

# NAPIER STREET AGED CARE SERVICES

19<sup>TH</sup>, ANNUAL REPORT

JULY 2010 TO JUNE 2011



Provider of Quality Care & Services for older people living in the City of Port Phillip

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179 Napier Street Hostel Association Inc. Trading as

## NAPIER STREET AGED CARE SERVICES

Reg. No: A0023265 N  
ABN: 11648685928

### REGISTERED OFFICE

179 Napier Street  
South Melbourne, Vic, 3205

Telephone: (03) 96969229  
Fax: (03) 96901284  
Email: [mail@nsacs.org.au](mailto:mail@nsacs.org.au)  
Website: [www.nsacs.org.au](http://www.nsacs.org.au)

### BOARD OF MANAGEMENT

**CHAIRMAN:**

MR. FRANK O'CONNOR

**VICE PRESIDENT:**

MS. PATRICIA TRACEY

**SECRETARY:**

MS. BRENDA NOWLAN

**TREASURER:**

MR. GARRY MORCOM

**ORDINARY MEMBERS:**

MR. JOHN COLDHAM

MS. LIZ COPPING

MR. GARY HUTCHENS

EMERITUS PROFESSOR DAVID STOKES

### SENIOR MANAGEMENT AND REPORTING TEAM

**Chief Executive Officer:**

Dr. John Lammers

**Coordinator Day Centre:**

Mr. Grahame Coultas (Commenced Sep 2010)

**Business & Finance Manager:**

Mr. Richard Ross

**Head Chef:**

Mr. Reynaldo Aban

**Residential Care Manager:**

Ms. Bernadette Fitzpatrick

**Coordinator Recreation & Lifestyle:**

Ms. Anne Parsons

**Coordinator Education & Quality:**

Ms. Helen van Heemst

### AUDITOR

Mr. C.H. Dobb  
P. O. Box 2186  
Moorabin, Vic, 3189

## MISSION STATEMENT

Napier Street Aged Care Services exists:

- To provide care and support to aged and disabled people who require community and residential care and are appropriately assessed according to relevant Government legislation.
- To give preference for the provision of residential and community care to persons with links to the City of Port Phillip.
- To provide accommodation and care on the basis of need and priority regardless of financial status.
- To ensure that the services continue to function as an integral part of the community.
- To do such things that will, in the Board's opinion, provide for the economic, social, spiritual, physical, emotional and holistic wellbeing of care recipients.
- To, either alone or in conjunction with other persons or organizations, engage in research activities which may enhance the care and quality of life of residents living in the facility or in the community.

## VISION STATEMENT

- To be a leader in the provision of residential and community aged care.
- To ensure that residents and clients receive the best possible care and support.
- To promote residential aged care as a lifestyle choice.

## NAPIER STREET'S PHILOSOPHY

### AIMS:

It is the aim of Napier Street Aged Care Services:

- ▣ That it be a place of happy companionship, where all residents enjoy the highest level of security while retaining as much of their independence as possible.
- ▣ The service will provide care for older people who are mobile but frail and require assistance with day to day living tasks. Napier Street caters for those people who can no longer maintain themselves safely in their own home, but who do not require the more intensive care of a nursing home.
- ▣ Napier Street is committed to ensuring that all residents have the right to maintain their independence as long as they wish, knowing that support and care is available.
- ▣ Each individual's right to dignity, privacy, confidentiality and support is of utmost importance.
- ▣ The service will provide accommodation that residents can be proud to call their home and where they can welcome their friends and family.

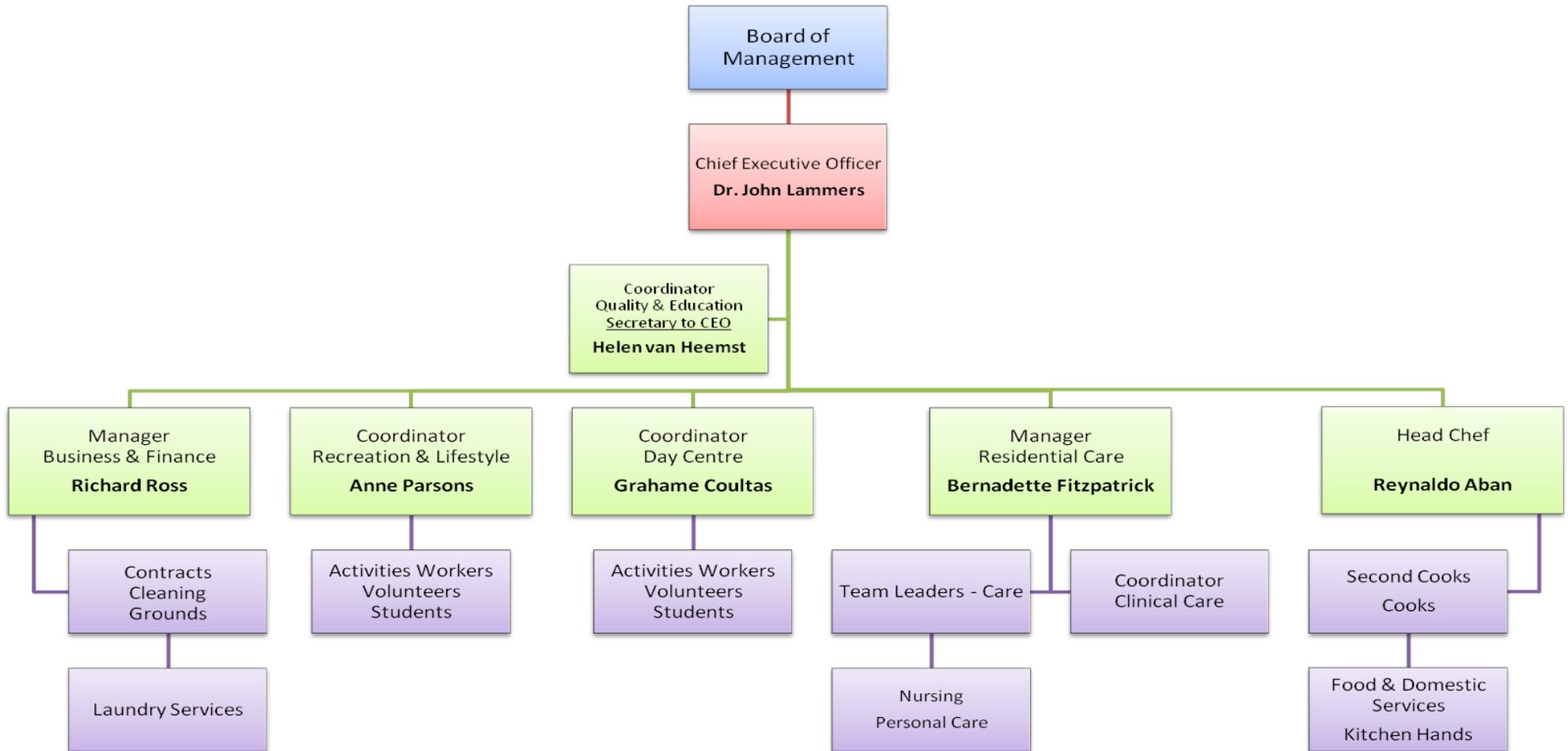
### POLICY:

It is the policy of Napier Street that:

- ▣ The provisions of the Charter of Residents' Rights and Responsibilities issued by the Commonwealth Department of Health and Aged Care will be observed and implemented in the manner defined in the Occupancy Agreement.
- ▣ Every person shall be treated with respect.
- ▣ The dignity of every resident will be honoured.
- ▣ The comfort, safety and wellbeing of residents are the prime responsibility of all staff.
- ▣ Every effort will be made to ensure that residents feel secure in their tenure of accommodation at the hostel.
- ▣ Subject to the wishes of each resident, the resident and his or her next of kin (or other persons nominated by the resident) will be kept informed of his or her state of health, or of any matters of concern.

- ✎ Admission to available accommodation at the Hostel will be granted to any eligible person in need of the level of care provided in the Hostel, irrespective of sex, race or religious affiliation.
- ✎ Assessment of need will be made on the basis of criteria laid down by the Commonwealth Department of Health and Aged Care.
- ✎ Residents will be encouraged to approach members of staff about concerns they may have about their home and these will be treated with confidence and addressed without prejudice.
- ✎ Weekly fees for accommodation will be set in accordance with the scale recommended by the industry and accepted by the Commonwealth Department of Health and Aged Care.
- ✎ Staff will be selected for their ability to provide care or other services to appropriate standards.
- ✎ Staff are expected to display a courteous, caring attitude to residents and visitors.
- ✎ Residents may (subject to appropriate safety considerations) come and go within and outside the grounds as they wish, but are required to notify a member of staff when they leave the premises.
- ✎ Residents will be encouraged to furnish their rooms with their own possessions (including items of furniture suited to the size of the room), but the Hostel will provide basic furniture at no cost if required.
- ✎ Any resident will be free to engage the support of an advocate for any purpose.

# ORGANISATION CHART



## CHAIRMAN'S REPORT

Mr. Frank O'Connor

Napier Street's Board has maintained our focus on ensuring our Service remains viable, available and accessible to residents and their relatives with strong connections to the City of Port Phillip. With our renovations complete we look back at the hard work that has gone into making sure residents will have access to an increased number of aged care beds in their local community. The completion of this valuable project in a fluctuating and unpredictable economic environment and within the budget allocated by the Board is testament to the strategic commitment of our Board and delivery by our Senior Management. We acknowledge the excellent work of our Chief Executive Officer who has steered the ship through what can only be described as uncharted waters. Leading the senior management team and all staff, John has ensured that our service has continued to deliver the highest quality care to our residents throughout the project.

We are poised for the next steps in developing our services even further. We have reiterated on several occasions our financial capacity to do so, together with our ability and willingness to achieve such projects.

The Board has reaffirmed our long term interest in the former St Vincent Boys' Home site next door to our existing facility however the result of the Land Bank process is yet to be announced. We are also seeking to make use of the City of Port Phillip building on the corner of Clarendon Street but discussions are still at the early stages.

Our positive financial results achieved again this year can only be described as exceptional. Our finances have remained very healthy with the generation of both operating and non-operating surpluses. Again the management team continue to work hard to achieve best possible operational outcomes in a difficult economic climate.

The Productivity Commission's final Report 'Caring for Older Australians' was released on August 8th, 2011. The report's main emphasis is on the need to transform the structure and funding of aged care and to ensure Australia is capable of meeting existing and future demand. Whilst some recommendations were made, in particular the abolition and capping of specific bed allocations, there is much detail to be considered before any of the recommendations in the report are adopted. We have been informed that our peak bodies will ensure a full evaluation of the report's recommendations and the impact these will have on the sector.

Finally I would like to express my gratitude for the great work of all of my fellow Board members whose long term commitment to Napier Street has been outstanding. We have also had the fantastic support from the Friends of Napier Street. Their efforts over so many years have been fundamental to our ability to maintain such a high level of care for our residents. And of course, none of this would have been achievable without the dedicated work of John Lammers, our CEO, and all of his wonderful staff. Thanks to all of you.

## CHIEF EXECUTIVE OFFICER'S REPORT

Dr. John Lammers

As we leave the 2010/11 financial year behind us, we can look back with pride at the amount of work that has gone into improving the physical environment of our services. These improvements will serve the residents of the City of Port Phillip and beyond well into the future. With our 18 bed extension completed and fully operational by October 2010 we were again at full capacity (62 occupied beds) by the end of January 2011. All other areas, which underwent refurbishment during stage 2 of our works, are also now being fully utilized and we have well and truly settled into our new space. Our new and refurbished spaces were officially opened with the unveiling of a commemorative plaque positioned beside the lift in the newly constructed South Wing. The unveiling ceremony was shared with our Friends of Napier Street Christmas party held on December 2<sup>nd</sup>, 2010. It is worth restating that our extension project and other refurbishments were fully funded through Napier Streets reserves in a climate where many businesses – the for profits and not for profits alike struggled to break even.

The additional building works, which included a significant upgrade of our kitchen to accommodate our increased resident and staff population, ensured that we were in a position to meet the expected future demand for these services. We have remodelled our laundry which included the installation of a larger and more efficient washer and dryer. Other areas to receive attention included the closure of two bedrooms on the ground floor to make way for a purpose built activities area and a further space for residents to gather and meet. The dementia wing lounge area was reclaimed to establish a dedicated staff area – the first such area to be developed for staff at Napier Street. In the past staff shared their lunch room space with administration offices and often sat through various committee meetings which were taking place in the same area. A new administration precinct was also developed providing us with additional office space and a bit more storage. Finally, almost all of the existing common areas have had new floor coverings laid and this has certainly given those areas a great lift.

But the improvements to our physical environment are only a part of the bigger picture for us at 'Napier Street'. Whilst creating larger spaces and improving and refurbishing existing ones will assist staff to do their jobs more efficiently and effectively, they are only one aspect of the total quality services we provide. The most important component of any improvement is the level of commitment of the people delivering 'those' services in 'that' new environment. Maintaining a focus on resident needs, preferences and lifestyle is synonymous with the approach to care taken by Napier Street Staff and something they can all be even more proud of. Staff have continually demonstrated their commitment to maintaining continual quality improvement on a daily basis and this commitment has been tested many times over recent years. Many residents and families have attested to the level of care provided by Napier Street staff by simply saying "why would you want to be cared for anywhere else?".

With our building project complete, we continue to look for opportunities to deliver additional services that will support and enhance our existing programmes. To that end and subsequent to last financial years excellent non operating result, we have again been able to generate significant

surpluses both in operating and non-operating this year. As mentioned in last year's report this will continue to assist us in recouping the considerable expense outlaid for our building and refurbishment which had an eventual end cost of around \$3.5 million. Our continued financial prudence will also assist us in our forward planning as we explore further opportunities for growth.

The former St Vincent's Boys Home site in Cecil Street South Melbourne (next door to our current operations) was last year included in the Victorian State Government Department of Human Services Aged Care Land Bank Programme. The Land Bank programme was designed to enable the identification and acquisition of surplus land which could then be made available to the not for profit sector. This initiative was taken in an attempt to increase, in real terms, the number of aged high care beds to an area where determined need is greatest. Napier Street Aged Care Services has been in a position both financially and geographically to provide such additional services and our Board made the decision to pursue an application following the call for expressions of interest. We were subsequently interviewed by the Department of Human Services and we were able to demonstrate quite clearly, our financial and management capacity to develop and run a significant number of high care beds on the site in a relatively short time frame. Several financially viable models could be demonstrated to the interview panel. Despite the application process commencing more than a year ago we have not yet been informed of any outcome. We can only assume that the preliminary findings and recommendations of the Productivity Commission may have created some nervousness around the State Governments investment into aged care.

We have again reviewed our staffing profile over the past year and have been able to make good use of increased operating funding derived from increased numbers of residents. Whilst the benefits of that income was not realized until well into the financial year, a decision was made early in the year to increase staffing levels to meet care needs. These levels were increased a second time, again in response to care needs as well as increased numbers of residents. We continue to monitor staffing levels to ensure high levels of best practice quality care are always delivered to our residents. A review of our catering services is currently underway with the expectation that resources will be further increased to accommodate and realize a 'value added' component of the fantastic service already provided. I am still able to report that we manage our staffing and all planned and unplanned staffing absences without resorting to the use of agency staff and this has been the case since early 2004.

A reviewed flat organisation structure was implemented earlier this year. The structure supports the additional administrative and day to day operational workload which is associated with our increased resident and staff population and all that this brings. The Senior Management and Reporting Team (SMART), which was established almost 10 years ago, has this year been widened to incorporate coordinators of programmes including recreation and lifestyle, day centre and catering. It was also an opportunity to welcome our new Day Centre Coordinator to the role who commenced with us in September 2010. The majority of members of the senior management team have been with Napier Street for almost 10 years and two staff in excess of ten years.

Our new website was launched in December 2010 at [www.nsacs.org.au](http://www.nsacs.org.au) and the site has already attracted much attention. Potential residents and their families together with aged care related organizations have used our inquiry form regarding both respite and permanent care. A number of

applications for employment have been received through the website and I envisage both types of inquiries to continue. In addition to this we welcome community interest in our services and what we offer and we are always keen to assist our community with any aged care related queries they may have.

The strategic decision by Napier Street Board to proceed with the building of our new beds and the refurbishment project has strengthened our capacity to remain viable through the increased income this development will generate. The real growth has also ensured that we are able to continue to offer services to people who are marginalized and financially disadvantaged. To this end, Napier Street Board continue to consider the residents of the City of Port Phillip above all else. Their endeavours continually focus on resident needs, now and in the future, and I am very pleased to be a part of their strategic approach.

The Productivity Commission commenced its review into the pricing and provision of aged care services during the financial year. The report 'Caring for Older Australians' was released on August 8<sup>th</sup>, 2011 to a mixed response from the industry. Of importance are the continual calls from the aged care industry for the need for increased funds in the form of subsidies and capital to expand services and at the very least, to keep them viable. Napier Street has been able to maximize its income through the Aged Care Funding Instrument (ACFI) claiming process whilst at the same time ensuring costs across the board are well controlled.

Finally, I would like to thank Napier Street's Board for their support and encouragement over the past year and in particular throughout the entire building and refurbishment project. Whilst a relatively small project in the scheme of things there was always much to do and it was quite comforting to be able to have regular discussions both formally and informally with Board Members throughout the process. In particular Frank O'Connor and Tricia Tracey, Chair and Vice Chair of Napier Street Board respectively, were always on hand for specific advice when needed and I thank them both sincerely for their support in what has been an extremely busy albeit rewarding year.

## TREASURER'S & BUSINESS & FINANCE MANAGER'S REPORT

Mr. Garry Morcom & Mr. Richard Ross

The 19<sup>th</sup> Annual Report including the Financial Statements for the year ended 30<sup>th</sup> June 2011 has been presented to the meeting. The main contents of the reports are summarized below.

The Gross Income for the year was \$3,473,192 compared with \$3,050,712 in 2010. Overall this represents a 13.85% increase in income over the past financial year. Once again the Investments market showed how volatile it can be without any notice. We did however exceed Budget over the year which enabled an extremely good result. The income was derived as follows and is also shown graphically in Figures 1 & 2 below:

|                                  | <u>2011</u> | <u>2010</u> |
|----------------------------------|-------------|-------------|
| Residents Fees & Day Centre Fees | 30%         | 29%         |
| Commonwealth Subsidies           | 50%         | 52%         |
| Interest & Drawings              | 18%         | 18%         |
| Donations & Other                | 2%          | 1%          |

Figure 1

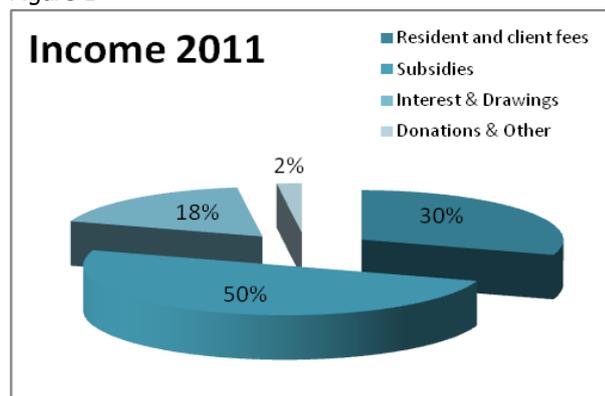
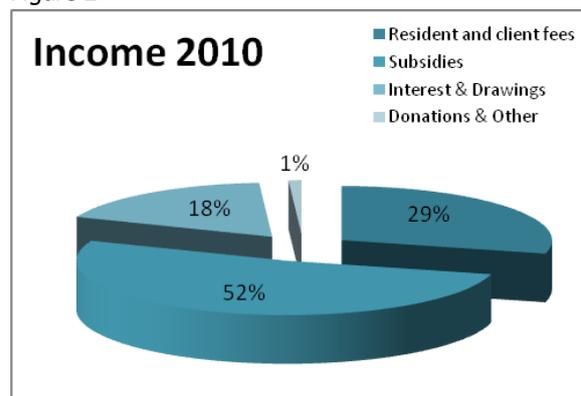


Figure 2



Capital expenditure for the year was \$208,830. (In 2010 this figure was \$190,268). The expenses for the year were categorised as follows and are also represented graphically in Figures 3 & 4.

|                          | <u>2011</u> | <u>2010</u> |
|--------------------------|-------------|-------------|
| Salaries & on costs      | 66%         | 63%         |
| Catering & Housekeeping  | 15%         | 16%         |
| Day Care Centre Expenses | 5%          | 5%          |
| General Running          | 14%         | 16%         |

Figure 3

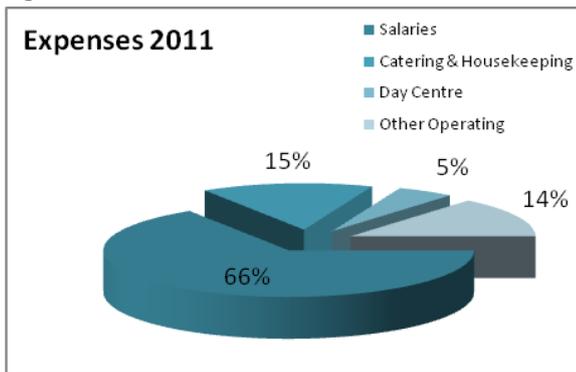
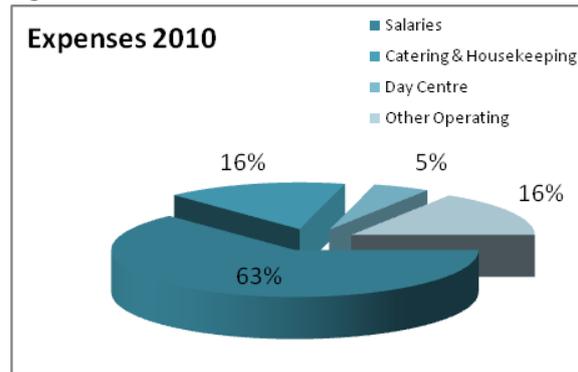


Figure 4



It is extremely pleasing that Napier Street has this year produced a profit before abnormal items of \$283,460. This result surpasses last year by \$66,707 which, considering the difficult trading conditions, makes this an excellent outcome. Of particular note is the very credible operating result of \$24,583 achieved this year. This result highlights the continual review and containment of all operating expenses including contracts, suppliers, stock and maintenance and repairs. A positive return on our investments has seen an increase in our Accumulated Member's Funds as at June 30<sup>th</sup>, 2011 to \$4,258,140 compared with \$3,734,062 as at June 30<sup>th</sup> 2010.

The extensive building works undertaken at Napier Street, which began in July 2009, was finally completed in October 2010. As can be expected from new works, we encountered a series of issues resulting in the builder being called back to carry out a number of small rectification works.

The new South Wing has been fully furnished with electric High Low Beds in each room together with new window coverings and the corridors on each level incorporate new chairs and tables for residents comfort.

A new PABX telephone system has been installed. Telephone points have been added to every room in the hostel which allows new residents to have a phone connected on the day they move in. In addition to this incoming phone calls can be directly transferred to each resident's rooms where as in the past the person was required to ring back with the correct telephone number.

The Nurse call system has been upgraded throughout the hostel to improve communications between residents and care staff. The purchase of additional nurse pagers allows all care staff to carry one on their shift at all times.

Security has also been improved with the addition of an automated locking device installed at the main door together with a voice call device outside the door. This is connected through the phone system allowing staff anywhere in the building to respond after hours and activate the door release from any telephone.

Staff at Napier Street continue to carry out their responsibilities and I acknowledge their efforts in another difficult but successful year.

We again thank our Chief Executive Dr. John Lammers for his fine leadership and his continued success in effectively & efficiently managing every aspect of Napier Street's resources.

## EXTERNAL CONTRACTORS AND SERVICES

A number of contractors have been engaged to provide a variety of services over the past year. Whilst it is inevitable that we engage different contractors at different times we thank the following current contractors for their support.

|                                    |  |
|------------------------------------|--|
| Environmental Services .....       | Midnight Express   |
| Grounds & Gardens .....            | Osmosis Gardening Services   |
| Hair Dressing .....                | Ms Anne Anstey   |
| Heating & Air-conditioning .....   | Aircon Service Management  |
| Information Technology .....       | Softron  |
| Lift Maintenance .....             | Schindler Lifts  |
| Linen Services .....               | Cabrini Linen Services   |
| Medication Management Review ..... | Gowan & Associates Pty Ltd   |
| Nursing Services .....             | Royal District Nursing Services (RDNS)   |
| Painting Services .....            | A Beautiful Touch Painting Service Pty Ltd   |
| Palliative Care .....              | Bethlehem Community Palliative Care Services<br>& Banksia Palliative Care Services |
| Pharmaceutical Services .....      | Wallis & Son Pharmacy – Toorak Village   |
| Physiotherapy .....                | Mr. Christopher Cheng  |
| Plumbing Services .....            | Transplumb   |
| Podiatry .....                     | Mr. John Georganis   |
| Web site Design .....              | Online Visions   |

We again thank Dr. Andrew McDonald, one of Napier Street's local doctors, for giving up his time to be involved with the Napier Street Medication Advisory Committee. The administration of medication to residents with complex needs requires continual monitoring and auditing by skilled staff to ensure resident safety.

We would also like to thank all of our other visiting doctors who provide their patients and our residents with excellent care and regular visitation and who support our staff from day to day. We receive a great deal of feedback from our Doctors who continually express their gratitude for the assistance they receive from Napier Street staff when visiting Napier Street.

## BENEFACTORS

Thank you again to the many people – Families, Relatives, Residents Representatives and Friends of Napier Street and philanthropic trusts who have donated in various ways to our Service and whose generosity enables us to add value to the programmes and services we deliver.

Thank you also to our wonderful volunteers who share their time and commitment to make the lives of our residents and the Napier Street Environment special.

## RESIDENTIAL CARE MANAGER'S REPORT

Ms. Bernadette Fitzpatrick

Once again we have come to the end of another financial year during which time there has been many achievements and improvements for both residents and staff. The completion of stage two of the building and refurbishment project was welcomed by all. Staff were able to relocate to the completed offices and staff room, while at the same time the admission of new residents commenced to the top level of the South Wing and the refurbished East Wing, with full occupancy achieved by January 2011.

During this time Napier Street fully utilized the Respite bed allocation until permanent residents could be admitted. Our Chief Executive Officer successfully applied for an immediate increase in our respite bed day allocation to accommodate the increased number of respite applicants throughout the period. In total we achieved the provision of a record 839 respite days consisting of 24 admissions of residents for a period of two weeks or more. By continually offering respite Napier Street was able to complete the admission of 33 permanent residents over the year who, in some cases, were able to experience life in residential aged care respite before committing to permanent care. Due to the increased number of respite admissions over the year, staff have witnessed a dramatic change in the resident population at Napier Street, resulting in an overall reduction in the number of high care residents. Despite this a decision was made to increase staffing hours across some shifts to ensure complex care needs were always met.

A survey of admissions conducted recently revealed that there are two residents who have lived at Napier Street for more than ten years, one of whom was admitted in the first year of operation. Five residents were admitted more than six years ago. This is testimony to the practice of "Ageing in Place" which Napier Street has embraced and promoted since 1998.

Napier Street continues to be proactive with education which is provided through our Continual Quality Improvement processes. This year education focused on the new and casual staff with delivery being offered in different formats e.g.: 1-1 education, workshops, competencies and audits. Two workshops were held in June 2011 which all staff attended over two days, this was a re-orientation to Napier Street policy and procedures. A comprehensive review of the past years education and competency assessments is provided by the Coordinator of Quality & Education in the report that follows.

Two education sessions targeting specific disease processes were held to ensure staff have the appropriate knowledge to deal with diseases such as Parkinson's and Motor Neuron. Staff found these two sessions very informative and helpful in dealing with and understanding these disease processes. Napier Street supports and encourages staff to further their education by providing them with flexible self rostering and facilitating changes to accommodate their practical placements.

Rostering proved to be a challenge over the last twelve months as there are 12 staff who are currently completing their Bachelor of Nursing and 6 staff completing Certificate IV Nursing. Napier Street continues to accommodate Certificate III Personal Care students for placement from various

training colleges. Five students completed their required placement hours for their respective courses during the year and were obviously very appreciative of the experience gained working with experienced Napier Street staff. On completion of their placement three students were successful in their application for a position on the casual bank.

The Standards and Accreditation Agency conducted their bi-annual support visits to Napier Street in the form of an unannounced spot check in September 2010 and a desk audit (by phone) in March 2011. Staff are now preparing for the three year Accreditation in November 2011. This includes but is not limited to reviewing policy and procedures, up-dating the continuous improvement plan and reviewing all residents' files and care plans.

Continuous Improvement and quality assurance play a major role at Napier Street. Through the audit cycle all policy and procedures are regularly reviewed to ensure all systems are working effectively. From the outcomes of the audits the education planner is developed and corrective actions implemented. This year due to the increase in the number of residents the review and evaluation of individual care needs is now conducted every 31 days through the Resident of the Day (ROD) process. This enables closer monitoring of residents' health status and care needs which in turn alerts staff to the need for an ACFI review.

There were many improvements with the completion of the building project to Napier Street which has enhanced the living environment for residents. Some of these include the purchase of armchairs and tables and chairs on each level of the new South Wing, which enables residents to relax and entertain their families and friends in privacy. A kitchenette was fitted out in the East Wing as well as providing two leather couches, two tables and chairs in the common areas for residents use. The installation of slim-line blinds to this area and many other areas in the hostel has also added to the comfort and privacy of the residents. In addition to this Staff are enjoying the larger and more private staffing area which has been fitted out with a separate shower and toilet area as well as new furnishings. The meeting room is in constant demand and is used for small education sessions as well as meetings. These, and all the many other equipment purchases and improvements throughout the year, have impacted positively on the living and working environment of staff and residents.

The Lifestyle Programme continues to offer residents a variety of activities through the year in the new separate activity room. This program ensures residents remain active and occupied, encouraging everyone to be involved in participating in activities of their choice. A comprehensive review of the past years activities and events is provided by the Recreation & Lifestyle Coordinator in the report that follows.

Napier Street continues to engage the services of external providers to support staff in achieving and delivering holistic care and additionally assisting in meeting accreditation standards. Doctors from the local area continue to provide their professional services to residents, while at the same time supporting staff in the complex and very challenging area of Aged Care.

On reflection over the past year we have achieved so much whilst maintaining high standards of care, safety and comfort for all our residents.

## RECREATION & LIFESTYLE REPORT

Ms. Anne Parsons - Coordinator

The beginning of the financial year saw the continuation of the renovations and refurbishment within the hostel. In October the new Activity Room was up and running with the bi-fold doors being installed in November. The Lifestyle Programme maintained its schedule of activities throughout the year despite what was going on around it. The residents remained patient and stoic in the face of this “adversity”.

By November we were in celebration mode with the Spring Carnival. Melbourne Cup Day was busy with sweeps, competitions, door prizes and the usual chicken and champagne lunch and the ladies donned hats for the occasion. December saw many concerts, entertainment, the Christmas Raffle and shortbread baking. The staff choir, which is now four years old, regaled the residents with carols with much hilarity.

The daily activities which include exercises, the walking group, bingo, quiz, word game and manicures continue to be popular as is the Football Tipping Competition with 31 residents taking part last year and 37 this year. Much to the horror of some and the joy of others the two Grand Finals generated great excitement and friendly banter among residents and staff. We have played croquet, quoits, cleaned and polished shoes, made cards and bookmarks and cooked pancakes on Shrove Tuesday. Staff continue to spend 1:1 time with residents providing emotional support and assisting with tasks that contribute to their well-being.

Attendance at the monthly resident’s meetings remains strong with residents encouraged to voice their opinion, concerns, suggestions, compliments and complaints about any aspect of life at Napier Street. And they do! The Musical Chairs Luncheon has resumed on the first Thursday of the month with happy hour and lucky door prizes. Residents are asked to sit at a different table each week to converse with and get to know other residents.

Many of the annual cultural events were recognized and celebrated and included Valentine’s Day and St. Patrick’s Day with Irish stew and Green Beer. The Easter Bunny visited and there were gifts for the residents and staff on Mother’s Day and Father’s Day. Many in-house concerts were held, with some entertainers volunteering their time, such as the U3A Choir, the “All Sorts” Instrumental Group and the Southport Singers. There were outings in the bus which included concerts at the National Academy of Music, Gasworks Theatre for a performance of “The Mikado” and the South Side Social Sing-along in Seniors Week with afternoon tea.

With the generosity of grants from The South Melbourne Community Chest two excursions were undertaken to The Hotel Windsor for High Tea. This was the third year the residents were able to have the pleasure of this exceptional experience. For those residents who were unable to go two special events were organized. Firstly, a magician came and, secondly, an Indoor Garden Party was arranged with a string quartet as the entertainment.

In conjunction with The Clarendon Children’s Co-operative the “Animals on the Move” brought the farmyard baby animals to the front garden. It was a lovely day for the residents who enjoyed

nursing the animals and watching the children's wide-eyed delight and excitement. The piglets were delighted with the soft ground and made sure our gardeners would be kept in work for the next few months.

The year also saw the residents voting in both the Federal and State Elections. Considerable time was spent updating the electoral role and organizing postal votes for the Federal Election. A mobile polling booth came to Napier Street to assist the residents with their voting in the State Election. Many of them continue to take their obligation to cast their votes seriously and with pride.

Two milestone celebrations were held with special morning teas for a 105<sup>th</sup> and a 100<sup>th</sup> birthdays. On occasions such as these like ANZAC Day and Remembrance Day most of the residents make an effort to attend and mark the occasion.

The Programme supported visits from school students doing their community service and students from tertiary organizations doing placements to complete their courses. The residents continue to appreciate the presence of young people around them. Contact was made with the New Hope Foundation and a Community Visitor now visits our Italian resident each week to converse in her native tongue.

A highlight of the year was the Royal Wedding. Residents, families and staff generously lent their wedding finery which was hung around the atrium and lots of pictures of the royal family were placed in the dining room. On the day the bride and groom's health was duly drunk. This occasion and the decorations generated a lot of reminiscing and conversation about weddings and bridal wear.

It is again with gratitude I get the opportunity to thank all those people – staff, families, friends, volunteers, service providers, residents themselves and management – who have contributed so much on many levels to the programme thereby enhancing and enriching the lives of the residents. These excellent people include:

- Sr. Catherine Flynn FCJ, Fr. David Hofman, Rev. Nick Hearnshaw and Br. Leo Richmond for spiritual support and pastoral care
- Anne Trindade and Evol Farrelly for Special Ministry services
- Jim Farrelly for escorting residents to appointments and driving the bus
- New volunteer, Fay Gooch
- Friends of Napier Street for their generosity
- The Lions Club City of Port Phillip for their gifts on Mother's Day, Father's Day and Easter
- The Port Phillip Home Library Service and Vision Australia
- Families and friends who donate items and buy raffle tickets
- The South Melbourne Community Chest
- The New Hope Foundation
- Gasworks Theatre
- Sally Trumble and "Rove" from The Delta Society
- The members of the Staff Choir who raised the rafters at Christmas

All in all it has been another busy and exciting year. Lifestyle is about living an enjoyable and fulfilling existence. As always, the programme will continue to look to the future to provide activities that meet the needs of all residents, encouraging active participation to help maintain individual physical and mental abilities, while providing opportunities for choice and decision-making in a homelike environment.

## TRAINING, EDUCATION & QUALITY IMPROVEMENT AT NAPIER STREET

Ms. Helen van Heemst - Coordinator

### TRAINING & EDUCATION

Training & Education held throughout the year has been well patronized and staff are to be congratulated on the level of attendances achieved at the many sessions held. Many staff attended sessions in their own time traveling from their home to do so and we thank those staff for making the extra effort.

The first six months of this financial year were especially challenging for residents and staff with the renovations occurring all around them! Staff continued to ensure residents were safe and secure through the difficult phase of the renovations and all of our continual quality improvement activities continued uninterrupted.

Napier Street has grown from 48 to 62 residents and this has impacted on care, catering, laundry and administration. Continuing education through our scheduled education programme was seen as imperative throughout the year to ensure we maintain high standards of care.

Napier Street has continued compulsory education sessions in the form of Manual Handling, Medication Management and Administration, Cardiac Pulmonary Resuscitation (CPR) and Fire and other Emergencies training. The Chief Executive Officer, Business and Finance Manager and Day Centre Coordinator undertook a complete review and revision of the Services Emergency Procedures Manuals as a result of the refurbishments which included the installation of a new fire panel. The Business and Finance Manager is currently completing individual staff education with all staff on the revised Emergency Procedures as a follow up to that which was presented at our workshops held in June. Staff continue to participate in this type of education on an almost daily basis and these sessions are recorded to ensure no one is missed.

All of our in-service education is coordinated with the feedback from staff provided through audits, meetings, competency assessments and training evaluation sheets.

A number of external providers also delivered in-service education for staff throughout the year. These include our Commonwealth appointed pharmacist who presented on avoiding medication Errors and PRN medication administration and Kimberly Clark who presented on continence management. We envisage these to continue through next year. Elder Rights Advocacy presented on elder abuse and residents rights for all staff. They also provided a presentation for residents and their families.

A wound management in-service education session was attended by a number of care staff. This session focused on the effective management of skin tears and the use of different dressings and complemented our manual handling training.

Napier Street is committed to ensuring staff obtain additional skills through education, training and experience which in turn improves the quality of care and services provided across the service. To this end a number of staff were provided with the opportunity to attend conferences and seminars

held externally. Some of these included a two day seminar on understanding accreditation, catheter care update attended by registered nurses, a two day nutrition and special diets seminar/workshop attended by chefs & cooks and various aged care conferences attended by senior management and other staff.

All staff have had a choice of attending one of the two single day workshops held in-house in June. These workshops, delivered by Napier Street’s Senior Management and Reporting Team, were led by the Chief Executive Officer. The return of the workshops (no workshop was held during the renovations) was a resounding success for all staff, including the presenters, and were well received by all staff. The title of the workshop programme was ‘Reorientation to Napier Street’ and the content focused on reintroducing staff to Napier Street policies and procedures, culture, philosophies and commitment to the provision of quality care. The workshops also presented the opportunity to practice team building exercises and in particular the need for accurate and effective communication between all staff at Napier Street. Needless to say that the benefits derived from having a number of staff in the same place at the same time is of enormous benefit to our service and the maintenance of high quality service delivery.

Competency assessments are conducted with staff in a number of areas both directly following an in-service education session and at other regular intervals. This ensures Napier Street staff can deliver quality care and services which ensure good outcomes for our residents. Further, this process assists us to determine which areas of care and service delivery require additional education and training. Table 1 lists the topics covered at education sessions throughout the year.

Table 1 – Quality Activities Conducted Over the Year

|                            |                               |  |
|----------------------------|-------------------------------|--|
| ACFI Charting              | ACFI Documentation            | ACFI On-Line   |
| ACFI Respite & Permanent   | Administration Workshops      | Audits   |
| Avoiding Medication Errors | Behaviours                    | Blood Sugar Levels   |
| Catheter update            | Changing Oxygen               | Communicating with residents & families re palliative care |
| Continence Aids            | Continual Quality Improvement | CPR  |
| Cultural & Lifestyle       | Dementia                      | Documentation  |
| Elder Abuse                | Emergency Procedures          | Emotional Debrief for Loss of a Resident                   |
| Food Safety and Hygiene    | Hearing                       | IDC Care   |
| Infection Control          | Infections                    | Laundry Procedures   |
| Maintenance Procedures     | Manual Handling               | Medication Administration                                  |
| Monthly Weight Documenting | Motor Neuron                  | Nurse Call Operation                                       |

|  |                                   |  |
|--|-----------------------------------|--|
| Nutrition & Special Diets in Aged Care | Nutrition and Hydration           | Oral and Dental Care                       |
| Orientation for new staff              | Outbreaks Gastro and Flu          | Oxygen Therapy                             |
| Pain Management                        | Parkinson's Disease               | Personal Hygiene                           |
| Policies and Procedures                | PRN Medication                    | Procedure of Death & Dying                 |
| Resident of the Day Procedure          | Residents Rights                  | Revised Fire and Evacuation Emergencies    |
| Roles and Responsibilities             | Room Audits                       | S8 Drugs                                   |
| Sensory Devices                        | Transferring Resident to Hospital | Treating and Managing Urinary Incontinence |
| Urinalysis and Documenting             | Vital Signs and MSU               | Weight Recording                           |
| Wound Management                       |                                   |  |

## CONTINUAL QUALITY IMPROVEMENT

We have continually stressed to staff, through our various quality, audit and staff meetings, the importance of maintaining a continual quality improvement approach to everything from direct care through to ordering of supplies. The construction of our new South Wing and refurbishment of existing areas has, in a number of cases, compelled us to upgrade existing services to the whole hostel. This ensures compatibility of systems wide operations as a number of services within the existing hostel had reached their use by date.

In addition to the new wing and refurbishments we have maintained a focus on all other areas in the interests of resident safety, comfort and lifestyle. A number of clinical care and service improvements have been made.

We believe that these and other improvements enhance the lives of our residents and supports staff in their quest to maintain an environment of continual quality improvement.

- ❖ Residents telephones directly integrated into Napier Street's PABX phone system
- ❖ Laundry Refurbishment and fit out with new washing machine and dryer.
- ❖ Development and launch of Napier Street's New Web Site
- ❖ Business Server installed supporting safe storage and backup of all administrative data
- ❖ Additional exit & entry key pads installed to improve safety & security
- ❖ New hydronic heating for the east wing
- ❖ Introduction of additional nurse call pagers supplying all staff.
- ❖ New kitchenette for residents in East Wing
- ❖ Additional nursing & personal care hours allocated across am and pm shift.
- ❖ Additional catering hours allocated 7 days per week

- ❖ Introduction of HEHP Diet (High Energy High Protein)
- ❖ Resident of the Day policy revised & increased to 2 residents per day
- ❖ Diabetic Dessert Audit
- ❖ Resident Call Bell System-wide upgrade to latest technology
- ❖ External linen storage area installed.
- ❖ Introduction of new 'General Observation Assessment Chart' including weight charting.
- ❖ Upgraded hot water unit for the hostel
- ❖ Lifestyle Cultural Kit
- ❖ Purchase of a new standing (lifting) machine
- ❖ New steam iron generator
- ❖ Completion of Fire Evacuation and Emergency Procedures Manual
- ❖ Relocation of resident's wheelie frames during meal times to reduce obstruction
- ❖ Upgrade of hydronic heating & air conditioning system with new controls.
- ❖ Purchase of outside shade/sun umbrella for front garden.
- ❖ External education on elder abuse and residents rights, Motor Neurone disease, wound management, Parkinson's Disease & catheter care.
- ❖ Webster medication packs audited against Drug Charts monthly
- ❖ Completion of new East wing with 18 bedrooms plus construction or refurbishment of: staff room, meeting room, bath room, activities room, administration area & reception area.

## NAPIER STREET STATISTICS

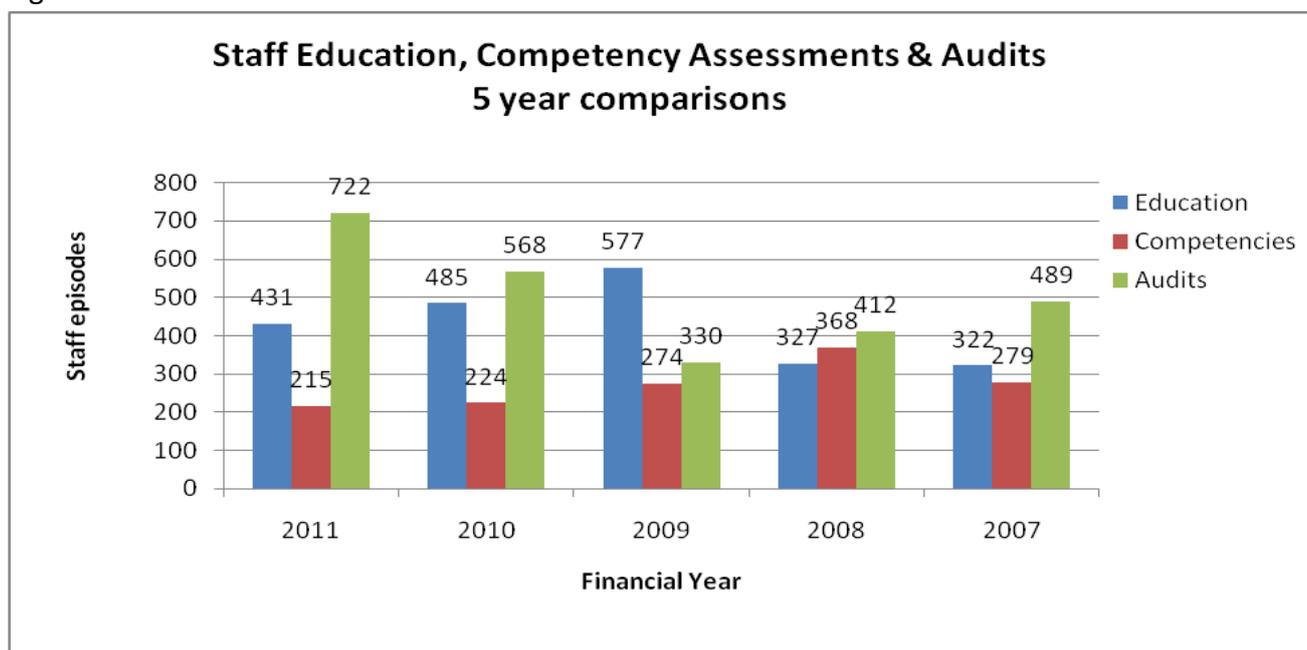
### STAFF EDUCATION, COMPETENCY ASSESSMENTS & AUDITS

The number of education sessions delivered to staff this past year has been maintained despite the ongoing building and refurbishment project. Again, sessions were delivered in both group format and on a one to one basis with staff. Whilst larger staff groups are still accommodated in our Day Centre when the space is free, such as our two major workshops held in June, smaller sessions are now held in our newly created meeting room in the East Wing. The meeting room seems to be a better environment for smaller group discussions and of course all of our regular monthly meetings. We also still encourage staff to undertake clinical practice sessions such as bed making, room audits, manual handling, medication administration and personal hygiene at the residents bedside and in the hostel environment. In this way we also observe staff/resident interaction to ensure residents care needs and preferences are met.

As has been mentioned in past years, we believe that the maintenance of quality care delivered at Napier Street is directly attributable to our very successful education programme. Whilst staff do attend education in their own time (other than scheduled compulsory education) we attempt to hold sessions when the most staff are rostered and available in the name of efficiency and reaching the largest audience. Staff are encouraged to attend as many sessions as they wish or they can manage to get to.

Once again many staff have been involved in bringing education to Napier Street led by the Chief Executive Officer. Other staff presenters throughout the year have included the Business & Finance Manager, Residential Care Manager, Clinical Care Coordinator, Catering Manager, Physiotherapist, Day Centre Manager and our Recreation and Lifestyle Coordinator. Figure 5 below highlights the five year comparison of education, competency assessments and audits carried out at Napier Street.

Figure 5



## RESPITE

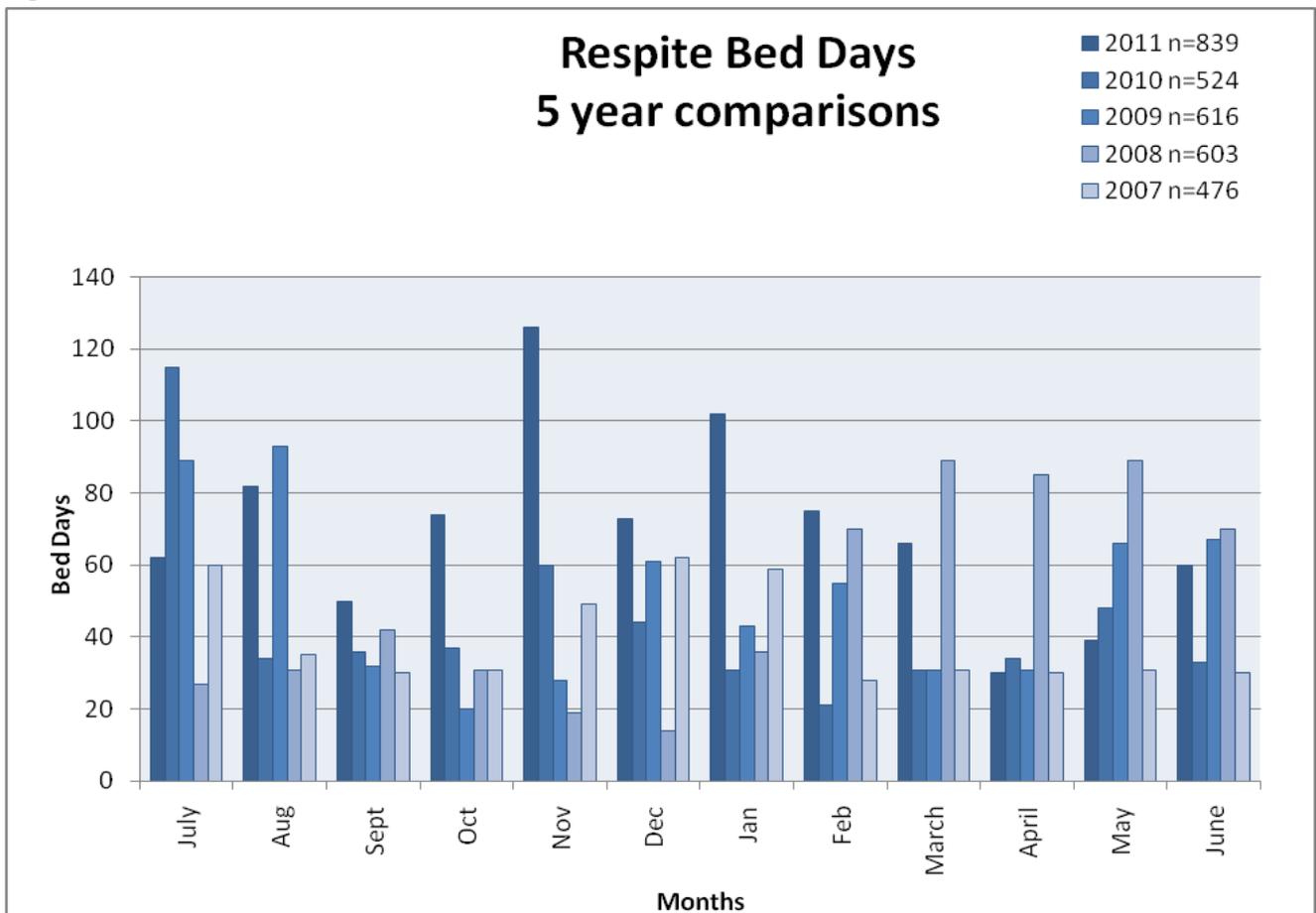
Last financial year represented a record number of respite days used at Napier Street. We have always attempted to offer as much respite as possible over the year aiming to utilise our maximum allocation of bed days as far as is possible. During our construction and refurbishment, and a few months before completion of the total project, we were in a position to offer additional respite bed days but had exhausted our original annual allocation. An application for additional bed days was completed and dispatched to the Department of Health and Ageing and approval gained almost immediately. This meant that we were able to accommodate additional residents for short periods of respite stay taking our total number of bed days used to 839 (See Figure 6 below).

All residents on respite also have access to the full range of quality care and services offered by Napier Street. They have a choice to participate in all recreation and lifestyle programmes including planned outings which are regularly enjoyed by permanent residents.

Bookings continue to be taken well in advance with a current waiting list extending months ahead. We also attempt to provide respite accommodation to residents when it is urgently required.

Many families have availed themselves of our respite service on a number of occasions recognizing the value in having a short break away from the rigor of providing 24 hour care to a loved one.

Figure 6



## FRIENDS OF NAPIER STREET FUNDRAISING COMMITTEE

### Ms Muriel Arnott – Chair Person

Following the extensive renovations and extension of Napier Street Aged Care Services in the past year the Recreation and Life Style area suggested an upgrade of the small lounge of level 2 where residents regularly gather for film afternoons and nights. The area required additional furnishings and improved equipment such as mounted large screen TV for use by the residents. The Friends group has successfully raised the funds to enable this to be achieved.

Our principal and most successful function remains the Annual Spring Luncheon. This year's function was again held at The Point, Albert Park with this year's speaker, Lambis Englezos AM, a local amateur historian whose work discovered the remains of 250 soldiers who fell at Fromelles. The traditional Christmas Drinks has become an increasingly popular occasion held together with the Committee of Management for all associated with the organization. There was also Blue Illusion Fashion Styling and sale.

Though a very small committee, we appreciate the additional practical support given by friends of Friends of Napier Street. We thank them sincerely; we could not do without their help.

We have plans for the year ahead as well as continuing to visit residents at Christmas and other festive occasions, assisting with resident outings.

The Friends of Napier Street is comprised of Jo Bond, Judy Hunter, Liz Copping, Roslyn Stokes, Betty Vaughan and Joan Nicholas. The group would welcome any involvement from the community, and from residents' family and friends.

Our sincere thanks to individuals and local businesses, local and others who continue to donate to the all-important raffles held at every opportunity.

- ❖ BLUE ILLUSION, Port Melbourne
- ❖ CHIMMEYS, Park Street South Melbourne
- ❖ FRESH 2 U
- ❖ JULIE AND IAN CATLIN, CLARENDON STREET PHARMACY
- ❖ LA CATALANA HAIR SALON, Middle Park
- ❖ LAVANDULA, LAVENDER FARM
- ❖ LEE CARMODY AUSTRALIAN NATIVE FLOWERS
- ❖ PORTOFINO PASTICCERIA CAFFE , Port Melbourne
- ❖ RETRAVISION, South Melbourne
- ❖ RITA'S NUT, South Melbourne Market
- ❖ SOUTH MELBOURNE CELLARS,
- ❖ SOUTH MELBOURNE LYONS CLUB
- ❖ SPOTLIGHT, South Melbourne
- ❖ SUPERIOR FOODS.
- ❖ RON'S FRUIT SHOP, South Melbourne Market
- ❖ SNOBS CREEK WINERY, Helen and Alex Gillon
- ❖ THE AVENUE BOOKSTORE
- ❖ THE POINT, Albert Park Lake
- ❖ VICTORIAN WINE CENTRE, Middle Park
- ❖ WALLIS AND SON PHARMACY

## NAPIER STREET DAY CENTRE

Mr. Grahame Coultas – Coordinator (COMMENCED SEPTEMBER 2010)

Napier Street Day Centre continues to provide quality activity based programs funded through the Home and Community Care Program, HACC. Throughout the years the primary goal has been to prevent premature entry into fulltime care and we believe we achieve this goal.

The past year has presented challenges for the Day Centre within the context of operational implementation of the HACC, ASM model. ASM, an acronym for Active Service Model, is the most important change in service delivery for the HACC program in many years. In essence it means we focus more on the individual, applying the principals of person centred care, care that Napier Street Day Centre embrace and practice.

At the start of the calendar year our programs were all aligned under the one umbrella program named “Body Mind and Spirit”. This umbrella allows us to focus on the core elements of our service.

“The Body” where our focus is on good physical health through exercise and Strength Training.

“The Mind” where our focus is stimulating the intellectual needs of our clients through general knowledge, current affairs, social history and other activities.

“The Spirit” where our focus is on enjoyment, social interaction, emotional wellbeing and having fun.

Our group dynamics are changing as well. Monday mornings we have a dedicated Strength Training session from 10am until 11.30am with morning tea provided. This additional program was introduced to meet the demand by clients for exercise and to capitalise on the success of the Thursday strength training session.

Monday afternoon is dedicated to the SRS Men’s Group. In recent months our group of men have enjoyed outings to various locations in the Day Centre bus usually accompanied by a BBQ. We have recently embarked on in-centre activities. These are designed to improve the social interaction of the men by taking part in group activities. This group’s continuing growth and success highlights our commitment to the diversity challenges within our community.

On Tuesday and Friday our focus is intra-day respite for carers and the elderly with memory issues. As with all other groups, members are encouraged to participate in gentle exercise as part of the daily routine as well as various group activities.

In the past, Thursday was designated as Ladies Day and has now evolved into a mixed social group. This group meets for lunch and continues into the afternoon Strength Training session. Due to the demand and success of the program the new Monday morning group was formed. Every six weeks we place our exercises on hold for the day and invite the group to lunch outside the Day Centre. This year we have been frequent visitors to Box Hill RSL Club and to the clients old favourite Milano’s Bistro at Brighton. These outings are a lot of fun and the chance for the group to take in the scenery as we bus across the Melbourne landscape.

We have had many visitors to the Day Centre over the past few months and without exception the space is the very first compliment received. Our greatest asset is our space.

Early this year management supported the purchase of new equipment aimed at enhancing our activities. Most of the equipment is used as exercise tools while others are aimed at just plain fun.

One of the most sort after and attractive assets the Day Centre has to offer is the home style meals provided by the hostel catering staff on a daily basis. Equally is our close relationship with the hostel Lifestyle team. This relationship enables Day Centre clients access to and participation in, a variety of entertainment throughout the year. The benefits of this collaboration are a working example of how the Napier Street organisation and management put the client's happiness and wellbeing at the forefront of priorities.

Our close partnerships with other organisations within the City of Port Philip, in particular with the City of Port Philip Rehabilitation Centre have enabled us to continue client support when their service ends. Many of our new clients have come to us through referrals made by such partners. In the spirit of collaboration partner organisations are encouraged to visit and observe our activity groups whenever possible.

The future for Napier Street Day Centre looks very bright against the ever increasing need for quality Community Services for elderly in our community. Our ability to provide transport and meals parallel to activity programs only strengthens our commitment to the HACC program and the community we serve.

# GENERAL PURPOSE FINANCIAL REPORT

## AUDITED FINANCIAL STATEMENTS

### STATEMENT BY COMMITTEE OF MANAGEMENT

In the opinion of the members of the Committee of Management, the financial statements and notes of the Association are in accordance with applicable accounting standards consistently applied for a special purpose report:

- (1) giving a true and fair view of the Associations financial position as at 30<sup>th</sup> June 2011 and of its performance for the year ended on that date.
- (2) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due and payable.

Signed in accordance with a resolution of the Committee of Management for the Association.

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Frank O'Connor  
Chairman

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Garry Morcom  
Treasurer

**Dated:** September 20<sup>th</sup>, 2011

## NAPIER STREET AGED CARE SERVICES

### BALANCE SHEET AS AT 30TH JUNE 2011

|                                     | 2011              | 2010               |
|-------------------------------------|-------------------|--------------------|
|                                     | \$                | \$                 |
| <b>MEMBER'S RETAINED FUNDS</b>      | <u>4,258,140</u>  | <u>3,734,062</u>   |
| Represented by                      |                   |                    |
| <b>CURRENT ASSETS</b>               |                   |                    |
| Cash on Hand                        | 800               | 800                |
| Cash at Bank                        |                   |                    |
| Working Capital                     | 1,391,647         | 921,590            |
| Investment wrap account             | 1,814             | 1,813              |
| Amount owing re Ingoing Bonds       | 1,835,000         | 835,000            |
| Other debtors - prepayments         | 95,918            | 81,769             |
| Interest receivable                 | 95,692            | 85,549             |
|                                     | <u>3,420,871</u>  | <u>1,926,521</u>   |
| <b>NON CURRENT ASSETS</b>           |                   |                    |
| Investments Note 1                  |                   |                    |
| At Cost                             | 6,820,000         | 5,050,000          |
| At Market Value                     | <u>2,778,365</u>  | <u>2,537,748</u>   |
|                                     | <u>9,598,365</u>  | <u>7,587,748</u>   |
| Fixed Assets                        |                   |                    |
| Owned Note 1                        |                   |                    |
|                                     | <b>COST</b>       | <b>ACC<br/>DEP</b> |
|                                     | \$                | \$                 |
| Plant                               | 602,289           | 136,819            |
| Leasehold/Buildings                 | 3,501,124         | 70,295             |
|                                     | <u>3,896,299</u>  | <u>3,321,315</u>   |
|                                     | <u>13,494,664</u> | <u>10,909,063</u>  |
| <b>TOTAL ASSETS</b>                 | <u>16,915,535</u> | <u>12,835,584</u>  |
| <b>LIABILITIES</b>                  |                   |                    |
| Creditors & Accruals                | 43,297            | 16,072             |
| Amount owing to former residents    | 285,937           | 170,037            |
| Provision for Employee Entitlements |                   |                    |
| Annual Leave & Sick Leave           | 73,022            | 58,855             |
| Long Service Leave                  | 52,655            | 53,576             |
| Refundable Resident's Ingoing's     | <u>12,202,484</u> | <u>8,802,982</u>   |
|                                     | <u>12,657,395</u> | <u>9,101,522</u>   |
| <b>NET ASSETS</b>                   | <u>4,258,140</u>  | <u>3,734,062</u>   |

The accompanying notes form part of this audited statement

**T/AS NAPIER STREET AGED CARE SERVICES  
INCOME ACCOUNT  
FOR THE YEAR ENDED 30TH JUNE 2011**

|  | NOTES | 2011<br>\$       | 2010<br>\$       |
|--|-------|------------------|------------------|
| <b>HOSTEL OPERATING ACTIVITIES</b>     |       |                  |                  |
| <b>Income</b>                          |       |                  |                  |
| Residents Fees                         |       | 919,031          | 749,312          |
| Subsidy Income                         | 1     | <u>1,724,238</u> | <u>1,543,077</u> |
|  |       | <u>2,643,269</u> | <u>2,292,389</u> |
| <b>Expenses</b>                        |       |                  |                  |
| Salaries & Employment                  |       | 1,994,625        | 1,795,021        |
| Accommodation & Care Expenses          |       | 249,499          | 200,091          |
| Administration Expenses                |       | 89,384           | 84,034           |
| Utilities                              |       | 90,471           | 49,389           |
| Contract Expenses                      |       | 130,993          | 101,034          |
| Maintenance & Replacements             |       | <u>63,714</u>    | <u>59,179</u>    |
|  |       | <u>2,618,686</u> | <u>2,288,748</u> |
| Operating profit                       |       | <u>24,583</u>    | <u>3,641</u>     |
| <b>HOSTEL NON OPERATING ACTIVITIES</b> |       |                  |                  |
| <b>Income</b>                          |       |                  |                  |
| Concessional subsidies                 |       | 32,890           | 29,326           |
| Drawings from Bonds                    | 1     | 70,855           | 65,476           |
| Investments - Gross                    |       | 304,194          | 208,263          |
| Other income                           |       | 45,563           | 37,715           |
|  |       | <u>453,502</u>   | <u>340,780</u>   |
| <b>Expenses</b>                        |       |                  |                  |
| Depreciation - non cash                |       | <u>(170,000)</u> | <u>(100,000)</u> |
|  |       | 283,502          | 240,780          |
| Special Consultancy                    |       | <u>(1,560)</u>   | <u>(9,535)</u>   |
| Repayment of Accommodation Bond Int.   |       | <u>(24,992)</u>  | <u>(19,666)</u>  |
| Overall Hostel Non Operating result    |       | <u>256,950</u>   | <u>211,579</u>   |
| Hostel Result                          |       | 281,533          | 215,220          |
| <b>DAY CENTRE ACTIVITIES</b>           |       |                  |                  |
| Income                                 |       | 135,803          | 135,841          |
| Expenses                               |       | <u>133,876</u>   | <u>134,308</u>   |
| Day Centre Profit                      |       | <u>1,927</u>     | <u>1,533</u>     |
|  |       | <u>283,460</u>   | <u>216,753</u>   |
| Total Profit before Abnormal Items     |       |                  |                  |
| Market Value change in Investment      |       | <u>240,618</u>   | <u>281,702</u>   |
| Surplus before tax                     |       | 524,078          | 498,455          |
| Income tax - exempt Div 50             |       | -                | -                |
| Surplus for year                       |       | 524,078          | 498,455          |
| Members Retained Funds B/F             |       | <u>3,734,062</u> | <u>3,235,607</u> |
| Members Retained Funds C/F             |       | <u>4,258,140</u> | <u>3,734,062</u> |

The accompanying notes form part of this audited statement

## NOTES TO AND FORMING PART OF THE ACCOUNTS

### NOTE 1 – General Purpose Financial Report

The members of the Committee of Management are of the opinion that the entity is not a reporting entity, as defined. The accounts have consistently been prepared under the accruals and going concern basis of accounting. All applicable accounting standards have been complied with.

#### Drawdown of Residents Ingoing's

New post Oct 1997 requirements have been met in regard to protection of Resident's contributions. Certain allowed charges have been deducted as part of deferred maintenance charges as permitted under the Act.

#### Buildings

The City of Port Phillip currently owns the buildings and the entity is provided rent free facilities on the basis of high level of maintenance being undertaken.

Donations include "The Friends of Napier Street Hostel" and are taken up on a cash basis when received.

Year end market values are used for Managed Trusts and the Market Value change is reflected in the accounts. They are for long term holding and the committee is reviewing them on a regular basis.

Employee entitlements are brought in under award requirements for Annual Leave/Long Service Leave

#### Income Tax

Under Div 50 the entity is exempt from Income Tax.

#### Depreciation

Small items under \$1000 are expensed.

Straight line basis is used to write off over effective life.

The accounts have not been impacted from any accounting policy changes as a result of AFR's adoption.

### NOTE 2

The Association was incorporated on 17<sup>th</sup> JUNE 1991 and began operations in JUNE 1993. No share capital exists.

#### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2011

| INFLOWS                                   | \$ 2011     | \$ 2010     |
|---|-------------|-------------|
| Receipts from Grants, Residents etc       | 3,137,432   | 2,684,217   |
| Payments to staff and suppliers etc       | (2,739,642) | (2,551,124) |
| Cash Flow from Operations                 | 397,790     | 133,093     |
| Ingoing's re Residents - net              | 2,515,402   | 1,372,296   |
| Investments at cost                       | (1,770,000) | 1,200,000   |
| Purchase of Fixed Assets                  | (744,984)   | (2,881,730) |
| Change of Investment at market value/wrap | 71,850      | (101,431)   |
| Overall change of cash                    | 470,058     | (277,772)   |
| Opening cash /B/Fwd                       | 924,203     | 1,201,975   |
| Closing cash /C/Fwd                       | 1,394,261   | 924,203     |

## INDEPENDENT AUDIT REPORT – 30<sup>TH</sup> JUNE 2011

To the members of 179 Napier Street Hostel Association Inc. and the Secretary, Department of Health and Ageing

### SCOPE

I have audited the financial report for the financial year ended 30<sup>th</sup> JUNE 2011. The Committee members are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to members of the Association.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional requirements and statutory requirements so as to present a view which is consistent with my understanding of the entity's financial position and performance as represented by the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

### AUDIT OPINION

In my opinion, the financial report is in accordance with

- (a) the Association Incorporations Act 1981, including
  - (I) giving a true and fair view of the Association's financial position as at 30<sup>th</sup> JUNE 2011 and of its performance for the year ended on that date; and
  - (II) complying with Accounting Standards and the Regulations ; and
- (b) other mandatory professional reporting requirements consistently applied for a non reporting entity.
- (c) the approved provider has complied with Division 3 of Part 4 of the User Rights Principles 1997 in the 2010 to 2011 financial Year.
- (d) the approved provider has complied with Divisions 2 & 5 of Part 4 of the User Rights Principles.

C H DOBB F.C.A. ASIC RCA 10474  
Bentleigh

September 20th, 2011