

## **President's Report for 2017 YVAC AGM**

It has been an eventful twelve months for YVAC. Last year I mentioned that we were in the process of purchasing 45 Castor Street. The purchase was completed earlier this year. The price of \$350,000.00 was expensive but it is a large block with an area of 2600 square metres and it complements our existing holdings and will provide considerable scope for future development in association with our existing facilities.

Finally last month the refurbishment of Horton House commenced and hopefully will be completed towards the end of 2018. We entered into a tender process and had quotes from three builders. The successful tenderer was Complete Constructions a Canberra based building firm. They were preferred over the other two because of our previous association with them. They built Warmington Lodge and did the renovations at Horton House after the fire. The quality of work was first class and there was a good working relationship with management. Their quote was also the cheapest at \$3,173,617.00 but their construction time was the longest by an additional 14 weeks. This could have some impact on revenue but this would be less than the additional cost of the second choice.

We expect to fund the cost of the project from our reserves but it will be tight. There is surplus cash in excess of \$1 million and we are able to use the accommodation deposits and bonds provided cash remains above 65% of resident liabilities.

The project includes a new wing of 7 rooms with ensuites and a new staff room, a new link from the main lounge to the existing link to Warmington Lodge and adding ensuites to 19 existing rooms, leaving 8 rooms without ensuites. The cost of adding ensuites to all rooms was prohibitive and impact on revenue would have been far greater.

There is no increase in resident numbers which remains at 35 but the project is essential if Horton House is to remain viable. Occasionally there has been a reluctance to take up residency because of the common bathrooms and this will only increase as time goes on.

On the 30 September we celebrated the 25th anniversary of Horton House. The mid day function was very successful and well attended. I thank Tony Reeves for stepping in for me and Tony Parker for his excellent speech on the history of Horton House and Warmington Lodge. I also thank Lyn and her staff for all their hard work.

The Financial Statements for 2017 show a deficit of \$201,524 which is substantially more than the previous year which is disappointing. I will leave the explanation for this to the finance report but notwithstanding this loss YVAC is cash flow positive due in large part to the donations from the Yass Aged Care Foundation. We are very appreciative of the assistance given by the Foundation and for this I thank Peter Doyle and his committee.

I also acknowledge the great work done by the Friends of Horton House and Warmington Lodge whose donations enable the purchase of specialised equipment for the benefit of our residents. I also thank all the volunteers and the various groups that provide the Wednesday morning teas at the Lodge.

A big thanks to Lyn, her management team and all the staff at Horton House and Warmington Lodge for all their hard work and the assistance and loving care they give to our residents. It is this dedication to duty that distinguishes our facility from many of the other aged care facilities around the country. It was only last month that there was an unannounced visit by three quality agency auditors to look at a number of outcomes such as clinical care, medication management and continuous improvement and the facility met all of these outcomes. For this Lyn and her staff are to be congratulated.

Lastly I wish to thank my Board for all their effort and work, in particular Melina Waters the Convenor of the Audit and Risk Committee and Tony Reeves the Convenor of the Personnel and Remuneration Committee.

Michael Walker

President