PROPERTY & DEVELOPMENT COMMITTEE		STATE COMMITTEE TASMANIA		STATE COMMITTEE VICTORIA	
	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mrs Janet Wood Chairperson	14	14	1	1	6	5	12	8	3	3	12	11	4	4	3	3
Mrs Barbara Haddon Deputy Chairperson	14	12	-	-	5	4	-	-	3	2	-	-	-	-	3	2
Mr Joe Dicks	14	12	1	1	-	-	12	11	-	-	-	-	-	-	-	-
Ms Beth Horsfield	12	10	-	-	3	2	-	-	-	-	-	-	-	-	3	1
Ms Karen Janiszewski	14	13	-	-	-	-	-	-	-	-	12	11	-	-	-	-
Mr Henk Kremer	14	12	-	-	-	-	-	-	-	-	10	7	4	3	-	-
Ms Libby Pallot	14	13	-	-	6	6	-	-	-	-	-	-	-	-	-	-
Mr Ken Tabart	14	13	-	-	-	-	1	1	-	-	12	10	-	-	-	-
Mrs Imas Thompson	1	1	-	-	-	-	-	-	-	-	1	-	-	-	-	-
Rev Rob Brown General Secretary	11	11	-	-	5	3	-	-	-	-	-	-	-	-	3	2
Rev Allan Thompson Associate General Secretary	3	3	-	-	1	1	-	-	-	-	-	-	4	4	-	-
Ms Fiona Campbell Audit Committee Chairperson	-	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-
Mr John Garrett	-	-	1	1	-	-	12	5	-	-	-	-	-	-	-	-
Mr Ian Webb	-	-	1	1	-	-	12	11	-	-	-	-	-	-	-	-
Mr Peter Strugnell	-	-	-	-	-	-	3	2	-	-	-	-	-	-	-	-
Mr Matthew Sweeney	-	-	-	-	-	-	2	2	-	-	-	-	-	-	-	-
Ms Jane Blaxland	-	-	-	-	-	-	-	-	3	1	-	-	-	-	-	-
Mr Gordon Wilson	-	-	-	-	-	-	-	-	-	-	12	10	-	-	-	-
Mr Victor Harcourt	-	-	-	-	-	-	-	-	3	2	-	-	-	-	-	-
Mr Bernie McCarthy	-	-	-	-	-	-	-	-	2	2	-	-	-	-	-	-
Rev Keith Allcock	-	-	-	-	-	-	-	-	-	-	-	-	4	3	-	-
Ms Mary Barnard	-	-	-	-	-	-	-	-	-	-	-	-	4	4	-	-
Ms Heather Butler MHA	-	-	-	-	-	-	-	-	-	-	-	-	4	3	-	-
Rev Tony Duncan	-	-	-	-	-	-	-	-	-	-	-	-	4	2	-	-
Dr Bruce Felmingham	-	-	-	-	-	-	-	-	-	-	-	-	4	2	-	-
Assoc Prof Sally Garratt	-	-	-	-	-	-	-	-	-	-	-	-	1	1	-	-
Prof Margaret Bennett	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	2
Ms Megan Cooper	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	3
Mr Ted Gretgrix	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	3
Ms Sue Hendy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	1
Mr Mal Ward	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	3
Ms Ann Turnbull	-	-	-	-	1	1	-	-	1	1	-	-	-	-	-	-
Mr Gary Henry	-	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-
Ms Robyn Batten	-	-	-	-	4	4	-	-	2	2	-	-	-	-	-	-

**Indemnification of officer or auditor**

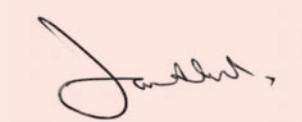
During the financial year, the aggregated entity had insurance coverage through Uniting Church Insurance Services for all members of the Board of Governance. No insurance coverage is provided to the auditors of the aggregated entity.

**Proceedings on behalf of the entity**

No person has applied for leave of Court to bring proceedings on behalf of the aggregated entity or intervene in any proceedings to which the aggregated entity is a party for the purpose of taking responsibility on behalf of the aggregated entity for all or any part of those proceedings.

The aggregated entity was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Governance:



**Board Member** Mrs Janet Wood, Chairperson



**Board Member** Mr Joe Dicks

**Dated this day of 1st October 2007.**

## Income Statement for year ended 30 June 2007

	Note	2007 \$	2006 \$
Revenue from ordinary activities	2	103,924,147	107,173,258
Other revenue from non-operating activities	2, 1(x)	6,093,008	–
Care expenses		59,436,281	54,765,266
Hotel expenses		16,124,570	16,372,448
Administrative expenses		21,901,545	17,766,609
Finance costs	3	416,268	892,943
Other expenses		4,842,048	6,563,660
<b>Profit (loss) before income tax</b>		<u>7,296,443</u>	<u>10,812,332</u>
Income tax expense	1(o)	–	–
<b>Profit (loss) after income tax</b>		<u>7,296,443</u>	<u>10,812,332</u>

The accompanying notes form part of these financial statements

## Balance sheet as at 30 June 2007

	Note	2007 \$	2006 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	5,508,284	3,508,633
Trade and other receivables	5	5,969,624	5,660,220
Inventory	6	73,277	232,022
Available-for-sale financial assets	7	36,328,319	4,641,341
Other financial assets	8	57,408,792	104,404,399
Other assets	9	3,164,402	2,596,561
<b>Total current assets</b>		<u>108,452,698</u>	<u>121,043,176</u>
<b>Non-current assets</b>			
Property, plant and equipment	10	144,984,026	130,718,749
Intangible assets	11	53,797,920	51,689,450
<b>Total non-current assets</b>		<u>198,781,946</u>	<u>182,408,199</u>
<b>TOTAL ASSETS</b>		<u>307,234,644</u>	<u>303,451,375</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	12	6,822,734	7,032,325
Interest bearing liabilities	13	1,040,889	5,173,950
Provisions	14	8,036,741	6,429,224
Resident Ingoings	15	78,731,376	74,525,580
<b>Total current liabilities</b>		<u>94,631,740</u>	<u>93,161,079</u>
<b>Non-current liabilities</b>			
Trade and other payables	12	1,490,720	3,021,082
Interest bearing liabilities	13	5,752,082	4,701,055
Provisions	14	1,894,329	2,071,401
<b>Total non-current liabilities</b>		<u>9,137,131</u>	<u>9,793,538</u>
<b>TOTAL LIABILITIES</b>		<u>103,768,871</u>	<u>102,954,617</u>
<b>NET ASSETS</b>		<u>203,465,773</u>	<u>200,496,758</u>
<b>EQUITY</b>			
Reserves	16	35,927,281	30,640,820
Retained earnings	16	167,538,492	169,855,938
<b>TOTAL EQUITY</b>		<u>203,465,773</u>	<u>200,496,758</u>

The accompanying notes form part of these financial statements

## Statement of changes in equity for the year ended 30 June 2007

	Note	Retained Profits	Reserves	Total Equity
		\$	\$	\$
<b>Balance at 1 July 2005</b>		116,137,185	26,982,971	143,120,156
Profit for the year		10,812,332	–	10,812,332
Recognition of Head Office balances		6,771,369	3,922	6,775,291
Recognition of Aldersgate balances		9,136,865	973,840	10,110,705
Recognition of Denison Court (Aldersgate) balances		308,868	–	308,868
Recognition of Strathcare balances		10,490,837	2,863,570	13,354,407
Recognition of EastSide Care balances		15,707,696	–	15,707,696
Increase in market value of available-for-sale assets		–	307,303	307,303
Transfers		490,786	(490,786)	–
<b>Balance at 1 July 2006</b>		<b>169,855,938</b>	<b>30,640,820</b>	<b>200,496,758</b>
Profit for the year		7,296,443	–	7,296,443
De-recognition of Head Office balances	1(x)	(6,123,034)	–	(6,123,034)
Increase in market value of available-for-sale assets		–	1,795,606	1,795,606
Transfers		(3,490,855)	3,490,855	–
<b>Balance at 30 June 2007</b>		<b>167,538,492</b>	<b>35,927,281</b>	<b>203,465,773</b>

The accompanying notes form part of these financial statements

## Cash Flow Statement for year ended 30 June 2007

	Note	2007 \$	2006 \$
<b>Cash flows from operating activities:</b>			
Receipts from customers		28,912,823	22,798,620
Receipts from government funding		65,963,198	69,028,537
Donations, bequests and fundraising		788,779	6,012,199
Payments to suppliers and employees		(95,091,744)	(89,326,807)
Interest received		6,174,097	5,952,384
Interest paid		(416,268)	(892,943)
<b>Total cash from operating activities</b>	18 (b)	<b>6,330,885</b>	<b>13,571,990</b>
<b>Cash flow from investing activities:</b>			
Proceeds from sale of property plant and equipment		3,634,926	3,791,881
Receipts from / (payments for) deposits with UCA Funds Management		46,995,607	(15,324,636)
Payments for available-for-sale assets with UCA Funds Management		(29,891,372)	–
Payment for intangibles		(2,108,470)	–
Payments for property plant and equipment		(21,625,202)	(11,879,038)
<b>Net cash used by investing activities</b>		<b>(2,994,511)</b>	<b>(23,411,793)</b>
<b>Cash flows from financing activities:</b>			
Net resident ingoing contributions received		4,175,770	6,737,410
Payments to UCA Funds Management		(2,994,050)	(2,052,170)
Repayment of bank borrowings		(2,500,000)	(100,000)
Net proceeds from/(payments for) lease liabilities		(18,443)	6,201
<b>Net cash used by financing activities</b>		<b>(1,336,723)</b>	<b>4,591,441</b>
Cash and cash equivalents at beginning of year		3,508,633	3,760,417
Cash recognised upon aggregation of Aldersgate		–	466,836
Cash recognised upon aggregation of Strathcare		–	3,840,923
Cash recognised upon aggregation of EastSide Care		–	688,819
<b>Net cash increase (decrease) in cash and cash equivalents</b>		<b>1,999,651</b>	<b>(5,248,362)</b>
<b>Cash and cash equivalents at end of year</b>	18 (a)	<b>5,508,284</b>	<b>3,508,633</b>

The accompanying notes form part of these financial statements

Notes for the Financial Statements for year ended 30 June 2007

## Contents of notes to the financial statements

Note 1	Statement of significant accounting policies
Note 2	Revenue
Note 3	Profit from ordinary activities
Note 4	Cash assets
Note 5	Receivables
Note 6	Inventory
Note 7	Available-for-sale investments
Note 8	Other financial assets
Note 9	Other assets
Note 10	Property plant and equipment
Note 11	Intangible assets
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Note 13	Interest bearing liabilities
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Note 16	Reserves and retained earnings
Note 17	Auditor's remuneration
Note 18	Cash flow information
Note 19	Company details
Note 20	Financial instruments
Note 21	Capital and leasing commitments
Note 22	Contingent liabilities
Note 23	Related party transactions
Note 24	Key management personnel disclosures
Note 25	Segment information
Note 26	Events after the balance sheet date

## 1 Statement of significant accounting policies

### (a) Corporate information

The financial report of Uniting Aged Care Victoria and Tasmania (UACV&T) was authorised for issue by the Members of the Board of Governance on 1 October 2007.

The financial report covers UACV&T as an aggregated entity. UACV&T is an agency of the Uniting Church to which the Uniting Church in Australia Property Trust (Victoria) and the Uniting Church in Australia Property Trust (Tas) holds legal title. The Uniting Church in Australia Property Trust (Victoria) and the Uniting Church in Australia Property Trust (Tas) are constituted as corporations pursuant to the provision of the Uniting Church in Australia Act 1997 No. 9021 in the State of Victoria and the Uniting Church in Australia Act 1997 No. 38 in the State of Tasmania respectively.

### (b) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

The financial report has been prepared on an historical cost basis, modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

### (c) Statement of compliance

The financial report complies with all Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards.

Certain new accounting standards and AASB interpretations have been published that are not mandatory for 30 June 2007 reporting periods but contain an option for early adoption. The possible impacts of these standards on the entity's financial report in the period of initial application have not been disclosed, as the Board of Governance has not yet concluded its review of these possible impacts.

The following is a summary of the material accounting policies adopted by the aggregated entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

### (d) Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make estimates, judgements and assumptions based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data. Actual results may differ from these estimates.

The accounting policies detailed in note 1 provide details of these estimates, judgements and assumptions.

### (e) Property, plant and equipment

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

#### Recognition and disclosure of assets

UACV&T, has assumed responsibility and recorded in the Balance Sheet certain land & buildings of which the Uniting Church in Australia Property Trust (Victoria) and the Uniting Church in Australia Property Trust (Tas) holds legal ownership. The carrying value of land and buildings over which the Uniting Church in Australia Property Trust (Victoria) and the Uniting Church in Australia Property Trust (Tas) holds legal ownership at 30 June 2007 is \$149,929,760 (2006: \$137,623,606) less accumulated depreciation \$26,391,294 (2006: \$19,122,540). The members of the Board of Governance are of the opinion that the criteria for the recognition of those assets as set out in the Framework for the Preparation and Presentation of Financial Statements is satisfied. Although the Uniting Church in Australia Property Trust (Victoria) and the Uniting Church in Australia Property Trust (Tas) holds legally enforceable rights over the relevant assets registered in its name, those assets are controlled by the aggregated entity and the future economic benefits of their use and management will flow to UACV&T.

## 1 Statement of significant accounting policies (continued)

### Property

Freehold land and buildings are measured at cost or deemed cost less accumulated depreciation and impairment losses. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction as at the valuation date.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The cost of fixed assets constructed within the aggregated entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of asset	Depreciation Rates	Depreciation Basis
Buildings	2 - 10%	Straight Line
Plant and equipment	7.5 - 25%	Straight Line
Motor vehicles	20 - 40%	Straight Line
Furniture, fixtures and fittings	7.5 - 15%	Straight Line
Office equipment	25 - 50%	Straight Line

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

### Revaluation

Following initial recognition at cost, land and buildings are carried at a revalued amount which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and any subsequent impairment losses.

Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Any revaluation increase is credited to the asset revaluation reserve included in the equity section of the balance sheet, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss.

Any revaluation decrease is recognised in profit or loss, except that a decrease offsetting a previous revaluation increase for the same asset is debited directly to the asset revaluation reserve to the extent of the credit balance existing in the revaluation reserve for that asset.

### (f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

## 1 Statement of significant accounting policies (continued)

### (g) Financial instruments

#### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

#### Loans and receivables

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement.

Receivables are carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

#### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

### (h) Impairment of assets

At each reporting date, the aggregated entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where the asset does not generate cash flows that are independent from other assets, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

### (i) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the entity will not be able to collect the debts. Bad debts are written off when identified.

### (j) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

### (k) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised.

## 1 Statement of significant accounting policies (continued)

### (l) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the entity prior to the end of the financial year that are unpaid and arise when the entity becomes obliged to make future payments in respect of the purchase of these goods and services.

### (m) Employee benefits

#### *Wages, salaries and annual leave*

Liabilities for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date. They are calculated at undiscounted amounts based on remuneration wage and salary rates that the entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

#### *Long-term service benefits*

The aggregated entity's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government's bonds at the balance sheet date which have maturity dates approximating to the terms of the entity's obligations.

### (n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

### (o) Income Tax

No provision for income tax has been raised as the aggregated entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

### (p) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

#### *Rendering of services*

Revenue from rendering of services is recognised upon the delivery of the service to the customers.

#### *Interest income*

Interest revenue is recognised on an accruals basis taking into account the interest rates applicable to the financial assets.

#### *Government grant income*

Government grant income is recognised on a cash receipts basis.

All other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of Goods and Services Tax (GST).

## **1 Statement of significant accounting policies (continued)**

### **(q) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

### **(r) Leases**

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Finance leases, which transfer to the entity substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in the profit or loss.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the entity will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Lease incentives are recognised in the income statement as an integral part of the total lease expense.

### **(s) Resident ingoings**

The operations of both the low care facilities and high care facilities are governed by the Aged Care Act 1997. The operations of the independent living units are governed by the Victorian Retirement Villages Act 1986 and the Tasmanian Retirement Villages Act 2004.

Pursuant to the Aged Care Act residents of low level care may be required to lodge an accommodation bond, the value of which is subject to an asset means test. The value of these bonds is reported on an accruals basis. The Aged Care Act allows a provider to retain the interest earned from these bonds and a prescribed retention amount of a maximum of five years. These monies are reported in Note 2 as interest received and retentions respectively.

Entry contributions and related retentions received from residents of independent living units are treated in the same manner as accommodation bonds received from low care residents. The current cash holdings of entry contributions and accommodation bonds have been invested with the UCA Funds Management. UACV&T has established an investment structure to enable refunds of accommodation bonds and entry contributions to be met as required.

Accommodation bonds and entry contributions are treated as a financial liability with a demand feature and have been discounted from the date the entry contribution or accommodation bond is required to be paid.

## 1 Statement of significant accounting policies (continued)

### (t) Income in advance

Revenue is recognised by drawing a distinction between reciprocal and non-reciprocal transactions in the treatment of the contribution of assets to the entity. A reciprocal transaction is deferred and reported as income in advance due to the non-completion of the service at reporting date. A non-reciprocal transaction is recognised as revenue when the entity gains control of the transfer.

### (u) Intangible assets

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with indefinite useful lives are not amortised. Bed licences have been recognised at deemed cost as the Board of Governance is of the opinion there is an active market for bed licences and have been assessed as having indefinite useful lives.

### (v) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

### (w) Basis of aggregation

The financial report has been prepared on the basis of an aggregation of the aged care services provided by the UACV&T division of the Uniting Church in Australia Synod of Victoria and Tasmania.

These services include residential (low and high care services), a range of community services (including Day Therapy centres, Day Care centres, CACPs, EACH, EACH D, NRCP) and Independent Living Units across both Victoria and Tasmania.

These services operate under the Approved Provider of the Uniting Church in Australia Property Trust (Victoria), Uniting Church in Australia Property Trust (Tas) and Strathcare.

The aggregation does not have a parent entity as no one agency dominates decision making and has control.

Transactions between divisions have been eliminated for the purposes of preparing the aggregated financial report.

### (x) Transfer of Head Office net assets

During the financial year, the net assets of the UACV&T Head Office were gifted from the Victorian Synod to UACV&T. This resulted in the net asset balance of \$8,938,339 (representing the value of Head Office Operations in the ledger of Victorian Synod) being transferred from the Victorian Synod accounting system to the UACV&T accounting system. Included in this net asset figure was an amount of \$2,845,331, being the proceeds from the sale of two properties, which had already been accounted for as revenue in the ledger of UACV&T. The net of these two transactions with the Victorian Synod (\$6,093,008) has been recorded as revenue from non-operating activities for the year ended 30 June 2007. This is consistent with the treatment of the transaction in the Victorian Synod accounting records.

During the year ended 30 June 2006 the UACV&T financial report included for the first time the Head Office operations. The net assets of the Head Office operations were recorded as a retained earnings addition in the financial year ended 30 June 2006. The net asset value of the Head Office operation in the UACV&T ledger of the time of the above transaction was \$6,123,034. This net asset value has been removed from retained earnings in the year ended 30 June 2007.

	Note	2007 \$	2006 \$
<b>2 Revenue</b>			
Operating activities			
- Government contributions		65,963,198	69,028,537
- Resident/client fees		23,854,429	16,465,722
- Net gain on disposal of property plant & equipment		1,054,890	1,515,250
- Interest		6,174,097	6,182,212
- Property income		306,986	635,561
- Retentions and accommodation charges		3,556,517	4,210,113
- Donations, bequests, fundraising		788,779	6,012,199
- Other revenue		2,225,251	3,123,664
Total revenue		<u>103,924,147</u>	<u>107,173,258</u>
Other revenue from non-operating activities			
- Receipt of Head Office net assets from Uniting Church Synod	1(x)	<u>6,093,008</u>	<u>-</u>
<b>3 Profit from ordinary activities</b>			
<b>Expenses</b>			
Finance costs:			
Related entities		416,268	892,943
Total finance costs		<u>416,268</u>	<u>892,943</u>
Bad debts and impairment of debts			
Impairment of debts		36,742	16,271
Bad debts written off / (bad debts recovered)		(1,151)	73,505
Total bad debts and impairment of debts		<u>35,591</u>	<u>89,776</u>
Depreciation of non-current assets		<u>4,973,955</u>	<u>4,190,701</u>
<b>4 Cash assets</b>			
Cash on hand		28,900	131,271
Bank balances		5,479,384	3,377,362
		<u>5,508,284</u>	<u>3,508,633</u>
<b>5 Receivables</b>			
Trade receivables		4,483,164	3,691,565
Provision for impairment of receivables		(53,013)	(16,271)
		<u>4,430,151</u>	<u>3,675,294</u>
Other receivables		1,539,473	1,984,926
		<u>5,969,624</u>	<u>5,660,220</u>
<b>6 Inventory</b>			
Inventory on hand at cost		73,277	232,022
		<u>73,277</u>	<u>232,022</u>
<b>7 Available-for-sale investments</b>			
Available-for-sale investments with UCA Funds Management		36,328,319	4,641,341
		<u>36,328,319</u>	<u>4,641,341</u>
<b>8 Other financial assets</b>			
Deposits with UCA Funds Management		57,408,792	104,404,399
		<u>57,408,792</u>	<u>104,404,399</u>
<b>9 Other assets</b>			
Prepayments		502,614	947,183
Accrued income		2,640,655	1,629,569
Resident trust accounts		-	19,809
Other Assets		21,133	-
		<u>3,164,402</u>	<u>2,596,561</u>

## 10 Property plant and equipment

### Land and buildings

#### Freehold land

At cost	35,426,154	33,970,033
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#### Buildings

At cost	114,503,606	103,653,573
Less accumulated depreciation	(26,391,294)	(19,122,540)
Total buildings	88,112,312	84,531,033
<b>Total land and buildings</b>	<b>123,538,466</b>	<b>118,501,066</b>

### Plant and equipment

#### Plant & equipment

At cost	12,159,159	13,794,414
Less accumulated depreciation	(7,296,047)	(8,994,309)
	4,863,112	4,800,105

#### Motor vehicles

At cost	1,340,692	1,409,904
Less accumulated depreciation	(640,495)	(805,017)
	700,197	604,887

#### Computer equipment

At cost	3,013,625	3,371,679
Less accumulated depreciation	(1,294,339)	(1,533,355)
	1,719,286	1,838,324

#### Furniture, fixtures and fittings

At cost	4,631,799	3,585,477
Less accumulated depreciation	(2,711,249)	(2,207,372)
	1,920,550	1,378,105

#### Capital work in progress

At cost	12,242,415	3,596,262
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#### Total plant & equipment

	21,445,560	12,217,683
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#### Total property, plant and equipment

	144,984,026	130,718,749
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### (a) Movements in carrying amounts

Aggregated entity	Freehold land \$	Buildings \$	Plant & equipment \$	Motor vehicles \$
<b>2007</b>				
Balance at the beginning of year	33,970,033	84,531,033	4,800,105	604,887
Derecognition of old Head Office	1(x) –	(351,137)	–	–
Recognition of new Head Office	1(x) –	348,778	14,402	–
Additions	2,721,397	7,911,517	982,666	323,849
Disposals	(1,265,276)	(1,146,072)	(8,530)	(108,973)
Depreciation expense	–	(3,181,807)	(925,531)	(119,566)
Transfers	–	–	–	–
Carrying amount at the end of year	35,426,154	88,112,312	4,863,112	700,197

Aggregated entity	Furniture, fixtures & fittings \$	Computer equipment \$	Capital Work in Progress \$	Total \$
<b>2007</b>				
Balance at the beginning of year	1,378,105	1,838,324	3,596,262	130,718,749
Derecognition of old Head Office	1(x) (87,699)	(1,116,260)	–	(1,555,096)
Recognition of new Head Office	1(x) 1,379	1,384,603	–	1,749,162
Additions	927,145	21,079	8,737,549	21,625,202
Disposals	(9,321)	(17,567)	(24,297)	(2,580,036)
Depreciation expense	(289,059)	(390,893)	(67,099)	(4,973,955)
Transfers	–	–	–	–
Carrying amount at the end of year	1,920,550	1,719,286	12,242,415	144,984,026

Note	2007 \$	2006 \$
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## 10 Property plant and equipment (continued)

### *Revaluation of land and buildings*

The entity engaged Charter, Keck & Cramer and Nelson Partners, both accredited independent valuers, to determine the fair value of its land and buildings. Fair value is determined directly by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. The effective date of the revaluation was 1 July 2004.

## 11 Intangible assets

Bed licences at deemed cost	53,797,920	51,689,450
	<u>53,797,920</u>	<u>51,689,450</u>

### **Movements in carrying amounts**

Balance as at 1 July 2006	51,689,450	51,689,450
Additions	2,108,470	–
Balance as at 30 June 2007	<u>53,797,920</u>	<u>51,689,450</u>

### *Revaluation of bed licences*

The entity engaged Eccles Realty and Nelson Partners, both accredited valuers, to determine the fair value of its bed licences. Fair value was determined directly by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. The effective date of the revaluation was 1 July 2004. The bed licences are held at 30 June 2007 at deemed cost.

## 12 Trade and other payables

### **Current**

Unsecured liabilities		
Trade payables	3,514,271	1,737,451
Sundry creditors and accrued expenses	2,999,660	4,376,104
Deferred income	308,803	18,673
Amounts payable to: UCA Funds Management	–	900,097
	<u>6,822,734</u>	<u>7,032,325</u>

### **Non-current**

Unsecured liabilities		
Amounts payable to: UCA Funds Management	1,490,720	3,021,082
	<u>1,490,720</u>	<u>3,021,082</u>

### 13 Interest-bearing liabilities

#### Current

Unsecured liabilities

Finance lease obligation

Amounts payable to: UCA Funds Management

Secured liabilities

Bank bills

#### Non-current

Unsecured liabilities

Amounts payable to: UCA Funds Management

#### Fair value disclosures

Details of the fair value of the entity's interest-bearing liabilities are set out in Note 20

### 14 Employee benefits

#### Current

Employee benefits

#### Non-current

Employee benefits

### 15 Resident ingoings

#### Current

Deferred income & refundable grants

Resident accommodation bonds

Resident contributions

Note	2007 \$	2006 \$
21	20,889	39,332
	1,020,000	2,634,618
	–	2,500,000
	<u>1,040,889</u>	<u>5,173,950</u>
	5,752,082	4,701,055
	<u>5,752,082</u>	<u>4,701,055</u>
	8,036,741	6,429,224
	<u>8,036,741</u>	<u>6,429,224</u>
	1,894,329	2,071,401
	<u>1,894,329</u>	<u>2,071,401</u>
	49,878	476,871
	73,337,009	69,569,566
	5,344,489	4,479,143
	<u>78,731,376</u>	<u>74,525,580</u>

## 16 Reserves and retained earnings

	Note	2007 \$	2006 \$
Retained earnings		167,538,492	169,855,938
		<u>167,538,492</u>	<u>169,855,938</u>
Asset revaluation reserve		1,693,803	1,693,803
Building/development funds reserve		1,106,834	1,106,834
DGR funds reserve		4,137,791	710,294
Community development reserve		312,802	193,170
Capital replacement reserve		33,588	61,103
Capital contributions - accommodation charges reserve		1,354,335	1,354,335
Government capital grants reserve		260,383	260,383
General reserve		26,070,594	24,303,747
Specific reserves		957,151	957,151
Total reserves		<u>35,927,281</u>	<u>30,640,820</u>
		<u>203,465,773</u>	<u>200,496,758</u>
<i>Retained earnings</i>			
Movements in retained earnings were as follows:			
Balance at 1 July 2006		169,855,938	116,137,185
Recognition of Head Office retained earnings balance as at 1 July 2005		–	6,771,369
Recognition of Aldersgate retained earnings balance as at 1 July 2005		–	9,136,865
Recognition of Denison Court (Aldersgate) retained earnings balance as at 1 July 2005		–	308,868
Recognition of Strathcare retained earnings balance as at 1 July 2005		–	10,490,837
Recognition of EastSide retained earnings balance as at 1 July 2005		–	15,707,696
Recognition of Head Office retained earnings balance	1(x)	(6,123,034)	–
Net profit / (loss) for the year		7,296,443	10,812,332
Transfer from asset revaluation reserve		–	973,837
Transfer to capital contributions - accommodation charges reserve		–	(351,538)
Transfer from government capital grants reserve		–	122,760
Transfer to community development reserve		(63,357)	(193,170)
Transfer to capital replacement reserve		–	(61,103)
Transfer to DGR		(3,427,498)	–
Balance at 30 June 2007		<u>167,538,492</u>	<u>169,855,938</u>

Note	2007 \$	2006 \$
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## 16 Reserves and retained earnings (continued)

### *DGR funds reserve*

At 1 July 2006	710,294	710,294
Transfer from retained earnings	3,427,498	–
As at 30 June 2007	4,137,792	710,294

### *Community development reserve*

At 1 July 2006	193,170	–
Transfer from retained earnings	63,357	193,170
Transfer from general reserves	56,273	–
As at 30 June 2007	312,800	193,170

### *Capital replacement reserve*

At 1 July 2006	61,103	–
Transfer from retained earnings	–	61,103
Transfer to general reserves	(27,515)	–
As at 30 June 2007	33,588	61,103

### *General reserve*

At 1 July 2006	24,303,747	24,303,747
Increase in market value of available-for-sale investments	1,795,608	–
Transfer to community development reserve	(56,273)	–
Transfer from capital replacement reserve	27,515	–
As at 30 June 2007	26,070,597	24,303,747

## 17 Auditor's remuneration

Remuneration of the auditor of the aggregated entity for:

– Auditing the financial reports	60,000	79,500
– Preparation of financial reports	17,000	7,500
– Audit of acquittals	5,500	5,000
– Indirect taxation advice	12,100	–
– Consulting engagements in relation to preparation of Business Plans	2,000	11,400
	96,600	103,400

Remuneration of other auditors of agencies for:

– Auditing the agency financial reports	90,535	68,615
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Note	2007 \$	2006 \$
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## 18 Cash flow information

### (a) Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash on hand	28,900	131,271
Cash at bank	5,479,384	3,377,362
	<u>5,508,284</u>	<u>3,508,633</u>

### (b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax

Net income/loss for the period	7,296,443	10,812,332
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#### Adjustments for:

Non cash flows in profit from ordinary activities

- Depreciation & amortisation	4,973,955	4,190,701
- Net (gain) / loss on disposal of property, plant and equipment	(1,054,890)	(1,515,250)
- Receipt of Head Office net assets from Uniting Church Synod	(6,093,008)	-
Changes in assets and liabilities:		
- Increase/(decrease) in trade and other receivables and accrued income	(1,515,881)	(1,158,257)
- Increase/(decrease) in inventory	158,745	(184,279)
- Increase/(decrease) in prepayments	444,569	(164,755)
- (Increase)/decrease in trade payables and accruals	400,377	2,356,860
- (Increase)/decrease in deferred income	290,130	(706,266)
- Increase/(decrease) in provisions	1,430,445	(59,096)
Net cash from operating activities	<u>6,330,885</u>	<u>13,571,990</u>

### (c) Acquisition of business

During the year the Manor Lakes facility was acquired. Details of this transaction are:

Purchase consideration (cash)	9,000,000	-
Assets and liabilities held at acquisition date		
Property, plant and equipment	6,891,530	-
Bed licences	2,108,470	-
	<u>9,000,000</u>	<u>-</u>
Total	<u>9,000,000</u>	<u>-</u>

## 19 Company details

### Registered office

The registered office of the entity is:  
Uniting Aged Care Victoria & Tasmania  
130 Little Collins Street  
Melbourne Vic 3000

## 20 Financial instruments

The entity's principal financial instruments, other than derivatives, comprise loans from UCA Funds Management, finance leases, cash and short-term deposits.

The main purpose of these financial instruments is to provide finance for the entity's operations.

The entity has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The main risks arising from the entity's financial instruments are interest rate risk, liquidity risk and credit risk. The policies for managing each of these risks are summarised below.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

### *Interest rate risk*

The entity's exposure to market risk for changes in interest rates relates primarily to the entity's long term debt obligations. The entity's policy is to manage its interest cost using a mix of fixed and variable rate debt.

### *Credit risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The entity trades only with recognised, creditworthy third parties.

It is the aggregated entity's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the entity's exposure to bad debts is not significant.

There are no significant concentrations of credit risk within the entity at the balance sheet date.

### *Liquidity risk*

The entity's objective is to maintain a balance between continuity of funding and flexibility through the use of UCA Funds Management borrowings and other finance leases.

### *Fair value*

The directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values (2006: net fair value).

The fair values and net fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- The fair value of derivative instruments, included in hedging assets and liabilities, are calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments.

Transaction costs are included in the determination of net fair value.

## 20 Financial instruments (continued)

### Interest rate risk

The following summarises interest rate risk for the aggregated entity, together with effective interest rates as at balance date.

	Weighted Average Effective Interest Rate		Fixed Interest Rate		Floating Interest Rate		Non-Interest Bearing	
	2007 %	2006 %	2007 \$	2006 \$	2007 \$	2006 \$	2007 \$	2006 \$
<b>Financial assets:</b>								
Cash	0.60	2.50	–	–	5,508,284	3,508,633	–	–
Receivables			–	–	–	–	3,253,234	4,140,723
Deposits with UCA	6.25	5.50	–	–	93,737,111	109,045,740	–	–
Accommodation bond receivable	10.37	9.61	–	–	2,716,390	1,519,497	–	–
<b>Total financial assets</b>			–	–	<b>101,961,785</b>	<b>114,073,870</b>	<b>3,253,234</b>	<b>4,140,723</b>
<b>Financial liabilities:</b>								
Commercial bills			–	2,500,000	–	–	–	–
Resident ingoings			–	–	–	–	78,731,376	74,525,580
Non interest-bearing UCA Loans			–	–	–	–	1,490,720	3,921,179
Interest-bearing UCA Loans	7.75	5.50	6,772,082	7,335,673	–	–	–	–
Trade and sundry creditors			–	–	–	–	6,513,931	6,113,555
Finance lease liabilities			20,889	39,332	–	–	–	–
<b>Total financial liabilities</b>			<b>6,792,971</b>	<b>9,875,005</b>	–	–	<b>86,736,027</b>	<b>84,560,314</b>

	Total	
	2007 \$	2006 \$
<b>Financial assets:</b>		
Cash	5,508,284	3,508,633
Receivables	3,253,234	4,140,723
Deposits with UCA	93,737,111	109,045,740
Accommodation bond receivable	2,716,390	1,519,497
<b>Total financial assets</b>	<b>105,215,019</b>	<b>118,214,593</b>
<b>Financial liabilities:</b>		
Commercial bills	–	2,500,000
Resident ingoings	78,731,376	74,525,580
Non interest-bearing UCA Loans	1,490,720	3,921,179
Interest-bearing UCA Loans	6,772,082	7,335,673
Trade and sundry creditors	6,513,931	6,403,107
Finance lease liabilities	20,889	39,332
<b>Total financial liabilities</b>	<b>93,528,998</b>	<b>94,724,871</b>

	Note	2007 \$	2006 \$
<b>21 Capital and leasing commitments</b>			
<b>Capital expenditure commitments contracted for:</b>			
– redevelopment of properties		–	995,640
		–	995,640
<b>Finance lease commitments</b>			
Payable:			
– not later than one year		24,272	45,648
– later than one year and not later than five years		–	–
<b>Minimum lease payments</b>		24,272	45,648
Less future finance charges		(3,383)	(6,316)
<b>Total finance lease liability</b>		20,889	39,332
<b>Represented by:</b>			
Current liability	13	20,889	39,332
Non-current liability	13	–	–
		20,889	39,332

## 22 Contingent liabilities

The members of the Board of Governance are not aware of any material contingent liabilities that exist at 30 June 2007. (2006: none).

## 23 Related party transactions

### (a) Uniting Church in Australia Synod of Victoria and Tasmania

Interest was received, on normal commercial terms, by the aggregated entity of \$6,174,097 (2006: \$6,182,212) from UCA Funds Management, a division of the Synod. This interest was received in relation to deposits held on behalf of the aggregated entity (as disclosed in Notes 7 and 8).

Interest was paid, on normal commercial terms, by the aggregated entity, of \$416,268 (2006: \$892,943) to UCA Funds Management. This interest was paid in relation to cash advanced to the aggregated entity (as disclosed in Note 13).

### (b) Russell Kennedy

Legal fees of \$81,111 (2006: \$29,092) were paid to Russell Kennedy on normal commercial terms. Ms L Pallot, who is a member of the Board of Governance, is a Partner of this firm.

### (c) GHD

Management services of \$414,715 (2006: \$Nil) were purchased from GHD on normal commercial terms. Mr K Tabart, a member of the Board of Governance and Ms M Cooper, a member of a sub-committee of the Board of Governance, are employees of this organisation.

### (d) ANZ Bank

Banking services of \$5,525 (2006: \$Nil) were purchased from ANZ Bank on normal commercial terms. Mr P Strugnell, a member of a sub-committee of the Board of Governance, is an employee of this organisation.

### (e) Department of Health and Ageing

Fees of \$3,780 (2006: \$Nil) were paid to the Department of Health and Ageing on normal commercial terms. Assoc Prof S Garratt, a member of a sub-committee of the Board of Governance is an employee of this organisation.

### (f) PPB Consulting

Financial consulting services of \$9,695 (2006:\$Nil) were purchased from PPB Consulting on normal commercial terms. Mr J Dicks, who is a member of the Board of Governance, is a Partner of this firm.

## 24 Key management personnel disclosures

### (a) Transactions with key management personnel

The key management personnel compensation included in 'employee expenses' are as follows:

	2007	2006
	\$	\$
Short-term employee benefits	1,368,527	1,493,612
Post-employment benefits	160,481	269,082
Other long-term benefits	16,391	–
Termination benefits	276,413	261,617
	<u>1,821,812</u>	<u>2,024,311</u>

## 25 Segment information

Segment information is presented in respect of the entity's business and geographical segments. The primary format, business segments is based on the entity's management and internal reporting structure.

Inter-segment pricing is determined on an arm's length's basis.

Segment results, asset and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

The entity trades predominantly within the Australian geographic region.

The company has the following three business segments

- Residential division provides low care and high care accommodation to residents.
- Non-residential division provides a range of community care services and independent living units.
- Corporate division represents assets used in both the residential division and non-residential division that are unable to be effectively allocated over the two segments.

## 25 Segment information (continued)

	Residential		Non-residential		Corporate		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>								
External sales	85,342,976	89,673,102	15,548,773	15,177,396	9,125,406	2,322,760	110,017,155	107,173,258
Total segment revenue	85,342,976	89,673,102	15,548,773	15,177,396	9,125,406	2,322,760	110,017,155	107,173,258
Total revenue from ordinary activities							110,017,155	107,173,258
<b>Result</b>								
Segment result	2,266,882	5,124,275	783,796	5,580,131	8,779,529	107,926	7,296,443	10,812,332
Profit from ordinary activities before income tax expense							7,296,443	10,812,332
Profit from ordinary activities after income tax expense							7,296,443	10,812,332
Net profit							7,296,443	10,812,332
<b>Assets</b>								
Segment assets	239,148,264	228,578,917	37,662,165	65,707,098	30,424,215	9,998,616	307,234,644	304,284,631
<b>Liabilities</b>								
Segment liabilities	80,892,896	85,954,368	19,124,392	17,157,710	3,751,583	132,091	103,768,871	103,244,169
<b>Other</b>								
Acquisition of non-current segment assets	872,411	6,150,386	11,178,957	4,707,524	9,573,834	1,021,128	21,625,202	11,879,038
Depreciation and amortisation of segment assets	2,243,774	3,041,636	438,280	1,065,303	2,291,901	83,762	4,973,955	4,190,701

## 26 Events after the balance sheet date

On 24 August 2007, subsequent to the end of the financial year, UACV&T closed the Broadmead low care service facility. All residents were transferred to suitable alternative approved accommodation. UACV&T expect to demolish the current building at the Broadmead site. The potential financial effect of this demolition has not yet been quantified. The financial effects of this transaction have not been included in this financial report at 30 June 2007.

## Statement by the Board of Governance

The Board of Governance declares that:

1. The attached financial statements and notes thereto, 1 to 26
  - (a) Comply with Accounting Standards
  - (b) Give a true and fair view of the financial position as at 30 June 2007 and of the performance for the financial year ended on that date of the aggregated entity;
2. In the Board of Governance's opinion there are reasonable grounds to believe that the aggregated entity 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 Governance.



Board Members

Mrs Janet Wood, Chairperson



Board Members

Mr Joe Dicks

**Dated this day of 1st October 2007.**

## INDEPENDENT AUDITOR'S REPORT

To the Victorian and Tasmanian Synod of the Uniting Church in Australia

UNITING AGED CARE VICTORIA & TASMANIA

### *Report on the Financial Report*

We have audited the accompanying financial report of Uniting Aged Care Victoria & Tasmania, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by the Board of Governance.

### *Board of Governance Responsibility for the Financial Report*

The Board of Governance of the aggregated entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Governance, as well as evaluating the overall presentation of the financial report.

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

### *Independence*

In conducting our audit, we have complied with the independence requirements of Australian Accounting ethical pronouncements.

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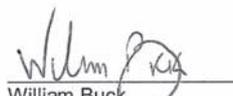
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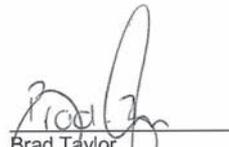
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*Auditor's Opinion*

In our opinion:

- a) the financial report of Uniting Aged Care Victoria & Tasmania is in accordance with all applicable Australian Accounting Standards, including:
  - i) giving a true and fair view of the aggregated entity's financial position as at 30 June 2007 and of its performance for the year ended on that date; and
  - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations).
- b) other mandatory financial reporting requirements in Australia.

  
\_\_\_\_\_  
William Buck  
Chartered Accountants

  
\_\_\_\_\_  
Brad Taylor  
Partner

Dated this 1<sup>st</sup> day of October 2007.

Melbourne, Australia.

**Uniting Aged Care** 

 **Uniting Church in Australia**  
SYNOD OF VICTORIA AND TASMANIA

Part of the Network of  

