



Lyndoch Living handed over for zero dollars

## Description



The end: all of Lyndoch Living's assets are being passed across for zero dollars to its new owner.

### **Carol Altmann – The Terrier**

Lyndoch Living has been disposed of for zero dollars.

All of Lyndoch Living's assets – the riverfront land, buildings, apartments, cash – are now being transferred to its new owners the Respect Group and in return, I recently learned, Lyndoch *will receive no payment*.

Nothing.

After 70 years as a valuable, community owned asset, built on the back of raffles, volunteers and goodwill, Lyndoch Living as we know it no longer exists and we will not receive a single dollar for it.

Instead, in secret, the now-defunct Lyndoch Living board went cap in hand to the not-for-profit Respect Group and struck a deal to hand off the assets, the operations and the debt.

**So parlous was Lyndoch's position, they agreed – without any community consultation – to hand it all over for nothing.**

To be super clear, as Respect confirmed to me, this *includes* the valuable waterfront land off Hopkins Rd, the land along Marfell Rd, the independent living apartments, all the buildings, the original 'Lyndoch' homestead, the aged care operations, and any cash invested or on hand.

In other words, the whole box and dice.

The reason for such desperation is that the now-defunct board had completely failed in its duty to manage Lyndoch Living on behalf of the community.

In 2015, before the malignant impact of former CEO Doreen Power, Lyndoch Living was thriving as a \$100 million organisation with a waiting list for its 200 beds.

In 2015, it had a healthy \$69 million in equity or assets minus liabilities.

By early 2024, at the time of the deal with Respect, its equity had collapsed to just under \$15 million. (A figure confirmed yesterday by the Respect Group).

**In less than 10 years, Lyndoch's equity has plummeted and its liabilities have skyrocketed from \$27 million to \$74 million.**

The deficient board drove Lyndoch Living to its knees, to the point where – we now learn – it had no saleable value.

Zero-dollar transfers usually happen when an aged care home needs saving, or the operators are leaving aged care.

Don't forget even the dated May Noonan Hostel in Terang was sold to Lyndoch for more than \$1 million in 2018.

**Put simply, every significant financial decision by the board since 2015 has ended in disaster.**

May Noonan Hostel has been emptied out and sold, the \$22 million medical building was sold for a huge loss, the GP clinic for which it paid \$1.3 million is a mere husk operating out of a broom cupboard, and now Lyndoch itself has been stripped from the people of Warrnambool and given away.

Don't believe for a moment that the demise of Lyndoch was inevitable because of the changing demands of aged care.

In the same period as the former board was driving Lyndoch over a cliff, the Respect Group – a small not-for-profit from regional Tasmania – *expanded* from a handful of small aged care homes, to 26 across Tasmania, Victoria and NSW.

A not-for-profit that started in Ulverstone – population 11,000 – has swallowed up Lyndoch Living.

**That's what can happen with capable leadership and sticking to your core business.**

By law, as a community owned aged care home, whatever funds Lyndoch made from any sale/transfer/merger should have gone back into the community.

I expected that to be at least several million dollars.

Such are Lyndoch's financial burdens, however, there is nothing.

The cupboard is bare and – yet again – it is the community that loses.

I wonder what Ern Harris, who secured the 'Lyndoch' site all those years ago, would have to say? Or Sir Fletcher Jones, whose staff donated a portion of their wages each week to Lyndoch, what would he think?

Perhaps they would join us in asking: why has nobody been held to account?

*[I want to mention the co-operation of the Respect Group CEO Jason Binder for this piece by answering questions quickly and openly. It was a refreshing reminder of how a community oriented, not-for-profit can operate.]*

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1. Lyndoch

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